

SUMMARY

Dated 28 March 2024

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

In respect of an issue of up to
€16,000,000 5.85% Secured Bonds 2034
of a nominal value of €100 per Bond issued and redeemable at par
ISIN: MT0002801208

by



BURMARRAD GROUP ASSETS P.L.C.

Sponsor, Manager & Registrar

Security Trustee

Legal Counsel

Calamatta Cuschieri

CSB | trustees & fiduciaries ltd

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LEGAL

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

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

APPROVED BY THE DIRECTORS

Maria Gauci

Mario Gauci

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

1. INTRODUCTION AND WARNINGS

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

Issuer:	Burmarrad Group Assets p.l.c., a public limited liability company registered in Malta, with company registration number C 83190
Address:	MARJO, Burmarrad Road, Burmarrad, St. Paul's Bay SPB 9060, Malta
Telephone number:	+356 21573261
Website:	www.bgassetsplc.com
Legal Entity Identifier ("LEI"):	98450090A83C3F590A19
Competent authority approving the Prospectus:	The MFSA, established in terms of the Financial Markets Act (Cap. 345 of the laws of Malta)
MFSA address:	Malta Financial Services Authority, Triq I-Imdina, Zone 1, Central Business District, Birkirkara CBD 1010, Malta
MFSA telephone number:	+ 356 2144 1155
MFSA website:	https://www.mfsa.mt/
Name of the securities:	5.85% Secured Bonds 2034
ISIN of the Bonds:	MT0002801208
Prospectus approval date:	28 March 2024

Prospective investors are hereby warned that:

- (i) this Summary should be read as an introduction to the Prospectus. It is being provided to convey the key characteristics and risks associated with the Issuer and the Bonds being offered pursuant to the Prospectus. It is not and does not purport to be exhaustive and investors are warned that they should not rely on the information contained in this Summary in making a decision as to whether to invest in the securities described in this document;
- (ii) any decision of the investor to invest in the Bonds should be based on a consideration of the Prospectus as a whole by the investor;
- (iii) an investor may lose all or part of the capital invested in subscribing for Bonds;
- (iv) where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under the national legislation of Malta, have to bear the costs of translating the Prospectus before the legal proceedings are initiated; and
- (v) civil liability attaches only to those persons who have tabled the Summary, including any translation thereof, but only if the Summary, when read together with the other parts of the Prospectus, is misleading, inaccurate, or inconsistent or does not provide key information in order to aid investors when considering whether to invest in the Bonds.

2. KEY INFORMATION ON THE ISSUER

2.1 WHO IS THE ISSUER OF THE BONDS?

Domicile and legal form, its LEI and country of incorporation

The Issuer is Burmarrad Group Assets p.l.c., a public limited liability company registered in Malta in terms of the Companies Act (Cap. 386 of the laws of Malta). The Issuer was incorporated and is domiciled in Malta and with legal entity identifier (LEI) number 98450090A83C3F590A19.

Principal activities of the Issuer

The Issuer is the holding company of the Issuer Group which, following the reorganisation and restructuring which took place in the second to fourth quarters of 2023 and the beginning of 2024, is the main asset ownership arm of the larger Burmarrad Group (save for the Marsa Premises), whilst actual vehicle operations have been ringfenced into the Operational Group. The Issuer acts as the finance arm of the said Issuer Group by raising finance and advancing same to members of the Issuer Group, apart from owning a main asset in its own right, namely the BBT Pledged Shares. The Issuer has two recently established Subsidiaries, namely Burmarrad Group Fleets Limited (C 105735) which owns the fleet of vehicles which are leased to and operated by companies within the Operational Group and Burmarrad Group Properties Limited (C 105732) which owns the Group Properties.

Organisational structure of the Group

The Issuer is a subsidiary company of Burmarrad Group Limited (C 86804). It is in turn the parent company of two fully owned Subsidiaries, namely Burmarrad Group Fleets Limited and Burmarrad Group Properties Limited.

Major shareholders of the Issuer

The Issuer's majority shareholder is Burmarrad Group Limited, which holds all of the issued shares except for one (1) Ordinary 'B' share (namely 14,126,999 Ordinary 'A' shares of a nominal value of €1 each), whereas the 1 remaining share (namely 1 Ordinary 'B' share of €1 which has no voting rights nor rights to participate in dividend distributions and distribution of assets upon winding up) is held by Mario Gauci Snr. Burmarrad Group Limited is the parent company of the Issuer and the Issuer Group and of Burmarrad Co. Limited (C 96192) and the Operational Group, and collectively of the larger Burmarrad Group.

75% of the voting shares in Burmarrad Group Limited are held by B.C. Holdings Limited (C 31961) and the remaining 25% of such voting shares are held by MGBG Limited (C 99771). B.C. Holdings Limited is owned equally by the siblings Sharon Gauci, Maria Gauci and Mario Gauci Jnr. 45% of the voting shares in Burmarrad Group Limited, as owned by B.C. Holdings Limited, are subject to a usufruct in favour of Mario Gauci Snr. and his wife Josephine (held by them as part of the community of acquests), which usufruct carries with it the right to vote and receive dividends. MGBG Limited, which owns 25% of the voting shares in Burmarrad Group Limited, is fully owned and controlled by Mario Gauci Snr. Effectively, therefore, Burmarrad Group Limited and the Issuer are indirectly controlled as to 70% by Mario Gauci Snr.

Key managing directors

The board of directors of the Issuer is composed of the following persons: Albert Frendo (Chairperson and independent non-executive Director), Maria Gauci (Executive Director), Mario Gauci Jnr. (Executive Director), Mark Anthony Grech (Independent non-executive Director) and David Spiteri (Independent non-executive Director).

Statutory Auditors

The auditors of the Issuer as of the date of this Summary are BDO Malta of BDO Malta, Triq it-Torri, Msida MSD 1824, Malta. The Accountancy Board registration number of BDO Malta is AB/26/84/06.

2.2 WHAT IS THE KEY FINANCIAL INFORMATION REGARDING THE ISSUER?

The historical financial information pertaining to the Issuer is included in the audited financial statements for the financial years ended 31 January 2021, 31 January 2022 and 31 January 2023 and the unaudited interim financial statements for the six-month period ending 31 July 2023 are available for review on the Issuer's website (www.bgassetsplc.com) and are available for inspection at the Issuer's registered office.

Key figures extracted from the said financial report are being presented below:

BURMARRAD GROUP ASSETS P.L.C.						
	Jan23	Jan23	Jan22	Jan21	Jul23	Jul22
	Pro Forma €'000s	Audit €'000s	Audit €'000s	Audit €'000s	Mgmt €'000s	Mgmt €'000s
Statement of Comprehensive Income						
Profit / (loss) for the period	N/A	1,028	(6)	(13)	(3)	(4)
Statement of Financial Position						
Total assets	37,029	8,740	8,070	7,769	8,765	N/A
Statement of Cash Flows						
Net cash flows generated from / (used in) operating activities	N/A	(3)	(26)	-	8	8
Net cash flows generated from / (used in) investing activities	N/A	(22)	(301)	-	(25)	(8)
Net cash flows generated from / (used in) financing activities	N/A	23	327	-	16	-

2.3 WHAT ARE THE KEY RISKS THAT ARE SPECIFIC TO THE ISSUER?

Economic and financial risks

Dependence of Issuer's financial performance on third parties

The Issuer, as the holding company of the Issuer Group, is ultimately financially dependent on the results and performance of its Subsidiaries and the results and performance of its associate company BBT p.l.c. The Issuer expects to receive dividends and repayments of loans granted to its Subsidiaries (including the Issuer-BGFL Loan to Burmarrad Group Fleets Limited) in order to part-finance the acquisition of the initial fleet of vehicles and related vehicle business as well as the Vehicle-Related Fixed Assets through the proceeds of the Bond Issue. The loan repayments and dividends from Subsidiaries as well as the dividends expected to be received from the investments held directly by the Issuer itself, principally the BBT Pledged Shares, will be used to finance part of the debt servicing obligations related to the Bonds. In turn, Burmarrad Group Fleets Limited, which owns the vehicles and the Vehicle-Related Fixed Assets, is also partially dependent on the operational and financial performance of companies within the Operational Group, particularly Burmarrad Commercials Limited (C 13537), BC Auto Rentals Limited (C 96347) and Burmarrad Manufacturing Limited (C 81092), from which it expects to receive its main revenues consisting of rent for the lease of vehicles and Vehicle-Related Fixed Assets to them and eventually the proceeds of sale of vehicles to them, which revenues will essentially finance payments to be made by Burmarrad Group Fleets Limited to the Issuer under the Issuer-BGFL Loan. Therefore, the risks intrinsic in the business and operations of the above-mentioned Subsidiaries, Operational Group companies and BBT p.l.c., over which the Issuer may not and will not in most cases have direct control, will have an effect on the financial ability of the Issuer to

meet its payment obligations under the Bonds. Accordingly, the financial risks of the Issuer are a reflection and consequence of the financial, economic, business, operational and other risks of the above-mentioned companies, the most material of which are mentioned below in this section 2.3.

Risks arising from war and/or conflict

Wars and conflicts which may from time to time occur in various parts of the world, including the current Russia – Ukraine armed conflict, may present new risks or exacerbate certain risks to which the operations or the revenues of the Group are subject. This apart from the negative effects these conflicts may have on the economy as a whole and on particular economic drivers, such as tourism and commerce, being two main consumers of vehicle rental activity.

Risks relating to inflation

As at the date of this Prospectus, inflation remains at elevated levels when compared to the past decades. Inflation may negatively affect the future financial performance of the Group, including through the consequent increase in the prices of goods and services and the cost of new opportunities, higher borrowing costs, and the overall decrease in purchasing power. This may in turn also have a negative impact on the revenues of the Operational Group from which the Group receives its revenues.

Business and operational risks

Risks relating to vehicle rental and lease operations

The car leasing and vehicle rental lines of business of Burmarrad Commercials Limited and BC Auto Rentals Limited, from which Burmarrad Group Fleets Limited derives its main revenues, may be directly affected by various business and operational risks, including actual costs and expenses resulting to be higher than the assessments and estimates made for purposes of pricing rental and lease offerings by the Operational Group companies, the Operational Group companies' failure to accurately estimate future demand levels of car rental and leasing services and to determine the appropriate number or type of cars to be used in their rental operations with the consequential possible excess or shortage of vehicles in the portfolio, failures of the Operational Group companies' to continuously provide high quality services in their vehicle leasing and rental businesses in all respects on which their financial and competitive success greatly depends, the possible termination (for breach or otherwise) or non-renewal of BC Auto Rentals Limited's franchise agreement with Enterprise Holdings for the operation under franchise of the global vehicle brands in Malta, "Enterprise Rent-A-Car", "National Car Rental" and "Alamo Rent A Car" which could seriously affect the profitability of BC Auto Rentals Limited's auto rental business, the increase in competition in the vehicle leasing and rental business, the potential loss of rental volume resulting from the offering of new mobility business models by undertakings, the seasonal nature of the car rental business with the risk of occurrences that disrupt rental activity during high rental and profitability peaks periods, the potential loss of key car leasing or rental corporate or other customers which could result in a significant loss of revenues, the risk of inability or difficulties faced by the Operational Group companies to effectively collect accounts receivable from customers, the Operational Group companies' inability to maintain confidentiality and integrity of customer data which may lead to loss of clients apart from penalties and other sanctions for breach of relevant data protection and data security laws, the risk of failure to attract qualified employees in both car rental and vehicle lease sectors, and the risk that the insurance coverage maintained may not be sufficient in all cases.

Risks relating to the property rental business of BBT and the Group

BBT p.l.c., which is a major investment of the Issuer, is materially involved in rental of commercial properties to third parties, and to a lesser extent, the Issuer Group itself may grant commercial leases of any of the Group Properties owned by Burmarrad Group Properties Limited. This business sector may be affected by a number of factors, including national economy, political developments, changes in relevant laws, interest rate fluctuations, inflation and other economic, political and social factors. An increase in the supply of commercial properties could impact negatively upon capital values and income streams of the BBT's and the Group's properties, and their respective ability to source new lessees upon termination or non-renewal of the then current leases. The business, revenue and projected profits of BBT and of the Group would also be negatively impacted if lessees fail to honour their respective lease obligations.

Risks relating to real estate acquisition, development and sale

Some of the Group Properties owned or other properties which may in future be owned by the Group may be sold from time to time, in some cases after undergoing development. There are a number of factors that commonly affect the real estate development industry, many of which are beyond the Group's control, and which could adversely affect the economic performance of the Group. Such factors include planning permit delays and costs, changes in local market conditions (such as oversupply or reduction in demand for real estate), increased market competition, shortages and/or price increases in raw materials and services leading to cost overruns, penalties or litigation resulting from delays in completion, acts of God and other force majeure events, health and safety risks and litigation associated with it.

Legal and regulatory risks

Risks relative to changes in laws and new industry standards and practices

The Group companies and their respective current and future operations are subject to laws and regulatory requirements applicable to vehicle ownership, leases and other vehicle-related operations, property development, rental and sales and other respective business sectors within which they operate. The regulatory environment in which the Group operates is constantly evolving, with the introduction of new rules, regulations and policies, or the amendment of existing ones, which may result in the imposition of new requirements for the Group in terms of sustainability factors and other matters. The Group is at risk in relation to changes in laws and regulations to which it is subject and the timing and effects thereof, their interpretation, and in administrative practices, which cannot be predicted and which can negatively affect the Group companies' business and operations and also their profitability, even in terms of additional costs of compliance and potential additional taxation.

3. KEY INFORMATION ON THE SECURITIES

3.1 WHAT ARE THE MAIN FEATURES OF THE SECURITIES?

The Bonds are being issued in an aggregate amount of up to €16,000,000 with a nominal value of €100 per Bond issued at par and redeemable at the Redemption Value, namely at par, on 14 May 2034, this being the Redemption Date. The Bonds shall bear interest at the rate of 5.85% per annum on the nominal value of the Bonds, payable on 14 May of each year, with the first interest payment being due on 14 May 2025 and the last interest payment being due on Redemption Date.

The Bonds shall 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 shall have the following ISIN: MT0002801208. The Bonds shall be freely transferable.

The Bonds, as and when issued and allotted, shall constitute the general, direct, secured and unconditional obligations of the Issuer and shall at all times rank *pari passu*, without any priority or preference among themselves. The Bonds shall be secured by the BGFL Pledge to be constituted by the Issuer on the BGFL Pledged Shares owned by it in favour of the Security Trustee for the benefit of Bondholders, and accordingly, save for such exceptions as may be provided by applicable law, the Bonds shall rank with priority or preference to all present and future obligations of the Issuer, by virtue and to the extent of the above-mentioned first ranking BGFL Pledge over its BGFL Pledged Shares. The Bonds will also be secured by the BBT Pledge to be constituted by the Issuer on the BBT Pledged Shares owned by it in favour of the Security Trustee for the benefit of Bondholders and accordingly, save for such exceptions as may be provided by applicable law, the Bonds shall also rank with priority or preference to all present and future obligations of the Issuer, by virtue and to the extent of the above-mentioned first ranking BBT Pledge over its BBT Pledged Shares.

There are no special rights attached to the Bonds other than the right of the Bondholders to (a) repayment of capital; (b) the payment of interest; (c) the benefit of the Collateral (namely the BGFL Pledge and the BBT Pledge) through the Security Trustee; (d) the right to attend, participate in and vote at meetings of Bondholders in accordance with the Terms and Conditions of the Bond Issue; and (e) all such other rights attached to the Bonds emanating from the Prospectus.

3.2 WHERE WILL THE SECURITIES BE TRADED?

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

3.3 WHAT ARE THE KEY RISKS THAT ARE SPECIFIC TO THE SECURITIES?

Risks relating to the Bonds

Suitability of the Bonds

An investment in the Bonds may not be suitable for all recipients of the Prospectus and prospective investors are urged to read and understand the Prospectus in full and to consult an investment advisor before making an investment decision with a view to ascertain that s/he has sufficient knowledge and understanding of the Bonds and the merits and risks of investing in the Bonds, and that s/he has sufficient financial resources and liquidity to bear all the risks of an investment in the Bonds. Otherwise there is a risk that such investor may acquire an investment which is not suitable for his/her risk profile.

Interest rate risk

Investment in the Bonds involves the risk that subsequent changes in market interest rates may adversely affect the value of the Bonds. In particular, if interest rates rise, the prices that market participants will generally be willing to pay for the Bonds can be expected to decline. Moreover, price risks for longer maturity bonds tend to be higher than for shorter maturity bonds.

Risks relating to inflation

Inflation, namely the rising level of prices for goods and services, currently remains at an elevated level. This can have two negative impacts on those who invest in bonds. Inflation typically leads to a rise in short-term interest rates, and intermediate and longer-term rates also tend to go up as a consequence. This rise in interest rates will lead to a fall in the prices of bonds. Furthermore, inflation can wipe away the yields generated by a bond, in view of the loss of purchasing power brought about by inflation.

Trading and liquidity risks

There can be no assurance that an active secondary market for the Bonds will develop or, if it develops, that it will continue. Nor can there be any assurance that an investor will be able to re-sell his/her Bonds at or above the Bond Issue Price or at all. A trading market having the desired characteristics of depth, liquidity and orderliness depends on a number of factors, which are dependent upon the individual decisions of investors and the general economic conditions of the market, over which the Issuer has no control. The outbreak of the COVID-19 pandemic in 2020, has resulted in a highly volatile economy. This volatility may also increase as a result of wars or conflicts between countries, including the current Russia – Ukraine conflict. Continued or increased volatility and disruption in the capital markets may impair the saleability of the Bonds.

Risks relating to the Collateral

Risks relating to the Collateral constituted by the Pledges and the value thereof

Whilst the Pledges grant the Security Trustee a right of preference and priority for repayment of the Bonds over the creditors of the Issuer in respect of the BGFL Pledged Shares and the BBT Pledged Shares, and whilst the estimated combined value of such Collateral as at the date of this Prospectus is sufficient to cover the Redemption Value of the Bonds, there can be no guarantee that the aggregate value of such Collateral over the term of the Bonds will be and/or remain so sufficient. The value thereof may decrease as a result of various factors, including general economic factors or even specific factors, events or circumstances that could have an adverse impact on the performance and financial condition of Burmarrad Group Fleets Limited and/or the Operating Group, and consequently on the value of the BGFL Pledged Shares and/or the BBT Pledged Shares. This could have a material adverse effect on the recoverability of all the amounts that may be outstanding under the Bonds. Furthermore, there is no guarantee that the estimated value of the Collateral as set out in the Prospectus and in the Valuation Report is necessarily correct or would actually be achieved on the market upon an eventual enforcement. The valuation of shares is to an extent subjective, due to, among other things, the assumptions upon which the valuation is calculated.

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

4.1 UNDER WHICH CONDITIONS AND TIMETABLE CAN I INVEST IN THIS SECURITY?

Application for the Bonds

Application for the Bonds must be lodged with any of the Authorised Financial Intermediaries. All Applications are subject to a minimum subscription amount of €5,000 in nominal value of Bonds and in multiples of €100 thereafter.

Expected timetable

1. Offer Period	4 April 2024 to 2 May 2024
2. Placement Date	2 May 2024
3. Intermediaries' Offer Date	2 May 2024
4. Commencement of interest	7 May 2024
5. Expected announcement of basis of acceptance	7 May 2024
6. Expected dispatch of allotment letters	14 May 2024
7. Expected date of admission of Bonds to listing	14 May 2024
8. Expected date of commencement of trading in the Bonds	15 May 2024
9. Expected date of constitution of the Collateral	not later than 14 June 2024

The Issuer reserves the right to close the Offer Period earlier in the event of over-subscription, in which case the events set out in step 2 onwards and the Issue Date may be brought forward. The dates specified in step 5 onwards are latest dates for the occurrence of the events mentioned therein, which events may in actual fact take place earlier than such latest dates.

Plan of distribution and allotment and allocation policy

The Bonds are open for subscription by all categories of investors.

The Issuer may enter into conditional Placement Agreement/s with one or more Authorised Financial Intermediary/ies whereby an agreed amount in nominal value of the Bonds shall be made available for subscription to such Authorised Financial Intermediaries, for their own account (where applicable) or on behalf of their clients. The Issuer may enter into sales agreements with Authorised Financial Intermediaries for an aggregate amount equivalent to the remaining amount of the Bond Issue not covered by the Placement Agreements (if any), for subscription of Bonds by such Authorised Financial Intermediaries for their own account (where applicable) or on behalf of their clients.

The issue and final allotment of the Bonds is conditional upon the following events, in the chronological order set out below: (1) the minimum subscription amount of €12,500,000 of Bonds is achieved; and (2) the Bonds being admitted to the Official List within 15 Business Days from the closing of the Offer Period. In the event that any of the aforesaid Conditions Precedent is not satisfied, any Application monies received by the Issuer will be returned without interest by direct credit into the Applicant's bank account.

Total estimated expenses

The total estimated expenses of the Bond Issue are €600,000.

4.2 WHY IS THIS PROSPECTUS BEING ISSUED?

Use and estimated net amount of proceeds

The proceeds from the Bond Issue, which net of Bond Issue expenses are expected to amount to €15,400,000, shall be used for the following purposes, in the amounts and order of priority set out below:

- (i) **Payment of part of the consideration due in respect of the Issuer Group's acquisition of vehicles and related vehicle business under the Vehicle Business Acquisition and Rental Agreements, the acquisition of the Vehicle-Related Fixed Assets under the Vehicle-Related Fixed Assets Acquisition and Rental Agreement, the acquisition of immovable property assets and the acquisition of the equity interest in BBT plc, which have been acquired for a total consideration of approximately €35,500,000:**
- (a) An amount of approximately **€3,700,000** will be used to settle part of the consideration due in respect of the vehicles and related vehicle business acquired by Burmarrad Group Fleets Limited from Burmarrad Commercials Limited under the BCL Vehicle Business Acquisition and Rental Agreement, and in particular such part of the said consideration which represents the price payable by Burmarrad Group Fleets Limited for the WSC Leased Vehicles, which price remains outstanding as at the date hereof, and which will be applied, to the extent necessary, to settle directly to Bank of Valletta p.l.c. the bank facility forming part of the Relevant Bank Loans taken out by Burmarrad Commercials Limited which relates to the acquisition of the said WSC Leased Vehicles which is at the relevant time drawn down and outstanding;
 - (b) An amount of approximately **€3,400,000** will be used to settle part of the consideration due in respect of the vehicles and related vehicle business acquired by Burmarrad Group Fleets Limited from Burmarrad Commercials Limited under the BCL Vehicle Business Acquisition and Rental Agreement, which price remains outstanding as at the date hereof, and which will be applied to settle directly to Bank of Valletta p.l.c. another portion of the outstanding Relevant Bank Loans due by Burmarrad Commercials Limited which were incurred in connection with the vehicle operations;
 - (c) An amount of approximately **€1,800,000** will be used to settle part of the consideration due in respect of the Vehicle-Related Fixed Assets acquired by Burmarrad Group Fleets Limited from Burmarrad Manufacturing Limited under the Vehicle-Related Fixed Assets Acquisition and Rental Agreement, which price remains outstanding as at the date hereof, and which will be applied to settle directly to Bank of Valletta p.l.c. the Relevant Bank Loan due by Burmarrad Manufacturing Limited;
 - (d) An amount of approximately **€2,500,000** will be used to settle part of the consideration due in respect of the vehicles and related vehicle business acquired by Burmarrad Group Fleets Limited from Burmarrad Commercials Limited and from BC Auto Rentals Limited under the respective Vehicle Business Acquisition and Rental Agreements, which price remains outstanding as at the date hereof, and which will be applied to settle directly debts due to HP Creditors which were incurred in connection with the vehicle operations;
- (ii) **General corporate funding:** the amount of approximately **€4,000,000** together with any residual amounts not utilised for the purposes identified in paragraphs (i)(a) to (d) above, shall be utilised for general corporate funding purposes of the Group.

For the purposes of financing the use of proceeds indicated in paragraphs (i)(a) to (d) above, it is expected that within 15 Business Days following listing of the Bonds the Issuer, Burmarrad Group Fleets Limited and the Security Trustee shall enter into the Issuer-BGFL Loan Agreement, whereby the Issuer shall make and constitute the Issuer-BGFL Loan of an amount of €11,400,000 to Burmarrad Group Fleets Limited. The Issuer-BGFL Loan will bear interest at 6.35% per annum payable on 2 May of each year, and the outstanding loan amount thereof shall be repayable by not later than 2 May 2034.

Underwriting

The Bond Issue is not subject to an underwriting agreement on a firm commitment basis.

Conflicts of interest

Save for the subscription for Bonds by the Authorised Financial Intermediaries (which include the Sponsor and Registrar), and any fees payable in connection with the Bond Issue to the Sponsor and Registrar, so far as the Issuer is aware no person involved in the Bond Issue has any material conflicts of interest pertaining to the offer of Bonds or their admission to trading.

REGISTRATION DOCUMENT

Dated 28 March 2024

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



BURMARRAD GROUP ASSETS P.L.C.

a public limited liability company duly incorporated under the Laws of Malta, with company registration number C 83190

Sponsor, Manager & Registrar

Security Trustee

Legal Counsel

Calamatta Cuschieri

CSB | trustees & fiduciaries ltd

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

APPROVED BY THE DIRECTORS

Maria Gauci

Mario Gauci

IMPORTANT INFORMATION

THIS REGISTRATION DOCUMENT CONTAINS INFORMATION ON BURMARRD GROUP ASSETS P.L.C. IN ITS CAPACITY AS ISSUER, IN ACCORDANCE WITH THE REQUIREMENTS OF THE CAPITAL MARKETS RULES, THE COMPANIES ACT (CAP. 386 OF THE LAWS OF MALTA) AND THE PROSPECTUS REGULATION.

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

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

THIS REGISTRATION DOCUMENT IS VALID FOR A PERIOD OF TWELVE MONTHS FROM THE DATE HEREOF. FOLLOWING THE LAPSE OF THIS VALIDITY PERIOD, THE ISSUER IS NOT OBLIGED TO UPDATE OR SUPPLEMENT THE PROSPECTUS IN THE EVENT OF SIGNIFICANT NEW FACTORS, MATERIAL MISTAKES OR MATERIAL INACCURACIES.

UNLESS OTHERWISE STATED, THE CONTENTS OF THE ISSUER'S WEBSITE, IF ANY, 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 ANY SECURITIES ISSUED BY THE ISSUER.

THE VALUE OF INVESTMENTS CAN FALL AS WELL AS RISE, AND PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE PERFORMANCE. PROSPECTIVE INVESTORS SHOULD CAREFULLY CONSIDER ALL THE INFORMATION CONTAINED IN THE PROSPECTUS AS A WHOLE AND SHOULD CONSULT THEIR OWN FINANCIAL AND OTHER PROFESSIONAL ADVISORS.



BURMARRAD
GROUP ASSETS PLC

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1. DEFINITIONS

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

Act	The Companies Act, 1995, Cap. 386, Laws of Malta;
Bank BBT Pledge	The first-ranking pledge over the BBT Pledged Shares owned by the Issuer which is currently registered in favour of Bank of Valletta p.l.c. to secure the Secured Bank Loans, as referred to under section 6.2 of this Registration Document and section 4.2 of the Securities Note;
Bank Group Properties Special Hypothecs	The special hypothecs currently registered in favour of Bank of Valletta p.l.c. over the Group Properties listed under paragraphs 1, 2, 3, 6, 7 and 8 under heading C. 'Group Properties' under section 5.2 of this Registration Document, to secure certain Secured Bank Loans;
Bank Pledges on Receivables	The pledges on receivables held by Bank of Valletta p.l.c. as mentioned under the heading 'Debts and security interests relating to the main assets of the Issuer Group' under section 5.2 of this Registration Document, to secure certain Secured Bank Loans;
BBT p.l.c. or BBT	BBT p.l.c., a public limited liability company registered under the laws of Malta, with company registration number C 101666, having its registered office at The Watercourse Zone 2, Central Business District, Mdina Road, Birkirkara CBD 2010, Malta;
BBT Pledge	The first ranking pledge over the BBT Pledged Shares to be granted by the Issuer in favour of the Security Trustee, for the benefit of Bondholders, to secure the claim of the Security Trustee, for the benefit and in the interest of Bondholders, for the payment of the Redemption Value of and interest on the Bonds by the Issuer, as set out in section 6.2 of this Registration Document and in section 6.3 of the Securities Note;
BBT Pledge Agreement	An agreement to be entered into <i>inter alia</i> by and between the Issuer and the Security Trustee, whereby the Issuer shall constitute the BBT Pledge over the BBT Pledged Shares owned by it in favour of the Security Trustee for the benefit of Bondholders;
BBT Pledged Shares	22,680 Ordinary A shares of a nominal value of €1.00 each, fully paid up, in the capital of BBT p.l.c. held by the Issuer;
B.C. Holdings Limited or BCHL	B.C. Holdings Limited, a private limited liability company registered under the laws of Malta, with company registration number C 31961, having its registered office at MARJO, Burmarrad Road, St. Paul's Bay, Malta;
BC Auto Rentals Limited or BCARL	BC Auto Rentals Limited, a private limited liability company registered under the laws of Malta, with company registration number C 96347, having its registered office at MARJO, Burmarrad Road, Burmarrad, St. Paul's Bay SPB 9060, Malta;
BCARL Vehicle Business Acquisition and Rental Agreement	The agreement entered into by and between BGFL and BCARL, dated 15 February 2024, whereby <i>inter alia</i> BGFL acquired the portfolio of vehicles and related vehicle business owned by BCARL and used by BCARL in its car rental business, and leased them back to BCARL for it to operate same, by virtue of and under the terms and conditions of the said BCARL Vehicle Business Acquisition and Rental Agreement;
BCL Vehicle Business Acquisition and Rental Agreement	The agreement entered into by and between BGFL and BCL, dated 15 February 2024, whereby <i>inter alia</i> BGFL acquired the portfolio of vehicles and related vehicle business owned by BCL and used by BCL in its car leasing and rental business, and leased them back to BCL for it to operate same, by virtue of and under the terms and conditions of the said BCL Vehicle Business Acquisition and Rental Agreement;
BGFL Pledge	The first ranking pledge over the BGFL Pledged Shares to be granted by the Issuer in favour of the Security Trustee, for the benefit of Bondholders, to secure the claim of the Security Trustee, for the benefit and in the interest of Bondholders, for the payment of the Redemption Value of and interest on the Bonds by the Issuer, as set out in section 6.2 of this Registration Document and in section 6.3 of the Securities Note;

BGFL Pledge Agreement	An agreement to be entered into <i>inter alia</i> by and between the Issuer, the Security Trustee and BGFL, whereby the Issuer shall constitute the BGFL Pledge over the BGFL Pledged Shares owned by it in favour of the Security Trustee for the benefit of Bondholders;
BGFL Pledged Shares	1,200 ordinary shares of a nominal value of €1.00 each, fully paid up, in the capital of BGFL, and constituting the totality of the issued share capital of the said BGFL, held by the Issuer;
Bondholders	The holders of the Bonds, each a "Bondholder" ;
Bond Issue	The issue of Bonds;
Bond Issue Approval Date	The date when the Malta Financial Services Authority approved the Bonds as eligible to listing on the Official List of the MSE pursuant to the Capital Markets Rules, namely 28 March 2024;
Bonds or Secured Bonds	The €16,000,000 secured bonds due 2034 of a nominal value of €100 per bond payable in full upon subscription and redeemable at their Redemption Value on the Redemption Date, bearing interest at the rate of 5.85% per annum, as set out in the Securities Note;
Burmarrad Commercials Limited or BCL	Burmarrad Commercials Limited, a private limited liability company registered under the laws of Malta, with company registration number C 13537, having its registered office at MARJO, Burmarrad Road, Burmarrad, St. Paul's Bay SPB 9060, Malta;
Burmarrad Co. Limited or BCOL	Burmarrad Co. Limited, a private limited liability company registered under the laws of Malta, with company registration number C 96192, having its registered office at MARJO, Burmarrad Road, Burmarrad, St. Paul's Bay SPB 9060, Malta;
Burmarrad Group	Burmarrad Group Limited and its direct or indirect Subsidiaries, including its two main direct Subsidiaries being the Issuer and Burmarrad Co. Limited;
Burmarrad Group Limited or BGL	Burmarrad Group Limited, a private limited liability company registered under the laws of Malta, with company registration number C 86804, having its registered office at MARJO, Burmarrad Road, Burmarrad, St. Paul's Bay SPB 9060, Malta;
Burmarrad Group Fleets Limited or BGFL	Burmarrad Group Fleets Limited, a private limited liability company registered under the laws of Malta, with company registration number C 105735, having its registered office at MARJO, Burmarrad Road, Burmarrad, St. Paul's Bay SPB 9060, Malta;
Burmarrad Group Properties Limited or BGPL	Burmarrad Group Properties Limited, a private limited liability company registered under the laws of Malta, with company registration number C 105732, having its registered office at MARJO, Burmarrad Road, Burmarrad, St. Paul's Bay SPB 9060, Malta;
Burmarrad Manufacturing Limited or BML	Burmarrad Manufacturing Limited, a private limited liability company registered under the laws of Malta, with company registration number C 81092, having its registered office at MARJO, Burmarrad Road, St. Paul's Bay SPB 9060, Malta;
Burmarrad Property	The property referred to and described in paragraph 1 under heading B in 'Investment in BBT' under section 5.2 of this Registration Document;
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;
Capital Markets Rules	The capital markets rules issued by the Malta Financial Services Authority in terms of the Financial Markets Act (Cap. 345 of the Laws of Malta);
Center Parc Complex	The property referred to and described in paragraph 3 under heading B. 'Investment in BBT' under section 5.2 of this Registration Document;
Collateral	The following security to be granted in favour of the Security Trustee for the benefit of Bondholders: (a) the BBT Pledge over the BBT Pledged Shares to be granted by the Issuer; and (b) the BGFL Pledge over the BGFL Pledged Shares to be granted by the Issuer;
Directors or Board	The directors of the Issuer whose names are set out under the heading "Identity of the Directors, Advisors and Auditors" in section 3 of this Registration Document;

Enterprise Holdings	EHI Franchising (EMEA) Ltd, a private limited company registered in the United Kingdom with company registration number 08263701;
Euro or €	The official currency of the member States of the European Union that form part of the Euro-zone, including Malta;
Group or Issuer Group	The Issuer and its direct or indirect Subsidiaries, and the term "Group Company" or "Issuer Group Company" shall mean any one of the companies forming part of the Group;
Group Properties	The immovable properties owned by BGFL as listed under heading C. 'Group Properties' under section 5.2 of this Registration Document;
HP Creditors	The hire purchase creditors in respect of certain vehicles acquired by BGFL from BCL and BCARL pursuant to the respective Vehicle Business Acquisition and Rental Agreements whose debt is still outstanding as at the date of this Registration Document;
Issuer or Company	Burmarrad Group Assets p.l.c., a public limited liability company registered under the laws of Malta, with company registration number C 83190, having its registered office at MARJO, Burmarrad Road, Burmarrad, St. Paul's Bay SPB 9060, Malta;
Issuer-BGFL Loan	The loan facility between the Issuer, as lender, and BGFL, as borrower, referred to in section 4.2 of the Securities Note, by virtue of which part of the proceeds of the Bond Issue will be made available by the Issuer to the said BGFL;
Issuer-BGFL Loan Agreement	The agreement to be entered into between the Issuer, BGFL and the Security Trustee whereby the Issuer will make the Issuer-BGFL Loan to BGFL, as provided in section 4.2 of the Securities Note;
Malta Financial Services Authority or MFSA	The Malta Financial Services Authority, established in terms of Article 3 of the Malta Financial Services Authority Act (Cap. 330 of the Laws of Malta), and which has been appointed by the Financial Markets Act (Cap. 345 of the Laws of Malta) as the competent authority to approve prospectuses of any offer of securities to the public in Malta;
Malta Stock Exchange or 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;
Mario Gauci Jnr.	Mr Mario Gauci, holder of identity card number 233284M, being the son of Mario Gauci Snr;
Mario Gauci Snr.	Mr Mario Gauci, holder of identity card number 205857M, being the father of the siblings Sharon Gauci, Maria Gauci and Mario Gauci Jnr.;
Marsa Premises	The premises serving as operational centre of the Operational Group, situated at MRAO41, Valletta Road, Industrial Estate, Marsa MRS 3000, Malta;
Memorandum and Articles of Association or Articles	The memorandum and articles of association of the Issuer in force at the time of publication of this Registration Document;
MGBG Limited or MGBGL	MGBG Limited, a private limited liability company registered under the laws of Malta, with company registration number C 99771, having its registered office at MARJO, Burmarrad Road, Burmarrad, St. Paul's Bay SPB 9060, Malta;
MJSK Limited or MJSK	MJSK Limited, a private limited liability company registered under the laws of Malta, with company registration number C 100584, having its registered office at MARJO, Burmarrad Road, Burmarrad, St. Paul's Bay SPB 9060, Malta;
Offer Period	The period commencing at 09:00 hours on 4 April 2024 and ending at 12:00 hours on 2 May 2024, both days included, during which the Bonds are on offer;
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;
Operational Group	Burmarrad Co. Limited and its direct or indirect Subsidiaries;
Other BBT Shareholders	The shareholders of BBT other than the Issuer, which at the date of this Registration Document are BT Group Limited (C 101263), Tum Operations Limited (C 91301), V. & C. Developments Limited (C 26541) and V&C Investments Limited (C 82808), as the same may be added to or change from time to time;

Pledges	The BBT Pledge and the BGFL Pledge;
Pledge Agreements	The BBT Pledge Agreement and the BGFL Pledge Agreement;
Prospectus	Collectively, this Registration Document, the Securities Note and the Summary;
Prospectus Regulation	Regulation (EU) 2017/1129 of 14 June 2017 of the European Parliament and of the Council on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC, as may be amended and/or supplemented from time to time;
Redemption Date	14 May 2034;
Redemption Value	The redemption amount to be paid to a Bondholder in respect of the redemption of a Bond on the Redemption Date, apart from any interests accrued up to such date, which shall be the nominal value of such Bond;
Relevant Bank Loans	Those of the Secured Bank Loans, in respect of which Bank of Valletta p.l.c. has indicated its intention to the Operational Group that it will agree to release the Bank BBT Pledge upon repayment thereof;
Registration Document	This document in its entirety, forming part of the Prospectus;
Secured Bank Loans	The existing bank loans due by each of BCL and BML to Bank of Valletta p.l.c., which at the date of this Registration Document are secured <i>inter alia</i> by the Bank BBT Pledge and other security interests in favour of the said Bank of Valletta p.l.c.;
Securities Note	The securities note issued by the Issuer dated 28 March 2024, forming part of the Prospectus;
Security Trust Deed or Trust Deed	The security trust deed entered into in respect of the Bond Issue between the Security Trustee, the Issuer and BGFL dated 28 March 2024;
Security Trustee	CSB Trustees & Fiduciaries Limited, a private limited liability company duly registered and validly existing under the laws of Malta, with company registration number C 40390 and having its registered office at Level 3, Tower Business Centre, Tower Street, Swatar, Birkirkara BKR 4013, Malta, duly authorised to act as a trustee or co-trustee in terms of Article 43(3) of the Trusts and Trustees Act (Cap. 331 of the Laws of Malta);
Sponsor or Manager or Registrar	Calamatta Cuschieri Investment Services Limited, a private limited liability company registered under the laws of Malta having its registered office at Ewropa Business Centre, Triq Dun Karm, Birkirkara BKR 9034, Malta and bearing company registration number C 13729. Calamatta Cuschieri Investment Services Limited is authorised to conduct investment services by the Malta Financial Services Authority in terms of the Investment Services Act (Cap. 370 of the laws of Malta) and is a member of the MSE;
Subsidiary	When such term used in respect of an undertaking, namely a parent undertaking, it means an undertaking which is such parent undertaking's direct or indirect "subsidiary undertaking", as such latter term is defined in Article 2(2)(c) of the Act, and for such purpose the term "parent undertaking" shall have the meaning assigned to it in Article 2(2)(a) of the Act, and "Subsidiaries" shall be construed accordingly;
Summary	The summary issued by the Issuer dated 28 March 2024, forming part of the Prospectus;
Ta' Seraqa Limited or TSL	Ta' Seraqa Limited, a private limited liability company registered under the laws of Malta, with company registration number C 16970, having its registered office at MARJO, Burmarrad Road, St. Paul's Bay SPB 9060, Malta;
Valuation Report	The valuation report dated 31 January 2024 prepared by Mr. Richard Abdilla Castillo in respect of the BBT Pledged Shares and BGFL Pledged Shares;

Vehicle Business Acquisition and Rental Agreements	The BCARL Vehicle Business Acquisition and Rental Agreement and the BCL Vehicle Business Acquisition and Rental Agreement, and “Vehicle Business Acquisition and Rental Agreement” means any one of them;
Vehicle-Related Fixed Assets Acquisition and Rental Agreement	The agreement entered into by and between BGFL, BML and BCL, dated 15 February 2024, whereby <i>inter alia</i> BGFL acquired the Vehicle-Related Fixed Assets owned by BML and used by BML and BCL in their vehicle repair, outfitting and servicing business, and leased them to the said BML and BCL for then to continue to use in their operations, by virtue of and under the terms and conditions of the said Vehicle-Related Fixed Assets Acquisition and Rental Agreement;
Vehicle-Related Fixed Assets	The fixed assets previously owned by BML and acquired by BGFL pursuant to the Vehicle-Related Fixed Assets Acquisition and Rental Agreement, as referred to under heading A. ‘Ownership and leasing of vehicle fleet and of Vehicle-Related Fixed Assets’ under section 5.2 of this Registration Document;
Viu 57 Hotel	The hotel referred to and described in paragraph 4 under heading B. ‘Investment in BBT’ under section 5.2 of this Registration Document;
Watercourse Complex	The property referred to and described in paragraph 2 under heading B. ‘Investment in BBT’ under section 5.2 of this Registration Document;
WSC Car Leasing Tender Contracts	The car leasing tender contracts awarded to BCL by Water Services Corporation for the leasing of the WSC Leased Vehicles, namely Contract Agreement WSC 470/22/1 LA 020/23 PD4600000535 CT 2159/2022 – Leasing of New Vehicles for Water Services Corporation Lot 2 dated 25 January 2023 and Contract Agreement WSC 470/22/2 LA 021/23 PD4600000536 CT 2159/2022 – Leasing of New Vehicles for Water Services Corporation Lot 3 dated 25 January 2023; and
WSC Leased Vehicles	The vehicles purchased and used to service the WSC Car Leasing Tender Contracts, which were originally purchased by BCL and were then transferred to BGFL and leased back to BCL to be operated by the latter pursuant to the BCL Vehicle Business Acquisition and Rental Agreement.

All references in the Prospectus to “Malta” are to the “Republic of Malta”.

Unless it appears otherwise from the context:

- (a) words importing the singular shall include the plural and *vice versa*;
- (b) words importing the masculine gender shall include also the feminine gender and *vice versa*;
- (c) the word “may” shall be construed as permissive and the word “shall” shall be construed as imperative;
- (d) any references to a person includes natural persons, firms, partnerships, companies, corporations, associations, organisations, governments, states, foundations or trusts;
- (e) any phrase introduced by the term “including”, “include”, “in particular” or any similar expression is illustrative only and does not limit the sense of the words preceding the term; and
- (f) any references to a law, legislative act and/or other legislation shall mean that particular law, legislative act and/or legislation as in force at the time of issue of this Registration Document.

2. RISK FACTORS

PROSPECTIVE INVESTORS SHOULD CAREFULLY CONSIDER WITH THEIR OWN FINANCIAL AND OTHER PROFESSIONAL ADVISORS THE FOLLOWING RISK FACTORS AND OTHER INVESTMENT CONSIDERATIONS, AS WELL AS ALL THE OTHER INFORMATION CONTAINED IN THE PROSPECTUS, BEFORE MAKING ANY INVESTMENT DECISION WITH RESPECT TO THE ISSUER OR ITS SECURITIES.

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

THE RISK FACTORS BELOW HAVE BEEN CATEGORISED UNDER CERTAIN CATEGORIES, ACCORDING TO SUBJECT-MATTER. THE RISK FACTOR FIRST APPEARING UNDER EACH CATEGORY CONSTITUTES THAT RISK FACTOR WHICH THE DIRECTORS HAVE ASSESSED TO BE THE MOST MATERIAL RISK FACTOR UNDER SUCH CATEGORY AS AT THE DATE OF THIS REGISTRATION DOCUMENT. IN MAKING THIS ASSESSMENT OF MATERIALITY, THE DIRECTORS HAVE EVALUATED THE COMBINATION OF: (I) THE PROBABILITY THAT THE RISK FACTOR OCCURS; AND (II) THE EXPECTED MAGNITUDE OF THE ADVERSE EFFECT ON THE FINANCIAL CONDITION AND PERFORMANCE OF THE ISSUER OR THE GROUP, IF THE RISK FACTOR WERE TO MATERIALISE.

IF ANY OF THE RISKS DESCRIBED BELOW WERE TO MATERIALISE, THEY COULD HAVE A SERIOUS EFFECT ON THE ISSUER'S AND/OR OR THE GROUP'S FINANCIAL RESULTS, FINANCIAL CONDITION, OPERATIONAL PERFORMANCE, BUSINESS AND/OR TRADING PROSPECTS, AND ON THE ABILITY OF THE ISSUER TO FULFIL ITS OBLIGATIONS UNDER THE SECURITIES TO BE ISSUED BY IT.

THE RISKS AND UNCERTAINTIES DISCUSSED BELOW ARE THOSE IDENTIFIED AND BELIEVED TO BE MATERIAL AS AT THE DATE HEREOF BY THE DIRECTORS OF THE ISSUER, BUT THESE RISKS AND UNCERTAINTIES MAY NOT BE THE ONLY ONES THAT THE ISSUER AND, OR THE GROUP MAY FACE. ADDITIONAL RISKS AND UNCERTAINTIES, INCLUDING THOSE WHICH THE ISSUER'S DIRECTORS ARE NOT CURRENTLY AWARE OF, MAY WELL RESULT IN A MATERIAL ADVERSE IMPACT ON THE FINANCIAL RESULTS, FINANCIAL CONDITION, OPERATIONAL PERFORMANCE, BUSINESS AND/OR TRADING PROSPECTS OF THE ISSUER AND, OR THE GROUP.

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 OR (II) IS OR SHOULD BE CONSIDERED AS A RECOMMENDATION BY THE ISSUER, THE DIRECTORS, ANY OF THE ADVISORS LISTED IN SECTION 3 BELOW, THE SPONSOR OR ANY OF THE AUTHORISED FINANCIAL INTERMEDIARIES THAT ANY RECIPIENT OF THE 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 AND IN OTHER DOCUMENTS COMPRISED IN THE PROSPECTUS.

Forward-looking Statements

The Prospectus and the documents incorporated therein by reference or annexed thereto contain statements that are, or may be deemed to be, forward-looking statements. Forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believe", "estimate", "forecast", "project", "plan", "anticipate", "expects", "envisage", "intend", "may", "will", or "should" or, in each case, their negative or other variations or comparable terminology. These forward-looking statements relate to matters that are not historical facts. They appear in a number of places within the Prospectus and include statements regarding the intentions, beliefs or current expectations of the Issuer and, or the Directors concerning, amongst other things, the Issuer's or the Group's strategy and business plans, financial condition and performance, results of operations, liquidity, prospects, investments, and the markets in which it operates.

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

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

Economic and financial risks

Risks relating to Issuer's financial performance dependent on third parties

The Issuer, as the holding company of the Issuer Group, is ultimately financially dependent on the results and performance of its Subsidiaries and the results and performance of its associate company BBT p.l.c. The Issuer expects to receive dividends and repayments of loans granted to its Subsidiaries in order to part-finance the acquisition of the initial fleet of vehicles and related vehicle business as well as the Vehicle-Related Fixed Assets through the proceeds of the Bond Issue. The loan repayments and dividends from Subsidiaries as well as the dividends expected to be received from the investments held directly by the Issuer itself, principally the BBT Pledged Shares, will be used to finance part of the debt servicing obligations related to the Bonds.

In turn, BGFL is also partially dependent on the operational performance of companies within the Operational Group, particularly BCL, BCARL and BML, from whom it expects to receive its main revenues consisting of vehicle lease rent payable under the Vehicle Business Acquisition and Rental Agreements, as well as from the proceeds of sale of vehicles to BCL and BCARL in terms of the said Vehicle Business Acquisition and Rental Agreements and also the rent for the Vehicle-Related Fixed Assets payable by BML and BCL under the Vehicle-Related Fixed Assets Acquisition and Rental Agreement. The payments to be made by BGFL to the Issuer under the Issuer-BGFL Loan will be essentially financed from income to be derived from the leasing and car rental operations and car repair, outfitting and servicing operations of companies within the Operational Group.

Therefore, the risks intrinsic in the business and operations of the above-mentioned Subsidiaries, Operational Group companies and BBT, over which the Issuer may not and will not in most cases have direct control, will have an effect on the financial ability of the Issuer to meet its obligations in connection with the payment of interest on the Bonds and repayment of the Redemption Value when due. Accordingly, the financial risks of the Issuer are a reflection and consequence of the financial, economic, business, operational and other risks of the above-mentioned companies, the most material of which are mentioned below in this section 2 of this Registration Document.

Whilst the Vehicle Business Acquisition and Rental Agreements and the Vehicle-Related Fixed Assets Acquisition and Rental Agreement contain provisions aimed to mitigate the effects of these risks on BGFL, and indirectly the Issuer, and to ensure a minimum return on investment for BGFL on the vehicles and fixed assets purchased by it and leased to the Operational Group, there is no guarantee that these provisions will necessarily fully counter the negative effects of, and protect BGFL and indirectly the Issuer against, any material risks affecting the business, operations or financial performance of the Operational Group companies.

Risks arising from war and/or conflict

Wars and conflicts which may from time to time occur in various parts of the world, including the Russia – Ukraine armed conflict as at the date of this Registration Document, may present new risks or exacerbate certain risks to which the operations or the revenues of the Group are subject. This apart from the negative effects these conflicts may have on the economy as a whole and on particular economic drivers, such as tourism and commerce, being two main consumers of vehicle rental activity.

Risks relating to inflation

As at the date of this Registration Document, inflation remains at elevated levels when compared to the past decades. Inflation may negatively affect the future financial performance of the Group, including through the consequent increase in the prices of goods and services and the cost of new opportunities, higher borrowing costs, and the overall decrease in purchasing power. This may in turn also have a negative impact on the revenues of the Operational Group from which the Group receives its revenues.

Risks relating to financing of the Group

The Group's indebtedness could adversely affect its financial position. Whilst the Group's bank financing as at the date hereof is quite limited, the Group's overall financial gearing levels may increase in future as a result of further indebtedness which may from time to time in future be obtained by the Group to fund its respective existing and future investments and operations, or for the maintenance or to refinance existing indebtedness or otherwise for its business purposes. The increase in the level of financial gearing gives rise to all risks typically associated with higher leverage, including lower asset cover and lower debt service cover levels.

As a result of such potential growth in indebtedness as aforesaid a substantial portion of the Group's generated cash flows may need to be used to service the same. Should a Group company significantly increase its debt obligations, this may have an adverse effect on the profitability of such company and of the Group as a whole.

There can be no assurance that the Group will have access to such further debt financing as may be required from time to time at reasonable interest rates and at reasonable terms. Changes in banking risk appetite as a result of financial turmoil may decrease the willingness of banks to provide loans to companies and the terms thereof. Furthermore, any borrowings under bank credit facilities will likely be at variable interest rates, which could cause the Group to be vulnerable to increases in interest rates.

Business and operational risks

Risks relating to vehicle rental and lease operations

As mentioned above BGFL derives its main revenues from the rent of vehicles leased to BCL and BCARL under the Vehicle Business Acquisition and Rental Agreements, the payment of which will be financed by the revenues generated by the said BCL and BCARL from their respective car leasing and vehicle rental lines of business, and will be directly affected by the business and operational risks which affect such lines of business. These risks include:

- the Operational Group companies price their rental and lease offerings based on *inter alia* their estimates of certain future costs such as the vehicle maintenance costs, and should their judgment and estimates turn out to be inaccurate and the actual costs are higher than the assessments used for pricing purposes, this would decrease profitability and may have a material adverse effect on the companies' business, financial condition, operational results and prospects, especially in the case of those long-term leasing or rental contracts with customers which do not permit the increase in the lease or rental payments in case of higher than estimated costs;
- the Operational Group companies' failure to accurately estimate future demand levels of car rental and leasing services and to determine the appropriate number or type of cars to be used in their rental operations may result in obsolescence and excessive aging of fleet, the inability to sell the fleet timely and at adequate prices, inefficient fleet utilisation, increased fleet costs, lower customer satisfaction, loss of market share to competitors and other unfavourable consequences, which will have a material adverse effect on the companies' business, financial condition, operational results and prospects;
- the Operational Group companies' financial and competitive success will greatly depend on their ability to continuously provide high quality services in their vehicle leasing and rental businesses in all respects, including through ease of booking, availability of multiple types of vehicles and (where applicable) vehicles with particular characteristics to meet specific commercial exigencies, maintenance of vehicles in good condition and good post-rental service such as roadside assistance, accident handling and vehicle replacement where necessary, and failures in this respect will result in a material adverse effect on their brand, reputation and profitability;

- the BCARL's auto rental business comprises the operation under franchise from Enterprise Holdings of the latter's three global vehicle brands in Malta, "Enterprise Rent-A-Car", "National Car Rental" and "Alamo Rent A Car". BCARL is required to comply with certain conditions as part of the relevant franchise agreement, the breach whereof could result in the termination of the franchise agreement prior to the expiration of its term, apart from the application of sanctions or other remedies against BCARL as provided for therein, and should the franchise agreement be terminated or not renewed, the profitability and financial condition of the Operational Group and indirectly of BGFL may be materially adversely affected in view of its inability to benefit from the reputation and standards of the above-mentioned brands;
- the increase in the intensity of competition resulting *inter alia* from the growing importance of internet bookings for car rentals, in view of the fact that internet, which has become a popular and one of the most important sales channels, enables fast access to prices and easy price and service comparisons, and also the risk that the Operational Group companies may not timely and adequately react to this growing importance of internet bookings or relative technical changes and may not take appropriate measures accordingly, which may result in reduced demand and pricing of their vehicles;
- the evolution of the transportation industry, in particular the offering of new mobility business models by undertakings, including ride-hailing or ride-sharing (carpooling) applications, which may affect demand for rental vehicles and result in modifying customer preferences and usages, with the possible resultant heightened pricing competition and/or loss of rental volume;
- the seasonal nature of the car rental business with profitability peaks resulting in high demand periods and the risk of occurrences that disrupt rental activity during such high rental periods, such as bad weather or a widespread outbreak of epidemics, with the consequent potential of substantially lower revenues and profitability;
- the Operational Group companies' leasing and rental divisions include some major vehicle lease and rental customers which generate a material share of the respective revenues and should these customers be lost, or should there be a reduction in business with such customers or the companies' failures to maintain its corporate customers in general, or any of its customers in particular, could result in a significant loss in the companies' revenues and on their financial condition and prospects;
- the risk of inability or difficulties faced by the Operational Group companies to effectively collect accounts receivable from customers, especially their major customers, whether due to business or financial difficulties experienced by such customers, or due to their bankruptcy or insolvency, will have a material adverse effect on their profitability and financial condition;
- the Operational Group companies' inability to maintain confidentiality and integrity of customer data, which they frequently receive, process, transmit and store in the ordinary course of business, could lead to a change in the behaviour of existing or potential customers in a manner that affects the companies' ability to retain its existing customers and attract new ones, apart from the penalties and other sanctions to which the companies may become subject under and for breach of relevant data protection and data security laws;
- there is intense competition to attract qualified employees in both car rental and vehicle lease sectors, especially sales personnel, and the Operational Group companies' failure to attract and retain such qualified employees in the future will negatively impact their ability to effectively and efficiently manage the business, with the resultant adverse impact on their business, profitability and prospects; and
- the insurance coverage maintained by the Operational Group companies may not be sufficient in all cases and may not cover all the risks that the said companies are exposed to in their vehicle operations, and the companies may also be unable to renew its insurance coverage on commercially acceptable terms in future or adequate coverage may become unavailable, all of which risks may have a material adverse effect on the companies' business and operations.

Risks relating to the property rental business of BBT and the Group

BBT, which is a major investment of the Issuer, is an associated company of the Issuer which has been formed and is owned with the Other BBT Shareholders. BBT owns and operates a number of material commercial properties for rent and seeks to continue growing such rental property portfolio. The Issuer and the Group will thus be indirectly affected by the risks normally associated with or affecting the commercial property rental business. The Group may also on a lesser scale but more directly be affected by these risks if and to the extent that it decides to grant on commercial lease any of the Group Properties owned by BGFL.

The health of the office and commercial rental market may be affected by a number of factors, including national economy, political developments, government regulations, changes in planning or tax laws, interest rate fluctuations, inflation and other economic, political and social factors. An increase in the supply of offices, commercial retail and catering space and/or other commercial properties could impact negatively upon capital values and income streams of BBT's properties or, where applicable, BGFL's properties, and their respective ability to source new lessees upon termination or non-renewal of the then current leases.

Moreover, the business, revenue and projected profits of BBT or of BGFL, as the case may be, would be negatively impacted if lessees fail to honour their respective lease obligations, which failure may be due to several reasons which are beyond BBT's or, as the case may be, BGFL's control, including the insolvency and lack of liquidity of the lessees.

There is also the risk that lessees 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 lessees prior to the expiration of the lease term, there is a risk of loss of rental income if the lessee is not replaced in a timely manner.

Furthermore, BBT or BGPL, as the case may be, may be subject to increases in operating and other expenses with respect to the said properties owned by them, which expenses may not necessarily be recoverable from the third party tenants.

Risks relating to real estate acquisition, development and sale

The Group, particularly through BGPL, holds a portfolio of immovable property, namely the Group Properties, and may in future acquire other immovable property, and such immovable property or any of them may be sold from time to time, in some cases after undergoing development.

A number of factors commonly affect development and sales of property, which could adversely affect the financial performance of the Group and the value of the immovable properties within the portfolio of the Group. Such factors, which are typically outside the Group's control, include:

- inability to secure the necessary planning permits in a timely manner or at all, and costs of addressing oppositions to applications for such permits;
- changes in local market conditions, such as an oversupply of similar properties, a reduction in demand for real estate or change of local preferences and tastes;
- increased competition in the market segment in which the Group operates which may lead to an oversupply of residential or commercial properties in such markets, resulting in a lowering of prices and rental rates and a corresponding reduction in revenue for the Group;
- shortages and/or price increases in raw materials, services or other construction inputs, such as, among others, cement, steel, energy and other utilities, leading to cost overruns;
- sales of properties not being made at the prices and/or at the timings envisaged resulting in a liquidity strain or even potential penalties or litigation;
- acts of God and other force majeure events, such as earthquakes and floods and other natural disasters, that may damage any of the properties or delay development thereof; and
- the health and safety risks inherent to property development, including the risk of serious injury or even fatality, and the claims and litigations that may arise therefrom.

Any of the factors described above could have a material adverse effect on the Group's business and financial condition.

The Group's key personnel and senior management have been and remain material to its growth

The Group believes that its growth is largely attributable to the efforts and abilities of the directors and members of its executive management team and other key personnel. Although the Group is not dependant on any single individual, if the services of one or more of the key members of this team were to become unavailable, the Group might not be able to replace them within the short-term with persons of comparable calibre, which could in turn have a material adverse effect on the Group's business and operations.

Legal and regulatory risks

Risks relative to changes in laws and new industry standards and practices

The Group companies and their respective current and future operations are subject to laws and regulatory requirements applicable to vehicle ownership, leases and other vehicle-related operations, property development, rental and sales and other respective business sectors within which they operate. These include laws and regulations relating to licensing, road worthiness verifications, planning and construction, health and safety, environment, bribery and corruption, data privacy and information protection, financial matters, accounting and tax. Furthermore, the regulatory environment in which the Group operates is constantly evolving, with the introduction of new rules, regulations and policies, or the amendment of existing ones, including new initiatives at European or other regional and/or local level which may result in the imposition of new requirements for the Group in terms of sustainability factors and other matters. As with any business, the Group is at risk in relation to changes in laws and regulations to which it is subject and the timing and effects thereof, including changes in the interpretation thereof, and in administrative practices, which cannot be predicted and which can negatively affect the business and operations of Group companies, apart from the additional costs of compliance which these may entail. The Issuer or one of its Subsidiaries may be unable to anticipate the implications of legal and regulatory changes in a given sector, which necessitate a re-evaluation of processes from both a fiscal and operational perspective. This may result in a loss of revenue for the respective sector and the profitability of the Group.

Risks relating to failure to incorporate expected sustainability standards in business model

Expectations for undertakings to incorporate environmental, social and governance (“ESG”) sustainability factors into their business strategies are growing across the globe and throughout various business sectors, including those in which the Group is involved. The implementation of such factors in the Group’s business model is likely to become under increased scrutiny by investors, regulators, and the public at large. The Group’s businesses may face an increased demand to increase consciousness and address ESG considerations, whether in respect of acquisition of assets or in respect of actual operations of the Group, relating to *inter alia* energy and resource efficiency and use, energy performance, use of renewables, circular economy, health and safety at work and other social and employment considerations. Failure by the Group to achieve such ESG sustainability expectations may have a negative impact on its reputation in the various business sectors in which it is involved, and consequently an adverse impact on the Group’s business activities, revenues, financial condition, and operations.

3. IDENTITY OF THE DIRECTORS, ADVISORS AND AUDITORS

3.1 DIRECTORS OF THE ISSUER

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

Name and Identity Card number	Office Designation
Albert Frendo (ID Card number 121365M)	Chairperson and independent, non-executive Director
Maria Gauci (ID Card number 519480M)	Executive Director
Mario Gauci (ID Card number 233284M)	Executive Director
Mark Anthony Grech (ID Card number 649362M)	Independent non-executive Director
David Spiteri (ID Card number 166M)	Independent non-executive Director

Maria and Mario Gauci are executive Directors and occupy senior executive positions within the Group and the larger Burmarrad Group. The other three Directors, Albert John Frendo, Mark Anthony Grech and David Spiteri serve on the Board of the Issuer in a non-executive capacity. They are considered as independent Directors since they are free of any significant business, family or other relationship with the Issuer, its controlling shareholders or the management of either, that could create a conflict of interest such as to impair their judgement. In assessing the said directors’ independence due notice has been taken of Rule 5.119 of the Capital Markets Rules.

The business address of the Directors is at the registered office of the Issuer.

Reference is made to section 9 titled “Administrative, Management and Supervisory Bodies” for a short *curriculum vitae* of the Directors, description of principal activities, if any, performed by them outside the Issuer, their potential conflicts of interest and other information relevant to such Directors.

3.2 COMPANY SECRETARY OF THE ISSUER

Joseph Saliba whose business address is at 9/4, Britannia House, Old Bakery Street, Valletta VLT 1450, Malta, is the company secretary of the Issuer.

3.3 RESPONSIBILITY AND AUTHORISATION STATEMENT

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

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

3.4 ADVISORS

The persons listed hereunder have advised and assisted the Directors in the drafting and compilation of the Prospectus

Sponsor, Manager & Registrar

Name: Calamatta Cuschieri Investment Services Limited
Address: Ewropa Business Centre, Triq Dun Karm, Birkirkara BKR 9034, Malta
Company Registration number: C 13729

Financial Advisors

Name: Deloitte Advisory and Technology Limited
Address: Deloitte Place, Triq I-Intornjatur, Central Business District CBD 3050, Malta

Legal Counsel

Name: Saliba Stafrace Legal
Address: 9/4, Britannia House, Old Bakery Street, Valletta VLT 1450, Malta

3.5 AUDITORS OF THE ISSUER

As at the date of the Prospectus, the statutory auditors of the Issuer are:

Name: BDO Malta
Address: BDO Malta, Triq it-Torri, Msida MSD 1824, Malta

The annual financial statements of the Issuer for the financial years ended 31 January 2021, 31 January 2022 and 31 January 2023 have been audited by the said BDO Malta.

BDO Malta is a firm of certified public accountants holding a warrant to practice the profession of accountant in terms of the Accountancy Profession Act (Cap. 281 of the Laws of Malta). The Accountancy Board registration number of BDO Malta is AB/26/84/06.

3.6 SECURITY TRUSTEE

Name: CSB Trustees & Fiduciaries Limited
Registered Office: Level 3, Tower Business Centre, Tower Street, Swatar, Birkirkara BKR 4013, Malta
Company Registration number: C 40390

4. INFORMATION ABOUT THE ISSUER AND THE GROUP

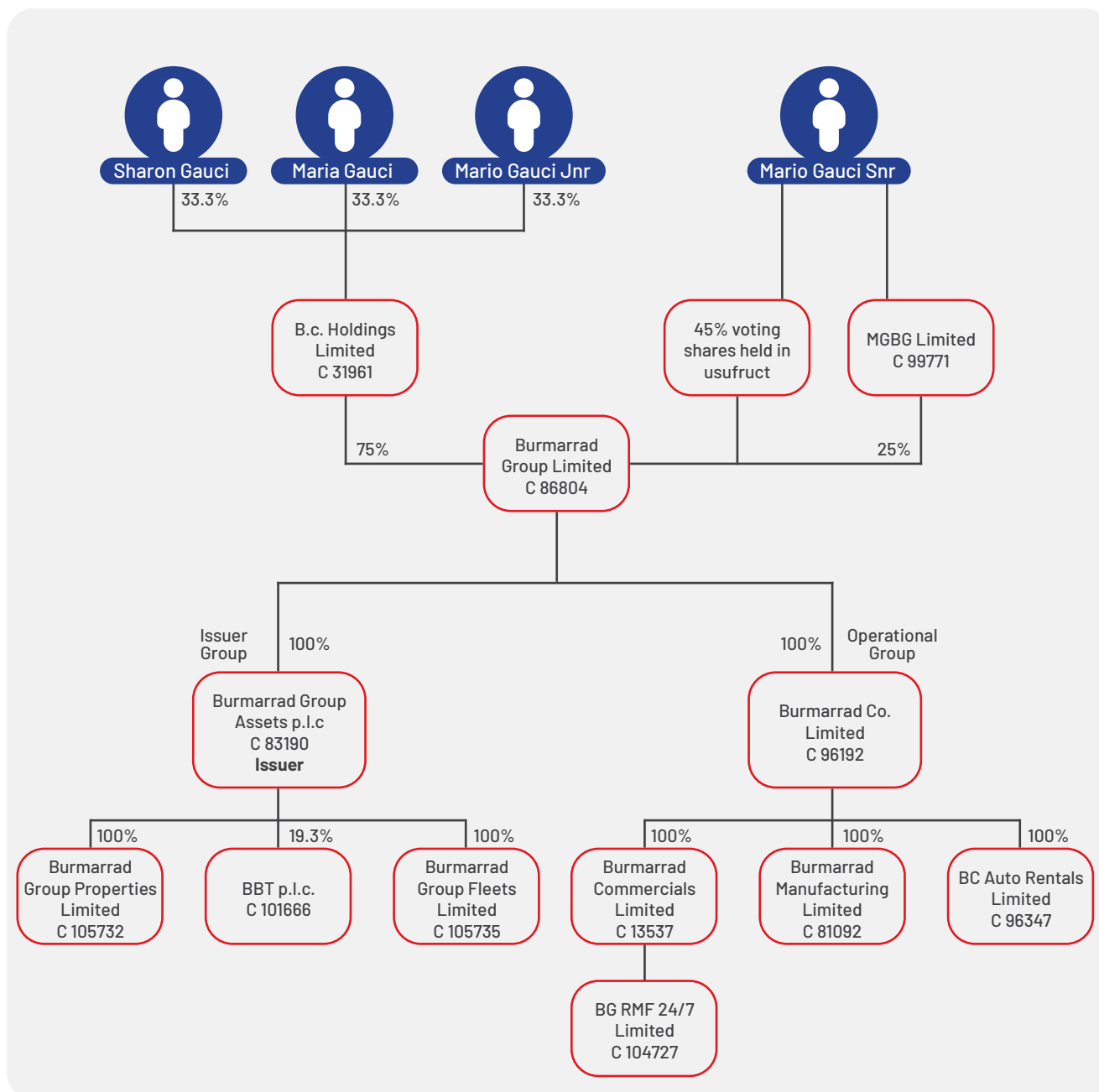
4.1 HISTORY AND DEVELOPMENT OF THE ISSUER

Full legal and commercial name of the Issuer:	Burmarrad Group Assets p.l.c.
Registered address:	MARJO, Burmarrad Road, Burmarrad, St. Paul's Bay SPB 9060, Malta
Place of registration and domicile:	Malta
Registration number:	C 83190
Legal Entity Identifier ("LEI")	98450090A83C3F590A19
Date of registration:	26 October 2017
Legal Form:	A public limited liability company duly registered in terms of the Act
Telephone number:	+356 21573261
Email:	info@bgassetsplc.com
Website:	www.bgassetsplc.com *

*The information on the Issuer's website does not form part of the Prospectus unless that information is incorporated by reference into the Prospectus.

4.2 ORGANISATIONAL STRUCTURE OF THE ISSUER GROUP AND OF THE LARGER BURMARRAD GROUP

The current organisational structure of the Issuer Group, and also of the larger Burmarrad Group, is illustrated in the diagram hereunder (which diagram however also shows BBT p.l.c. in which the Issuer holds an investment although BBT p.l.c. is not part of the Group):



The Issuer was incorporated in 2017 under the name of Burmarrad Commercials Property Limited. The Issuer was initially incorporated as a private limited liability company and has recently been converted into a public limited liability company and changed its name to Burmarrad Group Assets p.l.c. on 12 March 2024.

The Issuer is fully owned by Burmarrad Group Limited, except for one (1) Ordinary 'B' share which is held by Mario Gauci Snr.

The Issuer Group currently consists of the following entities:

- i. The Issuer, being the holding company of the Issuer Group, which owns the totality of the shares in the vehicle owning Subsidiary, BGFL and also the totality of the shares in the Subsidiary owning the Group Properties, BGPL. It also owns assets of the Issuer Group in its own right, namely the BBT Pledged Shares. The Issuer also acts as the financing company of the Issuer Group, and finances certain activities of its Subsidiaries;
- ii. Burmarrad Group Fleets Limited, a fully owned Subsidiary of the Issuer, which owns the fleet of vehicles and the Vehicle-Related Fixed Assets within the asset portfolio of the Issuer Group; and

- iii. Burmarrad Group Properties Limited, a fully owned Subsidiary of the Issuer, which owns the Group Properties within the asset portfolio of the Issuer Group.

The Issuer is owned as to 99.99% by Burmarrad Group Limited, which is the parent company of the Issuer and of the Issuer Group, and also of the larger Burmarrad Group.

The Issuer Group is comprised within the Burmarrad Group and constitutes the asset ownership arm (excluding the Marsa Premises) within such larger Burmarrad Group. The Burmarrad Group also comprises the Operational Group, of which BCOL is the holding company and which constitutes the operational arm within the larger Burmarrad Group.

The Operational Group currently consists of the following entities:

- a. Burmarrad Co. Limited, which is fully owned by Burmarrad Group Limited, and which acts as the holding company of the Operational Group;
- b. Burmarrad Commercials Limited, which has all its voting rights held by Burmarrad Co. Limited. Burmarrad Co. Limited in fact holds the totality of the issued Ordinary A shares and Ordinary B shares in Burmarrad Commercials Limited, which two classes of shares have all the voting rights at general meetings and they are entitled to dividends and to all surplus assets on winding up, whilst the other classes of shares in issue in Burmarrad Commercials Limited, namely the Ordinary C shares and the Preference B Shares which are owned by Burmarrad Group Limited, do not have any such rights and are only entitled to a return of capital on winding up in priority to the other classes. Burmarrad Commercials Limited is principally involved in the business of vehicle operations, including leasing, rental, servicing and sale of private and commercial vehicles and mobile transport in general, inclusive of related spare parts, tyre sales and repairs;
- c. BG RMF 24/7 Limited, a private limited liability company registered under the laws of Malta, with company registration number C 104727, having its registered office at MARJO, Burmarrad Road, Burmarrad, St. Paul's Bay SPB 9060, Malta, which is wholly owned by Burmarrad Commercials Limited, and which is principally involved in the business of towing services memberships;
- d. BC Auto Rentals Limited, which is wholly owned by Burmarrad Co. Limited, and which is principally involved in the business of short-term car rental operations; and
- e. Burmarrad Manufacturing Limited, which is wholly owned by Burmarrad Co. Limited, and which owns the new Marsa Premises from which all vehicle operations and services (including leasing and rentals and servicing) of the Operational Group are carried out and provided, and is also principally involved in the vehicle body building, panel beating and spraying operations.

Burmarrad Group Limited is the parent company of the Issuer and the Issuer Group and of BCOL and the Operational Group, and collectively of the larger Burmarrad Group.

Its ultimate beneficial owners are members of the Gauci family, mainly Mario Gauci Snr. and his three children, Sharon Gauci, Maria Gauci and Mario Gauci Jnr., all of whom have been actively involved in the day-to-day operations of Burmarrad Group, long before its restructuring in 2023 referred to below in this section 4.2 of this Registration Document. B.C. Holdings Limited currently owns 75% of the voting shares (namely the Ordinary A shares and the Ordinary B shares) in the said Burmarrad Group Limited, and the said B.C. Holdings Limited is in turn owned equally (one-third each) by the siblings, Sharon Gauci, Maria Gauci and Mario Gauci Jnr. Part of these voting shares held by B.C. Holdings Limited in Burmarrad Group Limited, constituting 45% of the total voting rights in Burmarrad Group Limited, are subject to a usufruct in favour of Mario Gauci Snr. and his wife Josephine (held by them as part of the community of acquests) which usufruct carries with it the right to vote and receive dividends. The remaining 25% of the voting shares (Ordinary A and Ordinary B shares) in Burmarrad Group Limited are owned by MGBG Limited, a company fully owned by Mario Gauci Snr. Apart from the Ordinary A shares and the Ordinary B shares (which entitle their holders to all the voting rights at general meetings, to dividends and to all surplus assets on winding up), Burmarrad Group Limited has also issued Ordinary C shares and Preference B shares to MGBG Limited and Josephine Gauci, but these classes of shares do not have any rights to vote or to distributions, and are only entitled to a return of capital on winding up in priority to the other classes.

By virtue of his indirect beneficial ownership of 25% of the voting shares in BGL held through MGBGL, and his usufruct (held jointly with his wife) of an additional 45% of the voting shares in the said BGL (which usufruct gives him the right to vote and to receive dividends), BGL is effectively controlled, through voting rights, by Mario Gauci Snr.

Recent structuring and/or restructuring of the Issuer Group and of the larger Burmarrad Group

The Issuer Group, in its existing form, has been constituted recently, as part of a wider restructuring process within the larger Burmarrad Group.

Until recently, the Issuer, which was incorporated in 2017 as a private limited liability company under the name of Burmarrad Commercials Property Limited, was a company within the Burmarrad Group incorporated as an asset owning company and whose activities mainly consisted of the ownership of those Group Properties which have now been transferred by it to BGFL and other immovable assets which have recently been transferred to MJSK Limited.

In the second to fourth quarters of 2023 and beginning of 2024, the Burmarrad Group has undergone a reorganisation and restructuring, with the principal aim and result of segregating and ringfencing the vehicle operations side of the Burmarrad Group business from the ownership of the Burmarrad Group's vehicle assets and related fixed assets, investments in real estate assets and the equity investment in BBT p.l.c. This restructuring led to the creation of two distinct groups within the Burmarrad Group, namely the Issuer Group as the asset owning arm owning the material assets of the Burmarrad Group (excluding the Marsa Premises) and the Operational Group as the vehicle operational arm of such Burmarrad Group retaining the operating assets, namely the business operations, of such Burmarrad Group.

As part of this restructuring exercise, the Issuer changed its name to Burmarrad Group Assets p.l.c. and changed its status to a public limited company on 12 March 2024. It incorporated its two Subsidiaries, namely BGFL and BGPL on 22 June 2023 for the purpose of acquiring and holding respectively the portfolio of vehicles and related fixed assets and a portfolio of specific properties within the Burmarrad Group. Accordingly:

- (a) BGFL acquired the portfolio of vehicles and related vehicle business previously owned by BCL and BCARL and operated by them in their respective car leasing and rental businesses, and leased them back to these companies comprised within the Operational Group for them to operate the same, by virtue of and under the terms and conditions of the respective Vehicle Business Acquisition and Rental Agreements;
- (b) BGFL acquired the Vehicle-Related Fixed Assets previously owned by BML and used by the said BML and BCL in their respective vehicle operations, and leased them back to BML and BCL for them to continue using the same, by virtue of and under the terms and conditions of the Vehicle-Related Fixed Assets Acquisition and Rental Agreement;
- (c) BGPL acquired the Group Properties from the Issuer, BCL and TSL respectively during the beginning of 2024; and
- (d) The Issuer acquired the BBT Pledged Shares from BGL on 19 January 2024, and holds the same in its own name.

The companies comprising the Operational Group were already incorporated and existing prior to the above-mentioned restructuring and were already and remained thereafter controlled by BCOL, and did not undergo any corporate restructuring, except that the non-voting classes of Ordinary C shares and Preference B Shares (which do not have any rights except a right to a return of capital on winding up) in BCL were transferred by Mario Gauci Snr. and his wife Josephine Gauci to BGL in the fourth quarter of 2023 in exchange for shares with the same restricted rights which were issued and allotted to MGBG Limited and the said Josephine Gauci by the said BGL, which transfer and exchange of shares however did not have an impact on the ultimate control of BCL and the Operational Group.

The corporate reorganisation was driven by various factors, including:

- Enhanced corporate governance structures;
- Clear differentiation between certain capital asset ownership and operational activities;
- Allowing decisions relating to certain capital asset investments and related financing to be taken independently; and
- Improved, longer term financing structures, backed by stable pre-determined income streams and high asset cover instead of independent immovable property collateral. The new structure will allow the Burmarrad Group to be better positioned to continue to exploit the growth opportunities which have seen the said Group's vehicle fleet increasing from 200 vehicles in 2010 to over 1,000 vehicles in 2023.

At the level of BGL, the parent company of the Issuer and the Issuer Group and of BCOL and the Operational Group, a corporate restructuring has also been given effect to in the fourth quarter of 2023 to the effect that the shares in BGL previously held directly by Mario Gauci Snr. in his own name have now been transferred to and are held by Mario Gauci Snr. through MGBGL which is fully owned by him, whereas shares in BGL previously held directly by his children, Sharon Gauci, Maria Gauci and Mario Gauci Jr. in their own name (which were so held in bare ownership and subject to usufruct in favour of Mario Gauci Snr. and his wife Josephine Gauci) have now been transferred to and are held by them (always subject to usufruct as aforesaid) through BCHL, which is owned by them in equal portions between them. This restructuring has not however resulted in changes to the beneficial ownership or control of BGL.

5. BUSINESS OVERVIEW OF THE ISSUER GROUP AND INVESTMENTS

5.1 PRINCIPAL ACTIVITIES AND MARKETS

The Burmarrad Group has its origins in a family business established in 1984 by Mario Gauci Snr., initially acting as an importer for used commercial vehicles. Since then, the business has grown into a large local supplier of new and used vans, trucks, special purpose vehicles, cars, warehouse equipment and industrial machinery. The Burmarrad Group's business activities comprise the importation, acquisition, sale and distribution of new and used private and commercial vehicles, import of industrial machinery and special purpose vehicles and the vehicle rental and leasing of private, commercial and industrial vehicles, with a fleet of over 1,000 vehicles. The Burmarrad Group currently supplies motor fleets for a number of major local businesses, together with all the related support services. It also has property-related investments, namely as an investor in a substantial rental properties associated company with a number of other third party investors, as well as a number of directly held properties, the Group Properties.

Apart from the Issuer's activity of acting as the finance arm of the Group, the Issuer Group currently holds the following major assets and investments and is involved in the following business activities and sectors:

- (i) ownership of fleet of vehicles and of Vehicle-Related Fixed Assets and their leasing to the Operational Group to operate the same;
- (ii) investment in BBT through the holding of the BBT Pledged Shares for long-term investment; and
- (iii) ownership of Group Properties, for long-term investment, for rental and/or potentially also for sale to third parties.

A more detailed explanation of these main investments and business activities of the Issuer Group is provided below in section 5.2 below.

The Issuer's and the Issuer Group's main objectives are to manage its assets to maximise long-term capital growth and return on its investments and facilitate further growth within the overall Burmarrad Group.

5.2 BUSINESS OVERVIEW AND INVESTMENTS OF THE ISSUER GROUP

As noted under section 5.1 above, the main business activities and investments of the Issuer Group are expected to be:

- A. The ownership and leasing of the operational vehicle fleet and Vehicle-Related Fixed Assets to generate operational rental income therefrom;
- B. The long-term investment in the BBT to generate dividends and capital appreciation; and
- C. The ownership and potential development rental and / or sale of the Group Properties.

A. Ownership and leasing of vehicle fleet and of Vehicle-Related Fixed Assets

The Issuer Group, through BGFL, owns a diverse fleet of more than 1,000 vehicles in its portfolio, including the WSC Leased Vehicles and may from time to time purchase new vehicles, from the Operational Group companies or from third parties, which will be added to such portfolio.

The existing vehicles in the portfolio of BGFL used to be owned by BCL and BCARL, which form part of the Operational Group, and were operated by them in their respective vehicle leasing / rental business. These vehicles, as subject to existing on-going business with final customers (going concern), were acquired from BCL and BCARL in terms of the Vehicle Business Acquisition and Rental Agreement dated 15 February 2024 entered into with each of them respectively, with effect from the Bond Issue Approval Date. The total aggregate number of vehicles so transferred by BCL and BCARL to BGFL is approximately 1,100 and the aggregate price payable for the vehicle business, amounts to €16,531,329, reflecting the number of vehicles transferred and the estimated market value as at 19 January 2024, which number and price will be slightly adjusted in the coming days to reflect changes in the vehicle portfolios occurring between 20 January 2024 and the Bond Issue Approval Date. Amongst these acquired vehicles are the WSC Leased Vehicles consisting of approximately 80 relatively new vehicles which were originally acquired by BCL to service the WSC Car Leasing Tender Contracts and were later acquired by BGFL under the BCL Vehicle Business Acquisition and Rental Agreement for a price of € 3,700,000 out of the aforesaid total price. An amount of approximately €9,600,000 out of the price for vehicles and related vehicle business payable under each Vehicle Business Acquisition and Rental Agreement is intended to be financed through part of the proceeds of the Bond Issue, by way of settlement of outstanding debts related to the acquisition of the vehicle fleet and related vehicle business, as set out in section 4.2 of the Securities Note.

Some of the vehicles acquired by BGFL from each of BCL and BCARL are on the date hereof subject to hire purchase terms with various HP Creditors, being local car distributors, none of which is a related party of any company within the Group or the larger Burmarrad Group. Whilst the hire purchase agreements entered into with the various HP Creditors differ from one another, yet these typically contain the basic terms and conditions that: (i) the HP Creditors retains the ownership of the relevant vehicle until all instalments of price (typically represented by bills of exchange), and all interests, costs and other sums due thereon to the HP Creditor have been paid in full; (ii) until such payment in full and the transfer of ownership by the HP Creditor to the hire-

purchaser, the latter cannot dispose of the vehicle without the consent of the HP Creditor; (iii) during the hire-purchase period and notwithstanding that the HP Creditor remains the owner of the vehicle during such period, the hire-purchaser nonetheless bears the risk of loss or damage to the vehicle during such period and as from the moment of delivery of the vehicle to it, and furthermore, such hire-purchaser remains responsible and liable for any damage, liability, cost or expense that it may cause to third parties through the use of the vehicle. BCL and BCARL have transferred the relevant vehicles in terms of the respective Vehicle Business Acquisition and Rental Agreement, subject to these remaining subject to the relative hire-purchase debts (and bills of exchange representing them) due to such HP Creditors.

By virtue of the respective Vehicle Business Acquisition and Rental Agreement, BGFL leased back the vehicles previously owned by BCL and BCARL to them respectively for them to continue operating the same in their respective vehicle operations, for a rent calculated as provided in and under the other terms and conditions set out in the respective Vehicle Business Acquisition and Rental Agreement. Thus, whilst the Issuer and BGFL do not have a direct history in vehicle rental operations, the existing vehicles purchased and owned by BGFL are already operational and have an established track record in generating revenue. The Vehicle Business Acquisition and Rental Agreements also contain the terms and conditions under which BGFL may acquire new vehicles and lease them to BCL and BCARL respectively to be operated by them, and also for the acquisition of the vehicles by BCL and BCARL respectively from BGFL when it is decided not to continue operating such vehicles in the business.

Furthermore, through BGFL, the Issuer Group also owns the Vehicle-Related Fixed Assets, consisting of tools, plant and machinery used by the Operational Group, mainly BML and BCL, for their vehicle repair, outfitting and servicing operations, including spray booths, sandblasting equipment, car wash station, VRT station, generators, jacks, substation and wheel alignment equipment. These were previously owned by BML, and were used by the said BML and BCL in their above-mentioned operations. The said fixed assets were acquired by BGFL from BML in terms of the Vehicle-Related Fixed Assets Acquisition and Rental Agreement dated 15 February 2024, with effect from the Bond Issue Approval Date, for an aggregate price of €2,057,237, which price reflects the fixed assets and estimated market value as at 18 December 2023, which price will be slightly adjusted in the coming days to reflect changes in the fixed assets portfolios occurring between 19 December 2023 and the Bond Issue Approval Date. As at the date of this Registration Document such price remains outstanding and approximately €1,800,000 thereof is intended to be financed through part of the proceeds of the Bond Issue, by way of settlement of outstanding debts related to such Vehicle-Related Fixed Assets, as set out in section 4.2 of the Securities Note.

By virtue of the Vehicle-Related Fixed Assets Acquisition and Rental Agreement, BGFL leased back the Vehicle-Related Fixed Assets previously owned by BML and used by BML and BCL to them respectively for them to continue using the same in their vehicle repair, outfitting and servicing operations, for a fixed yearly rent.

Further detail of the respective vehicle related operations of BCL, BCARL and BML and further detail of the main terms and conditions of the Vehicle Business Acquisition and Rental Agreements and of the Vehicle-Related Fixed Assets Acquisition and Rental Agreement is provided below.

Vehicle leasing / rental operations of BCL and BCARL and vehicle repair and servicing operations of BML and BCL at the date of this Registration Document

BCL operates two main types of car letting business, namely vehicle leasing and commercial and non-commercial car rentals.

The long-term vehicle leasing business of BCL is considered a core business operation, with such leasing being contract based, typically a business to business service based on a full-service model with servicing included, and with a leasing term normally being of 5 years extendable by a few other years (typically 2 years). BCL has secured a number of substantial car leasing contracts with some important clients, including large business groups, government entities and/or corporations, including the Water Services Corporation. The vehicles currently operated by BCL in the vehicle leasing line of business are owned by BGFL and leased to BCL under the BCL Vehicle Business Acquisition and Rental Agreement. These include the WSC Leased Vehicles operated in the performance of the WSC Car Leasing Tender Contracts.

BCL also carries out part of the car rental business of the Burmarrad Group, which involves rental of vehicles, primarily (but not exclusively) commercial vehicles, to various commercial enterprises, persons and/or entities and which includes rentals of a long term duration, normally 6 months to 2 years, as well as short-term rentals. The vehicles used in this line of business are primarily recycled from the leasing division operated by BCL and may from time to time include also vehicles to be recycled from the daily auto rentals division operated by BCARL, thus enabling the Operational Group to maximise returns from older vehicles. The vehicles currently operated by BCL in the rental division are owned by BGFL and leased to BCL under the BCL Vehicle Business Acquisition and Rental Agreement.

The daily auto rental division was set up in 2021 and consists of a short-term car rental operation by BCARL. The focus in this line of business is to operate relatively new vehicles or vehicles in very good condition and renting same to retail customers, mainly tourists, until the vehicles are deemed to have reached the end of their useful life for this business, typically 5 years, whereupon they are either passed on to BCL to operate in the car rental division or are disposed of to third parties. The Operational Group has partnered with Enterprise Holdings for the launch and operation under the franchise of its three global vehicle brands in Malta, "Enterprise Rent-A-Car", "National Car Rental" and "Alamo Rent A Car". The vehicles currently operated by BCARL in this line of business are also owned by BGFL and have been leased to BCARL under the BCARL Vehicle Business Acquisition and Rental Agreement.

The whole vehicle leasing and rental operations of the Operational Group is supported by the servicing division, which comprises an extensive range of after sales services to the operating companies within the Operational Group and also to third party customers, including mechanical repairs, panel beating, spray painting, refrigeration outfitting and repairs, car body building and outfitting and tyre services, as well as car wash and VRT certification services. The servicing operation is carried out in part by BCL and in part by BML, through the use of the Vehicle-Related Fixed Assets which are owned by BGFL and have been leased to BCL and BML under the Vehicle-Related Fixed Assets Acquisition and Rental Agreement.

The vehicle operations mentioned above are carried out mainly from the Marsa Premises.

BCL is also involved in the acquisitions and/or importation and sale of new and second hand vehicles acquired specifically for resale. BCL and BCARL also sell vehicles previously owned by BGFL and operated by them respectively, when it is decided to sell these to third parties after being acquired by them respectively from BGFL, in terms of the respective Vehicle Business Acquisition and Rental Agreement.

Vehicle Business Acquisition and Rental Agreements

BGFL has entered into a Vehicle Business Acquisition and Rental Agreement with each of BCL and BCARL which regulates *inter alia* the acquisition by BGFL of the vehicles previously owned and operated for leasing and rental by BCL and BCARL respectively (as subject to existing ongoing business with final customers), the lease back of these vehicles by BGFL to BCL and BCARL to continue to be operated by them respectively, the acquisition of new vehicles by BGFL and their lease to BCL and BCARL for operation, as well as the final acquisition of the vehicles by BCL and BCARL respectively from BGFL when a decision is taken to cease operating such vehicles in the Operational Group's business.

In terms of the respective Vehicle Business Acquisition and Rental Agreements, BGFL is entitled to receive rent from BCL and BCARL, by way of consideration of the lease of the vehicles by BGFL to them.

With respect to vehicles to be operated in the respective vehicle leasing or rental businesses of BCL and BCARL, whether these are existing vehicles which have been acquired by BGFL from BCL or BCARL pursuant to the Vehicle Business Acquisition and Rental Agreements or new vehicles which BGFL accepts to acquire and actually acquires from time to time at the request of BCL or BCARL to be leased by it to the said BCL or BCARL, BCL or BCARL (as the case may be) and BGFL agree at inception on the term for which the relevant vehicle is to be leased by BGFL to the said BCL or BCARL, as requested by the latter. The Vehicle Business Acquisition and Rental Agreements also provide for the price payable by BCL or BCARL (as the case may be) to BGFL for the acquisition of the vehicle by BCL or BCARL (as the case may be) upon expiry of the rental term agreed upon, which is calculated on a pre-determined formula depending on the original acquisition cost and age of the relevant vehicle. The annual rent payable to BGFL shall be a fixed rate which will vary depending on the acquisition cost and shall be such that the said rental payments, together with the said agreed price for the eventual acquisition of the vehicle, shall generate a 10% annual internal rate of return ("IRR") for BGFL.

Each of BCL and BCARL have the right to terminate the lease arrangement in respect of any vehicle before the expiry of the period of lease originally agreed upon, in which case the respective Vehicle Business Acquisition and Rental Agreement provides for an increase in the vehicle acquisition price payable by BCL or BCARL (as the case may be) so as to ensure that the annual rental payments made during the actual rental period and the vehicle acquisition price generate a 10% IRR for BGFL.

Each of BCL and BCARL also have the right, under the respective Vehicle Business Acquisition and Rental Agreement, to extend the period of rental of any vehicle from BGFL so as to continue operating the vehicle in its respective vehicle leasing or rental business, in which case the parties shall agree on a revised extended rental period and on a revised rental rate for the extended rental period, such that the revised rental rate and the applicable eventual acquisition price continue to generate a 10% annual IRR for BGFL.

The above-mentioned rent and vehicle acquisition price will guarantee a minimum return on investment to BGFL upon each vehicle held in its portfolio.

The respective leasing and rental contracts entered into by BCL with customers recognise or will recognise BGFL as payee of the respective leasing or rental consideration due by them or otherwise provide or will provide that the rent owed by such customers shall be paid in full by bank transfer to an account held in the name of the said BGFL, whereupon BGFL shall then retain the rental fees due to it by BCL from the rent so received from customers and pay the excess to BCL. In this way, BGFL will at all times retain control over the cash flow of revenue from the car leasing and rental operations of BCL, out of which it receives its main revenues, on which it is dependent to make payments due to the Issuer under the Issuer-BGFL Loan and possibly also to finance the acquisition of new vehicles by the said BGFL and to make payments of dividends to the Issuer out of any remaining revenues.

The lease of the vehicles by BGFL to each of BCL and BCARL under the respective Vehicle Business Acquisition and Rental Agreement is made for the rental period agreed to between the parties, unless and until it is decided that BCL or BCARL, as applicable, acquire the vehicle back from BGFL to sell the same to third parties.

In the case of vehicles leased to BCL for the long-term vehicle leasing operation, BCL may decide to cease operating these vehicles in the vehicle leasing line of business but to recycle them and start using them in its car rental business rather than selling them to third parties, whereupon the parties shall agree on a revised extended rental period and on a revised rental rate for

the extended rental period, such that the revised rental rate and the applicable eventual acquisition price continue to generate a 10% annual IRR for BGFL.

In the case of vehicles leased to BCARL for the daily auto rental operation, BCARL may decide to cease operating these vehicles in the daily auto rental line of business, at which point BCL may decide to recycle the relevant vehicles and start using them in its rental business rather than having these sold by BCARL to third parties, whereupon the vehicles will cease being rented out by BGFL to BCARL pursuant to the BCARL Vehicle Business Acquisition and Rental Agreement and will instead start being rented out by BGFL to BCL under and in terms of the BCL Vehicle Business Acquisition and Rental Agreement.

In order to ensure continuity of the vehicle lease arrangements with the Operational Group, which provides BGFL with its main source of revenue, BGFL has secured for itself under each Vehicle Business Acquisition and Rental Agreement, for a period of 14 years from the Bond Issue Approval Date, a right of first option to purchase new vehicles which are needed for operation by BCL and/or BCARL from time to time. Thus, when each of BCL and BCARL decides to introduce new vehicles to its operations, whether to replace outgoing vehicles or by way of addition to the portfolio of vehicles operated by it, it is required to first notify BGFL of the new proposed vehicles required and give it the opportunity to buy them itself, in which case BCL or BCARL, as the case may be, would be obliged to lease them from BGFL under the same arrangements contemplated in the respective Vehicle Business Acquisition and Rental Agreement. BGFL has a right of first option as aforesaid but is not obliged to purchase the vehicles indicated by BCL and/or BCARL, and is thus not obliged to continue to invest in the acquisition of additional vehicles where it believes it is not sensible to do so from a financial or risk perspective. Where BGFL declines its right to purchase any such vehicles and include them in the remit of the respective Vehicle Business Acquisition and Rental Agreement, then BCL or BCARL, as the case may be, shall have the right to purchase the relevant vehicles themselves and operate them or to lease them from another person under such terms and conditions agreed to with such person.

As mentioned above, under each Vehicle Business Acquisition and Rental Agreement, BCL or BCARL, as the case may be, have discretion to decide at any time to cease operating any vehicles in their respective lines of business so that these may be sold to third parties. In such case, an obligation is triggered on the part of BCL or BCARL, as the case may be, to acquire the relevant vehicle from BGFL at the pre-determined price agreed to between the parties as aforesaid, thus shifting the risk of adverse movements in the price of second-hand vehicles from BGFL to these operating companies. BCL or BCARL, as the case may be, may then dispose of the relevant vehicle to third parties at a profit/loss.

The Vehicle Business Acquisition and Rental Agreements have an effective term of 20 years.

Vehicle-Related Fixed Assets Acquisition and Rental Agreement

BGFL has entered into a Vehicle-Related Fixed Assets Acquisition and Rental Agreement with BML and BCL which regulates *inter alia* the acquisition by BGFL of the Vehicle-Related Fixed Assets previously owned by BML and used by BML and BCL in their vehicle repair, outfitting and servicing operations, and the lease back of these fixed assets by BGFL to BML and BCL to continue to be used by them in their operations mentioned above.

In terms of the Vehicle-Related Fixed Assets Acquisition and Rental Agreement, BGFL is entitled to receive rent from BML and BCL, by way of consideration of the lease of the Vehicle-Related Fixed Assets by BGFL to them, for an aggregate amount of €308,600 per annum, which rent was calculated as at 18 December 2023 and may be slightly adjusted in the coming days to reflect changes in the portfolio of Vehicle-Related Fixed Assets acquired by BGFL occurring between 19 December 2023 and the Bond Issue Approval Date (namely the effective date of the acquisition of the Vehicle-Related Fixed Assets by BGFL under the Vehicle-Related Fixed Assets Acquisition and Rental Agreement).

The rent of the Vehicle-Related Fixed Assets under the Vehicle-Related Fixed Assets Acquisition and Rental Agreement is for a term of 12 years.

B. Investment in BBT p.l.c.

BGL has agreed to form a company with each of BT Group Limited (C 101263), TUM Operations Limited (C 91301), V. & C. Developments Limited (C 26541) and V&C Investments Limited (C 82808), all being major players within the real estate industry, for the purpose of consolidating separate investment rental properties respectively held by them into one group, thereby diversifying risk between them and benefitting from the economies of scale in completing and operating the relevant properties that such consolidation would entail, and also with the aim to continue growing the rental property portfolio through such associated company going forward. The properties contributed by the parties to BBT as at the date of this Registration Document are the Burmarrad Property, The Watercourse Complex, Center Parc Complex and Viu 57 Hotel, all as described in more detail below.

BGL and the Other BBT Shareholders have incorporated BBT p.l.c. on 7 April 2022, in which BGL held 22.68% of the initial share capital, consisting of 11,340 ordinary shares in the said BBT p.l.c. These shares were later redesignated as Ordinary A shares, in April 2023. In June 2023, a further 11,340 Ordinary A shares in BBT p.l.c. were issued and allotted to BGL, by way of capitalisation of the consideration due and payable by BBT p.l.c. to the said BGL for the transfer by BGL to BBT p.l.c. of the totality of the shares in MJSK Limited which owns the Burmarrad Property, and through which transfer of shares BGL contributed the Burmarrad Property to BBT. Concurrently with such issue and allotment of shares by BBT p.l.c. to BGL, BBT p.l.c. also issued and allotted further shares to each of BT Group Limited, TUM Operations Limited and V. & C. Developments Limited by way of capitalisation of the consideration due and payable by BBT p.l.c. to them for the transfer by them to BBT p.l.c. of their respective shares in

the companies which own The Watercourse Complex and Centre Parc Complex. Subsequently, BBT p.l.c. issued and allotted more shares to TUM Operations Limited by way of subscription of shares in cash and, furthermore, BBT p.l.c. issued and allotted further shares to each of BT Group Limited and TUM Operations Limited by way of capitalisation of the consideration due and payable by BBT p.l.c. to them for the assignment by them to the said BBT p.l.c. of certain receivables due to them respectively by other entities. Furthermore, BBT p.l.c. has also issued and allotted more shares to TUM Operations Limited and V&C Investments Limited by way of capitalisation of the consideration due and payable by BBT p.l.c. to them for the transfer by them to BBT p.l.c. of their respective shares in Develco Malta Limited (C 90603) which owns the Viu 57 Hotel.

The 22,680 Ordinary A shares which were originally held by BGL were transferred by BGL to the Issuer on 19 January 2024, for a consideration of €15,600,000, a substantial part of which was later settled by way of capitalisation by the issue and allotment of further shares in the Issuer to BGL. Accordingly, as at the date of this Registration Document these 22,680 Ordinary A shares in BBT, namely the BBT Pledged Shares, are held and owned by the Issuer. Following the various issues and allotments of shares made by BBT p.l.c. to its various shareholders as mentioned in the immediately preceding paragraph, these BBT Pledged Shares held by the Issuer now constitute 19.31% of the issued share capital of BBT p.l.c.

As of the date hereof, the following properties have been contributed to BBT by its shareholders:

1. Various immovable properties in Burmarrad (the “Burmarrad Property”)

This is essentially a site meant for development in Triq Burmarrad, Burmarrad, which at the date of this Registration Document consists of various adjoining yards, plots of land, garages and other structures which were previously used by the Burmarrad Group for its vehicle operations before relocating the same to the Marsa Premises and which were previously owned partly by BCL and partly by the Issuer and were transferred by them respectively to MJSK Limited by means of two separate notarial deeds in the records of Notary Public Ian Spiteri both dated 20 March 2023.

It is planned to develop the site into a commercial development to be held for rental to third parties, which is envisaged to consist of a net rentable area of approximately 11,800 sqm and approximately 478 car spaces. The development is in the process of being approved by the planning authorities pursuant to application PA/02583/21.

Total project development cost is estimated at €20 million and, subject to the issue of planning permits, the development is expected to be operational by mid-2024.

The shares in MJSK Limited, which owns the Burmarrad Property, have been contributed to BBT p.l.c. by their transfer from Burmarrad Group Limited to BBT p.l.c. in June 2023.

2. The premises named ‘The Watercourse’ in Mriehel (the “Watercourse Complex”)

This is a recently completed commercial complex, consisting mainly of an office block and showroom and parking spaces, without number and named ‘The Watercourse’, having 2 unnumbered entrances from Triq l-Imdina, another unnumbered entrance from Triq il-Ghajn, and yet a further 2 unnumbered entrances from Triq l-Esportaturi, in Mriehel, in the limits of Birkirkara, which was previously owned partly by B.T. Commercial Limited (C 25151) and partly by BT Commercial Properties Limited (C 72169) and was transferred by them to The Watercourse Complex Limited (C 103371) by means of a notarial deed in the records of Notary Public Ian Spiteri dated 23 February 2023.

The complex consists of approximately 10,543 sqm of leasable office space, approximately 2,460 sqm of leasable warehousing space, and approximately 242 parking spaces. The office space is being rented out to third parties while the showroom and underlying stores are leased to B.T. Commercial Limited, a company within the same group of companies of BT Group Limited, one of the shareholders of BBT p.l.c.

The shares in The Watercourse Complex Limited, which owns the Watercourse Complex, have been contributed to BBT p.l.c. by their transfer from BT Group Limited to BBT p.l.c. in June 2023.

3. The premises named ‘Center Parc’ in Qormi (the “Center Parc Complex”)

The Center Parc Complex is a major retail complex in Triq it-Tigrija, Qormi, owned by Center Parc Holdings Ltd. It consists of over 10,000 sqm of finished and operational leased retail area within the ground floor level and two underlying underground levels (Levels -1 and -2) and the parking facilities incorporated therein, as part of the first phase of the development. Furthermore, an additional development of approximately 7,496 sqm is being carried out as part of the second phase of the development, in accordance with planning permit application PA/8866/20, which is still being reviewed as at the date of this Registration Document.

Center Parc Holdings Ltd has secured rental agreements with third party tenants for the totality of the retail space included in the first phase and has secured rental for over 80% of the additional retail space included in the second phase.

The shares in Center Parc Holdings Ltd, which owns the Center Parc Complex, have been contributed to BBT p.l.c. by their transfer to BBT p.l.c. by their respective previous owners, namely TUM Operations Limited and V. & C. Developments Limited, in June 2023.

4. The hotel named 'Viu 57' in Mellieha (the "Viu 57 Hotel")

The Viu 57 Hotel, previously named Panorama Hotel, is a newly refurbished 57 room 3-star hotel, located on the hilltop of Mellieha overlooking Ghadira Bay, with main entrance situated in Triq Dun Belin Azzopardi, Mellieha. It is owned by Develeco Malta Limited, after such company acquired the same hotel from its respective previous owners, TUM Operations Limited and V&C Investments Limited by means of a notarial deed in the records of Notary Public Ian Spiteri dated 28 November 2023.

A rental agreement has been secured with a third party hotel operator in May 2021 for a period of 20 years, which provides for an annual rental income of €360,000 per annum for the year 2022, €370,000 per annum for the year 2023, €380,000 per annum for the years 2024 and 2025 and thereafter, from the year 2026 until the end of the lease term, the rent increases at 5% every 2 years.

The shares in Develeco Malta Limited, which owns the Viu 57 Hotel, have been contributed to BBT p.l.c. by their transfer to BBT p.l.c. by their respective previous owners, namely TUM Operations Limited and V&C Investments Limited, on 17 January 2024.

Following the acquisition of the companies owning the properties, namely The Watercourse Complex Limited, MJSK Limited, Center Parc Holdings Ltd and Develeco Malta Limited, by BBT p.l.c., these companies were transferred by BBT p.l.c. to, and are on the date hereof fully owned by, BBT Group Holdings Limited (C 102114), a fully-owned subsidiary of BBT p.l.c.

Based on the values procured and/or agreed between the shareholders of BBT p.l.c. for the purposes of and in the context of the contribution of the above-mentioned properties by them respectively, BBT p.l.c. had an estimated total equity value of approximately €69 million, at the time of such contribution of properties. As at the date hereof, the Issuer's investment in BBT p.l.c. has an estimated total equity value of €16,080,000, as calculated in the Valuation Report dated 31 January 2024. In addition to its share of dividends, the Issuer is expected to realise capital appreciation from its investment in BBT p.l.c. as pipeline projects are realised.

C. Group Properties

The Issuer Group, through BGPL, has invested in a number of directly held properties, the Group Properties, which could be held for long-term investment and/or rented to third parties or could also be sold, depending on the opportunities available and their financial feasibility. BGPL has acquired these Group Properties from the Issuer, BCL and TSL respectively by virtue of various notarial deeds entered into at the beginning of 2024, as part of the restructuring occurring within the Burmarrad Group as referred to in section 4.2 of this Registration Document.

The Group Properties so acquired and held by BGPL as at the date of this Registration Document are listed below:

1. A plot of agricultural land in Triq Burmarrad, Burmarrad (opposite the Burmarrad Property), measuring approximately 1,900 sqm, which was acquired by BGPL from the Issuer by means of a notarial deed in the records of Notary Public Ian Spiteri on 19 January 2024;
2. A garage (referred to as Mushroom Garage) in Triq Burmarrad, Burmarrad, located at ground floor level and underlying third party property, measuring approximately 95 sqm, which was acquired by BGPL from the Issuer by means of a notarial deed in the records of Notary Public Ian Spiteri on 19 January 2024;
3. A three storey building in Triq Burmarrad, Burmarrad, consisting of a garage roofed over 14 courses at ground floor level, an overlying open plan floor at first floor level and a three-bedroomed apartment at second floor level, which building is situated on a site of an area of approximately 185 sqm. This was acquired by BGPL from the Issuer by means of a notarial deed in the records of Notary Public Ian Spiteri on 19 January 2024;
4. An apartment numbered 2, at second floor level within a block of 2 apartments and underlying garage named "Marvin House" in Triq Burmarrad, Burmarrad, together with an undivided share in the common parts of such block pro rata with the other apartment within the same block. This was acquired by BGPL from the Issuer by means of a notarial deed in the records of Notary Public Ian Spiteri on 19 January 2024;
5. The site under construction in the corner between Triq il-Witja and an alley in Burmarrad, measuring approximately 193 sqm and having an 8.2 m frontage on Triq il-Witja and a 32 m frontage on the alley. As at the date of this Registration Document, this site is undergoing development according to planning permit PA/06722/19 approved on 31 May 2022, and the development consists of the construction of a garage at basement level, a maisonette at ground floor level and three overlying apartments. This was acquired by BGPL from the Issuer by means of a notarial deed in the records of Notary Public Ian Spiteri on 19 January 2024;
6. Six garages of varying sizes which are located at the lower basement level of a mixed use building named Marray Court in Triq il-Maghsar, Burmarrad. This was acquired by BGPL from BCL by means of a notarial deed in the records of Notary Public Ian Spiteri on 19 January 2024;
7. A two storey building in Triq ir-Ramla corner with Triq Hida, Nadur, Gozo, which used to operate as a restaurant under the name of 'Almar' but which is currently vacant and non-operational, and which covers an area of approximately 200 sqm. This was acquired by BGPL from TSL by means of a notarial deed in the records of Notary Public Ian Spiteri on 19 January 2024;

8. A three bedroomed apartment, at second floor level within a mixed use building named Marray Court in Triq il-Maghsar, Burmarrad, measuring approximately 140 sqm. This was acquired by BGPL from TSL by means of a notarial deed in the records of Notary Public Ian Spiteri on 19 January 2024; and
9. A ground floor car showroom at BC Garage, Triq il-Witja, Burmarrad, measuring approximately 95 sqm, which was acquired by BGPL from TSL by means of a notarial deed in the records of Notary Public Ian Spiteri on 19 January 2024.

The Group Properties listed in paragraphs 1 to 5 above were acquired by BGPL from the Issuer for an aggregate consideration amounting to €2,100,000.

The Group Property listed in paragraph 6 above was acquired by BGPL from BCL for a price of €265,000, whilst the Group Properties listed in paragraphs 7 to 9 above were acquired by BGPL from TSL for an aggregate consideration amounting to €1,295,000. The rights of BCL and TSL to receive these respective considerations from BGPL were assigned to the Issuer for an equal consideration payable by the Issuer to the said BCL and TSL. The assignment consideration payable by the Issuer to BCL and TSL respectively was subsequently assigned by BCL and TSL to BGL for an equal consideration. The resulting receivable due from the Issuer to BGL will either be capitalised or retained as a loan, interest free and with no fixed date of repayment and only repayable at the discretion of the Issuer.

The total estimated market value of the Group Properties as at the date of this Registration Document is approximately €3,660,000.

Debts and security interests relating to the main assets of the Issuer Group

Vehicles and Vehicle-Related Fixed Assets

The operating companies within the Operational Group, in particular BCL and BML, have on the date hereof several bank loans outstanding, namely the Secured Bank Loans, including the Relevant Bank Loans which were taken out in connection with their vehicle operations.

Furthermore, some of the vehicles previously owned by BCL and BCARL and transferred to BGFL under the Vehicle Business Acquisition and Rental Agreements had been acquired by the said BCL and BCARL and are as of the date hereof still subject to hire-purchase terms.

As at the date of this Registration Document, Bank of Valletta p.l.c. has a pledge on receivables under the WSC Car Leasing Tender Contracts, namely (i) a pledge on receivables for the amount of €1,049,740 representing the amount of the car leasing tender contract awarded to BCL by Water Services Corporation as per Contract Agreement WSC 470/22/1 LA 020/23 PD4600000535 CT 2159/2022 – Leasing of New Vehicles for Water Services Corporation Lot 2 dated 25 January 2023, which pledge was constituted by contract of pledge dated 13 February 2023, as well as (ii) a pledge on receivables for the amount of €2,041,445 representing the amount of the car leasing tender contract awarded to BCL by Water Services Corporation as per Contract Agreement WSC 470/22/2 LA 021/23 PD4600000536 CT 2159/2022 – Leasing of New Vehicles for Water Services Corporation Lot 3 dated 25 January 2023, which pledge was constituted by contract of pledge dated 13 February 2023 (the “Bank Pledges on Receivables”). These Bank Pledges on Receivables have been obtained by Bank of Valletta p.l.c. to secure the Secured Bank Loans given to BCL.

BBT Pledged Shares

The 22,680 Ordinary A shares which were originally held by BGL in BBT p.l.c. were pledged by BGL in favour of Bank of Valletta p.l.c. through the Bank BBT Pledge created by virtue of the pledge agreement dated 4 October 2023 to secure the Secured Bank Loans. These BBT Pledged Shares, which have now been transferred by BGL to the Issuer, are therefore held and owned by the Issuer subject to the Bank BBT Pledge.

Group Properties

The Group Property referred to in paragraph 5 under heading C. ‘Group Properties’ above in this section 5.2 is subject to a first ranking special hypothec and special privilege granted in favour of Bank of Valletta p.l.c. to secure the bank facilities granted to BGFL as referred to in section 6.2 below.

Furthermore, the Group Properties referred to in paragraphs 1, 2, 3, 6, 7 and 8 under the said heading C. ‘Group Properties’ above are on the date hereof subject to first ranking special hypothecs and, in the case of the Group Property referred to in paragraph 6, also a second ranking special hypothec, and in the case of the Group Property referred to in paragraph 2, also a third ranking special hypothec, in favour of Bank of Valletta p.l.c. to secure certain Secured Bank Loans due to the said bank (the “Bank Group Properties Special Hypothecs”), apart from other security interests granted to the said bank.

Expected release of existing security interests over main assets of the Issuer Group

Under the Vehicle Business Acquisition and Rental Agreements, BGFL has committed and undertaken to pay, by not later than 15 Business Days after the listing of the Bonds:

- (i) an amount of €3.7 million in settlement of such part of the price for vehicles and related vehicle business due under the BCL Vehicle Business Acquisition and Rental Agreement as represents the price for the WSC Leased Vehicles, and BGFL also committed and undertook to pay to Bank of Valletta p.l.c. out of such sum of €3.7 million such part of the bank facility forming part of the Relevant Bank Loans taken out by BCL which relates to the acquisition of the WSC Leased Vehicles which is at the relevant time drawn down and outstanding; and
- (ii) another amount of €3.4 million of the price for vehicles and related vehicle business due under the BCL Vehicle Business Acquisition and Rental Agreement, and BGFL also committed and undertook to pay such amount in settlement of other Relevant Bank Loans due to Bank of Valletta p.l.c.

BGFL has committed to make such payments of amounts due under the Relevant Bank Loans as aforesaid as payments by a third party for and on behalf of BCL which owes the same to Bank of Valletta p.l.c., and BCL has delegated, authorised and instructed BGFL and its respective delegates and sub-delegates to make such payments under the Relevant Bank Loans out of such price for the vehicles and related vehicle business due to it.

Furthermore, under the Vehicle-Related Fixed Assets Acquisition and Rental Agreement, BGFL has committed and undertaken to pay, by not later than 15 Business Days after the listing of the Bonds, an amount of €1.8 million of the price for the Vehicle-Related Fixed Assets due under the Vehicle-Related Fixed Assets Acquisition and Rental Agreement, and BGFL also committed and undertook to pay out of such amount to Bank of Valletta p.l.c. the outstanding Relevant Bank Loan due by BML to such bank. Such payment of such Relevant Bank Loan by BGFL as aforesaid shall be made as a payment by a third party for and on behalf of BML which owes the same to Bank of Valletta p.l.c., and BML has delegated, authorised and instructed BGFL and its respective delegates and sub-delegates to make such payment of such Relevant Bank Loan out of such price for the Vehicle-Related Fixed Assets due to it.

As a condition to the payment of parts of such prices by way of payment of bank debts by BGFL as aforesaid:

- (a) BCL and BCARL have committed to procure the concurrent payment to Bank of Valletta p.l.c. of any amount of Relevant Bank Loans remaining outstanding after such payment of parts of such prices by way of payment of bank debts by BGFL as aforesaid; and
- (b) BCL, BCARL and BML have committed to procure from Bank of Valletta p.l.c., promptly after the payment of the Relevant Bank Loans in full to such bank, the waiver and release of the Bank BBT Pledge, the waiver of the Bank Pledges on Receivables and the waiver and cancellation of the Bank Group Properties Special Hypothecs. As at the date of this Registration Document, Bank of Valletta p.l.c. has already signified its intention to the Operational Group that upon the settlement of the Relevant Bank Loans, Bank of Valletta p.l.c. will consent to such waiver, release and cancellation of the said security interests.

In terms of the Vehicle Acquisition and Rental Agreements, BGFL has also committed and undertaken to pay the outstanding debts due to HP Creditors in respect of the vehicles acquired by it from BCL and BCARL out of the price for such vehicles and related vehicle business remaining due under the Vehicle Acquisition and Rental Agreements, as a payment by a third party for and on behalf of BCL and BCARL, as the case may be, owing the same to the HP Creditors, and BCL and BCARL have each delegated, authorised and instructed BGFL and its respective delegates and sub-delegates to make such payment of the debts due to HP Creditors out of such price for the vehicles and related vehicle business.

5.3 OTHER POTENTIAL FUTURE ACTIVITIES

BGFL and the Group will be entitled to use all the vehicle rental revenue, vehicle sales proceeds, fixed assets rental revenue and other business revenues it receives from time to time from BCL and BCARL under the Vehicle Business Acquisition and Rental Agreements and/or from BML and BCL under the Vehicle-Related Fixed Assets Acquisition and Rental Agreement and/or from third parties and other business revenues it generates from time to time from its other assets and business lines, for the purposes and in pursuance of its existing and future business as it evolves from time to time, including the purchase of further vehicles from third parties or even from the Operational Group companies themselves (including those originally purchased by the Operational Group companies for the purposes of resale) to lease them to the Operating Group companies and/or to third parties, or even possibly the purchase of new or second hand vehicles for resale, or otherwise the acquisition of other fixed assets or other assets in pursuance of its business.

6. FINANCING AND SOLVENCY

6.1 SOLVENCY AND CREDIT RATINGS

There are no recent events particular to the Issuer which are to a material extent relevant to an evaluation of its solvency.

No credit ratings have been assigned to the Issuer at the request or cooperation of the said Issuer in the rating process.

6.2 FINANCING AND FUNDING STRUCTURE OF THE ISSUER AND THE GROUP

The Directors are not aware of any material changes in the Issuer's borrowing and funding structure since the end of its last financial year, ending 31 January 2024.

The Directors expect the Issuer's and the Issuer Group's working capital and funding requirements to be met by a combination of the following sources of finance: (i) profits and cash flow generated by the Group's operations; (ii) external bank credit and loan facilities; and (iii) the proceeds from the Bonds.

Financing of activities and of payment obligations under bank borrowings and the Bonds through the Group's operations

The various business lines and assets within the Group are expected to generate revenues and profits for the respective Group companies, principally, but not limitedly, in the form of operational revenues consisting of rental income from the lease of vehicles to the Operational Group companies and eventual vehicle sales proceeds from transfers of vehicles to such Operational Group companies to be made by BGFL in terms of the Vehicle Business Acquisition and Rental Agreements, rental income from the lease of Vehicle-Related Fixed Assets to the Operational Group companies in terms of the Vehicle-Related Fixed Assets Acquisition and Rental Agreement, the potential rental income or sales proceeds to be generated by BGFL from the rental or sale of the Group Properties and other properties which may be acquired or developed from time to time, and the dividends to be received by the Issuer out of its investment in BBT, as well as other operational revenues to be generated from any other business activities, as these evolve from time to time, by the Group and the companies forming part thereof.

The above-mentioned revenues will be used to finance investments, acquisitions and expenses involved in the business operations and growth of the various Group companies, including the acquisition of new vehicles, immovable property or property investments. They are also expected to finance payments under any bank borrowings which may be obtained by the various Group companies as well as payments of dividends and/or payments of loans or other payments to the Issuer by the various Group companies, including the Issuer-BGFL Loan which will be made available by the Issuer out of part of the proceeds of the Bond Issue, thus financing the payments due under the Bonds. These payments under the Bonds will also be partly financed by revenues and profits received directly by the Issuer out of assets directly held by it, in particular the BBT Pledged Shares.

Financing through bank loans

As at 14 January 2024, the Group's available bank loan facilities, based on sanction letter in place as at such date, consisted only of the facilities shown in Table A below.

Borrower Group company	Purpose of borrowing	Bank	Total Facility Amount	Balance as at 14/01/2024	Interest per annum as at 14/01/2024	Repayment
Issuer	Acquisition and development of the Group Property consisting of the site under construction in the corner between Triq il-Witja and an alley in Burmarrad, as listed under paragraph 5 under heading C. 'Group Properties' under section 5.2 of this Registration Document	Bank of Valletta p.l.c.	Business Loan I: €193,000; Business Loan II: €322,800.	€193,000 €106,683 drawn down as at such date	1.35% per annum over the Business Lending Bank Base Rate (which is presently 2.15%)	To be repaid in full within 3.5 years from first drawdown.

The bank borrowings and facilities mentioned in Table A above are secured *inter alia* through a first ranking special hypothec and special privilege granted in favour of Bank of Valletta p.l.c. over the Group Property consisting of the site under construction in the corner between Triq il-Witja and an alley in Burmarrad, as listed under paragraph 5 under heading C. 'Group Properties' under

section 5.2 of this Registration Document, as well as other security interests granted to Bank of Valletta p.l.c. as per the terms of the above-mentioned sanction letter. Such bank borrowings and facilities mentioned in table A above were originally granted and are still, on the date of this Registration Document granted, by Bank of Valletta p.l.c. to the Issuer, but following the transfer of the said Group Property consisting of the site under construction in the corner between Triq il-Witja and an alley in Burmarrad, as listed under paragraph 5 under heading C. 'Group Properties' under section 5.2 of this Registration Document by the Issuer to BGFL, arrangements are being made with the said bank for the transfer and assumption of the relevant bank borrowings and facilities to and by the said BGFL, in accordance with a new sanction letter issued by Bank of Valletta p.l.c. to the said BGFL dated 15 January 2024.

The Group may from time to time seek further financing from banks as well as from other sources for new acquisitions, projects or operations.

Further financing through the Bonds

The Group intends to obtain further financing for its operations through the issue of the Bonds, by virtue of which the Issuer intends to raise €16,000,000 and to make the proceeds from the Bond Issue available to the Group.

The Bonds will be due in ten (10) years, namely in 2034, and will pay a coupon of 5.85% per annum. The Bonds will be listed on the Official List of the MSE and admitted to trading on such regulated market.

A substantial part of the proceeds of the Bonds will be made available by the Issuer to BGFL by way of loan under the Issuer-BGFL Loan, which will in turn be used to finance the payment of a part of the price payable by BGFL for the vehicles and related vehicle business under the Vehicle Business Acquisition and Rental Agreements to be used to pay part of the Relevant Bank Loans and the debts owed to HP Creditors, and also a part of the price payable by BGFL for the Vehicle-Related Fixed Assets under the Vehicle-Related Fixed Assets Acquisition and Rental Agreement to be used to pay part of the Relevant Bank Loans, all as set out in section 4.2 of the Securities Note.

Collateral for Bonds

The Issuer's obligations under the Bonds will be secured by the Collateral to be granted by the Issuer in favour of the Security Trustee for the benefit of Bondholders, as provided below.

The Collateral will consist of:

- (a) the BBT Pledge, namely the first ranking pledge over the 22,680 Ordinary A shares of a nominal value of €1.00 each, fully paid up, in the capital of BBT p.l.c. held by the Issuer (the BBT Pledged Shares); and
- (b) the BGFL Pledge, namely the first ranking pledge over the 1,200 ordinary shares of a nominal value of €1.00 each, fully paid up, in the capital of BGFL, and constituting the totality of the issued share capital of the said BGFL, held by the Issuer (the BGFL Pledged Shares).

Details of the main terms of the Pledge Agreements by virtue of which the above-mentioned Pledges will be granted is included in sections 4.2 and 6.3 of the Securities Note.

By virtue of the Valuation Report dated 31 January 2024, the estimated value of the BBT Pledged Shares (without taking into consideration that these are still subject to the Bank BBT Pledge as at such date) has been calculated as €16,080,000, whilst the estimated value of the BGFL Pledged Shares has been calculated as €3,573,000.

As at the date of this Registration Document, the BBT Pledged Shares are pledged in favour of Bank of Valletta p.l.c. by virtue of the Bank BBT Pledge to secure the Secured Bank Loans. As at the date of this Registration Document, Bank of Valletta p.l.c. has already signified its intention to the Operational Group that upon the settlement of the Relevant Bank Loans forming part of such Secured Bank Loans, the said bank will release the Bank BBT Pledge, which release will be necessary to enable the constitution of the first ranking BBT Pledge over the BBT Pledged Shares in favour of the Security Trustee for the benefit of the Bondholders, as part of the Collateral required under the Trust Deed. As mentioned under heading A. 'Ownership and leasing of vehicle fleet and of Vehicle-Related Fixed Assets' under section 5.2 of this Registration Document:

- (i) under the BCL Vehicle Acquisition and Rental Agreement, BGFL has committed and undertaken to pay a portion of the Relevant Bank Loans, consisting of €3.4 million plus such part of the Relevant Bank Loan which relates to the WSC Leased Vehicles which is drawn down and outstanding at the relevant time, to Bank of Valletta p.l.c. out of the price of the vehicles and related vehicles business purchased, as a payment by a third party for on behalf of BCL owing the same to Bank of Valletta p.l.c., and BCL has delegated, authorised and instructed BGFL and its respective delegates and sub-delegates to make such payment of part of the Relevant Bank Loans out of such price for the vehicles and related vehicle business; and
- (ii) under the Vehicle-Related Fixed Assets Acquisition and Rental Agreement, BGFL has committed and undertaken to pay the Relevant Bank Loan due by BML in the amount of approximately €1.8 million to Bank of Valletta p.l.c. out of the price of the Vehicle-Related Fixed Assets purchased, as a payment by a third party for on behalf of BML owing the same to Bank of Valletta p.l.c., and BML delegated, authorised and instructed BGFL and its respective delegates and sub-delegates to make such payment of such Relevant Bank Loan out of such price for the Vehicle-Related Fixed Assets.

Accordingly, part of the consideration payable by BGFL for the acquisition of the vehicles and related vehicle business pursuant to the Vehicle Acquisition and Rental Agreements and part of the consideration payable by BGFL for the acquisition of the Vehicle-Related Fixed Assets pursuant to the Vehicle-Related Fixed Assets Acquisition and Rental Agreement, a part of which considerations will be financed through the Issuer-BGFL Loan to be made out of part of the proceeds of the Bond Issue, will be used towards the payment of a part of the Relevant Bank Loans to Bank of Valletta p.l.c., and such payment shall be made directly to Bank of Valletta p.l.c. by the Security Trustee, by delegation, after receiving the proceeds of the Bond Issue from the Registrar and the execution of the Issuer-BGFL Loan Agreement between the Issuer, BGFL and the Security Trustee, all as provided in section 4.2 of the Securities Note. The Security Trust Deed contains provisions relating to such payments by delegation as aforesaid and the Issuer-BGFL Loan Agreement will also contain provisions relating thereto. In terms of the Vehicle Acquisition and Rental Agreements and the Vehicle-Related Fixed Assets Acquisition and Rental Agreement, as a condition to the payment of part of the price of vehicles and related vehicle business and part of the price for the Vehicle-Related Fixed Assets by way of payment of bank debts by BGFL as aforesaid, (i) BCL and BCARL have committed to procure the concurrent payment to Bank of Valletta p.l.c. of any amount of Relevant Bank Loans remaining outstanding after such payment of parts of such prices by way of payment of bank debts by BGFL as aforesaid; and (ii) BCL, BCARL and BML have committed to procure from Bank of Valletta p.l.c., promptly after the payment of the Relevant Bank Loans in full to such bank, the waiver and release of the Bank BBT Pledge, the waiver of the Bank Pledges on Receivables and the waiver and cancellation of the Bank Group Properties Special Hypothecs. The Security Trustee will only release the relevant funds to Bank of Valletta p.l.c. as aforesaid if concurrently with such payment there is effected payment of any remaining outstanding amount of Relevant Bank Loans as aforesaid and only after receiving assurance that the Bank BBT Pledge will be released promptly after the settlement of the Relevant Bank Loans, so as to enable the constitution of the BBT Pledge in favour of the Security Trustee immediately thereafter, and the Security Trust Deed contains provisions to this effect.

7. TREND INFORMATION

7.1 TREND INFORMATION OF THE ISSUER

There has been no material adverse change in the prospects or in the financial performance of the Issuer since the date of publication of its latest audited financial statements for the period ended 31 January 2023. However, following the reorganisation outlined in section 4.2 of this Registration Document, the annual reported performance of the Issuer is expected to improve from the end of the last financial period for which financial information has been published, being 31 July 2023. Prior to the reorganisation, the Issuer was acting as an asset holding company whose activities mainly consisted of owning some of the wider Group's investment properties. Furthermore, net cash flow from operations was effectively close to nil as no active rental agreements were in place on any of the investment properties held. Therefore, following the reorganisation as outlined in section 4.2 of this Registration Document, the Issuer is expected to generate rental income on its portfolio of vehicles held in terms of the Vehicle Business Acquisition and Rental Agreement as well as rental income on its Vehicle-Related Fixed Assets in terms of the Vehicle-Related Fixed Assets Acquisition and Rental Agreement. The Issuer now holds both an investment in BBT, from which the Issuer is expected to receive dividend income, as well as Group Properties, for long-term investment, for rental and/or potentially also for sale to third parties.

The Issuer is dependent on the business prospects of the Group and, therefore, the trend information relating to the Group (detailed below) is considered to have a material effect on its financial position and prospects. Barring the occurrence of any unforeseen circumstances, the Issuer does not anticipate any likely material adverse effect on its prospects. However, investors are strongly advised to carefully read the risk factors disclosed in section 2 of this Registration Document.

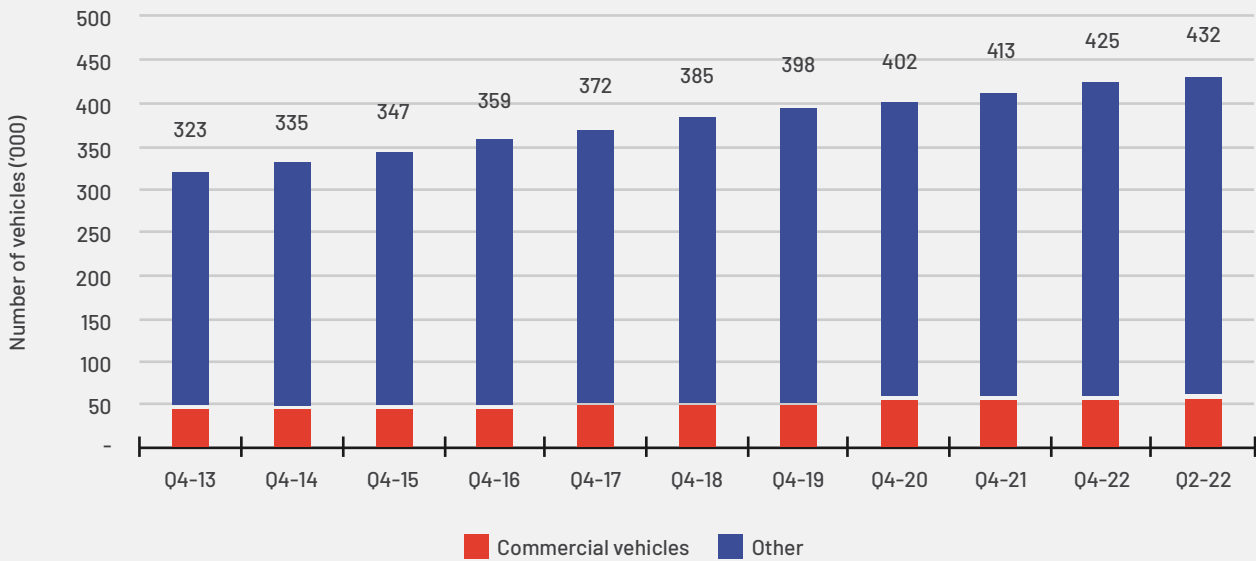
7.2 TREND INFORMATION OF THE GROUP

Vehicle Business Expansion and dependence on Vehicle Population Growth

Originally founded as an importer of used commercial vehicles, the Group quickly diversified and emerged as Malta's foremost provider of both new and used vehicles, encompassing vans, trucks, specialised purpose vehicles, cars, warehouse equipment, and industrial machinery. As previously mentioned, the Group is predominantly engaged in leasing vehicles for private, commercial, and industrial use, offering comprehensive support services in tandem. One noteworthy aspect of the Group's expansion is its service centre, recognised as a pivotal growth driver. Serving as a supporting arm for the various business divisions, the service centre not only generates substantial returns but also helps build customer loyalty and drive business.

The Group's performance in the vehicle industry is therefore tied to the number of vehicles in operation. As highlighted in the chart below, the vehicle population has exhibited significant growth over the years based on data published by the National Statistics Office ('NSO'). This growth is indicative of an expanding market and suggests that there is a consistent demand for vehicles and related services, which positions the Group favourably for sustained success in this sector.

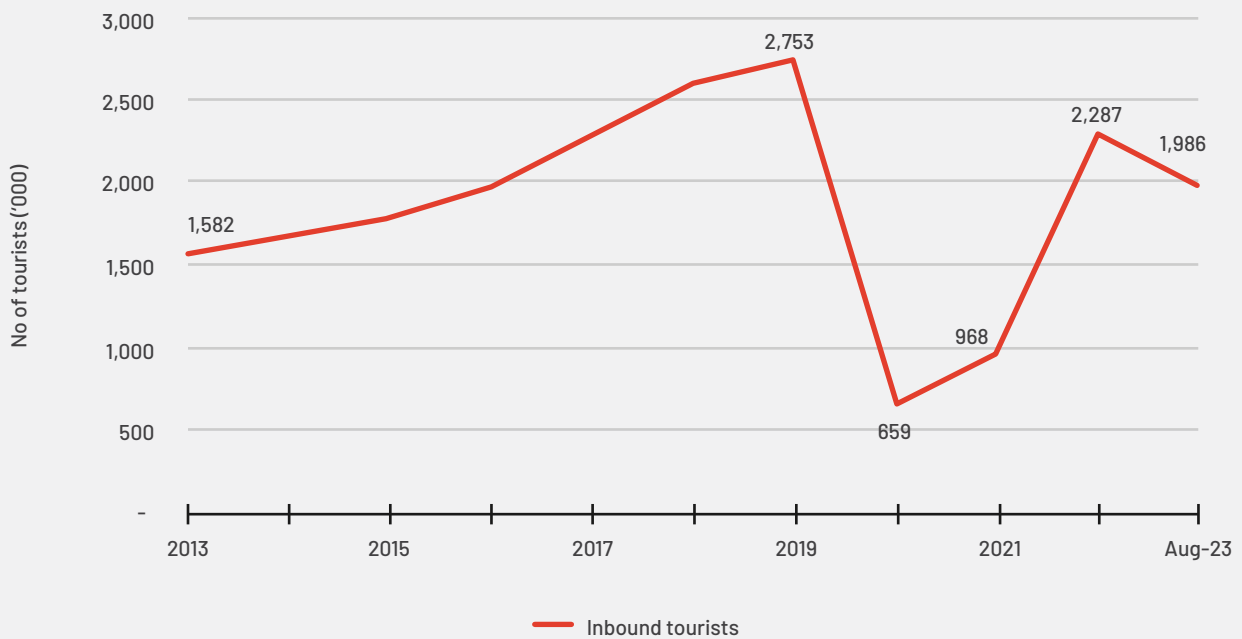
Number of vehicles on Maltese Roads ('000)



Dependence on Tourist Arrivals

In terms of the data gathered and published by the NSO, between 2009 and 2019, tourist arrivals in Malta grew from 1.2 million to 2.8 million – constituting a compound annual growth rate (CAGR) of 8.8%. This consistent growth was negatively impacted in 2020 and 2021 by the various travel restrictions put into place as a result of the COVID-19 outbreak. However, as at August 2023, tourist arrivals have gained back its momentum, and have in fact surpassed 2019 pre-pandemic levels for the same quarter. On a cumulative basis, tourist arrivals for the first eight months of 2023 have reached 72% of 2019 levels. This continued growth in tourism arrivals provides a strong foundation for the Group’s recent expansion in short-term car rentals and associated services. As the tourism sector thrives, so too does the Group’s ability to meet the needs of tourists, ensuring sustainable growth in this segment of their business.

Tourist arrival per annum ('000)



Exposure to the development of commercial properties and the leasing of office and retail space to third parties

The Issuer's largest single investment lies in BBT p.l.c., a real estate company that is projected to yield stable long-term rental income and capital appreciation. While the Group foresees a consistent influx of dividend income from 2027 onwards, this expectation hinges greatly on the occupancy of both commercial, retail and office spaces.

Before the onset of the COVID-19 pandemic, there was a heightened demand for office spaces, leading to a significant influx of real estate projects, many of which featured substantial office space. The occupancy of this additional office space remains contingent on the sustained growth of foreign direct investment and employment, particularly within the gaming and finance sectors.

Furthermore, the retail industry is subject to market fluctuations with two new malls boasting a combined net retail area of circa 23,200 square meters expected to open by the end of 2023. Additionally, a further increase of 7,500 square meters is anticipated by the conclusion of 2024 through the expansion of the Center Parc mall. This signifies a substantial 54% growth in mall retail space over the next few years. However, the Group intends to continue actively monitor the local market and changing consumer preferences to mitigate any potential risks and impact on tenant demand and rental rate.

General macro-economic trends

The protracted Russian invasion of Ukraine and the consequences for the global economy have set the EU economy on a path of lower growth and higher inflation. The prevailing inflationary conditions and the rising cost of borrowing in the EU are exerting upward pressure on operational expenses. Simultaneously, this is driving up the costs associated with acquiring vehicles, which could potentially dissuade clients from expanding their vehicle fleets. A deceleration in economic activity may consequently lead to decreased demand for rental fleets.

8. FINANCIAL INFORMATION

8.1 HISTORICAL FINANCIAL INFORMATION

The historical financial information pertaining to the Issuer is included in the audited financial statements for the financial years ended 31 January 2021, 31 January 2022 and 31 January 2023. The interim financial information pertaining to the Issuer is extracted from the unaudited condensed financial statements for the six-month period ending 31 July 2023. The Subsidiaries of the Issuer, Burmarrad Group Fleets Limited and Burmarrad Group Properties Limited, were incorporated in June 2023 and accordingly as at the date of this Registration Document have not filed any audited financial statements.

The financial statements of the Issuer have been drawn up in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, and have been properly prepared in accordance with the Act.

The audited financial statements of the Issuer are available for review on the Issuer's website (www.bgassetsplc.com) and are available for inspection at the Issuer's registered office. The audited financial information is incorporated by reference in this Registration Document. Interim financial information has not been audited and has not been reviewed as at the date of this Registration Document. The interim financial statements of the Issuer for the six-month period ending 31 July 2023 are available for review on the Issuer's website referred to above and are available for inspection at the Issuer's registered office, and are also incorporated by reference in this Registration Document.

The table below provides a cross-reference list to key sections of the financial statements of Burmarrad Group Assets p.l.c for the financial years ended 31 January 2021, 31 January 2022 and 31 January 2023 and of its interim financial statements for the six-month period ending 31 July 2023:

Key references	Page number in the financial statements report			Page number in interim financial statements
	Financial year ended 31 January 2021	Financial year ended 31 January 2022	Financial year ended 31 January 2023	
Information incorporated by reference in the Prospectus				Interim financial information for the six months ended 31 July 2023
Independent Auditors' Report	3-5	3-5	21-23	N/A
Statement of Comprehensive Income	6	6	4	4
Statement of Financial Position	7	7	3	3
Statement of Cash Flows	N/A	N/A	6	6
Notes to the Financial Statements	9-14	9-15	7-20	7-18

As a result of the reorganisation process undertaken within the wider Burmarrad Group as outlined in section 4.2 of this Registration Document, there have been positive material changes in the prospects and financial position of the Issuer since the date of publication of its latest audited financial statements. Pro forma financial information has therefore been provided in section 8.3 of this Registration Document.

8.2 OPERATING AND FINANCIAL REVIEW

Set out below are condensed extracts from the stand-alone financial statements for such periods, including interim financial statements for the six-month period ending 31 July 2023.

BURMARRAD GROUP ASSETS P.L.C.					
Statement of Comprehensive Income €'000s	Jan21 Audit	Jan22 Audit	Jan23 Audit	Jul22 Mgmt	Jul23 Mgmt
Revenue	-	-	-	-	-
Movement in fair value of investment property	-	-	649	-	-
Administrative expenses	(13)	(6)	(9)	(4)	(3)
Profit before tax	(13)	(6)	640	(4)	(3)
Income tax expense	-	-	388	-	-
Net (loss) / profit	(13)	(6)	1,028	(13)	(6)

During the period under review, the Issuer's primary activity consisted of acting as a property-owning company for part of the investment property portfolio of the wider Burmarrad Group. No active rental agreements were in place on any of the properties and therefore no income was generated from the investment properties owned during the period under review. In FY23, the Issuer recognised a fair value gain of €649k on its investment property portfolio and a respective deferred tax charge on the revaluation.

Following the reorganisation outlined in section 4.2 of this Registration Document, the annual reported performance of the Issuer is expected to change materially from that reported during the review period.

BURMARRAD GROUP ASSETS P.L.C.					
Statement of Financial Position €'000s	Jan21 Audit	Jan22 Audit	Jan23 Audit	Jul22 Mgmt	Jul23 Mgmt
Investment property	7,680	8,070	2,100		2,123
Assets held for sale	-	-	6,640	-	-
Investment in subsidiary	-	-	-	-	2
Loan receivable	-	-	-	-	6,640
Trade and other receivables	90	-	-	-	-
Current assets	90	-	6,640		6,642
Total assets	7,769	8,070	8,740		8,765
Share capital	1	1	1	1	1
Fair value reserve	6,235	6,235	7,271	7,271	7,271
Retained earnings	209	203	194	194	191
Equity	6,444	6,439	7,467		7,463
Long term borrowings	140	140	140	140	140
Bank borrowings	-	193	193	193	209
Deferred tax	556	556	168	168	168
Non-current liabilities	696	889	501		517
Trade and other payables	616	742	770	770	781
Bank overdraft	-	-	2	2	4
Current tax liability	13	-	-	-	-
Current liabilities	629	742	772		784
Total liabilities	1,325	1,631	1,273		1,302
Total equity and liabilities	7,769	8,070	8,740		8,765

As at 31 January 2023, the Issuer's asset base amounted to €8.7m, all of which was backed by real estate investments. Investment property with a book value of €6.6m reclassified as held for sale in January 2023 related to part of the Burmarrad site which was subsequently contributed to BBT p.l.c. in exchange for a shareholding in BBT p.l.c.

The assets were predominantly financed by shareholder contributions, with long-term borrowings and trade and other payables predominantly composed of related party loans. As at July 2023, the Issuer's debt to third parties amounted to €0.2m predominantly related to a bank facility utilised to acquire one of the investment properties of the Issuer.

Total equity amounted to €7.5m as at January 2023 and as at July 2023, which includes a balance amounting to €7.3m relating to the revaluation of the investment property. This amount is unrealised and not distributable.

BURMARRAD GROUP ASSETS P.L.C.				
Statement of Cash Flows	Jan22	Jan23	Jul22	Jul23
€'000s	Audit	Audit	Mgmt	Mgmt
Net cash used in operating activities	(26)	(3)	8	8
Net cash used in investing activities	(301)	(22)	(8)	(25)
Cash flows from financing activities	327	23	-	16
Net movement in cash and cash equivalents	-	(2)	-	(1)
Cash and cash equivalents at beginning of the year / period	-	-	-	(2)
Cash and cash equivalents at end of the year / period	-	(2)	-	(3)

Note: The cash flow statement for the year ended 31 January 2021 was not prepared as the Company did not have any cash and cash equivalents during that financial year.

The cash flow of the Issuer has historically been supported through shareholders' contributions and advances from related parties as its business model was restricted as a property-owning company with no active rental agreements in place on any of the properties. Cash flows used in operations primarily reflected cash outlay to settle annual costs. Net cash flows used in investing activities related to property acquisitions over the period, which acquisitions were predominantly financed by shareholders contributions and advances from related parties and a €0.2m drawdown of a bank facility in FY22.

Following the reorganisation outlined in section 4.2 of this Registration Document, the annual income statement, cash flow and statement of financial position of the Issuer are expected to change materially from that reported during the review period as the Issuer will transfer ownership of its properties to a fully owned subsidiary and will become a holding and financing company for its two distinct subsidiaries.

8.3 PROFORMA FINANCIAL INFORMATION

As outlined in section 4.2 of this Registration Document, the Issuer Group came into existence after 31 January 2023 following the reorganisation undertaken by the wider Burmarrad Group. The financial information set out in this review represents pro forma consolidated financial information. The pro forma financial information illustrates the impact of the reorganisation as if the reorganisation has been undertaken as at 31 January 2023. The hypothetical consolidated financial position included in the pro forma financial information may differ from the entity's actual position.

Details relating to the basis for preparation and the pro forma adjustments for the compilation of the pro forma statement of financial position at 31 January 2023 are available for review on the Issuer's website www.bgassetsplc.com and are available for inspection at the Issuer's registered office. An Accountant's Report on the pro forma financial information included in this document has been prepared by BDO Malta in compliance with the requirements of the Capital Markets Rules. Such report is attached as Annex I to this Registration Document.

A statement of financial position of the Issuer Group as at 31 January 2023, including comparatives based on pro forma adjustments as at the same financial period, are set out below:

BURMARRAD GROUP ASSETS P.L.C.											
Pro forma consolidated statement of financial position											
€'000s											
	Jan23	Adjustments									Jan23
	Audit	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	Adj
Receivable - Leasing vehicles	-	-	-	-	-	-	9,321	-	-	-	9,321
Receivable - Daily rental vehicles	-	-	-	-	-	-	2,410	-	-	-	2,410
Receivable - Commercial vehicles	-	-	-	-	-	-	4,038	-	-	-	4,038
Receivable - Vehicle related fixed assets	-	-	-	-	-	-	-	2,000	-	-	2,000
Total receivables	-	-	-	-	-	-	15,769	2,000	-	-	17,769
Investment properties	8,740	(6,640)	-	-	265	1,295	-	-	-	-	3,660
Investment in subsidiaries	-	-	2	-	-	-	-	-	-	-	2
Investment in BBT p.l.c.	-	-	-	15,600	-	-	-	-	-	-	15,600
Total other assets	8,740	(6,640)	2	15,600	265	1,295	-	-	-	-	19,262
Cash and cash equivalents	(2)	-	-	-	-	-	-	-	-	-	(2)
Total current assets	(2)	-	-	-	-	-	-	-	-	-	(2)
Total assets	8,738	(6,640)	2	15,600	265	1,295	15,769	2,000	-	-	37,029
Bank borrowings	193	-	-	-	-	-	-	-	-	-	193
Amounts due to related parties	900	(6,640)	-	15,600	265	1,295	15,769	2,000	(0)	(13,619)	15,570
Accruals	10	-	-	-	-	-	-	-	-	-	10
Deferred taxation	168	-	-	-	-	-	-	-	-	-	168
Total liabilities	1,271	(6,640)	-	15,600	265	1,295	15,769	2,000	-	(13,619)	15,941
Share capital	1	-	2	-	-	-	-	-	-	13,619	13,622
Retained earnings	7,466	-	-	-	-	-	-	-	-	-	7,466
Total equity	7,467	-	2	-	-	-	-	-	-	13,619	21,088
Total equity & liabilities	8,738	(6,640)	2	15,600	265	1,295	15,769	2,000	-	-	37,029

The first column included in the table above reflects the Issuer's unadjusted financial position as at 31 January 2023, extracted from audited financial statements for the year ending January 2023.

The pro forma adjustments include the following:

1. Relates to the transfer of part of the Burmarrad Property owned by the Issuer to BBT p.l.c., which investment was reported by the parent of the Issuer (BGL);
2. Being the incorporation of Burmarrad Group Fleets Limited and Burmarrad Group Properties Limited;
3. Relates to the transfer of the investment in BBT p.l.c. by BGL to the Issuer which is assumed to be carried out at the gross value of the property contributed to BBT p.l.c.;
4. Relates to the transfer of other investment properties (Group Properties) from Burmarrad Commercials Limited to Burmarrad Group Properties Limited which is assumed to be carried out at market value;
5. Relates to the transfer of other investment properties (Group Properties) from Ta' Seraqa Limited to Burmarrad Group Properties Limited which is assumed to be carried out at market value;
6. Relates to the acquisition and lease back of the Vehicle Business by Burmarrad Group Fleets Limited from Burmarrad Commercials Limited and BC Auto Rentals Limited, which acquisitions are assumed to be carried out at the market value of the vehicles;
7. Relates to the acquisition and lease back of the Vehicle-related Fixed Assets by Burmarrad Group Fleets Limited from Burmarrad Manufacturing Limited, which acquisitions are assumed to be carried out at the market value of the assets;
8. Being the assignment of related party balances such that a net balance of €13.1m will be due by the Issuer to Burmarrad Commercial Limited and BC Auto Rental Limited ('other related parties') and a net balance of €2.5m will remain outstanding and due by the Issuer to Burmarrad Group Limited (its parent); and
9. Being the capitalisation of part of the amounts due by the Issuer to Burmarrad Group Limited (its parent).

On a pro forma basis, total equity of the Group as at 31 January 2023 amounted to €21.1m.

Total assets amounted to €37.0m and are principally comprised of the shares held in BBT p.l.c. (€15.6m / 42.2% of total assets), the total receivable balance from the lease back of the motor vehicle fleet (€15.7m / 42.4%), the receivable balance from the lease back of Vehicle Related Fixed assets (€2.0m/ 5.4%) and Group Properties (€3.6m / 9.7%).

Total liabilities amounted to €15.9m, primarily comprised of outstanding amounts due to related parties amounting to €15.6m. €13.1m of the related parties' balance will be settled out of bond proceeds as outlined in section 5.2 of this Registration Document and section 4.2 of the Securities Note, with the remaining balance remaining outstanding, interest free and with no fixed date of repayment and only repayable at the discretion of the Issuer.

9. ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

9.1 BOARD OF DIRECTORS OF THE ISSUER

The Issuer is currently managed by a Board consisting of five Directors entrusted with its overall direction and management. As at the date of this Registration Document, the Board of the Issuer is composed of the individuals listed in section 3.1 of this Registration Document.

The Board of Directors of the Issuer currently consists of two executive Directors and three non-executive Directors.

The executive Directors are Maria Gauci and Mario Gauci Jnr. These also occupy executive positions within the Group and the larger Burmarrad Group. Together with the Group's executive team, the executive Directors of the Issuer are responsible for and are entrusted with the Group's day-to-day management.

The other three Directors, Albert Frendo, Mark Anthony Grech and David Spiteri are non-executive Directors of the Issuer. They are considered as independent Directors since they are free of any significant business, family or other relationship with the Issuer, its controlling shareholders or the management of either, that could create a conflict of interest such as to impair their judgement. In assessing the said directors' independence due notice has been taken of Rule 5.119 of the Capital Markets Rules.

The non-executive Directors' main functions are to monitor the operations of the executive Directors and their performance, as well as to review any proposals tabled by the executive Director/s, bringing to the Board the added value of independent judgment, and also to provide specialist support to the executive Directors.

The *curriculum vitae* of the directors of the Issuer are set out in section 9.2 below.

9.2 CURRICULUM VITAE OF DIRECTORS OF THE ISSUER

Albert Frendo (Non-executive Director and Chairperson of the Board of Directors of the Issuer)

Albert Frendo is an accountant by profession. His career at a leading Bank in Malta has spanned over thirty eight years with wide ranging experience in financial reporting, cost management, risk management and most notably credit finance. Albert has wide experience in dealing and negotiating with small and medium sized enterprises ('SMEs') and corporate customers, including family businesses, especially in the area of credit origination and monitoring, business turnarounds, funding of major infrastructural and specialised projects, working capital finance and overall credit portfolio management. He spent over ten years in the role of Chief Officer and a member of the Bank's Executive Committee he was specifically responsible for the stewardship of the lending portfolio and collectively to steer the bank's overall strategic direction and implementation. He was entrusted to launch the first Risk Sharing Instruments in Malta aimed at supporting SMEs and family businesses including JEREMIE, CIP, SMEG, SME Initiative (JAIME) and SME Invest. Albert holds a degree in Accountancy from University of Malta and a Master's in Business Administration, with specialisation in Management Consulting, from Grenoble Graduate School of Business in France. Currently, Albert provides consultancy and advisory services to a number of corporate customers.

Apart from being a Director, Albert Frendo is also a member of the Audit Committee of the Issuer.

Mark Anthony Grech (Non-executive Director of the Issuer)

Mark graduated B.A. (Hons.) Business Management from the University of Malta in 1986. He is a Fellow of the Malta Institute of Accountants and a Certified Public Accountant. In December 1993 Mark was appointed Deputy Head of the International Tax Unit within Malta's Inland Revenue Department. The Unit was responsible for all tax matters relating to international business and the financial services sector within the context of Malta's launch of comprehensive financial services legislation in 1994. In October 2000 Mark took on the position of Director and Head of the Tax Department at Deloitte & Touche Malta, responsible for all tax related services to the firm's national clients, subsequent to which in January 2004 he progressed to Partner at the Deloitte Member Firm in Malta taking on the role of leader of the team providing indirect tax advisory and compliance services, a position he held till his retirement in May 2017.

Apart from being a Director, Mark Anthony Grech is also a member and Chairman of the Audit Committee of the Issuer.

David Spiteri (Non-executive Director of the Issuer)

David has 40 years' experience in C+ suite positions including as Chair, Executive Chair, Board Member and Chief Executive. David has held senior ICT, e-government and management consulting positions in Malta (government and the private sector) and overseas. David played a lead role in national reforms including public administration, energy, ICT, research and innovation amongst others. David holds a Master's in Public Administration (University of Liverpool, UK). In 2001 David was bestowed the Order of the Terra Mariana (4th Class) by the President of Estonia for engendering ICT knowledge transfer relationships between Malta and Estonia.

Apart from being a Director, David Spiteri is also a member of the Audit Committee of the Issuer.

Maria Gauci (Executive Director of the Issuer)

Maria Gauci has been involved in her family's business from a very young age. Her dedication and commitment to the Group and the larger Burmarrad Group have played a crucial role in its growth and diversification. Maria, in addition to holding a seat as company director within various companies within the Burmarrad Group also oversees the aftersales, operations, and fleet maintenance departments.

She leads her team with a strong focus on delivering the highest quality service to their clients. Maria's determination and perseverance have been key to her success, and she lives by the motto of never giving up in the face of challenges.

Maria's approach has earned her the respect of her colleagues, and she has contributed significantly to the Burmarrad Group's reputation as a reliable and customer-focused enterprise.

Her leadership has been instrumental in driving the business forward.

As of the date of this Registration Document, Maria is also a director of all other companies within the Issuer Group and all companies within the Operational Group and the larger Burmarrad Group.

Mario Gauci Jnr. (Executive Director of the Issuer)

Mario Gauci Jnr. is a seasoned and influential director who has been a pivotal part of the Burmarrad Group from a remarkably young age. Renowned for his unwavering commitment to excellence and innovative mindset, he has played a significant role in propelling the Burmarrad Group's growth and success. With a strong educational foundation in business administration and marketing through his advanced diploma, Mario Gauci Jnr. has been instrumental in spearheading impactful business development and marketing initiatives for the Group.

Presently, Mario Gauci Jnr. holds a multifaceted role, overseeing the vehicle rentals department, business development, and marketing, while also managing the "Enterprise Rent-A-Car", "National Car Rental" and "Alamo Rent A Car" global franchise business in Malta. Under his leadership, the Burmarrad Group's success is attributed to its agile responsiveness to client's needs and its ability to embrace the ever-changing nature of and new challenges in the business.

Beyond his contributions to the Group, Mario Gauci Jnr. actively serves as a council member in the Malta Vehicle Leasing & Rentals Association (MVLRA), demonstrating his dedication to the advancement and welfare of the industry.

As of the date of this Registration Document, Mario is also a director of all other companies within the Issuer Group and all companies within the Operational Group and the larger Burmarrad Group.

9.3 MANAGEMENT STRUCTURE AND MANAGEMENT TEAM

The Issuer is the holding company of the Issuer Group, being the main asset ownership arm of the larger Burmarrad Group (save for the Marsa Premises), and acts as the finance arm of the said Issuer Group, apart from owning assets in its own right. Its business is ultimately managed by its Board of Directors, who are assisted by the management team.

The Issuer's management team is headed by the Chief Executive Officer, Sharon Gauci, who is responsible for the executive conduct, administration, organisation and corporate strategy of the Issuer and the Group, and such other powers as may from time to time be delegated to her by the Board.

Edward Poulton is the Chief Financial Officer of the Issuer and the Group, and in such capacity is responsible for managing the financial actions of the Issuer and the Group, including their cash flow and financial planning.

The Directors believe that the current organisational structures are adequate for the current activities of the Issuer. The Directors will maintain these existing 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.

9.4 CONFLICTS OF INTEREST

As at the date of the Prospectus, the executive Directors of the Issuer, namely Maria Gauci and Mario Gauci Jnr., are also directors of BGFL and BGPL within the Issuer Group, as well as directors of BCL and BCARL within the Operational Group, and they are also directors of all other companies within the Burmarrad Group and ultimate beneficial owners of such Burmarrad Group. This makes the said Directors of the Issuer susceptible to potential conflicts between the potentially diverging interests of the different members within the Group and within the larger Burmarrad Group, including the Issuer-BGFL Loan to be advanced by the Issuer to BGFL out of the proceeds of the Bond Issue.

In situations of conflict of interests involving the Issuer, the Directors shall act in accordance with the majority decision of the Directors who would not have a conflict in the situation and in line with the advice of outside legal counsel.

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 the different involvements of the Directors are handled according to law. The fact that the Audit Committee is constituted solely by independent, non-executive Directors provides an effective measure to ensure that transactions vetted by the Audit Committee are determined on an arms-length basis and in the interests of the Issuer. Additionally, the Audit Committee has, pursuant to the relative terms of reference, been granted express powers to be given access to the financial position of the Issuer and other Group companies on a quarterly basis. To this effect, the Issuer and other Group companies are to submit to the Audit Committee quarterly accounts.

The presence of independent non-executive directors on the Board of the Issuer also aims to minimise the possibility of any abuse of control by its major shareholders and/or beneficial owners. Furthermore, in terms of the Memorandum and Articles of Association of the Issuer, in the event that a Director has a material interest in any contract, arrangement or proposal, such Director is not entitled to vote at a meeting of Directors in respect thereof.

To the extent known or potentially known to the Issuer as at the date of the Prospectus, there are no other potential conflicts of interest, save for those mentioned above, between any duties of the Directors of the Issuer and their respective private interests and/or their other duties, which require disclosure in terms of the Prospectus Regulation.

10. BOARD PRACTICES

10.1 AUDIT COMMITTEE

The terms of reference of the Audit Committee of the Issuer consist of *inter alia* its support to the Board in its responsibilities in dealing with issues of risk, control and governance. The terms of reference of the Audit Committee, as adopted by the Board, establish its composition, role and functions, the parameters of its remit, as well as the basis for the processes that it is required to comply with. The Audit Committee, which meets at least once every quarter, is a committee of the Board and is directly responsible and accountable to the Board. The Board reserved the right to change the Committee's terms of reference from time to time.

Briefly, the Audit Committee is expected to deal with and advise the Board on its monitoring responsibility over the financial reporting processes, financial policies and internal control structures; maintaining communications on such matters between the Board, management and the independent auditors; facilitating the independence of the external audit process and addressing issues arising from the audit process; and preserving the Issuer's assets by understanding the Issuer's risk environment and determining how to deal with those risks.

Additionally, the Audit Committee has the role and function of considering and evaluating the arm's length nature of any proposed transaction to be entered into by the Issuer or any of its Subsidiaries and a related party, to ensure that the execution of any such transaction is, indeed, at arm's length and on a sound commercial basis and, ultimately, in the best interests of the Issuer. In this regard, the Audit Committee of the Issuer has the task of ensuring that any potential abuse which may arise in consequence of the foregoing state of affairs is immediately identified and resolved.

The Audit Committee has, pursuant to the relative terms of reference, been granted express powers to be given access to the financial position of the Issuer and all other entities comprising the Group on a quarterly basis.

All of the Directors sitting on the Audit Committee are non-executives and also independent. The Audit Committee is presently composed of Mark Anthony Grech, Albert Frendo and David Spiteri, all three members being non-executive Directors and all of them also being independent of the Issuer. The Audit Committee is chaired by Mark Anthony Grech. In compliance with the Capital Markets Rules, Albert Frendo and Mark Anthony Grech are the independent, non-executive Directors who are competent in accounting and/or auditing matters. The Audit Committee or its Chairman holds meetings with the executive Directors as necessary to review the Issuer's accounts and operations. The Issuer considers that the members of the Audit Committee have the necessary experience, independence and standing to hold office as members thereof. The CVs of the said Directors may be found in section 9.2 above.

10.2 COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS

As a consequence of the Bond Issue and the forthcoming admission of the Bonds to the Official List and in accordance with the terms of the Capital Markets Rules, the Issuer is required to endeavour to adopt and comply with the provisions of the Code of Principles of Good Corporate Governance forming part of the Capital Markets Rules (the “Code”). The Issuer declares its full support of the Code and undertakes to comply with the Code to the extent that this is considered complementary to the size, nature and operations of the Issuer.

The Issuer supports the Code and its adoption and believes that its application results in positive effects accruing to the Issuer.

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

A. Principle 7 “Evaluation of the Board’s Performance”

The Board does not consider it necessary to appoint a committee to carry out a performance evaluation of its role, as the Board’s performance is evaluated on an ongoing basis by, and is subject to the constant scrutiny of, the Board itself, the majority of which is composed by independent non-executive Directors, the Audit Committee in so far as conflicting situations are concerned, the Company’s shareholders, the market and the rules by which the Issuer is regulated as a listed company.

B. Principle 8 “Committees”

The Issuer does not have a Remuneration Committee, nor a Nomination Committee, as recommended in Principle 8.

The Board considers that the size and operations of the Issuer do not warrant the setting up of such committees. In particular:

- (i) the Issuer does not believe it necessary to establish a remuneration committee, given that the remuneration of the directors is required by the Memorandum and Articles of Association of the Issuer to be determined by the company in general meeting. Furthermore, the executive Directors of the Issuer, Maria Gauci and Mario Gauci, who are directors of the shareholder of the Issuer, namely BGL, and ultimate beneficial owners of the Burmarrad Group, and can in such capacity influence the general meeting’s decision on remuneration of Directors (although there are other directors of BGL and ultimate beneficial owners of the Burmarrad Group, apart from them), have waived and do not receive Directors’ fees;
- (ii) the Issuer does not believe it is necessary to establish a nomination committee as appointments to the Board of Directors are determined by the shareholders of the Company, with the possibility of prior nomination by the shareholders or by the directors or a committee appointed by them, in accordance with the Memorandum and Articles of Association of the Issuer. The Issuer considers that the current members of the Board provide the required level of skill, knowledge and experience expected in terms of the Code.

C. Principle 9 “Relations with Shareholders and with the Market”

There is currently no established mechanism disclosed in the Memorandum and Articles of Association of the Issuer to trigger arbitration in the case of conflict between the minority shareholders and the controlling shareholders. The Issuer’s shares are all held by BGL, except for one non-voting share which is held by Mario Gauci Snr. The Issuer is thus of the view that there is currently no need to establish such mechanism.

Going forward, the Issuer shall, on an annual basis in its annual report, explain the level of the Issuer’s compliance with the principles of the Code, explaining the reasons for non-compliance, if any, in line with the Capital Markets Rules’ requirements.

11. MAJOR SHAREHOLDERS

The Issuer has an authorised share capital of €15,000,000 divided into 14,999,999 Ordinary ‘A’ shares of a nominal value of €1.00 each and 1 Ordinary ‘B’ share of a nominal value of €1.00, and an issued share capital of €14,127,000 divided into 14,126,999 Ordinary ‘A’ shares of a nominal value of €1.00 each and 1 Ordinary ‘B’ share of a nominal value of €1.00, which are subscribed to and allotted as fully paid up shares as follows:

NAME OF SHAREHOLDER	NUMBER OF SHARES HELD
Burmarrad Group Limited MARJO, Burmarrad Road, Burmarrad, St. Paul’s Bay SPB 9060, Malta Company Registration number C 86804	14,126,999 Ordinary ‘A’ shares of a nominal value of €1.00 each, fully paid up.
Mario Gauci MARJO, Burmarrad Road, Burmarrad, St. Paul’s Bay SPB 9060, Malta Identity Card number 205857M	1 Ordinary ‘B’ share of a nominal value of €1.00, fully paid up.

Whilst Ordinary 'A' shares entitle their holders to voting rights at general meetings, with 1 vote for every share held, and the right to participate in and receive dividend distributions and distribution of assets upon winding up, Ordinary 'B' shares only have the right to receive notice of general meetings of the Company but do not have voting rights or rights to participate in dividend distributions and distribution of assets upon winding up, except for a return of capital upon such winding up.

The Issuer is therefore directly controlled by BGL.

75% of the voting shares (namely the Ordinary A shares and the Ordinary B shares in such BGL) in BGL are held by BCHL and the remaining 25% of such voting shares are held by MGBGL. BCHL is owned equally by the siblings Sharon Gauci, Maria Gauci and Mario Gauci Jnr. 45% of the voting shares in BGL, as owned by BCHL, are subject to a usufruct in favour of Mario Gauci Snr. and his wife Josephine (held by them as part of the community of acquests) which usufruct carries with it the right to vote and receive dividends. MGBGL, which effectively owns and controls 25% of the voting shares in BGL, is a company fully owned and controlled by Mario Gauci Snr. Effectively, therefore, BGL and the Issuer are indirectly controlled as to 70% by Mario Gauci Snr. Apart from the Ordinary A shares and the Ordinary B shares (which entitle their holders to all the voting rights at general meetings, to dividends and to all surplus assets on winding up), BGL has also issued Ordinary C shares and Preference B shares to MGBG Limited (which is fully owned by Mario Gauci Snr.) and Josephine Gauci, but these classes of shares do not have any rights to vote or to distributions, and are only entitled to a return of capital on winding up in priority to the other classes, and accordingly these shares do not give any right of direct or indirect control over BGL or the Issuer.

To the best of the Issuer's knowledge there are no arrangements in place as at the date of this Registration Document the operation of which may at a subsequent date result in a change in control of the Issuer.

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

12. LITIGATION

There have been no 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 months prior to the date of this Registration Document which may have, or have had in the recent past significant effects on the financial position or profitability of the Issuer and/or the Group, taken as a whole.

13. ADDITIONAL INFORMATION

13.1 SHARE CAPITAL OF THE ISSUER

The authorised share capital of the Issuer is €15,000,000 divided into 14,999,999 Ordinary 'A' shares of a nominal value of €1.00 each and 1 Ordinary 'B' share of a nominal value of €1.00, and its issued share capital is €14,127,000 divided into 14,126,999 Ordinary 'A' shares of a nominal value of €1.00 each, fully paid up and subscribed by BGL and 1 Ordinary 'B' share of a nominal value of €1.00, fully paid up and subscribed by Mario Gauci Snr.

The different classes of shares in the capital of the Issuer have the rights and restrictions and characteristics set out in the Memorandum and Articles of Association of the Issuer, as briefly described in section 11 above. The shares of the Issuer are not listed on the Malta Stock Exchange and no application for such listing has been made to date.

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

13.2 MEMORANDUM AND ARTICLES OF ASSOCIATION OF THE ISSUER

The Memorandum and Articles of Association of the Issuer are registered with the Registrar of Companies at the Malta Business Registry.

The principal objects of the Issuer are set out in clause 4 of the Issuer's Memorandum and Articles of Association. These include, but are not limited to:

- (i) carrying on the business of a finance and investment company in connection with the ownership, development, operation and financing of the business activities of group or associated companies, corporations, undertaking or entities and for such purpose: (a) to lend or advance money or otherwise give credit to any such group or associated company, corporation, undertaking or entity, now or hereinafter forming part of the same group as the Issuer or associated with the Issuer, with or without security and otherwise on such terms as the Directors may deem expedient, and (b) to invest and deal with the moneys of the Issuer and any company, corporation, undertaking or entity now or hereinafter forming part of the same group as the Issuer or associated with the Issuer in or upon such investments and in such manner as the Directors may, from time to time, deem expedient;
- (ii) to issue bonds, debentures, notes, commercial paper or other instruments creating or acknowledging indebtedness and to sell or offer the same to the public and/or to procure the same to be listed and/or traded on any stock exchange or market;
- (iii) to borrow or raise money in such manner as the Issuer may think fit and in particular by the issue of bonds, debentures, notes, commercial paper or other instruments creating or acknowledging indebtedness;
- (iv) to subscribe for, acquire, invest, hold, dispose of or otherwise deal with any shares, stock, debentures, debenture stock, bonds, notes, options, interest in or securities of all kinds of any company, corporation, undertaking, entity, partnership or other body of persons and/or to participate in the management or activities thereof.

A copy of the Memorandum and Articles of Association of the Issuer may be inspected during the lifetime of this Registration Document at the registered office of the Issuer and as set out in section 17 of this Registration Document and at the Malta Business Registry during the lifetime of the Issuer.

14. MATERIAL CONTRACTS

The Issuer has not entered into any material contracts which are not in the ordinary course of its business 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 respective obligations to security holders in respect of the Bonds being issued pursuant to, and described in, the Securities Note.

15. VALUATION REPORT

The Issuer commissioned Mr Richard Abdilla Castillo to issue a valuation report in relation to the assets comprising the Collateral, namely the BBT Pledged Shares and BGFL Pledged Shares. The business address of Mr Abdilla Castillo is 75, Il-Girna, Notabile Road, Imriehel, Birkirkara, Malta.

The Valuation Report is dated 31 January 2024.

A copy of the Valuation Report compiled by Mr Abdilla Castillo, is accessible on the Issuer's website at the following hyperlink: www.bgassetsplc.com and shall also be available for inspection at the registered address of the Issuer for the duration period of this Registration Document.

16. THIRD PARTY INFORMATION STATEMENTS BY EXPERTS AND DECLARATIONS OF ANY INTEREST

Save for the Valuation Report which is accessible as provided in section 17 below and the Accountant's Report to the pro forma financial information of the Issuer as at 31 January 2023 which is attached as Annex I to this Registration Document, the Registration Document does not contain any statement or report attributed to any person as an expert.

The Valuation Report and the Accountant's Report have been included in the form and context in which they appear with the authorisation of, respectively, Mr Richard Abdilla Castillo, with qualifications: Fellow of Malta Institute of Accountants and CPA, of 75, Il-Girna, Notabile Road, Imriehel, Birkirkara, Malta and BDO Malta of BDO Malta, Triq it-Torri, Msida MSD 1824, Malta (Accountancy Board registration number AB/26/84/06), that have given and has not withdrawn their consent to the inclusion of their respective reports herein.

Mr Abdilla Castillo and BDO Malta do not have any material interest in the Issuer, save for their respective appointments as valuer and Auditors. The Issuer confirms that the Valuation Report and the Accountant's Report have been accurately reproduced and that as far as the Issuer is aware and is able to ascertain from the information contained therein, no facts have been omitted which render the reproduced information inaccurate or misleading.

The sourced information contained in section 7 of this Registration Document has been accurately reproduced and, as far as the Issuer is aware and is able to ascertain from the published information, no facts have been omitted which would render the reproduced information inaccurate or misleading.

17. DOCUMENTS AVAILABLE FOR INSPECTION

For the duration period of this Registration Document the following documents shall be available for inspection at the registered address of the Issuer and also on the Issuer's website, on the following hyperlink www.bgassetsplc.com :

- (a) Memorandum and Articles of Association of the Issuer;
- (b) Audited financial statements of the Issuer for the three financial years ended 31 January 2021, 31 January 2022 and 31 January 2023;
- (c) The pro forma statement of financial position of the Issuer as at 31 January 2023 and the Accountant's Report thereon;
- (d) The interim financial statements of the Issuer for the six-month period ending 31 July 2023;
- (e) Financial analysis summary dated 28 March 2024 and prepared by Calamatta Cuschieri Investment Services Limited;
- (f) The Security Trust Deed; and
- (g) The Valuation Report.



ANNEX I

ACCOUNTANT'S REPORT ON PRO FORMA FINANCIAL INFORMATION

BURMARRAD GROUP ASSETS P.L.C
*Independent accountant's assurance report
on the compilation of pro forma financial information*

26th February 2024

Report on the compilation of pro forma financial information included in a prospectus.

Dear Members of the Board,

We have completed our assurance engagement to report on the compilation of pro forma financial information of **Burmarrad Group Assets p.l.c. (formerly Burmarrad Commercials Property Limited)** (the 'Issuer' and together with its fellow subsidiaries the 'Issuer Group') as prepared by the directors of the Issuer (the 'Directors'). The pro forma financial information consists of the Issuer Group's pro forma Consolidated Statement of Financial Position as at **31 January 2023** as set out in section 8.3 of the Issuer's Registration Document forming part of the prospectus (the 'Registration Document'). The applicable criteria on the basis of which the Directors have compiled the pro forma financial information are specified in Annex 20 of EC Regulation 2019/980 (the 'Regulation') and described in the 'Basis of Preparation' section included in section 8.3 of the Registration Document (the 'Applicable Criteria').

The Issuer was incorporated on 26 October 2017 and with effect from 22 June 2023 acquired full ownership of Burmarrad Group Fleets Limited and Burmarrad Group Properties Limited (entities referred to jointly as the 'Acquired Entities') upon their incorporation on 22 June 2023, with the intention of creating a sub-group within the Burmarrad Group for the purpose of acquiring and holding the portfolio of vehicles and related fixed assets, pledged shares in BBT p.l.c and a portfolio of properties within the Burmarrad Group as outlined in section 5.2 of the Registration Document (the 'Restructuring').

The pro forma financial information has been compiled by the Directors to illustrate the impact of the pro forma adjustments that were made from 01 February 2023 on the Issuer's financial position as at 31 January 2023 as if the event or transactions had taken place as at 31 January 2023.

The pro forma financial information comprises a pro forma consolidated statement of financial position as at 31 January 2023 and it has been prepared by reference to the consolidated statement of financial position of the Issuer Group as at the reference date, and superimposing the entries necessary to reflect the Restructuring.

In preparing the pro forma financial information, the Directors have extracted information about the Issuer Group's financial position from the combined financial statements of the Acquired Entities that have been prepared for the financial year ended 31 January 2023.

Directors' responsibility for the pro forma financial information

The Directors are responsible for compiling the pro forma financial information on the basis of the Applicable Criteria.



BURMARRAD GROUP ASSETS P.L.C

Independent accountant's assurance report

on the compilation of pro forma financial information (continued)

Our responsibilities

Our responsibility is to express an opinion, as required by Annex 20 of the EC Regulation 2019/980, about whether the pro forma financial information has been compiled, in all material respects, by the Directors on the basis of the Issuer Group's accounting policies as described in the combined financial statements of the Acquired Entities for the year ended 31 January 2023 and the basis of preparation set out in Annex I of the Registration Document, and accordingly on the basis of the Applicable Criteria.

Basis of opinion

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3420, Assurance engagements to report on the compilation of pro forma financial information included in a prospectus, issued by the International Auditing and Assurance Standards Board. This standard requires that the practitioner comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled, in all material respects, the pro forma financial information on the basis of the Applicable Criteria.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the pro forma financial information.

The purpose of pro forma financial information included in a prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction as at 31 January 2023, would have been as presented.

A reasonable assurance engagement to report on whether the pro forma financial information has been compiled, in all material respects, on the basis of the Applicable Criteria involves performing procedures to assess whether the Applicable Criteria used by the Directors in the compilation of the pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and obtain sufficient appropriate evidence about whether:

- the related pro forma adjustments give appropriate effect to those criteria; and
- the pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the accountant's judgment, having regard to the accountant's understanding of the nature of the Issuer Group, the event or transaction in respect of which the pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



BURMARRAD GROUP ASSETS P.L.C
Independent accountant's assurance report
on the compilation of pro forma financial information (continued)

Opinion

In our opinion:

- the pro forma financial information has been properly compiled on the basis stated; and
- such basis is consistent with the accounting policies of the Issuer Group.

A handwritten signature in black ink, appearing to read 'AZC'.

Andrew Zarb Cousin
BDO Malta
Certified Public Accountants
Registered Audit Firm

Triq It Torri
Msida MSD 1824
Malta
26th February 2024

SECURITIES NOTE

Dated 28 March 2024

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

This Securities Note should be read in conjunction with the most updated Registration Document issued from time to time containing information about the Issuer.

In respect of an issue of up to
€16,000,000 5.85% Secured Bonds 2034
of a nominal value of €100 per Bond issued and redeemable at par
ISIN: MT0002801208
(the "Bonds")

by



BURMARRAD GROUP ASSETS P.L.C.

a public limited liability company duly incorporated under the Laws of Malta with company registration number C 83190

Sponsor, Manager & Registrar

Security Trustee

Legal Counsel

Calamatta Cuschieri

CSB | trustees & fiduciaries ltd

salibastafrece
LEGAL

THIS SECURITIES NOTE HAS BEEN APPROVED BY THE MALTA FINANCIAL SERVICES AUTHORITY AS COMPETENT AUTHORITY UNDER THE PROSPECTUS REGULATION. THE MALTA FINANCIAL SERVICES AUTHORITY HAS AUTHORISED THE ADMISSIBILITY OF THE SECURITIES AS LISTED FINANCIAL INSTRUMENTS. THIS MEANS THAT THE MALTA FINANCIAL SERVICES AUTHORITY HAS ONLY APPROVED THIS SECURITIES NOTE AS MEETING THE STANDARDS OF COMPLETENESS, COMPREHENSIBILITY AND CONSISTENCY AS PRESCRIBED BY THE PROSPECTUS REGULATION. SUCH APPROVAL SHOULD NOT, HOWEVER, BE CONSIDERED AS AN ENDORSEMENT OF THE SECURITIES THAT ARE THE SUBJECT OF THIS SECURITIES NOTE. IN PROVIDING THIS AUTHORISATION, THE MALTA FINANCIAL SERVICES AUTHORITY DOES NOT GIVE ANY CERTIFICATION REGARDING THE POTENTIAL RISKS IN INVESTING IN THE SAID INSTRUMENTS, AND SUCH AUTHORISATION SHOULD NOT BE DEEMED OR BE CONSTRUED AS A REPRESENTATION OR WARRANTY AS TO THE SAFETY OF INVESTING IN SUCH INSTRUMENTS.

THE MALTA FINANCIAL SERVICES 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 HOWSOEVER ARISING FROM, OR IN RELIANCE UPON, THE WHOLE OR ANY PART OF THE CONTENTS OF THE PROSPECTUS, INCLUDING ANY LOSSES INCURRED BY INVESTING IN THE SECURITIES.

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

APPROVED BY THE DIRECTORS

Maria Gauci

Mario Gauci

IMPORTANT INFORMATION

THIS SECURITIES NOTE CONTAINS INFORMATION ON AN ISSUE BY BURMARRAD GROUP ASSETS P.L.C. (THE "ISSUER") OF UP TO €16,000,000 SECURED BONDS OF A NOMINAL VALUE OF €100 PER BOND ISSUED AT PAR AND BEARING INTEREST AT THE RATE OF 5.85% PER ANNUM, PAYABLE ON 14 MAY OF EACH YEAR UNTIL THE REDEMPTION DATE (THE "BONDS"). THE ISSUER SHALL REDEEM THE BONDS AND PAY THE REDEMPTION VALUE THEREOF ON THE REDEMPTION DATE, UNLESS OTHERWISE PREVIOUSLY REPURCHASED FOR CANCELLATION BY THE ISSUER.

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

THIS SECURITIES NOTE SHOULD BE READ IN CONJUNCTION WITH THE REGISTRATION DOCUMENT ISSUED BY THE ISSUER DATED 28 MARCH 2024.

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

ALL THE ADVISORS TO THE ISSUER NAMED UNDER THE HEADING 'ADVISORS' IN SECTION 3.4 OF THE REGISTRATION DOCUMENT HAVE ACTED AND ARE ACTING EXCLUSIVELY FOR THE ISSUER IN RELATION TO THE PROSPECTUS AND HAVE NO CONTRACTUAL, FIDUCIARY OR OTHER OBLIGATION TOWARDS ANY OTHER PERSON AND WILL ACCORDINGLY NOT BE RESPONSIBLE TO ANY INVESTOR OR ANY OTHER PERSON WHOMSOEVER IN RELATION TO THE TRANSACTIONS PROPOSED IN THE PROSPECTUS.

THE MALTA FINANCIAL SERVICES AUTHORITY ACCEPTS NO RESPONSIBILITY FOR THE CONTENTS OF THIS SECURITIES NOTE, MAKES NO REPRESENTATIONS AS TO ITS ACCURACY OR COMPLETENESS AND EXPRESSLY DISCLAIMS ANY LIABILITY WHATSOEVER FOR ANY LOSS HOWSOEVER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS SECURITIES NOTE.

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.

THE DISTRIBUTION OF THE PROSPECTUS IN CERTAIN JURISDICTIONS MAY BE RESTRICTED AND ACCORDINGLY, PERSONS INTO WHOSE POSSESSION IT IS RECEIVED ARE REQUIRED TO INFORM THEMSELVES ABOUT, AND TO OBSERVE, SUCH RESTRICTIONS.

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

SAVE FOR THE OFFERING IN THE REPUBLIC OF MALTA, NO ACTION HAS BEEN OR WILL BE TAKEN BY THE ISSUER THAT WOULD PERMIT A PUBLIC OFFERING OF THE 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. ACCORDINGLY, NO SECURITIES MAY BE OFFERED OR SOLD, DIRECTLY OR INDIRECTLY, AND NEITHER THIS PROSPECTUS NOR ANY ADVERTISEMENT OR OTHER OFFERING MATERIAL MAY BE DISTRIBUTED OR PUBLISHED IN ANY JURISDICTION, EXCEPT UNDER CIRCUMSTANCES THAT WILL RESULT IN COMPLIANCE WITH ANY APPLICABLE LAWS AND REGULATIONS. PERSONS INTO WHOSE POSSESSION THIS PROSPECTUS OR ANY SECURITIES MAY COME MUST INFORM THEMSELVES ABOUT, AND OBSERVE, ANY SUCH RESTRICTIONS ON THE DISTRIBUTION OF THIS PROSPECTUS AND THE OFFERING AND SALE OF SECURITIES.

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

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

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

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

THIS SECURITIES NOTE IS VALID FOR A PERIOD OF TWELVE MONTHS FROM THE DATE HEREOF. FOLLOWING THE LAPSE OF THIS VALIDITY PERIOD, THE ISSUER IS NOT OBLIGED TO UPDATE OR SUPPLEMENT THE PROSPECTUS IN THE EVENT OF SIGNIFICANT NEW FACTORS, MATERIAL MISTAKES OR MATERIAL INACCURACIES.

UNLESS OTHERWISE STATED, THE CONTENTS OF THE ISSUER'S WEBSITE, IF ANY, 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.

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

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1. DEFINITIONS

Capitalised words and expressions used in this Securities Note and which are defined in the Registration Document forming part of the Prospectus shall, except where the context otherwise requires and except where otherwise defined herein, bear the same meaning as the meaning given to such words and expressions in the Registration Document. Furthermore, in this Securities Note, the following words and expressions shall bear the following meanings except where otherwise expressly stated or where the context otherwise requires:

Applicant/s	A person or persons, in the case of joint applicants, who subscribe(s) for the Bonds;
Application	The application to subscribe for Bonds made by an Applicant/s through any of the Authorised Financial Intermediaries;
Authorised Financial Intermediaries	The financial intermediary/ies whose details appear in Annex I to this document;
Bond Issue Price	The nominal value of each Bond, namely €100 per Bond;
Conditions Precedent	The conditions set out under paragraph (a) of section 8.2 of this Securities Note, to which the issue and final allotment of the Bonds is subject, namely the following events, in the chronological order set out below: (1) the minimum subscription amount of €12,500,000 of Bonds is achieved; and (2) the Bonds being admitted to the Official List within 15 Business Days from the closing of the Offer Period;
CSD or Central Securities Depository	The Central Securities Depository of and operated by the Malta Stock Exchange set up and authorised in terms of the Financial Markets Act, 1990 (Chapter 345 of the Laws of Malta), or any other central securities depository appointed by the Issuer from time to time;
Interest Payment Date	14 May of each year between and including each of the years 2025 and 2034 provided that, if any such day is not a Business Day, such Interest Payment Date will be carried over to the next following day that is a Business Day;
Intermediaries' Offer	An offer for subscription of Bonds made by the Issuer to the Authorised Financial Intermediaries through sales agreements as further detailed in section 8.5 of this Securities Note;
Issue Date	Expected on 14 May 2024;
Placement Agreement/s	The conditional placement agreements which may be entered into between the Issuer and any Authorised Financial Intermediaries, as further described in section 8.4 of this Securities Note; and
Terms and Conditions	The terms and conditions of issue of the Bonds, set out in sections 5, 6 and 8 of this Securities Note.

All references in the Prospectus to "Malta" are to the "Republic of Malta".

Unless it appears otherwise from the context:

- (a) words importing the singular shall include the plural and *vice versa*;
- (b) words importing the masculine gender shall include also the feminine gender and *vice versa*;
- (c) the word "may" shall be construed as permissive and the word "shall" shall be construed as imperative;
- (d) any references to a person includes natural persons, firms, partnerships, companies, corporations, associations, organisations, governments, states, foundations or trusts;
- (e) any phrase introduced by the term "including", "include", "in particular" or any similar expression is illustrative only and does not limit the sense of the words preceding the term; and
- (f) any references to a law, legislative act and/or other legislation shall mean that particular law, legislative act and/or legislation as in force at the time of issue of this Securities Note.

2. RISK FACTORS

THE VALUE OF INVESTMENTS CAN FALL AS WELL AS RISE AND PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE PERFORMANCE.

AN INVESTMENT IN THE BONDS INVOLVES CERTAIN RISKS INCLUDING BUT NOT LIMITED TO THOSE DESCRIBED BELOW. PROSPECTIVE INVESTORS SHOULD CAREFULLY CONSIDER WITH THEIR OWN FINANCIAL AND OTHER PROFESSIONAL ADVISORS THE FOLLOWING RISK FACTORS AND OTHER INVESTMENT CONSIDERATIONS, AS WELL AS ALL THE OTHER INFORMATION CONTAINED IN THE PROSPECTUS, BEFORE MAKING ANY INVESTMENT DECISION WITH RESPECT TO THE ISSUER OR THE BONDS.

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

THE RISK FACTORS BELOW HAVE BEEN CATEGORISED UNDER TWO MAIN CATEGORIES. THE RISK FACTOR FIRST APPEARING UNDER EACH CATEGORY CONSTITUTES THAT RISK FACTOR THAT THE DIRECTORS OF THE ISSUER HAVE ASSESSED TO BE THE MOST MATERIAL RISK FACTOR UNDER SUCH CATEGORY AS AT THE DATE OF THIS SECURITIES NOTE. IN MAKING THIS ASSESSMENT OF MATERIALITY, THE DIRECTORS OF THE ISSUER HAVE EVALUATED THE COMBINATION OF: (I) THE PROBABILITY THAT THE RISK FACTOR OCCURS; AND (II) THE EXPECTED MAGNITUDE OF THE ADVERSE EFFECT ON THE FINANCIAL CONDITION AND PERFORMANCE OF THE ISSUER AND ITS SECURITIES IF SUCH RISK FACTOR WERE TO MATERIALISE.

IF ANY OF THE RISKS DESCRIBED BELOW WERE TO MATERIALISE, THEY COULD HAVE A SERIOUS EFFECT ON THE VALUE, YIELD, REPAYMENT ABILITY OF THE ISSUER AND OTHER CHARACTERISTICS OF THE BONDS. THE RISKS DESCRIBED BELOW ARE THOSE THAT THE DIRECTORS BELIEVE TO BE MATERIAL AS AT THE DATE HEREOF, BUT THESE RISKS MAY NOT BE THE ONLY ONES AFFECTING THE BONDS. ADDITIONAL RISKS, INCLUDING THOSE WHICH THE DIRECTORS ARE NOT CURRENTLY AWARE OF, MAY WELL RESULT IN A MATERIAL IMPACT ON THE BONDS AND/OR THE BONDHOLDERS' RIGHTS THEREUNDER.

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

Forward-looking Statements

This Securities Note contains statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can be identified by the use of forward-looking terminology, such as the terms "believes", "estimates", "anticipates", "expects", "intends", "may", "will" or "should" or, in each case, their negative or other variations or comparable terminology. Forward-looking statements relate to matters that are not historical facts. They appear in a number of places throughout the Prospectus, and documents incorporated therein by reference, and include statements regarding the intentions, beliefs or current expectations of the Issuer and, or the Directors concerning, amongst other things, the Issuer's and, or the Group's strategy and business plans, capital requirements, results of operations, financial condition, liquidity, prospects, the markets in which it operates and general market conditions.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance and should therefore not be construed as such. The Issuer's and, or the Group's actual results of operations, financial condition and performance, and trading prospects may differ materially from the impression created by the forward-looking statements contained in the Prospectus. In addition, even if the results of operations, financial condition and performance, and trading results, of the Issuer and, or the Group are consistent with the forward-looking statements contained in the Prospectus, those results or developments may not be indicative of results or developments in subsequent periods.

Potential investors are advised to read the Prospectus in its entirety and, in particular, all the risks set out in this section and in the section entitled "Risk Factors" in the Registration Document, for a review of the factors that could affect the Issuer's performance and an investment in the Bonds. In light of these risks, uncertainties and assumptions, the events described in the forward-looking statements in this document may not occur.

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

Risks relating to the Bonds

Suitability of the Bonds

An investment in the Bonds may not be suitable for all recipients of the Prospectus and prospective investors are urged to consult an independent investment advisor as to the suitability or otherwise of an investment in the Bonds before making an investment decision.

In particular, such advice should be sought with a view to ascertaining that each prospective investor:

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

An informed investment decision can only be made by investors after they have read and fully understood the risk factors associated with an investment in the Bonds, and the inherent risks associated with the Group's business. In the event that an investor does not seek professional advice and, or does not read and fully understand the provisions of the Prospectus, there is a risk that such investor may acquire an investment which is not suitable for his or her risk profile.

Interest rate risk

Investment in the Bonds involves the risk that subsequent changes in market interest rates may adversely affect the value of the Bonds. As at the date of this Securities Note, interest rates have gone through a gradual increase and may continue rising to some extent. Fixed income debt securities are influenced predominantly by interest rate developments in the capital markets, which in turn are influenced by macro-economic factors. The price of bonds tends to move in a way that is inversely proportional to changes in interest rates. Accordingly, when prevailing market interest rates are rising, the prices that market participants will generally be willing to pay for the Bonds can be expected to decline. Conversely, if market interest rates are declining, secondary market prices for the Bonds will tend to rise, save for other factors which may affect price. Moreover, the price changes also depend on the term or residual time to maturity of the Bonds. In general, bonds with shorter terms have less price risks than bonds with longer terms.

Risks relating to inflation

Inflation currently remains at elevated levels when compared to the past decades. Inflation is the rising level of prices for goods and services. It can have two negative impacts on those who invest in bonds. Inflation typically leads to a rise in short-term interest rates, and intermediate and longer-term rates also tend to go up as a consequence. This rise in interest rates will lead to a fall in the prices of bonds. Furthermore, inflation can wipe away the yields generated by a bond, in view of the loss of purchasing power brought about by inflation.

Trading and liquidity risks

There can be no assurance that an active secondary market for the Bonds will develop or, if it develops, that it will continue. Nor can there be any assurance that an investor will be able to sell his or her Bonds on the secondary market at or above the Bond Issue Price or at all. A trading market having the desired characteristics of depth, liquidity and orderliness depends on a number of factors including supply and demand factors in respect of the Bonds at any given time. These factors are in turn dependent upon the individual decisions of investors as well as market conditions over which the Issuer has no control. Many other factors outside the control of the Issuer may affect the trading market and value of the Bonds, including the time remaining to the maturity of the Bonds and the level, direction and volatility of market interest rates generally. 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 or a company within the Group will have on the market price of the Bonds prevailing from time to time.

Furthermore, the outbreak of the COVID-19 pandemic in 2020, has resulted in a highly volatile economy. Other pandemics or infectious diseases which may arise in future may have similar consequences on the market. The exact nature of the risks of such pandemics and infectious diseases for, and their negative impact on, national economies and on individual businesses, including

the Group's business, is difficult to forecast and to guard against and plan for, particularly in view of the uncertainty as to their respective duration and reach. This volatility may also increase as a result of wars or conflicts between countries, including the current Russia – Ukraine armed conflict. There can be no assurance that continued or increased volatility and disruption in the capital markets will not impair the saleability of the Bonds.

Currency risk

Any investor whose currency of reference is not the Euro shall bear the risk of any fluctuations in exchange rates between the currency of denomination of the Bonds (€) and the Bondholder's currency of reference.

Continuing compliance obligations

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

Changes in laws and regulations

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

Amendments to Terms and Conditions

The Issuer may call a meeting of Bondholders in accordance with the provisions of this Securities Note in the event that it wishes to amend any of the Terms and Conditions of this Bond Issue. 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.

Additional indebtedness and security

The Issuer may incur further borrowings or indebtedness, including through the issue of other debt securities, and may create or permit to subsist security interests upon the whole or any part of its present or future undertakings, assets or revenues, including uncalled capital, save only that no issue may be made that would rank senior to the Bonds in respect of the Collateral.

Ratings

The Issuer has not sought, nor does it intend to seek, the credit rating of an independent agency and there has been no assessment by any independent rating agency of the Bonds.

Risks relating to the Collateral

Risks relating to the Collateral constituted by the Pledges and the value thereof

The Bonds shall at all times rank *pari passu* without any priority or preference among themselves but, in respect of the Issuer, and save for such exceptions as may be provided by applicable law, they shall rank with priority or preference to all present and future obligations of the Issuer, by virtue and to the extent of the first ranking BGFL Pledge over the BGFL Pledged Shares owned by it, and also by virtue and to the extent of the first ranking BBT Pledge over the BBT Pledged Shares owned by it, which the said Issuer will constitute and grant in favour of the Security Trustee for the benefit of the Bondholders.

Whilst the Pledges grant the Security Trustee a right of preference and priority for repayment of the Bonds over the creditors of the Issuer in respect of the BGFL Pledged Shares and the BBT Pledged Shares, and whilst the estimated combined value of such Collateral as at the date of this Securities Note as indicated in section 6.2 of the Registration Document is sufficient to cover the Redemption Value of the Bonds, there can be no guarantee that the aggregate value of the said BGFL Pledged Shares and BBT Pledged Shares over the term of the Bonds will be and/or remain sufficient to cover the said full Redemption Value outstanding under the said Bonds. This may be the result of various factors, including general economic factors or even specific factors, events or circumstances that could have an adverse impact on the performance and financial condition of BGFL and/or the Operating Group from which BGFL derives revenues or of BBT and the group of which it forms part, and consequently on the value of the BGFL Pledged Shares and/or the BBT Pledged Shares, as the case may be. If such circumstances were to arise or subsist at the time that the Collateral is to be enforced by the Security Trustee, it could have a material adverse effect on the recoverability of all the amounts that may be outstanding under the Bonds.

Furthermore, there is no guarantee that the estimated value of the Collateral as set out in the Prospectus and in the Valuation Report is necessarily correct or would actually be achieved on the market. The valuation of shares is to an extent subjective, due to, among other things, the assumptions upon which the valuation is calculated. Accordingly, there can be no assurance that the estimated value as referred to in the Prospectus and in the Valuation Report reflects actual values that would be achieved on a sale at the time of enforcement of the Pledges or any of them.

3. PERSONS RESPONSIBLE AND CONSENT FOR USE

3.1 PERSONS RESPONSIBLE

This document includes information given in compliance with the Capital Markets Rules and the Prospectus Regulation for the purpose of providing prospective investors with information with regard to the Bonds. All of the Directors of the Issuer, whose names appear under the heading 'Directors of the Issuer' in section 3.1 of the Registration Document, accept responsibility for the information contained in this Securities Note.

To the best of the knowledge and belief of the Directors 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.

All representations and other statements made in the Prospectus are made by the Issuer, and the Directors of the Issuer take sole responsibility for all such representations and statements. Neither the Sponsor nor the advisers of the Issuer makes any representation or warranty or accepts any responsibility as to the accuracy or completeness of the information contained in the Prospectus.

3.2 CONSENT FOR USE OF THE PROSPECTUS

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

For the purposes of any subscription for Bonds through any of the Authorised Financial Intermediaries in terms of this Securities Note and any subsequent resale, placement or other offering of Bonds by such Authorised Financial Intermediaries in circumstances where there is no exemption from the requirement to publish a prospectus under the Prospectus Regulation, the Issuer consents to the use of 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 during the Offer Period;
- ii. to any resale or placement of Bonds subscribed as aforesaid taking place in Malta; and
- iii. to any resale or placement of Bonds subscribed as aforesaid taking place within the period of 60 days from the date of the Prospectus.

None of the Issuer, the Sponsor, Manager and Registrar or any of their respective advisors take any responsibility for any of the actions of any Authorised Financial Intermediary, including their compliance with applicable conduct of business rules or other local regulatory requirements or other securities law requirements in relation to a resale or placement of Bonds.

Other than as set out above, neither the Issuer nor any of the advisors of the Issuer 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 and neither the Issuer nor any of the Issuer's advisors has any responsibility or liability for the actions of any person making such offers.

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

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.

In the event of a resale, placement or other offering of Bonds by an Authorised Financial Intermediary, the Authorised Financial Intermediary shall 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 shall 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 any of its advisors 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 approval of this Securities Note will be made available through a company announcement which will be made available on the Issuer's website: www.bgassetsplc.com.

4. ESSENTIAL INFORMATION

4.1 INTEREST OF NATURAL AND LEGAL PERSONS INVOLVED IN THE BOND ISSUE

Without prejudice to the potential conflicts of interest of Directors disclosed in section 9.4 of the Registration Document, and save for the subscription for Bonds by the Authorised Financial Intermediaries, which include the Sponsor and Registrar, and any fees payable in connection with the Bond Issue to the Sponsor and Registrar, so far as the Issuer is aware no person involved in the Bond Issue has an interest material to the Bond Issue.

4.2 REASONS FOR THE OFFER AND USE OF PROCEEDS

The proceeds from the Bond Issue, which net of Bond Issue expenses are expected to amount to €15,400,000, shall be used for the following purposes, in the amounts and order of priority set out below:

- (i) **Payment of part of the consideration due in respect of the Issuer Group's acquisition of vehicles and related vehicle business under the Vehicle Business Acquisition and Rental Agreements, the acquisition of the Vehicle-Related Fixed Assets under the Vehicle-Related Fixed Assets Acquisition and Rental Agreement, the acquisition of immovable property assets and the acquisition of the equity interest in BBT plc, which have been acquired for a total consideration of approximately €35,500,000:**
 - (a) An amount of approximately **€3,700,000** will be used to settle part of the consideration due in respect of the vehicles and related vehicle business acquired by BGFL from BCL under the BCL Vehicle Business Acquisition and Rental Agreement, and in particular such part of the said consideration which represents the price payable by BGFL for the WSC Leased Vehicles, which price remains outstanding as at the date of this Securities Note, and which will be applied, to the extent necessary, to settle directly to Bank of Valletta p.l.c. the bank facility forming part of the Relevant Bank Loans taken out by BCL which relates to the acquisition of the said WSC Leased Vehicles which is at the relevant time drawn down and outstanding, as set out under the heading A. 'Ownership and leasing of vehicle fleet and of Vehicle-Related Fixed Assets' under section 5.2 of the Registration Document;
 - (b) An amount of approximately **€3,400,000** will be used to settle part of the consideration due in respect of the vehicles and related vehicle business acquired by BGFL from BCL under the BCL Vehicle Business Acquisition and Rental Agreement, which price remains outstanding as at the date of this Securities Note, and which will be applied to settle directly to Bank of Valletta p.l.c. another portion of the outstanding Relevant Bank Loans due by BCL which were incurred in connection with the vehicle operations, as set out under the heading A. 'Ownership and leasing of vehicle fleet and of Vehicle-Related Fixed Assets' under section 5.2 of the Registration Document;
 - (c) An amount of approximately **€1,800,000** will be used to settle part of the consideration due in respect of the Vehicle-Related Fixed Assets acquired by BGFL from BML under the Vehicle-Related Fixed Assets Acquisition and Rental Agreement, which price remains outstanding as at the date of this Securities Note, and which will be applied to settle directly to Bank of Valletta p.l.c. the Relevant Bank Loan due by BML, as set out under the heading A. 'Ownership and leasing of vehicle fleet and of Vehicle-Related Fixed Assets' under section 5.2 of the Registration Document;
 - (d) An amount of approximately **€2,500,000** will be used to settle part of the consideration due in respect of the vehicles and related vehicle business acquired by BGFL from BCL and from BCARL under the respective Vehicle Business Acquisition and Rental Agreements, which price remains outstanding as at the date of this Securities Note, and which will be applied to settle directly debts due to HP Creditors which were incurred in connection with the vehicle operations, as set out under the heading A. 'Ownership and leasing of vehicle fleet and of Vehicle-Related Fixed Assets' under section 5.2 of the Registration Document;
- (ii) **General corporate funding:** the amount of approximately **€4,000,000** together with any residual amounts not utilised for the purposes identified in paragraphs (i)(a) to (d) above, shall be utilised for general corporate funding purposes of the Group.

The Issuer has established a minimum aggregate subscription amount of €12,500,000 on which the Bond Issue is conditional. In the event that the Bond Issue is not fully taken up but the said minimum is satisfied or exceeded, the Issuer may issue the Bonds up to the amount subscribed for, without prejudice to its right to reject all Applications and revoke the issue and not to allot any Bonds if the Bond Issue is not fully subscribed as provided in section 8.2(n) of this Securities Note. Should the Bond Issue not be fully subscribed to, the proceeds from the Bond Issue shall first be utilised for the purposes set out in paragraph (i)(a) above, and any remaining balance shall be utilised for the purposes set out in paragraph (i)(b), then paragraph (i)(c), then paragraph (i)(d) and then paragraph (ii), in the order of priority indicated above.

If the proceeds raised from the amount of Bonds actually subscribed for are less than the above-quoted minimum aggregate subscription amount of €12,500,000, no allotment of the Bonds shall be made, the subscription for the Bonds shall be deemed not to have been accepted by the Issuer, all proceeds received from Applicants shall be refunded accordingly, and the Bond Issue shall be cancelled forthwith.

Following the Bond Issue, all net proceeds shall be held by the Security Trustee. The Security Trustee shall retain all net bond proceeds until the occurrence of the other events specified below. It is expected that within 15 Business Days following listing of the Bonds:

1. the Issuer, BGFL and the Security Trustee shall enter into the Issuer-BGFL Loan Agreement, whereby the Issuer shall make and constitute the Issuer-BGFL Loan to BGFL for the purpose of financing the payment of part of the prices of vehicles and vehicle related business due by BGFL to BCL and BCARL under the respective Vehicle Business Acquisition and Rental Agreements and part of the price of Vehicle-Related Fixed Assets due by BGFL to BML under the Vehicle-Related Fixed Assets Acquisition and Rental Agreement.

Pursuant to what is provided in the Security Trust Deed and also in the Vehicle Business Acquisition and Rental Agreements and in the Vehicle-Related Fixed Assets Acquisition and Rental Agreement, the Issuer-BGFL Loan Agreement will provide for an irrevocable authorisation and direction to the Security Trustee by each of the Issuer (as lender of the Issuer-BGFL Loan) and BGFL (as borrower of the Issuer-BGFL Loan and payor of the price of vehicles and vehicle related business due to BCL and BCARL under the Vehicle Business Acquisition and Rental Agreements and of the price of Vehicle-Related Fixed Assets due to BML under the Vehicle-Related Fixed Assets Acquisition and Rental Agreement) to pay such part of the Issuer-BGFL Loan as is necessary to:

- (a) Bank of Valletta p.l.c. to settle such part of the bank facility forming part of the Relevant Bank Loans taken out by BCL which relates to the acquisition of the WSC Leased Vehicles which is at the relevant time drawn down and outstanding, plus another portion equivalent to €3.4 million of the Relevant Bank Loans outstanding at the relevant time, and this by way of a payment by delegation from BGFL who would be making such payment as a third party for and on behalf of BCL which owes the above-mentioned portions of Relevant Bank Loans to Bank of Valletta p.l.c., on the basis of the obligation undertaken by BGFL in the BCL Vehicle Business Acquisition and Rental Agreements to pay the above-mentioned portions of Relevant Bank Loans out of the price of the vehicles and related vehicle business purchased from BCL and the underlying delegation of authority and instruction to this effect given by BCL to BGFL and its further delegates and sub-delegates under the BCL Vehicle Business Acquisition and Rental Agreement;
- (b) Bank of Valletta p.l.c. to settle in full the Relevant Bank Loan due by BML in the amount of approximately €1.8 million outstanding at the relevant time, and this by way of a payment by delegation from BGFL who would be making such payment as a third party for and on behalf of BML which owes such Relevant Bank Loan to Bank of Valletta p.l.c., on the basis of the obligation undertaken by BGFL in the Vehicle-Related Fixed Assets Acquisition and Rental Agreement to pay the said Relevant Bank Loan due by BML out of the price of the Vehicle-Related Fixed Assets purchased and the underlying delegation of authority and instruction to this effect given by BML to BGFL and its further delegates and sub-delegates under the Vehicle-Related Fixed Assets Acquisition and Rental Agreement; and
- (c) the HP Creditors to settle debts due to such HP Creditors at the relevant time, and this by way of a payment by delegation from BGFL who would be making such payment as a third party for and on behalf of BCL and BCARL respectively owing the relevant debts to the HP Creditors, on the basis of the obligation undertaken by BGFL in the Vehicle Business Acquisition and Rental Agreements to pay the outstanding debts due to the HP Creditors out of the price of the vehicles and related vehicle business purchased and the underlying delegation of authority and instruction to this effect granted by each of BCL and BCARL to BGFL and its further delegates and sub-delegates under the respective Vehicle Business Acquisition and Rental Agreements.

The Issuer-BGFL Loan will bear interest at 6.35% per annum payable on 2 May of each year, and the outstanding loan amount thereof shall be repayable by not later than 2 May 2034.

In terms of the Vehicle Business Acquisition and Rental Agreements and the Vehicle-Related Fixed Assets Acquisition and Rental Agreement, as a condition to the payment of part of the price of vehicles and related vehicle business and part of the price for the Vehicle-Related Fixed Assets by way of payment of part of the Relevant Bank Loans by BGFL (through the Security Trustee) as aforesaid, (i) BCL and BCARL have committed to procure the concurrent payment to Bank of Valletta p.l.c. of any amount of Relevant Bank Loans remaining outstanding after such payment of parts of such prices by way of payment of bank debts by BGFL as aforesaid; and (ii) BCL, BCARL and BML have committed to procure from Bank of Valletta p.l.c., promptly after the payment of the Relevant Bank Loans in full to such bank, the waiver and release of the Bank BBT

Pledge, the waiver of the Bank Pledges on Receivables and the waiver and cancellation of the Bank Group Properties Special Hypothecs. As provided in the Security Trust Deed, the Security Trustee will only release the relevant funds to Bank of Valletta p.l.c. as aforesaid if concurrently with such payment there is effected payment of any remaining outstanding amount of Relevant Bank Loans as aforesaid and only after receiving assurance that the Bank BBT Pledge will be released promptly after the settlement of the Relevant Bank Loans, so as to enable the constitution of the BBT Pledge in favour of the Security Trustee immediately thereafter.

2. the Issuer, BGFL and the Security Trustee shall enter into the BGFL Pledge Agreement whereby the Issuer shall constitute the BGFL Pledge over the BGFL Pledged Shares owned by it in favour of the Security Trustee for the benefit of Bondholders, as referred to in section 6.3 of this Securities Note; and
3. the Issuer and Security Trustee shall enter into the BBT Pledge Agreement whereby the Issuer shall constitute the BBT Pledge over the BBT Pledged Shares owned by it in favour of the Security Trustee for the benefit of Bondholders, which pledge shall be effective following the payment of the Relevant Bank Loans and the release of the Bank BBT Pledge over the BBT Pledged Shares, as referred to in section 6.3 of this Securities Note. Such BBT Pledge shall subsequently be acknowledged by BBT.

Closing dynamics

Following satisfaction of the Conditions Precedent, the Security Trustee shall release the net proceeds from the issue of the Bonds, which are expected to amount to € 15,400,000, as follows:

- (a) The amount as is necessary to settle such portions of the Relevant Bank Loans due to Bank of Valletta p.l.c. and the debts due to the HP Creditors at the relevant time as referred to in paragraph 1(a) to (c) above under this section 4.2, shall be paid by the Security Trustee, by delegation, to the said Bank of Valletta p.l.c. and the HP Creditors, as referred to and subject to what is provided in such paragraph 1(a) to (c) above under this section 4.2, as soon as practicable after the date of the Issuer-BGFL Loan; and
- (b) The amount of € 4,000,000 intended to be used for general corporate funding purposes as referred to under (ii) of the opening paragraph of this section 4.2, shall be released by the Security Trustee to or to the order of the Issuer, at the request of such Issuer made at any time following the constitution of the Collateral, or provided that at the relevant time the Security Trustee receives assurance that the Collateral will be constituted promptly thereafter.

4.3 FUNDING FROM OTHER SOURCES

Assuming that the Bond Issue is fully subscribed, it is anticipated that the net proceeds of such Bond Issue will finance the part settlement of the price for the acquisition of vehicles and related vehicle business by BGFL which is outstanding and due to BCL and BCARL under the respective Vehicle Business Acquisition and Rental Agreements as well as a substantial part of the price for the acquisition of the Vehicle-Related Fixed Assets by BGFL which is outstanding and due to BML under the Vehicle-Related Fixed Assets Acquisition and Rental Agreement, but a portion of such price will not be funded by such net Bond proceeds. It is expected that the payment of this remaining portion of the prices of vehicles and related vehicle business and of Vehicle-Related Fixed Assets, as the same may be assigned to related parties within the Group or the larger Burmarrad Group, will be funded from the revenues generated by BGFL from time to time or will be capitalised.

4.4 EXPENSES

Professional fees, and costs related to publicity, advertising, printing, listing, registration, sponsor, manager and registrar fees, selling commission, and other miscellaneous expenses in connection with this Bond Issue are estimated not to exceed €600,000. There is no particular order of priority with respect to such expenses.

5. OFFER STATISTICS

Issue:	€16,000,000 5.85% Secured Bonds 2034.
Amount:	€16,000,000.
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 (currency):	Euro (€).
ISIN:	MT0002801208.

Bond Issue Price:	At par, namely €100 per Bond.
Minimum amount per subscription:	Minimum of €5,000 and integral multiples of €100 thereafter.
Offer Period:	The period commencing at 09:00 hours on 4 April 2024 and ending at 12:00 hours on 2 May 2024, both days included.
Plan of Distribution:	The Bonds are open for subscription by all categories of investors, as further described in section 8.3 of this Securities Note.
Placement Agreements:	The Issuer may enter into conditional placement agreement/s with one or more Authorised Financial Intermediary/ies whereby an agreed portion of the nominal value of the Bonds will be made available for subscription to such Authorised Financial Intermediaries, for their own account or on behalf of their clients, as further described in section 8.4 of this Securities Note.
Intermediaries' Offer:	The Issuer may enter into sales agreements with Authorised Financial Intermediaries for an aggregate amount equivalent to the remaining amount of the Bond Issue not covered by the Placement Agreements (if any), for subscription of Bonds by such Authorised Financial Intermediaries for their own account or on behalf of their clients, as further described in section 8.5 of this Securities Note.
Redemption Date:	14 May 2034.
Redemption Value:	At par (€100 per Bond).
Status of the Bonds:	<p>The Bonds, as and when issued and allotted, shall constitute the general, direct, secured and unconditional obligations of the Issuer and shall at all times rank <i>pari passu</i>, without any priority or preference among themselves.</p> <p>The Bonds shall be secured by the BGFL Pledge to be constituted by the Issuer on the BGFL Pledged Shares owned by it in favour of the Security Trustee for the benefit of Bondholders. In this respect therefore, save for such exceptions as may be provided by applicable law, the Bonds shall rank with priority or preference to all present and future obligations of the Issuer, by virtue and to the extent of the above-mentioned first ranking BGFL Pledge over its BGFL Pledged Shares.</p> <p>The Bonds will also be secured by the BBT Pledge to be constituted by the Issuer on the BBT Pledged Shares owned by it in favour of the Security Trustee for the benefit of Bondholders. In this respect therefore, save for such exceptions as may be provided by applicable law, the Bonds shall also rank with priority or preference to all present and future obligations of the Issuer, by virtue and to the extent of the above-mentioned first ranking BBT Pledge over its BBT Pledged Shares.</p>
Listing:	The Malta Financial Services Authority has approved the Bonds for admissibility to listing and subsequent trading on the Official List of the Malta Stock Exchange. Application has been made to the Malta Stock Exchange for the Bonds to be listed and traded on its Official List.
Interest:	5.85% per annum, on the Nominal Value of each Bond.
Interest Payment Date(s):	Annually on 14 May as from 2025, being the first Interest Payment Date, with the last interest payment date being effected on the Redemption Date.
Governing Law:	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 and accordingly any legal action or proceedings arising out of or in connection with the Bonds shall be brought exclusively before the Maltese Courts.

6. INFORMATION CONCERNING THE SECURITIES TO BE ISSUED AND ADMITTED TO TRADING

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

6.1 GENERAL

Each Bond forms part of a duly authorised issue of 5.85% Secured Bonds 2034 of a nominal value of €100 per Bond issued by the Issuer at par up to the principal amount of €16,000,000, except as otherwise provided under section 6.12 of this Securities Note ("Further Issues").

The Issue Date of the Bonds is expected to be 14 May 2024. The Bond Issue is secured with the Collateral. The Bonds are created under Maltese law.

- a. The currency of the Bonds is Euro (€).
- b. The Bonds are expected to be listed on the Official List on or before 14 May 2024 and dealing can be expected to commence thereafter.
- c. Subject to admission to listing of the Bonds to the Official List of the MSE, the Bonds are expected to be assigned ISIN: MT0002801208.
- d. Unless previously purchased and cancelled, the Bonds shall be redeemable at the Redemption Value on the Redemption Date.
- e. The issue of the Bonds is made in accordance with the requirements of the Capital Markets Rules, the Act, and the Prospectus Regulation.
- f. The minimum subscription amount of Bonds that can be subscribed for by an Applicant is €5,000 and in multiples of €100 thereafter.
- g. In the event that the minimum subscription amount of €12,500,000 of Bonds is not achieved, no allotment of the Bonds shall be made, the subscription to Bonds shall be deemed not to have been accepted by the Issuer and all money received from Applicants shall be refunded accordingly, without interest, at the Applicant's sole risk.
- h. 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, at the Applicant's sole risk.
- i. The Bond Issue is not underwritten.
- j. There are no special rights attached to the Bonds other than the right of the Bondholders to the payment of the Redemption Value and interest and in accordance with the ranking specified in section 6.3 hereunder.
- k. All Applications shall be subject to the terms and conditions of the Bond Issue as set out in section 8 of this Securities Note, the terms of which shall form an integral part hereof.

6.2 REGISTRATION, FORM, DENOMINATION AND TITLE

Certificates will not be delivered to Bondholders in respect of the Bonds. The entitlement to Bonds will be represented in 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.

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.

When subscribing for Bonds, Bondholders who do not have an online e-portfolio account shall be registered by the CSD for the online e-portfolio facility and shall receive by mail at their registered address a handle code to activate the new e-portfolio login. The Bondholder's statement of holdings evidencing entitlement to Bonds held in the register kept by the CSD and registration advices evidencing movements in such register will be available through the said e-portfolio facility on <https://eportfolio.borzamalta.com.mt>. Further detail on the e-portfolio is found on <https://eportfolio.borzamalta.com.mt/help>.

The Bonds will be issued in fully registered form, without interest coupons, in denominations of any integral multiples of €100, provided that on subscription the Bonds will be issued for a minimum of €5,000 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 €5,000 to each underlying client (for subscriptions through the Intermediaries' Offer or under the Placement Agreements, as the case may be).

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, including the Issuer, 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 6.11 of this Securities Note.

6.3 RANKING OF THE BONDS, COLLATERAL AND NEGATIVE PLEDGE ON DIVIDENDS

Status of the Bonds

The Bonds, as and when issued and allotted, shall constitute the general, direct, secured and unconditional obligations of the Issuer and shall at all times rank *pari passu*, without any priority or preference among themselves.

The Collateral and its ranking

The Bonds shall be secured by:

- i. the BGFL Pledge to be constituted by the Issuer on the BGFL Pledged Shares owned by it in favour of the Security Trustee for the benefit of Bondholders; and
- ii. the BBT Pledge to be constituted by the Issuer on the BBT Pledged Shares owned by it in favour of the Security Trustee for the benefit of Bondholders.

In this respect therefore, save for such exceptions as may be provided by applicable law, the Bonds shall rank with priority or preference to all present and future obligations of the Issuer, by virtue and to the extent of the above-mentioned first ranking BGFL Pledge over the BGFL Pledged Shares owned by it, and also by virtue and to the extent of the above-mentioned first ranking BBT Pledge over the BBT Pledged Shares owned by the said Issuer.

The Security Trustee and the Collateral

The Collateral shall be constituted in favour of the Security Trustee for the benefit of the relevant Bondholders, as applicable, from time to time registered by the CSD.

The Issuer and BGFL have entered into a Trust Deed with the Security Trustee for the benefit of the Bondholders and having as trust property security which consists of the covenants of the Issuer to pay the applicable Redemption Value of the Bonds on the Redemption Date and interest thereon on the Interest Payment Dates, the privileged rights under the Pledges, the other undertakings of the Issuer and BGFL under the Trust Deed and all the rights and benefits under the Security Trust Deed. The Collateral will be vested in the Security Trustee for the benefit of the Bondholders in proportion to their respective holding of Bonds.

The Security Trustee's role includes holding of the Collateral for the benefit of the Bondholders and the enforcement of the said Collateral upon the happening of certain events. The Security Trustee shall have no payment obligations to Bondholders under the Bonds which remain exclusively the obligations of the Issuer.

Pursuant to the Trust Deed, the Issuer has agreed to constitute in favour of the Security Trustee for the benefit of Bondholders as beneficiaries, a first ranking pledge over the BGFL Pledged Shares in BGFL owned by it. The said BGFL Pledge, which will be constituted by virtue of the BGFL Pledge Agreement to be entered into as provided in the Trust Deed, will secure the claim of the Security Trustee, for the benefit and in the interest of Bondholders as beneficiaries, for the payment of the Redemption Value under the Bonds by a preferred claim over the BGFL Pledged Shares. Accordingly, by virtue of such BGFL Pledge, the Security Trustee will have the benefit of a first ranking privilege over the BGFL Pledged Shares, through the BGFL Pledge, for the full Redemption Value of the Bonds issued, for the benefit of Bondholders.

Furthermore, pursuant to the Trust Deed, the Issuer has also agreed to constitute in favour of the Security Trustee for the benefit of Bondholders as beneficiaries, a first ranking pledge over the BBT Pledged Shares in BBT owned by it. The said BBT Pledge will be constituted by virtue of the BBT Pledge Agreement to be entered into as provided in the Trust Deed and will secure the claim of the Security Trustee, for the benefit and in the interest of Bondholders as beneficiaries, for the payment of the Redemption Value under the Bonds by a preferred claim over the BBT Pledged Shares. By virtue of such BBT Pledge, the Security Trustee will thus have the benefit of a first ranking privilege over the BBT Pledged Shares, through the BBT Pledge, for the full Redemption Value of the Bonds issued, for the benefit of Bondholders.

In terms of the Security Trust Deed, the parties thereto have agreed that (a) at any time before the Collateral shall have become enforceable and the Security Trustee shall have determined or become bound to enforce the same, the voting rights and right to participate at general meetings of BGFL or, as the case may be, of BBT shall vest in the Issuer owning the respective Pledged Shares under the relevant Pledge Agreements; (b) at any time before the Collateral shall have become enforceable and the Security Trustee shall have determined or become bound to enforce the same, any dividends or other distributions paid by BGFL or, as the case may be, by BBT shall be received and may be used by the Issuer for its business; (c) at any time before the Collateral shall have become enforceable and the Security Trustee shall have determined or become bound to enforce the same, the Security Trustee may at the cost and request of the Issuer, as pledgor under the Pledges and with due regard to the interests of all the Bondholders do or concur with the Issuer in doing certain transactions in respect of the relevant Pledged Shares or part thereof, including without limitation, the sale, exchange, surrender or dealing with or exercise any other rights in respect of all or any part of the Pledged Shares upon such terms or for such consideration or in any such manner as the Security Trustee may think fit, always having due regard to the interests of the Bondholders; and (d) the Security Trustee retained the discretion and/or right, upon a request of the Issuer as pledgor under the Pledges, to reduce, cancel and create or otherwise

redefine the Collateral or to substitute any part of the Collateral with other collateral acceptable to the Security Trustee and which in the latter's reasonable opinion (which could be based on a professional valuation made by an independent valuer to be appointed by the Issuer at the request and/or with the consent of the Security Trustee) the value of the elements of the Collateral as reduced, redefined, reconfigured or relocated or the resulting collateral after any substitution as aforesaid is at least equal to the Redemption Value of the outstanding Bonds in issue at the relevant time. Without prejudice to paragraphs (c) and (d) above, the parties to the Security Trust Deed have also agreed that the Issuer shall be allowed to transfer the BBT Pledged Shares to a new ultimate holding company of BBT which the Issuer and the Other BBT Shareholders may agree to incorporate and that the Security Trustee shall in such case agree to release the BBT Pledged Shares from the BBT Pledge, on condition that (i) the Issuer and all the Other BBT Shareholders at the relevant time transfer their respective shareholding in BBT to such holding company in return for shares being issued and allotted to them respectively, such that BBT becomes the fully-owned subsidiary of such holding company, and (ii) simultaneously with the release of the BBT Pledge by the Security Trustee there is created in favour of the Security Trustee, for the benefit of Bondholders, a first ranking pledge over such shares of the Issuer in the holding company of the same shareholding percentage as the shareholding percentage that the BBT Pledged Shares constituted in BBT before the transfer thereof to the holding company as aforesaid.

Under the Security Trust Deed the Security Trustee also reserves the right to demand further collateral as security should at any given time the value of the Collateral, which shall be determined pursuant to a professional valuer's independent valuation report, by an independent valuer to be appointed by the Issuer at the request and/or with the consent of the Security Trustee, be lower than the Redemption Value of outstanding Bonds in issue at the relevant time.

Pursuant to the Security Trust Deed, the Issuer has undertaken in favour of the Security Trustee to procure and submit to the Security Trustee an independent valuation of the Collateral prepared by an independent valuer to be appointed by the Issuer with the consent of the Security Trustee, whenever it is determined by the Directors of the Issuer that there has been a material change in the value of such Collateral and/or at least once every three (3) years.

The provisions referred to in paragraphs (a) and (b) above are also reflected in the Pledge Agreements.

The terms and conditions of the Trust Deed, which is available for inspection as set out in section 16 of the Registration Document, shall be binding on each registered Bondholder as if it had been a party thereto and as if the Trust Deed contained covenants on the part of each registered Bondholder to observe and be bound by all the provisions thereof applicable thereto, and the Security Trustee is authorised and required to do the things required of it by the Trust Deed.

Negative pledge on dividends

The Issuer undertakes, for as long as any principal or interest under the Bonds or any of the Bonds remains outstanding, not to declare and/or pay out any dividends to any of its shareholders for or in respect of any period if and to the extent that as a result of such dividend there results a net debt to equity ratio, on a consolidated basis by reference to the Issuer Group, of more than 50%.

6.4 RIGHTS ATTACHING TO THE BONDS

This Securities Note in its entirety contains the Terms and Conditions of issue of the Bonds, which constitute the terms and conditions of the contract between the Issuer and a Bondholder. A Bondholder shall have such rights as are, pursuant to this Securities Note, attached to the Bonds, including:

- a. the repayment of capital;
- b. the payment of interest;
- c. the benefit of the Collateral through the Security Trustee;
- d. the right to attend, participate in and vote at meetings of Bondholders in accordance with the Terms and Conditions of the Bond Issue; and
- e. enjoy all such other rights attached to the Bonds emanating from the Prospectus.

6.5 INTEREST

The Bonds shall bear interest from and including the date of commencement of interest as per section 8.1 of this Securities Note to 14 May 2034 at the rate of 5.85% per annum on the nominal value thereof, payable annually in arrears on each Interest Payment Date.

The first interest payment will be effected on 14 May 2025, covering the period from the date of commencement of interest as per section 8.1 of this Securities Note to 13 May 2025, and then annually thereafter on 14 May of each calendar year, with the last interest payment being effected on the Redemption Date.

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.

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

6.6 YIELD

The gross yield calculated on the basis of the interest on the Bonds, the Bond Issue Price and the Redemption Value of the Bonds is 5.85% per annum.

6.7 REDEMPTION AND PURCHASE

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

Subject to the provisions of this section, 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 repurchased by the Issuer shall be cancelled forthwith and may not be re-issued or re-sold.

6.8 PAYMENTS

Payment of the Redemption Value 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 designates 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.

In the case of Bonds held subject to usufruct, payment of the Redemption Value will be made to the bare owner or as otherwise indicated in 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.

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.

All payments with respect to the Bonds are subject in all cases to any pledge, duly constituted, of the Bonds and to any applicable fiscal or other laws and regulations. In particular, but without limitation, all payments of Redemption Value and interest by or on behalf of the Issuer in respect of the Bonds shall be made net of any amount which the Issuer is or may become compelled by law to deduct or withhold for or on account of any present or future taxes, duties, assessments or other government charges of whatsoever nature imposed, levied, collected, withheld or assessed by or within the Republic of Malta or any authority thereof or therein or of any other applicable jurisdiction having power to tax.

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

6.9 LIMITS OF THE VALIDITY OF CLAIMS

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 Redemption Value on the Bonds is barred by the lapse of five years.

6.10 EVENTS OF DEFAULT

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

- a. the Issuer fails to pay any interest under the Bonds when due and such failure continues for a period of sixty (60) days after written notice thereof by the Security Trustee to the Issuer;
- b. the Issuer fails to pay the Redemption Value of a Bond when due and such failure continues for a period of sixty (60) days after written notice thereof by the Security Trustee to the Issuer;
- c. the Issuer fails 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 the Security Trustee;
- d. there shall have been entered against the Issuer a final judgment by a court of competent jurisdiction from which no appeal may be made or is taken for the payment of money in excess of €5,000,000 or its equivalent and ninety (90) days shall have passed since the date of entry of such judgment without its having been satisfied or stayed;

- e. the Issuer is unable, or admits in writing its inability, to pay its debts as they fall due or otherwise becomes insolvent, within the meaning of Article 214(5) of the Act;
- f. an order is made or an effective resolution passed for the dissolution, termination of existence, liquidation or winding-up of the Issuer, except for the purpose of a reconstruction, amalgamation or division;
- g. a judicial or provisional administrator is appointed upon the whole or any part of the property of the Issuer;
- h. the Issuer ceases or threatens to cease to carry on its business or a substantial part thereof;
- i. the Issuer commits a breach of any covenants or provisions contained in the Trust Deed and on its part to be observed and performed and the said breach still subsists for sixty (60) days after having been notified by the Security Trustee, other than any covenant for the payment of interests or Redemption Value owing in respect of the Bonds;
- j. it becomes unlawful at any time for the Issuer to perform all or any of its obligations hereunder, where applicable, or under the Trust Deed;
- k. the Collateral or any part thereof becomes unenforceable against the Issuer;
- l. the Issuer repudiates, or does or causes or permits to be done any act or thing evidencing an intention to repudiate the Bonds and/or the Trust Deed;
- m. all, or in the sole opinion of the Security Trustee, a material part, of the undertakings, assets, rights, or revenues of or shares or other ownership interests in the Issuer are seized, nationalised, expropriated or compulsorily acquired by or under the authority of any government,

provided that, in the case of paragraphs (c), (d) and (g) to (m), the Security Trustee shall have certified that in its opinion such event is materially prejudicial to the interests of the Bondholders.

Upon any such declaration being made as aforesaid the said Redemption Value and interest accrued under the Bonds shall be deemed to have become immediately payable at the time of the Event of Default which shall have happened as aforesaid.

Provided that in the event of any breach by the Issuer of any of the covenants, obligations or provisions contained herein or in the Trust Deed, as applicable, due to any fortuitous event of a calamitous nature beyond the control of the Issuer, then the Security Trustee may, but shall be under no obligation so to do, give the Issuer such period of time to remedy the breach as in its sole opinion may be justified in the circumstances and if in its sole opinion the breach is remediable within the short term and without any adverse impact on the Bondholders. Provided further that in the circumstances contemplated by this proviso, the Security Trustee shall at all times, to the extent deemed to be in the best interests of Bondholders, act on and in accordance with any directions it may receive in a meeting of Bondholders satisfying the conditions set out in the Trust Deed. The Security Trustee shall not be bound to take any steps to ascertain whether any Event of Default or other condition, event or circumstance has occurred or may occur, and, until it shall have actual knowledge or express notice to the contrary, the Security Trustee shall be entitled to assume that no such Event of Default or condition, event or other circumstance has happened and that the Issuer is observing and performing all the obligations, conditions and provisions on its part contained in the Bonds and the Trust Deed, as applicable.

6.11 TRANSFERABILITY OF THE BONDS

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

Any person becoming entitled to a Bond in consequence of the death or bankruptcy or winding up 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.

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, the payment of a sum sufficient to cover any tax, duty or other governmental charges 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 15 days preceding the due date for any payment of interest on the Bonds or the due date for redemption.

6.12 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, and so that such further issue may 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, provided that no issue may be made that would rank senior to the Bonds in respect of the Collateral.

6.13 RESOLUTIONS AND MEETINGS OF BONDHOLDERS

The Bondholders' meeting represents the supreme authority of the Bondholders in all matters relating to the Bonds and has the power to make all decisions altering the terms and conditions of the Bonds.

Where the approval of the Bondholders is required for a particular matter, such resolution shall be passed at a Bondholders' meeting. Resolutions passed at Bondholders' meetings shall be binding upon all Bondholders and prevail for all the Bonds.

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 and to effect any change to the applicable Terms and Conditions of the Bonds. The meeting may be called by the Issuer at its own initiative, but shall also be called by the Issuer upon a request made at any time by one or more Bondholders holding at least fifty per cent (50%) of the outstanding value of the Bonds.

The Security Trust Deed also provides for the power of the Security Trustee, at the cost of the Issuer and at its own initiative to call meetings of Bondholders prior to exercising any power or discretion under such Deed or to write to all Bondholders requesting their directions. Furthermore, the Security Trust Deed provides for an obligation of the Security Trustee to call a meeting of Bondholders upon a request made at any time by one or more Bondholders holding at least fifty per cent (50%) of the outstanding value of the Bonds. The Security Trust Deed provides that the Security Trustee shall not be bound to act on behalf of the Bondholders under such Deed unless it receives duly authorised directions as stipulated in the said Deed, and in such case only to the extent deemed to be in the best interests of Bondholders.

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 to 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 6.13 at a meeting called for that purpose as aforesaid, any such decision shall subsequently be given effect to by the Issuer.

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.

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 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.

Any person who in accordance with the Memorandum and Articles of Association of the Issuer is to chair the annual general meetings of shareholders shall also chair meetings of Bondholders.

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 which are required to be taken at the meeting, the Directors or their representative shall present to the Bondholders the reasons why it is deemed necessary or desirable and appropriate that a particular decision is taken. The meeting shall allow reasonable and adequate time to Bondholders to present their views to the Issuer and the other Bondholders present at the meeting. The meeting shall then put the matter as proposed by the Issuer to a vote of the Bondholders present at the time at which the vote is being taken, and any Bondholders taken into account for the purpose of constituting a quorum who are no longer present for the taking of the vote shall not be taken into account for the purpose of such vote.

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

Unless otherwise expressly stated and required in respect of a specific issue/s herein and/or in the Security Trust Deed, the proposal placed before a meeting of Bondholders shall only be considered approved if at least 60% 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.

The Issuer may provide for virtual or remote meetings of Bondholders, including meetings by telephone or by other audio or audio and visual telecommunication means, provided that any such meetings allow Bondholders to ask questions and to exercise their right to vote at such meetings.

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

6.14 BONDS HELD JOINTLY

In respect of a Bond held jointly by several persons, including husband and wife, the joint holders shall nominate one of their number as their representative and his/her name will be entered in the register with such designation. The first person, as designated in the respective MSE account number quoted by the Applicant, or first named in the register of Bondholders shall for all intents and purposes be deemed to be such nominated person by all the joint holders of the relevant Bond/s. Such person shall, for all intents and purposes, be deemed to be the registered holder of the Bond/s so held.

6.15 BONDS HELD SUBJECT TO USUFRUCT

In respect of a Bond held subject to usufruct, the name of the bare owner and the usufructuary shall be entered in the register. Without prejudice to what is provided in section 6.8 of this Securities Note regarding payment of the Redemption Value, the usufructuary shall, for all intents and purposes, be deemed vis-à-vis the Issuer to be the holder of the Bond so held and shall have the right to receive interest on the Bond and to vote at meetings of the Bondholders but shall not, during the continuance of the Bond, have the right to dispose of the Bond so held without the consent of the bare owner.

6.16 AUTHORISATIONS AND APPROVALS

The Board of Directors of the Issuer authorised the Bond Issue pursuant to a Board of Directors' resolution passed on 18 March 2024.

The Malta Financial Services Authority approved the Bonds as eligible to listing on the Official List of the MSE pursuant to the Capital Markets Rules by virtue of a letter dated 28 March 2024.

6.17 REPRESENTATIONS AND WARRANTIES

The Issuer represents and warrants to the Bondholders and to the Security Trustee for the benefit of the Bondholders, who shall be entitled to rely on such representations and warranties, that:

- a. it is duly incorporated and validly existing under the laws of Malta and has the power to carry on its business as it is now being conducted and to hold its property and other assets under legal title; and
- b. it has the power to execute, deliver and perform its obligations under the Prospectus and that all necessary corporate, shareholder and other actions have been duly taken to authorise the execution, delivery and performance of the same, and further that no limitation on its power to borrow or guarantee shall be exceeded as a result of the Bond Issue.

6.18 NOTICES

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

6.19 GOVERNING LAW AND JURISDICTION

The Bonds, all the rights and obligations of the Issuer and the Bondholders, and any non-contractual matters arising out of or in connection therewith, shall be governed by and construed in accordance with Maltese law.

Any dispute, legal action, suit or proceedings against the Issuer arising out of or in connection with the Bonds and/or the Prospectus and/or any non-contractual matters arising out of or in connection therewith shall be brought exclusively before the Maltese courts. The Issuer and each Bondholder irrevocably submits to the exclusive jurisdiction of the Courts of Malta to hear and determine any dispute, action, suit or proceedings as aforesaid.

7. TAXATION

Investors and prospective investors are urged to seek professional advice as regards both Maltese and any foreign tax legislation which may be applicable to them in respect of the Bonds, including their acquisition, holding and transfer as well as on any income derived therefrom or on any gains derived on the transfer of such Bonds. The tax legislation of the investor's country of nationality, residence or domicile and of the Issuer's country of incorporation (Malta) may have an impact on the income received from the Bonds.

The following is a summary of the anticipated tax treatment applicable to Bondholders in so far as taxation in Malta is concerned. This information does not constitute legal or tax advice and does not purport to be exhaustive.

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.

7.1 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 instructed by a Bondholder to receive the interest gross of any withholding tax, or if the Bondholder does not fall within the definition of "recipient" in terms of Article 41(c) of the Income Tax Act (Cap. 123 of the Laws of Malta), interest shall be paid to such Bondholder net of a final withholding tax, currently at the rate of 15%, or 10% in the case of certain types of collective investment schemes, of the gross amount of the interest, pursuant to Article 33 of the Income Tax Act (Cap. 123 of the Laws of Malta). Bondholders who do not fall within the definition of a "recipient" do not qualify for the said rate and should seek advice on the taxation of such income as special rules may apply.

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

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

In terms of article 12(1)(c)(i) 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.

7.2 EXCHANGE OF INFORMATION

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

Relevant legislation includes, but is not limited to:

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

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

Pursuant to obligations under FATCA Legislation, FIs reserve the right to store, use, process, disclose and report any required information, including all current and historical data related to the past and/or present account(s) held by Reportable Persons, including, but not limited to, the name, address, date of birth, place of birth and US TIN, the details of any account transactions, the nature, balances and compositions of the assets held in the account, to the Commissioner for Revenue.

The CRS requires Malta based financial institutions (“FIs”), defined as such for the purposes of CRS, to identify and report to the Commissioner for Revenue financial accounts held by Reportable Persons, as defined under the CRS Legislation, and certain entities with one or more Controlling Persons which are classified as Reportable Persons in terms of the CRS. Financial information relating to Bonds and the holders of the Bonds may fall within the purview of CRS and may be subject to reporting and information exchange provisions.

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

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

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

7.3 MALTESE TAX 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”, to the extent that the Bonds are held as capital assets by the Bondholder, no income tax on capital gains is chargeable in respect of transfer of the Bonds.

7.4 DUTY ON DOCUMENTS AND TRANSFERS

In terms of the Duty on Documents and Transfers Act (Cap. 364 of the Laws of Malta), duty is chargeable *inter alia* on the transfer or transmission *causa mortis* of marketable securities. A marketable security is defined in the said legislation as “a holding of share capital in any company and any document representing the same”. Consequently, the Bonds should not be treated as constituting marketable securities within the meaning of the legislation and therefore, the transfer/transmission thereof should not be chargeable to duty.

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

INVESTORS AND PROSPECTIVE INVESTORS ARE URGED TO SEEK PROFESSIONAL ADVICE AS REGARDS BOTH MALTESE AND ANY FOREIGN TAX LEGISLATION APPLICABLE TO THE ACQUISITION, HOLDING AND DISPOSAL OF 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 UNDER MALTESE LAW. 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.

8. TERMS AND CONDITIONS OF THE BOND ISSUE

8.1 EXPECTED TIMETABLE

1. Offer Period	4 April 2024 to 2 May 2024
2. Placement Date	2 May 2024
3. Intermediaries' Offer Date	2 May 2024
4. Commencement of interest	7 May 2024
5. Expected announcement of basis of acceptance	7 May 2024
6. Expected dispatch of allotment letters	14 May 2024
7. Expected date of admission of Bonds to listing	14 May 2024
8. Expected date of commencement of trading in the Bonds	15 May 2024
9. Expected date of constitution of the Collateral	not later than 14 June 2024

The Issuer reserves the right to close the Offer Period earlier in the event of over-subscription, in which case the events set out in step 2 onwards and the Issue Date may be brought forward. The dates specified in step 5 onwards are latest dates for the occurrence of the events mentioned therein, which events may in actual fact take place earlier than such latest dates.

8.2 TERMS AND CONDITIONS OF APPLICATION

The following terms and conditions shall be read in conjunction with all the other terms and conditions relative to and regulating the contractual relationship created between the Issuer and the Applicant.

- a. The issue and final allotment of the Bonds is conditional upon the following events, in the chronological order set out below: (1) the minimum subscription amount of €12,500,000 of Bonds is achieved; and (2) the Bonds being admitted to the Official List within 15 Business Days from the closing of the Offer Period. In the event that any of the aforesaid Conditions Precedent is not satisfied, any Application monies received by the Issuer will be returned without interest by direct credit into the Applicant's bank account.
- b. The Bonds may be applied for by all categories of investors. Investors who wish to subscribe for Bonds are to contact any of the Authorised Financial Intermediaries through whom they may participate in the Bond Issue. Investors may apply for the subscription of Bonds by submitting an Application to an Authorised Financial Intermediary, in the manner instructed thereby, during the Offer Period which will close at 12:00 hours on 2 May 2024, unless closed earlier by the Issuer as provided above.
- c. By submitting an Application, the Applicant is thereby confirming to the Issuer, the Registrar and the Authorised Financial Intermediary through whom the Application is made, that the Applicant's remittance will be honoured on first presentation and agrees that, if such remittance is not so honoured on its first presentation, the Issuer, the Registrar and the Authorised Financial Intermediary reserve the right to invalidate the relative Application. Furthermore the Applicant will not be entitled to receive a registration advice or to be registered in the register of Bondholders, unless the Applicant makes payment in cleared funds and such consideration is accepted by the respective Authorised Financial Intermediary, which acceptance shall be made in the Authorised Financial Intermediary's absolute discretion and may be on the basis that the Applicant indemnifies the Authorised Financial Intermediary against all costs, damages, losses, expenses and liabilities arising out of or in connection with the failure of the Applicant's remittance to be honoured on first presentation.
- d. The contract created by the Issuer's acceptance of an Application filed by a prospective Bondholder through an Authorised Financial Intermediary shall be subject to all the Terms and Conditions set out in this Securities Note and the Memorandum and Articles of Association of the Issuer. By submitting the Application, the Applicant, and in the case of joint applications, each individual joint Applicant, will be entering into a legally binding contract with the Issuer, which shall become binding on the Issuer if and when such Application is accepted by the Issuer, until which time the Application shall be irrevocable by the Applicant, except where otherwise expressly provided by law:
 - (i) whereby the Applicant acknowledges, declares and agrees, and will automatically be deemed to be acknowledging, declaring and agreeing, that he/she/it has made the Application solely on the basis of, and that he/she/it shall at all times be bound by and comply with, and shall be subscribing, acquiring and/or holding the relevant Bonds on the basis of, such Terms and Conditions;
 - (ii) whereby he/she/it makes and gives, and will automatically be deemed to be making and giving, to the Issuer the declarations, confirmations, representations, warranties and undertakings contained in paragraph (t) below in this section 8.2 and all other applicable declarations, confirmations, representations, warranties and undertakings contained in the Prospectus and/or in the Application;

- (iii) which contract, and any non-contractual matter arising out of or in connection with it, shall be governed and construed in all respects in accordance with the laws of Malta, and any disputes arising out of or in connection with such contract or any non-contractual matter arising out of or in connection therewith shall be subject to the exclusive jurisdiction of the courts of Malta, as provided in section 6.19 (“Governing law and jurisdiction”) of this Securities Note.
- e. If an Application is submitted on behalf of another person, whether legal or natural, the person submitting such Application shall be deemed to have duly bound such other person, whether legal or natural, on whose behalf the Application has been submitted. The person submitting such Application shall be deemed also to have given the declarations, confirmations, representations, warranties and undertakings contained in these terms and conditions, in the Prospectus and/or in the Application on their behalf. Such representative may be requested to submit the relative power of attorney, or resolution or a copy thereof duly certified by a lawyer or notary public if so required by the Issuer and the Registrar, but it shall not be the duty or responsibility of the Registrar or Issuer to ascertain that such representative is duly authorised to submit an Application. In the case of corporate Applicants or Applicants having separate legal personality, Applications have to include a valid legal entity identifier (LEI) which must be unexpired; and Applications without such information or without a valid LEI will not be accepted. Furthermore, in cases where the decision to invest is taken by a third party authorised to transact on behalf of the Applicant (a “decision maker”) such as an individual that holds a power of attorney to trade on the Applicant’s account or applications under a discretionary account, details of the decision maker need to be made available.
- f. 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 as further detailed in section 6.14 (“Bonds held jointly”) of this Securities Note.
- g. In respect of a Bond held subject to usufruct, the name of the bare owner and the usufructuary shall be entered in the register as further detailed in section 6.8 (“Payments”) and section 6.15 (“Bonds held subject to usufruct”) of this Securities Note. 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 payment of the Redemption Value on the Bond, which shall be due to the bare owner or as otherwise indicated in the joint instructions of all bare owners and usufructuaries.
- h. Applications in the name and for the benefit of minors shall be allowed provided that the Applicant already holds an account with the MSE. Any Bonds allocated pursuant to such an Application shall be registered in the name of the minor as Bondholder, with interest and redemption monies payable to the parents / legal guardian/s until such time as the minor attains legal age, 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 legal age.
- i. 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 its possessions, or any area subject to its jurisdiction (the “United States”) 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.
- j. No person receiving a copy of the Prospectus or an Application in any territory other than Malta may treat the same as constituting an invitation or offer to such person nor should such person in any event use the Prospectus or make an Application, unless, in the relevant territory, such an invitation or offer could lawfully be made to such person or the Prospectus could lawfully be used and the Application could lawfully be made without contravention of any registration or other legal requirements.
- k. Subscription for Bonds by persons resident in, or who are citizens of, or who are domiciled in, or who have a registered address in, a jurisdiction other than Malta, may be affected by the law of the relevant jurisdiction. Those persons should consult their professional advisors, including tax and legal advisors, as to whether they require any governmental or other consents, or need to observe any other formalities, to enable them to subscribe for the Bonds. It is the responsibility of any person, including without limitation nominees, custodians, depositaries and trustees, outside Malta wishing to participate in the Bond Issue, to satisfy himself/herself/itself as to full observance of the applicable laws of any relevant jurisdiction, including, but not limited to, obtaining any requisite governmental or other consents, observing any other requisite formalities and paying any transfer or other taxes of any nature whatsoever due in such territories. The Issuer shall not accept any responsibility for the non-compliance by any person of any applicable laws or regulations of foreign jurisdictions.
- l. The Bonds will be issued in multiples of €100. The minimum subscription amount of Bonds that can be subscribed for by Applicants is €5,000. Submission of Application must be accompanied by the full price of the Bonds applied for, in Euro. Payment may be made either by cheque, by bank transfer or any other method of payment as may be accepted by the respective Authorised Financial Intermediary. In the event that any cheque accompanying an Application is not honoured on its first presentation, the Authorised Financial Intermediary and/or the Issuer acting through the Registrar reserves the right to invalidate the relative Application.

- m. Subject to all other terms and conditions set out in the Prospectus, the Issuer, the Registrar and the relevant Authorised Financial Intermediary reserve the right to reject, in whole or in part, or to scale down, any Application, and to present any cheques and/or drafts for payment upon receipt. The right is also reserved to refuse any Application which in the opinion of the Issuer, the Registrar or Authorised Financial Intermediary is not accompanied by the required documents.
- n. Without prejudice to the generality of paragraph (m) above, the Issuer reserves the right, in its discretion, to reject all Applications and revoke the issue and not to allot any Bonds if the Bond Issue is not fully subscribed and taken up during the Offer Period. The Issuer may however, in its discretion, accept Applications made and proceed with the issue and allotment of the Bonds in case the Bond Issue is subscribed only in part during the Offer Period, whatever the amount so subscribed, subject however to the subscription of at least the minimum subscription amount of €12,500,000 of Bonds.
- o. Without prejudice to paragraphs (m) and (n) above, the Issuer reserves the right to revoke the issue at any time before the closing of the Offer Period. The circumstances in which such revocation might occur are expected to be exceptional, for example where a significant change in market conditions occurs.
- p. The Offer Period shall close immediately upon attaining full subscription or on the last day of the Offer Period, whichever is the earliest. By not later than 2 May 2024, the Issuer shall, through an announcement to be uploaded on the Issuer's website, namely www.bgassetsplc.com, announce the result of the Bond Issue and shall determine the basis of acceptance of Applications and allocation policy to be adopted.
- q. 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 (and the Issuer and Authorised Financial Intermediaries reserve the right to do so in case of oversubscription or otherwise in their absolute discretion), 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, at the Applicant's sole risk. The respective Authorised Financial Intermediary or the Issuer shall not be responsible for any charges, loss or delay in transmission.
- r. For the purposes of the Prevention of Money Laundering and Funding of Terrorism Regulations (Legal Notice 372 of 2017, as subsequently amended), all Authorised Financial Intermediaries are under a duty to communicate, upon request, all information about clients as is mentioned in Articles 1.2(d) and 2.4 of the "Members' Code of Conduct" appended as Appendix 3.6 of the MSE Bye-Laws, irrespective of whether the Authorised Financial Intermediaries are Exchange Members or not. Such information shall be held and controlled by the Malta Stock Exchange in terms of applicable data protection legislation, in particular the Data Protection Act (Cap. 586 of the laws of Malta) and the General Data Protection Regulation (GDPR)(EU) 2016/679, as amended from time to time, as applicable, for the purposes, and within the terms, of the MSE's Data Protection Policy as published from time to time.
- s. It shall be incumbent on the respective Authorised Financial Intermediary to ascertain that all other applicable regulatory requirements relating to subscription of Bonds by an Applicant are complied with, including without limitation the obligation to comply with all applicable requirements set out in Regulation (EU) No. 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No. 648/2012 ("MiFIR"), as well as applicable MFSA Rules for investment services providers.
- t. By completing, signing and delivering and/or otherwise by making an Application, the Applicant:
 - i. irrevocably offers to purchase the number of Bonds specified in his/her/its Application, or any smaller number for which the Application is accepted, at the Bond Issue Price subject to the Prospectus, the Terms and Conditions and the Memorandum and Articles of Association;
 - ii. 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;
 - iii. authorises the Issuer, the Authorised Financial Intermediary and/or the Registrar and the MSE, as applicable, to process the personal data that the Applicant provides, for all purposes necessary and subsequent to the Bond Issue applied for, in accordance with the Data Protection Act (Cap. 586 of the laws of Malta) and the General Data Protection Regulation (GDPR)(EU) 2016/679, as may be amended from time to time. The Applicant has the right to request access to and rectification of the personal data relating to him/her as processed in relation to the Bond Issue, in terms of applicable law. Any such request must be made in writing and sent, as applicable, to the Issuer and the relevant Authorised Financial Intermediary and to the MSE. The request must further be signed by the Applicant to whom the personal data relates;
 - iv. warrants that the information submitted by the Applicant in or together with the Application is true and correct in all respects and in the case where an MSE account number is indicated in the Application, such MSE account number is the correct account of the Applicant. In the event of a discrepancy between the personal details, including the Applicant's name and surname and address, appearing on the Application and those held by the MSE in relation to the MSE account number indicated on the Application, the details held by the MSE shall be deemed to be the correct details of the Applicant;

- v. 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;
- vi. authorises the CSD, the Registrar and the Issuer to include his/her/its name or in the case of joint Applications, the first named Applicant, in the register of Bondholders in respect of the Bonds allocated to the Applicant;
- vii. warrants that the remittance will be honoured on first presentation and agrees that, if such remittance is not so honoured: (a) the Applicant will not be entitled to receive a registration advice or to be registered in respect of such Bonds, unless and until a payment is made in cleared funds for such Bonds and such payment is accepted by the respective Authorised Financial Intermediary or by the Issuer acting through the Registrar, which acceptance shall be made in its absolute discretion and may be on the basis that the Authorised Financial Intermediary or the Issuer acting through the Registrar is indemnified for all costs, damages, losses, expenses and liabilities arising out of, or in connection with, the failure of the Applicant's remittance to be honoured on first presentation at any time prior to unconditional acceptance by the Issuer acting through the Registrar of such late payment in respect of the Bonds; or (b) the Issuer may, without prejudice to other rights, treat the agreement to allocate such Bonds as void and may allocate such Bonds to another person, in which case the Applicant will not be entitled to a refund or payment in respect of such Bonds, other than return of such late payment, if any;
- viii. 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;
- ix. agrees to provide the Registrar and/or the Issuer and/or the Authorised Financial Intermediary, as the case may be, with any information which it/they may request in connection with the Application;
- x. 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 relevant 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;
- xi. warrants that all applicable exchange control or other such regulations, including those relating to external transactions, have been duly and fully complied with;
- xii. 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;
- xiii. warrants that, where an Applicant makes an Application on behalf of another person or on behalf of a corporation or corporate entity or association of persons, the Applicant is duly authorised to do so and such person, corporation, corporate entity, or association of persons will also be bound accordingly and accordingly will be deemed also to have given the declarations, confirmations, representations, warranties and undertakings contained in these Terms and Conditions, in the Prospectus and/or in the Application, and undertakes to submit the Applicant's power of attorney or a copy thereto duly certified by a lawyer or notary public if so required by the Issuer or the Registrar;
- xiv. warrants that where the Application is being lodged in the name and for the benefit of a minor, the Application is made by the parent/s or legal guardian/s of the minor;
- xv. 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;
- xvi. agrees that any returned monies will be returned without interest at the Applicant's risk and will be returned by direct credit into the bank account as specified in the Application, and the relevant Authorised Financial Intermediary and the Issuer shall not be responsible for any charges, loss or delay arising in connection therewith;
- xvii. 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;
- xviii. agrees that the advisors to the Bond Issue listed in section 3.4 of the Registration Document, in their capacity as such, will owe the Applicant no duties or responsibilities concerning the Bonds or the suitability of the Applicant;

- xix. agrees that the Application, the acceptance of the Application and the contract resulting therefrom, all the rights and obligations of the Applicant and the Issuer, and any non-contractual matters arising out of or in connection therewith, shall be governed by and construed in accordance with Maltese law and, and that he/she/it submits to the jurisdiction of the Maltese Courts which shall have, and the Applicant agrees that such Courts will have, exclusive jurisdiction to hear and determine any dispute, action, suit or proceeding arising out of or in connection with any such Application, acceptance of Application and contract resulting therefrom, rights and obligations and non-contractual matters as aforesaid;
- xx. agrees that the terms and conditions of the Trust Deed, which is available for inspection as set out in section 16 of the Registration Document, shall be binding on it once it becomes a registered Bondholder as if it had been a party thereto and as if the Trust Deed contained covenants on its part as a registered Bondholder to observe and be bound by all the provisions thereof applicable thereto, and agrees that the Security Trustee is authorised and required to do the things required of it by the Trust Deed.

8.3 PLAN OF DISTRIBUTION AND ALLOTMENT

The Bonds will be available for subscription by all categories of investors, as follows:

- i. The Issuer may enter into a Placement Agreement with any of the Authorised Financial Intermediaries, for the placement of an agreed portion of the nominal value of Bonds (which will be reserved for such Authorised Financial Intermediaries under the Placement Agreements) to be subscribed to by each such Authorised Financial Intermediary either in its own name or in the name of its underlying clients in terms of the respective Placement Agreement, as further detailed in section 8.4 below; and
- ii. The remaining balance of Bonds shall be made available for subscription by Authorised Financial Intermediaries through an Intermediaries' Offer, who may subscribe the same in their own name or in the name of their underlying clients in terms of the sales agreements to be entered into with them, as further detailed in section 8.5 below.

All Applications are subject to a minimum subscription amount of €5,000 in nominal value of Bonds and in multiples of €100 thereafter. Authorised Financial Intermediaries subscribing to the Bonds through nominee accounts for and on behalf of clients shall apply the minimum subscription amount of €5,000 to each underlying client.

It is expected that Applicants will be notified of the amount of Bonds allocated to them respectively by means of an allotment letter to be sent within five (5) Business Days of the announcement of the result of the Bond Issue. 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 shall not bear interest while retained as aforesaid.

Dealings in the Bonds shall not commence prior to: (i) notification of the amount allotted being issued to Applicants; and (ii) the Bonds being admitted to the Official List.

8.4 PLACEMENT AGREEMENTS

The Issuer may enter into a Placement Agreement with any one or more of the Authorised Financial Intermediaries, for the placement of an agreed amount in nominal value of Bonds, which will be reserved for such Authorised Financial Intermediaries under the Placement Agreements.

In terms of each Placement Agreement (if any), the Issuer will be conditionally bound to issue, and the relevant Authorised Financial Intermediary will be conditionally bound to subscribe on a best efforts basis to, the number of Bonds indicated therein, subject to the Bonds being admitted to listing on the Official List of the Malta Stock Exchange, and subject to other terms and conditions as will be set out in the Placement Agreements.

In terms of each of the said Placement Agreements (if any), the relevant Authorised Financial Intermediary will have the right to subscribe for Bonds for its own account (where applicable) or for the account of underlying customers, and shall in addition be entitled to either: (i) distribute to the underlying customers any portion of the Bonds subscribed for upon commencement of trading, or (ii) complete a data file representing the amount being allocated in terms of the respective Placement Agreement as provided by the Registrar by latest 2 May 2024, being the Placement Date. In any case, each underlying Application is subject to a minimum of €5,000 in Bonds and in multiples of €100 thereafter.

Authorised Financial Intermediaries which enter into Placement Agreements with the Issuer (if any) will be required to effect payment to the Issuer for the Bonds subscribed to by not later than the Placement Date.

8.5 INTERMEDIARIES' OFFER

The remaining balance of Bonds not covered by the Placement Agreements (if any) will be reserved by the Issuer for subscription by Authorised Financial Intermediaries pursuant to an Intermediaries' Offer. In this regard, the Issuer may enter into conditional sales agreements with a number of Authorised Financial Intermediaries whereby it shall bind itself to allocate Bonds to the

Authorised Financial Intermediaries in accordance with the terms of such sales agreements, up to a maximum amount of Bonds remaining after those reserved for Authorised Financial Intermediaries under the Placement Agreements (if any).

The sales agreements shall be subject to the terms and conditions of the Prospectus and will be conditional on the Bonds being admitted to listing on the Official list of the Malta Stock Exchange, and other conditions set out in the relevant sales agreement. Moreover, the sales agreements shall become binding on each of the Issuer and the respective Authorised Financial Intermediary upon signing, provided that the Authorised Financial Intermediary would have paid the Registrar all subscription proceeds in cleared funds by latest 2 May 2024, this being the Intermediaries' Offer Date.

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

Completed sales agreements, together with evidence of payment, are to reach the Registrar by the Intermediaries' Offer Date. The Issuer acting through the Registrar shall communicate the amount allocated under each sales agreement by 12:00 hours on 2 May 2024. Where the Authorised Financial Intermediary has been allocated a lesser number of Bonds than the amount being subscribed for, such unsatisfied amount shall be refunded by the Registrar to the Authorised Financial Intermediary to the account specified in the respective sales agreement by latest close of business on 2 May 2024.

In terms of the sales agreements to be entered into, Authorised Financial Intermediaries will have the right to subscribe for the Bonds either for their own account or for the account of underlying customers and shall in addition be entitled to distribute any portion of the Bonds subscribed to their underlying clients upon commencement of trading or to complete a data file representing the amount being allocated in terms of the respective sales agreement as provided by the Registrar by latest 2 May 2024.

8.6 PRICING

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

8.7 ALLOCATION POLICY

The Issuer shall allocate the Bonds on the basis of the following policy:

- i. the aggregate amount covered by Placement Agreements, if any, will be reserved for, and shall be allocated to, the Authorised Financial Intermediaries entering into the relevant Placement Agreements, in accordance with such Placement Agreements, in accordance with the details given in section 8.4 of this Securities Note;
- ii. the remaining balance of Bonds which are not subject to Placement Agreements (if any), shall be allocated on a pro rata basis to Authorised Financial Intermediaries pursuant to the Intermediaries' Offer, as further detailed in section 8.5 of this Securities Note.

The Issuer shall announce the result of the Bond Issue through a company announcement on the Issuer's website by not later than 7 May 2024.

8.8 ADMISSION TO TRADING

The Malta Financial Services Authority has authorised the Bonds as admissible to listing pursuant to the Capital Markets Rules by virtue of a letter dated 28 March 2024.

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

The Bonds are expected to be admitted to the Malta Stock Exchange with effect from 14 May 2024 and trading is expected to commence on 15 May 2024.

8.9 ADDITIONAL INFORMATION

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

The financial analysis summary has been included in the form and context in which it appears with the authorisation of Calamatta Cuschieri Investment Services Limited of Ewropa Business Centre, Triq Dun Karm, Birkirkara BKR 9034, Malta, which has given and has not withdrawn its consent to the inclusion of such report herein.

Calamatta Cuschieri Investment Services Limited does not have any material interest in the Issuer. The Issuer confirms that the financial analysis summary has been accurately reproduced in this Securities Note and that there are no facts of which the Issuer is aware that have been omitted and which would render the reproduced information inaccurate or misleading.

No credit ratings have been assigned to the Bonds at the request or cooperation of the Issuer in the rating process.



BURMARRAD
GROUP ASSETS PLC

ANNEX I
LIST OF AUTHORISED FINANCIAL
INTERMEDIARIES

Calamatta Cuschieri Investment Services Limited

C 13729
Ewropa Business Centre, Triq Dun Karm, Birkirkara BKR 9034, Malta
25688688

MeDirect Bank (Malta) plc

C 34125
The Centre, Tigne' Point, Sliema TPO 0001
25574400

Michael Grech Financial Investment Services Limited

C 28229
The Brokerage, Lvl 0 A, St Marta Street, Victoria, Gozo VCT 2550
22587000



BURMARRAD
GROUP ASSETS PLC

ANNEX II
FINANCIAL ANALYSIS SUMMARY

The Directors
Burmarrad Group Assets p.l.c.
Marjo,
Burmarrad Road, Burmarrad,
St. Paul's Bay SPB 9060
Malta

28 March 2024

Re: Financial Analysis Summary – 2024

Dear Board Members,

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

The purpose of the financial analysis is that of summarising key financial data appertaining to Burmarrad Group Assets p.l.c. (the "Issuer"). The data is derived from various sources or is based on our own computations as follows:

- a. Historical financial data for the three years ending 31 January 2021, 2022 and 2023 has been extracted from the audited financial statements of the Issuer and historical financial data for the year ending 31 January 2024 has been provided by management.
- b. The forecast data for the financial years ending 31 January 2025 and 2026 has been provided by management.
- c. Our commentary on the Issuer results and financial position is based on the explanations provided by management.
- d. The ratios quoted in the Analysis have been computed by us applying the definitions set out in Part 4 of the Analysis.
- e. The principal relevant market players listed in Part 3 of the document have been identified by management. Relevant financial data in respect of competitors has been extracted from public sources such as the web sites of the companies concerned or financial statements filed with the Registrar of Companies.

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

Yours sincerely,



Patrick Mangion
Head of Capital Markets

FINANCIAL ANALYSIS SUMMARY 2024



BURMARRAD GROUP ASSETSP.L.C.

28 March 2024

**Prepared by
Calamatta Cuschieri Investment Services Limited**

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PART 1 - COMPANY INFORMATION

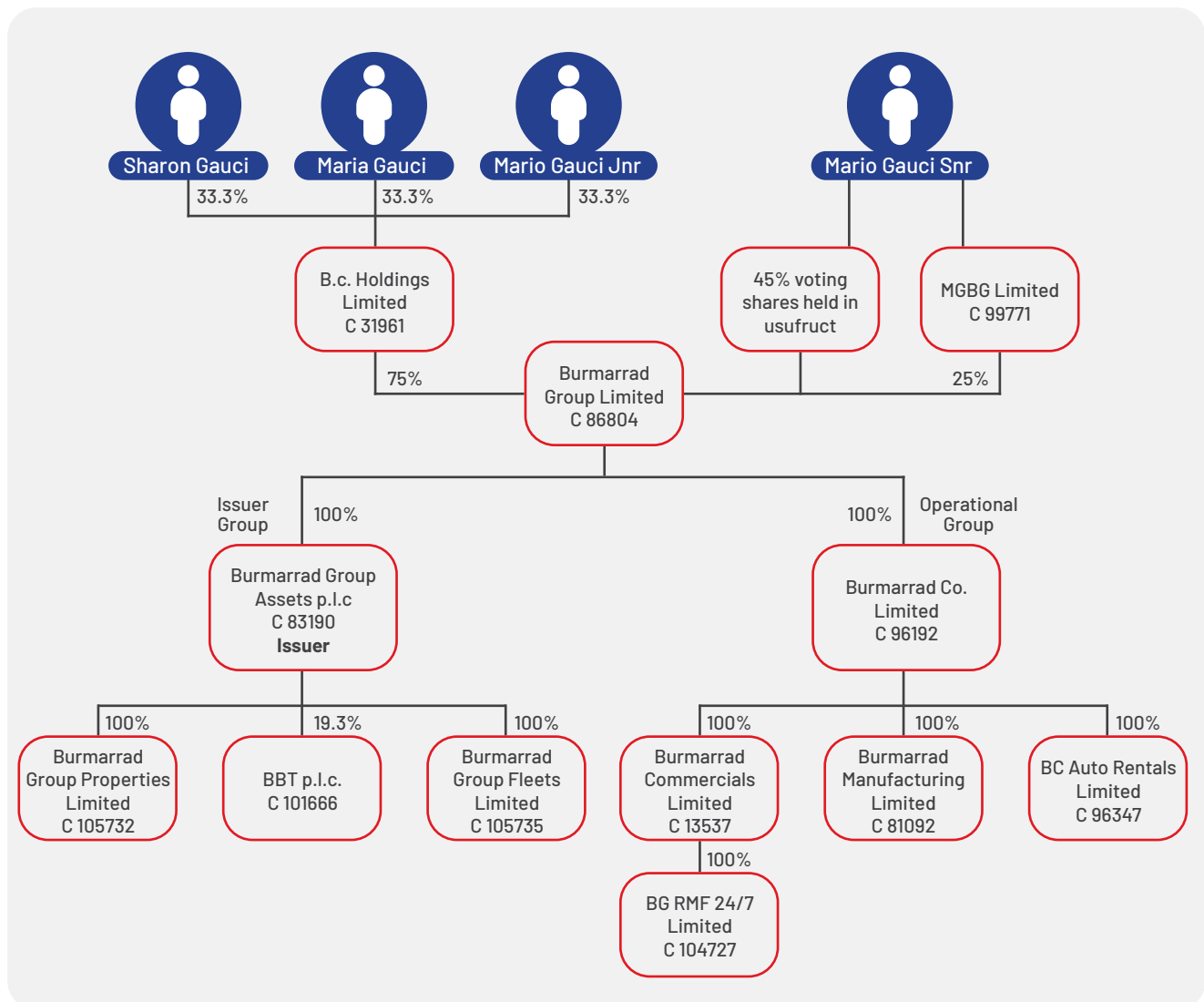
Burmarrad Group Assets p.l.c. (“BGA” or the “Issuer”) has applied for a bond issue of €16.0m 5.85% Secured Bonds 2034 pursuant to the prospectus published by the Issuer dated 28 March 2024 (the “Prospectus”). This Analysis has been prepared in line with the MFSA Listing Policies.

1.1 KEY ACTIVITIES AND STRUCTURE

The Issuer forms part of a group of companies split into two different sub-groups, with Burmarrad Group Limited as the parent. The whole group underwent restructuring (explained further in this sub-section 1.1) in order to make a distinction between the assets and the operations segments, as per below:

- The asset side of the group is made up of Burmarrad Group Assets p.l.c., Burmarrad Group Properties Limited, BBT p.l.c., and Burmarrad Group Fleets Limited, with Burmarrad Group Assets p.l.c. (the Issuer) being the parent. This sub-group will hereinafter be referred to as the “**Issuer Group**”; and
- The operations side of the group is made up of Burmarrad Co. Limited, Burmarrad Commercials Limited and its wholly-owned subsidiary BG RMF 24/7 Limited, Burmarrad Manufacturing Limited, and BC Auto Rentals Limited, with Burmarrad Co. Limited being the parent. This sub-group will hereinafter be referred to as the “**Operational Group**”.

Given the aforementioned recent restructuring, it is felt that the reader of this document is best served by providing a historical backdrop of the overall group together with a description of the restructuring in Part 1 of the Analysis. Subsequently, this Analysis focuses on and is restricted to the Issuer Group.



PART 1 - COMPANY INFORMATION

The Issuer was incorporated on 26 October 2017 with company registration number C 83190. It changed its name from Burmarrad Commercials Properties Limited and its status to a public limited company in January 2024. It has an authorised share capital of €15,000,000, consisting of 14,999,999 Ordinary 'A' shares valued at €1.00 each and 1 Ordinary 'B' share with the same nominal value. The issued share capital amounts to €14,127,000, comprising 14,126,999 Ordinary 'A' shares at €1.00 each and 1 Ordinary 'B' share at €1.00. Excluding the 1 Ordinary 'B' Share owned by Mario Gauci Snr, Burmarrad Group Assets (**BGA**) is wholly owned by Burmarrad Group Limited (BGL), which possesses 14,126,999 ordinary 'A' shares. The Ordinary 'A' Shares entitle holders to voting rights at general meetings (1 vote per share) and allow participation in dividend distributions and asset distribution during winding up, while the Ordinary 'B' share entitles Mario Gauci Snr (205857M) to receive notices of general meetings, without voting or dividend rights.

Before Corporate Reorganisation

BGL, which was incorporated on 14 June 2018 with company registration number C 86804, is the parent company of the Issuer.

Up until the second quarter of 2023, BGL's subsidiaries were Burmarrad Co Limited ("**BCOL**"), and the Issuer which, at the time, was under the name of Burmarrad Commercials Properties Limited ("**BCP**"). Prior to the change in name and objects, BCP was principally engaged in holding and developing investment property for BGL. It also initially held 22% ownership in BBT p.l.c. ("**BBT**").

BBT, which was incorporated on 7 April 2022, is a public limited liability company with company registration number C 101666. BGL, together with other players in the Maltese real estate industry, these being BT Group Limited (C 101263), TUM Operations Limited (C 91301), V. & C. Developments Limited (C 26541) and V&C Investments Limited (C 82808), have contributed their separate investment property holdings into this independent entity, in which this contribution is represented as a percentage share of BBT.

BCOL, incorporated on 27 August 2020 with registration number C 96192, is entirely owned by BGL. Under BCOL, the day-to-day vehicle operations are managed through three operating wholly-owned subsidiaries. These subsidiaries are Burmarrad Commercials Limited ("**BCL**"), Burmarrad Manufacturing Limited ("**BML**"), and BC Auto Rentals Limited ("**BCARL**").

BCL was incorporated on 30 January 1992 with company registration number C 13537. BCL undertakes the business of vehicle operations, including leasing, rental, servicing and sale of private and commercial vehicles and mobile transport in general, inclusive of related spare parts, tyre sales and repairs. It also provides mechanical servicing, electrical and refrigeration works. BCL wholly owns a subsidiary BG RMF 24/7 Limited which is a private limited liability company that was incorporated on 1 March 2023 with company registration number C 104727. This company is involved in the business of towing service memberships.

BML was incorporated on 29 May 2017 with company registration number C 81092. BML owns the new Marsa premises from which all vehicle operations and services (including leasing, rentals and servicing) of BCOL are provided, and is also principally involved in the vehicle body building, sandblasting, spraying operations, all body conversions panel beating, and modifications for wheelchair accessible vehicles.

BCARL was incorporated on 27 August 2020 with company registration number C 96347 and it handles the daily operations principally involved in the business of short-term car rental operations.

After Corporate Reorganisation

During the latter half of 2023 and the beginning of 2024, BGL went through a corporate reorganisation in which the business was split into 2 groups so that BGL could differentiate between its operating activities and its capital assets. The companies that formed the Operational Group of BGL were already incorporated and existed before the restructuring, as outlined previously. These were and will remain controlled by BCOL.

BCP was converted into a public limited liability company and had its name changed to Burmarrad Group Assets p.l.c., where it became the asset holding group for BGL. Through the reorganisation, BGA acquired BBT from BGL and set up two further subsidiaries, a property holding company, Burmarrad Group Properties Limited ("**BGPL**"), and a vehicle holding company, Burmarrad Group Fleets Limited ("**BGFL**"). The assets obtained through the reorganisation were valued at €33.5m, of which €15.6m relate to the value of the shares in BBT, €1.6m relates to the acquisition of investment properties held by BGPL and €16.3m relates to the acquisition of a fleet of motor vehicles held by BGFL.

BGPL was incorporated on 22 June 2023 with registration number C 105732. It is solely owned by BGA and holds the individual real estate assets of the whole group, referred to as the "**Group Properties**". BGPL acquired the Group Properties from the Issuer, BCL, and group-related companies. BGPL's focus is on deriving long-term capital growth and annual income from its real estate

investment portfolio by either holding the properties for long-term investment, renting the properties, or selling the properties, all of which depend on the opportunity presented. The current estimated market value of the Group Properties stands at €3.6m. Further details on these properties are listed under section 1.3.2 of this Analysis.

BGA currently owns a 19.31% share in BBT, which reflects its contribution of the vacant site situated in Burmarrad previously used by the car leasing and servicing operations. During the first quarter of 2023, the properties were transferred from the shareholders into BBT.

BGA also owns 100% of BGFL which is a private limited liability company that was incorporated on 22 June 2023 with registration number C 105735. Following the corporate reorganisation, all the vehicles owned by the whole group and utilised in the day-to-day operations of the car leasing and servicing business were transferred to BGFL. The scope is to then lease them to the Operational Group entities, namely BCL and BCARL, at a fee. Through BGFL, the Issuer intends to continue making investments in new motor vehicles in the future, which will sustain the quality of the motor vehicle fleet and support the car business operation of the whole group.

1.2 DIRECTORS AND KEY EMPLOYEES

Board of Directors

Mr Albert John Frendo (121365M)	Chairman and independent, Non-executive Director
Ms Maria Gauci (519480M)	Executive Director
Mr Mario Gauci Jnr (233284M)	Executive Director
Mr Mark Anthony Grech (649362M)	Independent Non-executive Director
Mr David Spiteri (166M)	Independent Non-executive Director

The business address for all the directors is the registered office of the Issuer, which is located at Marjo, Burmarrad Road, Burmarrad, St. Paul's Bay SPB 9060, Malta.

Dr Joseph Saliba is the company secretary for the Issuer.

Albert John Frendo is the chairman and independent non-executive Director. Maria Gauci and Mario Gauci Jnr are executive Directors and occupy senior executive positions within the larger group. The other two directors, namely Mark Anthony Grech and David Spiteri serve on the board of the Issuer in a non-executive capacity. They are considered independent directors since they are free of any significant business, family or other relationship with the Issuer, its controlling shareholders or the management of either, that could create a conflict of interest such as to impair their judgement.

1.3 MAJOR ASSETS OWNED BY THE ISSUER

1.3.1 Investment in BBT

The properties contributed to the joint venture of BBT as outlined in section 1.1 above, as at the date of this Analysis, are:

1. A development site in Triq Burmarrad, Burmarrad, comprising various yards, plots of land, garages, and structures, formerly used by the wider group for vehicle operations referred to as the **"Burmarrad Property"**, owned by MJSK Limited, was transferred from BGL to BBT;
2. The Watercourse Complex, owned by The Watercourse Complex Limited, was transferred from BT Group Limited, TUM Operations Limited, and V. & C. Developments Limited to BBT;
3. Viu 57 Hotel, owned by Develeco Malta Limited, was transferred from TUM Operations Limited and V&C Investments Limited to BBT; and
4. Centre Parc Complex, owned by Centre Parc Holdings Limited, was transferred from BT Group Limited, TUM Operations Limited, and V. & C. Developments Limited to BBT.

The Watercourse and Viu 57 Hotel properties are the only ones currently in operation. Center Parc Complex is divided into two phases, with the first phase completed and operational, while the second phase is currently under development. The Burmarrad Property is also in the development stage as of the publication of this Analysis.

The shareholders of BBT plc attributed a total equity value of €68.9m, of which the Issuer has 19.31% shareholding with an implied value of €15.6m. The objective underlying the transaction to consolidate the various property holdings was to create a strong and independent commercial property-owning company, with independent management, focused on generating annual rental income and long-term capital growth. BBT is not expected to require any further capital support from its shareholders.

The Issuer is expected to generate revenue streams from its investment in BBT as pipeline projects are realised. BBT is also expected to be in a position to pay an annual dividend following the completion of its pipeline project in 2027.

1.3.2 Investment in Other properties

Apart from the BBT investment properties, BGFL acquired several real estate assets from the Issuer, BCL, and Ta' Seraqa, as defined in the Prospectus:

1. An agricultural land in Triq Burmarrad, Burmarrad, located opposite the Burmarrad Property measuring approximately 1,900 sqm.
2. A garage in Triq Burmarrad, Burmarrad on the ground floor level and underlying third-party property, measuring approximately 95 sqm.
3. A three-story building situated on a site of an area of approximately 185 sqm in Triq Burmarrad, Burmarrad consisting of a garage, open plan floor, and a three-bedroom apartment.
4. An apartment numbered 2 on the second floor of a two-apartment block and a garage named "Marvin House" in Triq Burmarrad, Burmarrad together with an undivided share in the common parts of such block pro rata with the other apartment within the same block.
5. An under-construction site, previously referred to as "**Tan-Nanniet**", in a corner between Triq il-Witja and an alley in Burmarrad which is in the process of becoming a garage at basement level, a maisonette at ground floor level, and 3 overlaying apartments.
6. A three-bedroom apartment on the second floor and six garages of different sizes are located in the basement of a mixed-used building named Marray Court on Triq il-Maghsar, Burmarrad.
7. A two-story building in Triq ir-Ramla corner with Triq Hida, Nadur, and Gozo, which was a restaurant named "Almar" but is currently not operational.
8. A ground-floor car showroom in Triq il-Witja, Burmarrad, covering approximately 95 sqm.

Initially, the intention was to keep these assets and to consider either development or sale before the maturity of the proposed bond to support the settlement of outstanding debt. These assets however have now been earmarked for sale.

Architect valuation reports prepared by Architect Joe Grech dated 9 June 2023 attributed a total market value of €3.6m to these investment properties. There is no debt outstanding concerning these investment assets.

1.3.3 Motor vehicle (MV) fleet

Through BGFL, the Issuer owns a diverse fleet of approximately 1,100 motor vehicles with an estimated total fair market value of €16.5m as of 19 January 2024. These MVs were acquired from the Operational Group entities BCL and BCARL, which were previously operated by them in vehicle leasing and rental businesses. The vehicles are subdivided into 3 categories being:

1. **Leasing**, which includes roughly 550 vehicles that are under long-term lease agreements with clients of Burmarrad Commercials Limited;
2. **Daily rental**, which includes 170 vehicles that are rented to retail clients (mostly tourists) under the 'Enterprise', 'Alamo' and 'National' brands; and
3. **Commercial rental**, which includes 400 vehicles are mainly commercial vehicles rented to meet short-term client requirements, including peak demand and temporary replacement requirements.

BGFL, as the owner of the motor vehicles, will not operate the vehicles directly but will lease them back to the Operational Group entities at a fee to continue their operations and generate rental income on the day-to-day vehicle operations. The Issuer intends to continue making investments in new MVs through BGFL and to sustain the quality of the MV fleet.

1.4 OPERATIONAL DEVELOPMENTS

As described in section 1.1 of this Analysis, the shareholders restructured their holding such that the operations of the Burmarrad Group Asset p.l.c. now consists of an asset-owning operation which derives its value from the ownership and management of the assets held.

1.5 USE OF PROCEEDS

The Issuer is seeking to issue a bond of €16.0m to be utilised as follows:

- €3.7m will be used for the acquisition of the Water Services Corporation leased vehicle fleet - the full payment shall be used to settle existing bank debt due by BCL;
- €3.4m will be used for the acquisition of vehicles and related vehicle business - the full payment shall be used to settle existing bank debt due by BCL;
- €1.8m will be used in respect of the acquisition of vehicles-related fixed assets - the full payment shall be used to settle existing bank debt due by BML;
- €2.5m will be used for the acquisition of vehicles and related vehicle business - the full payment shall be used to settle hire purchase creditors;
- €4.0m will be used for general corporate funding purposes which is intended to finance additional investment opportunities; and
- €0.6m will be used to settle bond issue costs.

PART 2 - HISTORICAL PERFORMANCE AND FORECASTS

The historical financial information for the Issuer for the financial years ended 31 January 2021, 2022 and 2023 as extracted from the audited financial statements and for the financial year ended 31 January 2024 extracted from management accounts can be found in sections 2.1 to 2.3 of this Analysis. The projected financial information for the years ending 31 January 2025 and 2026 as provided by management is set out in sections 2.4 to 2.6 of this Analysis. Due to a corporate reorganisation, the projections for the year ending 31 January 2024 cover only the last 4 months.

Projected financial information relates to events in the future and is based on assumptions that the Issuer believes to be reasonable. Consequently, the actual outcome may be adversely affected by unforeseen situations and the variation between forecast and actual results may be material.

2.1 ISSUER'S HISTORICAL INCOME STATEMENT

Income Statement for the year ending 31 January	2021A	2022A	2023A	2024M
	€000s	€000s	€000s	€000s
Revenue	-	-	-	7
Movement in fair value of investment property	-	-	649	-
Loss on disposal of investment property	-	-	-	(85)
Administrative expenses	(13)	(6)	(9)	(14)
Profit / (loss) before tax	(13)	(6)	640	(92)
Income tax credit / (expense)	-	-	388	(168)
Profit / (loss) after tax	(13)	(6)	1,028	(260)

Prior to the restructuring, the Issuer was a property-owning company with limited operations. As a consequence of this, the historical performance of the Issuer has to be seen in the light of the fact that in the period under review, its sole function was to act as a property-owning company.

Following the reorganisation during FY24, the Issuer underwent significant changes in its operation which are reflected in the forecasts between sections 2.4 and 2.6.

Between FY21 and FY23, the company reported no revenue in line with the fact that it was purely a property holding company. The administrative expenses in both FY21 and FY22 led to the Issuer incurring a loss of €13k and €6k, respectively. These include statutory audit fees, bank charges, professional fees and auditor's remuneration.

In FY23 a profit of €1.0m was reported. This is attributed to the movement in the fair value of the Issuer's investment property which amounted to €0.6m and was not subject to tax. During this period, management approved a plan to sell a portion of land in Burmarrad to a related company, resulting in a portion of the investment property being classified as an asset held for sale. Consequently, the deferred tax liability relating to this land was reversed allowing the Issuer to record an income tax credit of €0.4m.

In FY24 the Issuer reported a loss on disposal on investment property of less than €100k. Together with an income tax charge of €168k this led the issuer to report a total loss of €260k.

2.2 ISSUER'S HISTORICAL STATEMENT OF FINANCIAL POSITION

Statement of Financial Position as at 31 January	2021A	2022A	2023A	2024M
	€000s	€000s	€000s	€000s
Assets				
Non-current assets				
Investment property	7,680	8,070	2,100	-
Total non-current assets	7,680	8,070	2,100	-
Current assets				
Assets held for sale	-	-	6,640	-
Investment in subsidiaries	-	-	-	2
Investment in associate	-	-	-	15,600
Loan receivable	-	-	-	3,660
Trade and other receivables	90	-	-	83
Cash and cash equivalents	-	-	-	113
Total current assets	90	-	6,640	19,458
Total assets	7,770	8,070	8,740	19,458
Equity				
Called up issued share capital	1	1	1	10,521
Fair value reserve	6,235	6,235	7,271	-
Retained earnings	209	203	194	7,542
Total equity	6,445	6,439	7,466	18,063
Liabilities				
Non-current liabilities				
Bank borrowings	-	193	193	300
Long-term borrowings (shareholders' loan)	140	140	140	140
Deferred tax liability	556	556	168	-
Total non-current liabilities	696	889	501	440
Current liabilities				
Bank borrowings (overdrawn bank balance)	-	-	3	-
Trade and other payables	616	742	770	955
Current tax liability	13	-	-	-
Total current liabilities	629	742	773	955
Total liabilities	1,325	1,631	1,274	1,395
Total equity and liabilities	7,770	8,070	8,740	19,458

The Issuer's total assets have shown a gradual yearly increase, rising from €7.7m in FY21 to €8.7m in FY23, and €19.5m in FY24. In FY21 and FY22, the majority of the asset value was attributed to the investment property, which was classified as a non-current asset. Part of the investment property was contributed to BBT p.l.c. in exchange for a shareholding in BBT p.l.c. after year-end, necessitating a reclassification of this investment property as an asset held for sale with the value of €6.6m under current assets. The balance sheet value in FY24 reflects the acquisition of the BBT investment explained in section 1.3.1 of this document.

The Issuer's equity has also been steadily increasing since FY21, reaching a value of €7.5m at the end of FY23. This growth is primarily attributed to a €1.0m increase in the fair value reserve. The equity balances in FY24 reflect the uplift as a result of the capitalisation exercise following the BBT transaction.

Total liabilities in FY23 are relatively low, totalling €1.3m, compared to FY22, where they amounted to €1.6m. This fluctuation is primarily due to changes in non-current liabilities. Although bank borrowings and long-term borrowings remained stable, the reversal of the deferred tax liability related to the aforementioned investment property resulted in a decrease of €0.3m, leading to deferred tax liabilities of €0.2m in FY23. Current liabilities mainly consist of trade and other payables, gradually increasing year on year and reaching a value of €0.8m in FY23. In FY24 total liabilities increased marginally from €1.3m in FY23 to €1.4m in FY24.

2.3 ISSUER'S HISTORICAL STATEMENT OF CASH FLOWS

Statement of Cash Flows for the year ending 31 January	2022A	2023A	2024M
	€000s	€000s	€000s
Net cash flows generated from / (used in) operating activities	(26)	(3)	97
Net cash flows generated from / (used in) investing activities	(301)	(22)	(88)
Net cash flows generated from / (used in) financing activities	327	23	107
Movement in cash and cash equivalents	-	(2)	116
Opening cash and cash equivalents	-	-	(2)
Closing cash and cash equivalents	-	(2)	114

The Issuer's cash flow has historically relied on shareholder contributions and advances from related parties, consistent with its role as a property-owning company lacking active rental agreements on its properties.

Operating cash flows predominantly covered annual costs while investing activities involved property acquisitions, primarily funded by shareholder contributions, advances from related parties, and a €0.2m bank facility drawdown in FY22.

With the recent reorganisation, significant changes are anticipated in the Issuer's annual income statement, cash flow, and financial position showing a substantial shift in the forecasted projections for the Issuer discussed further in between sections 2.4 and 2.6.

2.4 ISSUER'S PROJECTED INCOME STATEMENT

Income Statement for the year ending 31 January	2025F	2026P
	€'000s	€'000s
Interest income on vehicles	1,821	1,800
Interest income on vehicle related fixed assets	129	118
Total interest income	1,950	1,918
Operational expenditure	(71)	(73)
Operating profit	1,879	1,845
FV movement in other investment properties	73	75
Share of profits in BBT	1,552	3,518
Profit before interest and tax	3,504	5,438
Interest Income on excess cash	-	31
Interest expense	(947)	(945)
Amortisation of bond issue costs	(60)	(60)
Profit before tax	2,497	4,464
Tax	(395)	(393)
Profit after tax	2,102	4,071
Ratio Analysis	2025F	2026P
<i>Profitability</i>		
Revenue Growth (YoY)	N/A	(1.6%)
EBITDA Margin (EBITDA / Revenue)	96.4%	96.2%
EBITDA Growth	N/A	(1.8%)
Net Margin (Profit for the year / Revenue)	107.8%	212.3%
Return on Common Equity (Net Income / Average Equity)	9.5%	16.1%
Return on Assets (Net Income / Average Assets)	5.4%	9.4%
Return on capital employed (EBITDA / Total Assets - Current Liabilities)	4.6%	4.1%

As previously mentioned, all the vehicles owned by the Issuer are leased to the vehicle operating companies within the wider group. The carrying amount of the finance lease receivable is reduced as lease payments are received, and interest income is recognised on the outstanding balance, reflecting a constant periodic rate of return on the lessor's net investment in the finance lease. The projected income statement reflects the interest income of €1.8m that is generated on its finance leases and assumes a full year of interest income charged in year 1 (i.e. FY25) and half a year of interest income in the year in which the lease matures. This figure is expected to decrease slightly by 1.6% during FY26.

Operational expenditure, covering unrecoverable expenses like listing fees and directors' fees, is projected to be €71k in FY25 and above €70k annually thereafter, increasing at an inflationary 2% per year according to management.

BBT profit projections assume recognition as an investment in associates. The increase in value from BBT includes a combination of annual property revaluations in line with projected revenue growth at a constant capitalisation rate and annual rental income recognised on the property investments and BBT dividend income which is agreed to be paid upon the completion of both phase 2 of the Center Parc development and the Burmarrad site.

Projected interest expenses primarily include bond interest costs at 5.85% per annum. FY25 interest cost are nil, increasing to €31k in FY26. Bond issue costs of €0.6m are amortised over the term of the bond. Tax is expected to be at 35% on all profits after allowable deductions, being interest expense on debt allocated for the acquisition of the vehicles.

The Issuer anticipates a profit of €2.1m in FY25, increasing by €2.0m in FY26, mainly due to a higher share of profits in BBT.

The Return on Common Equity and Return on Assets are expected to be positive in FY25, at 9.5% and 5.4% respectively, indicating efficient profit generation from shareholders' equity and asset utilisation. In FY26 these ratios improve, having the Return on Common Equity increase to 16.1% and the Return on Assets increase to 9.4%.

2.5 ISSUER'S PROJECTED STATEMENT OF FINANCIAL POSITION

Statement of Financial Position as at 31 January	2023A	2024M
	€'000s	€'000s
Assets		
Non-current assets		
Receivable re. leasing vehicles	10,564	10,845
Receivable re. daily rental vehicles	2,897	2,672
Receivable re. commercial vehicles	3,508	2,429
Total receivable balance re. vehicles	16,969	15,946
Receivable re. vehicle related fixed assets	1,829	1,647
Investment property	3,733	3,808
Investment in BBT plc	17,152	20,670
Total non-current assets	39,683	42,071
Current assets		
Cash and cash equivalents	1,572	3,168
Total current assets	1,572	3,168
Total assets	41,255	45,239
Equity		
Called up issued share capital	13,620	13,620
Retained earnings	9,568	13,639
Total equity	23,188	27,259
Liabilities		
Non-current liabilities		
Bond (net of issue costs)	15,460	15,520
Amounts due on acquisition	2,329	2,147
Deferred tax liability (revaluation of property)	203	238
Total non-current liabilities	17,992	17,905
Current liabilities		
Accrued interest on bond	77	77
Total current liabilities	77	77
Total liabilities	18,068	17,982
Total equity and liabilities	41,255	45,241

Ratio Analysis	2025F	2026P
<i>Financial Strength</i>		
Gearing 1 (Net Debt / Net Debt and Total Equity)	37.5%	31.2%
Gearing 2 (Total Liabilities / Total Assets)	43.8%	39.7%
Gearing 3 (Net Debt / Total Equity)	59.9%	45.3%
Net Debt / Total Assets	0.3x	0.3x
Net Debt / EBITDA	7.4x	6.7x
Current Ratio (Current Assets / Current Liabilities)	20.4x	41.1x
Interest Coverage 1 (EBITDA / Finance Costs)	2.0x	2.0x
Interest Coverage 2 (EBITDA / Cash interest paid)	2.2x	2.0x

The total asset base after the company reorganisation is expected to be €41.3m in FY25 and is then expected to increase to €45.2m by FY26 due to the various assets held by the Issuer.

The entire vehicle fleet owned by the Issuer Group has to be accounted for under applicable accounting rules which dictates that the Issuer Group recognises the receivables due from lease agreements on its balance sheet rather than the vehicles themselves. The value following the acquisition and leaseback of the vehicle fleet, comprising of leasing, daily rental, and commercial vehicles, is a significant component of the Issuer's non-current assets and is projected to decrease from €17.0m in FY25 to €16.0m in FY26. Risks and rewards of the lease are deemed transferred to the lessee, prompting recognition as a finance lease receivable equal to the net investment in the lease.

With regards to the leasing vehicles, due to existing leases maturing over the next three years, it is expected that these vehicles will be replaced with new leasing agreements. Due to the maturity profile of existing leases, most of the existing leases will mature over the next three years and it is assumed that these vehicles will be replaced with new leasing agreements. The value of leasing vehicle assets is expected to be €10.6m in FY25, increasing to €10.9m in FY26. This fleet is assumed to remain stable at roughly 550 vehicles with new and expiring vehicles assumed to operate for 6 months in the year.

Management expect to continue investing in the daily rental vehicle fleet, increasing the number of vehicles from 170 in the beginning of FY25 to 200 vehicles by end of FY25 with a value of €2.9m. The daily rental fleet is projected to remain stable at 200 vehicles thereafter. New vehicles are assumed to operate for 6 months in the year. In FY26 no acquisitions are expected which leads to a decrease in the value of the daily rental fleet by €0.2m.

Management assumes that the commercial vehicle fleet will be retained at a stable 400 vehicles. It is assumed that leased vehicles and daily rental vehicles which are no longer required in their respective fleet will be transferred to the commercial vehicle fleet and the older vehicles in the commercial vehicle fleet disposed of. Lease payments are forecasted based on historical Key Performance Indicators, considering acquisition costs aligned with recoverable value. Annual payments extend up to a 13-year lease term, with a 10% target return per vehicle. Upon disposal, BGFL will charge the lessee, being the Operational Group entities, a percentage of the vehicle's implied original acquisition cost. This percentage is contingent on the age of the vehicle, with the flexibility to increase the price if necessary to secure a minimum 10% Internal Rate of Return (IRR) for BGFL concerning the specific vehicle. The value for the commercial rental fleet is expected to be €3.5m in FY25 declining by €1.0m in FY26.

The leaseback of vehicle-related fixed assets is also recognised as a finance lease and therefore the Issuer recognises the leased vehicle-related assets as a receivable at an amount equal to the net investment in the lease. They are not expected to vary drastically since their value is based on their initial acquisition value and are depreciated based on a 10-year useful life.

Investment property, which was previously mentioned in section 1.3 of this Analysis, is projected to have a total market value of €3.6m as per architect reports and is projected to increase at an inflationary 2% per annum from FY24 onwards until sold between FY29 and FY31. This results in the investment property having an expected value of €3.7m in FY25 and €3.8m in FY26.

The investment in BBT is the other significant component of the Issuer's assets which reflects the Issuer's shareholding in BBT, following the anticipated equity contribution by other BBT stakeholders. The value of this investment is expected to be €17.2m in FY25, increasing by €3.5m in FY26.

Current assets are made up entirely of cash and cash equivalents which is explained in further detail under section 2.6 below.

The equity is made up of the called-up issued share capital which is €13.6m in both FY25 and FY26, and retained earnings which is expected to be €9.6m in FY25, increasing to €13.6m in FY26.

The total liabilities are primarily made up of the proposed €16.0m bond issue, net of issue costs taking the value €15.5m. Additionally, there are the amounts due on acquisition which include vehicle-related fixed assets and are expected to be repaid over ten years, gradually decreasing from €2.4m in FY25 to €2.2m in FY26.

As for other non-current liabilities, there is the deferred taxation that relates to deferred tax recognised on the revaluation of other investment property, increasing from €203k in FY25 to €238k in FY26. Finally, there is also a €193k bank facility that is expected to be fully repaid in FY25. The annual accrued interest of €77k makes up all of the current liabilities. It reflects the accumulated unpaid interest on the bond between October and January of each period.

Following both the company reorganisation and proposed bond issue, the Issuer aims for a stable gearing level of 37.5% in FY25, slightly decreasing to 31.2% in FY26. Additionally, short-term liquidity is expected to improve, with current assets covering liabilities at 20.4x in FY25 and 41.1x in FY26, showcasing an optimal position for addressing immediate financial demands. As well, the Issuer exhibits effective interest obligation management, evident in the forecasted interest coverage ratio. Between FY25 and FY26, the Issuer's EBITDA is projected to maintain coverage at 2.0x, ensuring consistently healthy financial ratios.

2.6 ISSUER'S PROJECTED STATEMENT OF CASH FLOWS

Statement of Cash Flows for the year ending 31 January	2025F	2026P
	€000s	€000s
Operating Activities		
EBITDA	1,879	1,845
Adjustments		
<i>Less: Interest on finance leases</i>	(1,951)	(1,918)
<i>Less: Movement in net working capital</i>	(10)	-
<i>Less: Tax paid on operations</i>	(361)	(358)
Net cash flows generated from / (used in) operating activities	(443)	(431)
Investing Activities		
Annual payments	3,805	4,446
Payment upon disposal	819	302
Acquisition of new vehicles	(3,703)	(1,625)
Net cash flows generated from / (used in) investing activities	921	3,123
Financing Activities		
Bond drawdown (net issue costs)	15,400	-
Movement in loans and borrowings	(193)	-
Interest income	-	31
Interest expense	(871)	(945)
Movement in third party debt	14,336	(914)
Settlement of amounts due on acquisition	(13,241)	(182)
Net cash flows generated from / (used in) financing activities	1,095	(1,096)
Movement in cash and cash equivalents	1,573	1,596
Opening cash and cash equivalents	(1)	1,572
Closing cash and cash equivalents	1,572	3,168

Ratio Analysis	2025F	2026P
Cash Flow	000's	000's
Free Cash Flow (Net cash from operations + Interest - Capex)	€(341)	€2,390

The net cash flows used in operating activities are expected to decrease from €443k in FY25 to €431k in FY26. This comes from a slight decrease in EBITDA, interest on finance leases, movement in net working capital and tax paid on operations collectively.

The net cash flows generated by investing activities are projected to fluctuate because management intends to maintain a constant fleet size. This leads the Issuer to see an inflow of €0.9m in FY25, followed by a substantial inflow of €3.1m in FY26.

Mainly due to the bond drawdown of €15.4m less €13.2m settlement of amounts due on acquisition, the Issuer is expecting to generate €1.1m from financing activities in FY25. The following year €1.1m is expected to be used in financing activities covering interest expenses and settlements of amounts due on acquisition.

The Issuer overall, is expecting a positive movement in cash and cash equivalents during FY25 at €1.6m which is also the closing cash balance due to there not being an opening cash balance from FY24. This increase almost doubles the closing cash and cash equivalents, resulting in a closing of €3.2m.

The Issuer is forecasting a negative free cash flow of €0.3m in FY25, followed by a positive free cash flow of €3.2m in FY26.

PART 3 - KEY MARKET AND COMPETITOR DATA

At the time of publication of this Analysis, management considers that generally, it shall be subject to the normal business risks associated with the industries in which the companies are involved and operate and, barring unforeseen circumstances, does not anticipate any trends, uncertainties, demands, commitments or events outside the ordinary course of business that could be deemed likely to have a material effect on the upcoming prospects of the companies and their respective businesses, at least with respect to the financial year 2023. However, investors are strongly advised to carefully read the risk factors disclosed in the Prospectus.

3.1 ECONOMIC UPDATE ¹

The Bank's Business Conditions Index (BCI) indicates that in December, annual growth in business activity stood slightly above its historical average, estimated since January 2000.

The European Commission confidence surveys show that sentiment in Malta increased in December, rising above its long-term average, estimated since November 2002. In month-on-month terms, sentiment improved in the retail and services sectors, as well as in industry, while it deteriorated among consumers and in construction.

Additional data show that in month-on-month terms, price expectations edged down among retailers, among firms in industry, and in the construction sector but rose in the services sector and among consumers. The most significant decrease was recorded in the retail sector.

In December, the European Commission's Economic Uncertainty Indicator (EUI) for Malta fell compared with November, indicating lower uncertainty. Uncertainty decreased mostly in the services sector and in industry.

In November, industrial production rose at a slower pace, while retail trade increased on a year-on-year basis following a contraction a month earlier. The unemployment rate remained unchanged at 2.5%, and stood below that of 2.9% in November 2022.

Commercial and residential building permits in November were lower than a month earlier and were also lower when compared with a year ago. In December, the number of residential promise-of-sale agreements rose on a year-on-year basis, as did the number of final deeds of sales.

The annual inflation rate based on the Harmonised Index of Consumer Prices (HICP) stood at 3.7% in December, down from 3.9% in the previous month. Inflation based on the Retail Price Index (RPI) remained unchanged at 3.6%.

In November, the level of Maltese residents' deposits decreased below its year ago level, though at a slower rate than in October. This decline reflects lower balances belonging to financial intermediaries and, to a lesser extent firm. By contrast, household deposits increased. Meanwhile, annual growth in credit to Maltese residents increased at a slower pace compared with a month earlier.

In November, the Consolidated Fund recorded a larger deficit compared to a year earlier. This reflects a rise in government expenditure and a decline in government revenue.

3.2 ECONOMIC OUTLOOK ²

According to the Bank's latest forecasts, Malta's gross domestic product (GDP) growth is projected to slow down from around 7.0% in 2022, to 4.0% in 2023, and to ease slightly further to 3.8%, and 3.7%, in 2024 and 2025, respectively. When compared to the previous projections, the Bank's latest forecast for headline GDP is revised upwards throughout the projection horizon. Indeed, GDP growth was revised up by 0.3 percentage points in 2023, and by 0.2 percentage points in 2024 and 2025.

In 2023, net exports are expected to be the main contributor to GDP growth. This reflects the expected sharp slowdown in imports (goods import specifically are set to contract after being boosted by strong investment in the aviation sector in 2022), as well as robust growth in exports. Meanwhile, domestic demand is expected to lower growth, as the base effect from the extraordinary investment in 2022 should offset positive contributions from government and private consumption. From 2024, domestic demand is expected to be the main driver of growth, as private consumption growth is expected to remain relatively robust despite relatively high inflation. Net exports are also projected to contribute positively in 2024 and 2025, due to robust services exports.

Employment growth is set to moderate to 3.6% in 2023 from 6.0% in 2022, which partly reflects the envisaged normalisation in economic activity towards potential growth. In the following two years, employment is set to expand by 2.7% and 2.4%,

¹ Central Bank of Malta – Economic update – 01/2024

² Central Bank of Malta – Economic projections – 2023 – 2025

respectively. In view of relatively high inflation, as well as tight labour market conditions, nominal wage growth is projected to be relatively strong from a historical perspective. Compensation per employee is thus set to grow by 5.5% in 2023, 4.9% in 2024 and 3.9% in 2025, outpacing consumer price inflation during the later period of the projection horizon.

Annual inflation based on the Harmonised Index of Consumer Prices (HICP) is projected to moderate to 5.3% in 2023, as international supply bottlenecks are expected to ease further. However, lingering indirect effects from recent increases in input costs are set to keep inflation high from a historical perspective. The fall in inflation in 2023 reflects a broad-based decrease across all sub-components of HICP, except for energy inflation, as energy prices are expected to remain unchanged in view of government support measures. Services is envisaged to be the main contributor to HICP inflation, but food and non-energy industrial goods (NEIG) are also projected to contribute to annual HICP inflation in 2023.

The general government deficit is set to decline to 4.9% of GDP in 2023, from 5.8% in 2022. It is then set to continue declining over the rest of the forecast horizon, reaching 3.4% of GDP by 2025. This improvement is driven by a declining share of expenditure in GDP, mainly due to the profile of inflation-mitigation measures. The general government debt ratio is set to increase throughout the forecast horizon, and to reach 55.3% by 2025. This is driven by the expected level of primary deficits, which partly offset the debt-decreasing impact of the interest-growth differential.

On balance, risks to economic activity are tilted to the downside for 2023 and 2024 and are more balanced thereafter. The main downside risks relate to the possibility of stronger than envisaged weakness in the international economic environment, which could lead to lower exports. Foreign demand may also be weaker than expected if monetary policy in advanced economies tightens more forcibly than assumed in this projection round. GDP data for the first quarter of the year also implies some downside risks to domestic demand. On the other hand, private consumption could surprise on the upside if wage growth is higher than expected, particularly in the outer years of the projection horizon.

Risks to inflation are to the upside for the entire projection horizon. Indeed, inflation could be more persistent than assumed in the baseline projections and could continue to be affected by indirect effects from past increases in commodity prices. Moreover, second round effects from higher wages and profit margins could also prolong high inflation. Conversely, further monetary tightening and lower foreign demand could ease inflationary pressures in the medium-term.

On the fiscal side, risks are on the downside (deficit-increasing) particularly in 2023. These mainly reflect the likelihood of additional support measures towards Air Malta. Deficit-decreasing risks in the outer years of the forecast horizon mainly relate to fiscal consolidation pressures as the general escape clause in the Stability and Growth Pact is deactivated at the end of 2023.

3.3 THE PROPERTY SECTOR ³

Following fast growth in the five years leading to 2019, the selling price for the average housing unit grew at a relatively slow pace, in part, reflecting the impact that COVID-19 has had on the residential property market. In the second half of 2022, the Selling House Price Index continued to increase and was 1.7% higher than it was in the first half of the year. Subsequently, during January to March 2023, the index declined by 2.9%, but remains 9.8% higher than the average price that prevailed in 2019 – when both the Maltese property market and the economy were growing at a very fast pace.

Activity in the residential property market remains high. At 14,331, the number of final deeds of sale in 2022 were at a similar level to those registered in 2021. In contrast, the number of promises of sale (POS) agreements were 22.1% lower than in 2021. In part, this decline is due to the high number of POS agreements registered in 2021, reflecting transactions spilling over from 2020 due to delays caused by COVID-19 and purchases that were brought forward from 2022 due to the anticipated expiry of the stamp duty exemption on property. During January to March 2023, the number final deeds was 9.4% lower than in the comparable period in the previous year while the number of registered POS agreements increased by 14%.

The number of housing units approved for development by the Planning Authority (PA) in 2022 was lower than the historically high number of units approved in 2018 and 2019, but remained relatively high at 9,523. This is expected to increase the housing stock significantly over the next 2 to 3 years as units typically come onto the market with a time lag. Based on forecasts for the Maltese economy, it is estimated that the additional supply of housing units will exceed additional demand for housing over the period between 2024 and 2025, thereby putting some downward pressure on prices.

This heightened activity and generally high prices continue to raise concerns about housing affordability. In 2022, the house price-to-income ratio was lower than it was in 2020 when COVID-19 had a significant impact on household's incomes. Nonetheless, it remains at a very high level such that the maximum affordable house price for a one-adult household amounts to only 61.7% of the average price of a finished property (circa €260,000). In contrast, a two-adult household with median income can comfortably afford an average-sized housing unit. However, there are many households whose incomes are below this average. For example, a two-adult household with two income earners on the minimum wage have a maximum affordable house price of around €145,000 – equivalent to only 55.8% of the average property price. For these households, the maximum affordable house price falls significantly below the average market price for a housing unit.

³ Grant Thornton | The Malta Property Landscape – April 2023

These issues raise concern about social sustainability aspects related to the property market and make it more challenging for all market players to shift focus on the increasingly important aspect of environmental sustainability. In part, this is due to the delay with which homebuyers get to enjoy the benefits of investing in sustainable buildings. However, striking a better balance between affordability and environmental sustainability can lead to more affordable and equitable housing options (e.g., cheaper home loan borrowing rates, lower electricity bills). A simple case study shows that buying an environmentally sustainable apartment (which is energy efficient, reduces the cost of energy and for which a favourable green loan scheme is applicable) can yield potential financial benefits of up to circa €43,700 over a 30-year period, 44% of which are realised within the first 5 years.

3.4 THE COMMERCIAL PROPERTY MARKET

The strong economic growth sustained by the Maltese economy in recent years has contributed to a rise in the employment rate and the influx of foreign workers within the Maltese workforce. This has contributed to an increase in the demand for rental of office and commercial space in Malta. To address such growing demand, the supply of office and commercial space in Malta has considerably increased over the last couple of years. Of note, there are several traditional business areas in Malta. For instance, Sliema attracts many international brands and companies. Likewise, Valletta, being Malta's capital city, is considered as the hub for law firms and many long-established family businesses.

Other traditional commercial areas include the likes of St. Julian's, which is popular for its sea-view offices, and Floriana, which attracts businesses that want to be located in the vicinity of Valletta. In furtherance, there are also top-quality commercial developments within in the proximity of the airport and in other residential areas such as Naxxar, Mosta, Mellieħa and in parts of the south of Malta. The variety of commercial and office space in Malta cater for every type of business, from start-ups to established global organisations. In this regard, numerous business centres have recently been developed, with new centres in the pipeline.

Data specifically related to commercial property in Malta is limited, thus making it more challenging to identify the exact state of this sector. Nevertheless, it is evident that Malta has, over recent years, completely evolved and has attracted a numerous amount of foreign companies related to sectors within the financial services, gaming and IT. It is therefore apparent that the demand for good commercial property has drastically increased, whereby Malta's property sector has been dominated by a situation of demand seemingly exceeding supply. The latter has resulted into the majority of high-quality commercial developments being fully let.

In line with latest statistical data issued by Eurostat⁴, the index reflecting office building permits within the European Union, indicated business levels similar to 2021 throughout 2022, which were still well above the depressed levels experienced in 2020. In Q1 2022 the index increased slightly to 135.7 from 134.9 in the previous quarter. The index then increased further to 138.8 in Q2 before dropping to 126.4 and 124.9 levels in Q3 and Q4 respectively.

3.5 CAR LEASING AND SERVICING INDUSTRY⁵

The Car Rental & Leasing industry in Malta has shown resilience and adaptability in the face of notable trends and challenges, as reflected in the industry statistics for 2023. While there have been some slight declines, the overall tone remains positive, and there are opportunities for growth and development in the sector.

In 2023, the industry's market size stands at a commendable €60.4 million. While there is a slight negative growth rate of -1.6%, it is essential to consider the broader context. The Car Rental & Leasing industry has been navigating a challenging market environment over the past five years (2018 to 2023), with a decline of 4.7% per year on average. Despite this, the industry has maintained a significant market presence, showcasing its resilience.

The Car Rental & Leasing industry in Malta is characterised by a diverse competitive landscape. As of 2023, there are 36 Car Rental & Leasing businesses in Malta, showcasing the dynamic nature of the market. The decline of -23.2% in the number of businesses from the previous year indicates market consolidation and repositioning, which can lead to enhanced efficiencies and streamlined operations.

The medium market share concentration in the Car Rental & Leasing industry in Malta signifies a healthy and competitive market, where no single company holds more than 5% market share. This scenario presents opportunities for businesses to innovate, differentiate their offerings, and capture a broader market share.

Despite facing some headwinds, the Car Rental & Leasing industry in Malta is displaying tenacity and adaptability. The market size remains substantial, and the industry is actively responding to changing consumer behaviour and economic conditions. By understanding the industry statistics and trends, stakeholders can make informed decisions and develop strategies to thrive in the evolving landscape. As Malta's economy continues to grow, the Car Rental & Leasing sector stands poised to seize future opportunities and maintain its position as a vital component of the transportation and tourism sectors.

⁴ <https://appsso.eurostat.ec.europa.eu/nui/submitViewTableAction.do>

⁵ IBISWorld Car Rental & Leasing in Malta Industry Statistics 2008 - 2026.

3.6 COMPARATIVE ANALYSIS

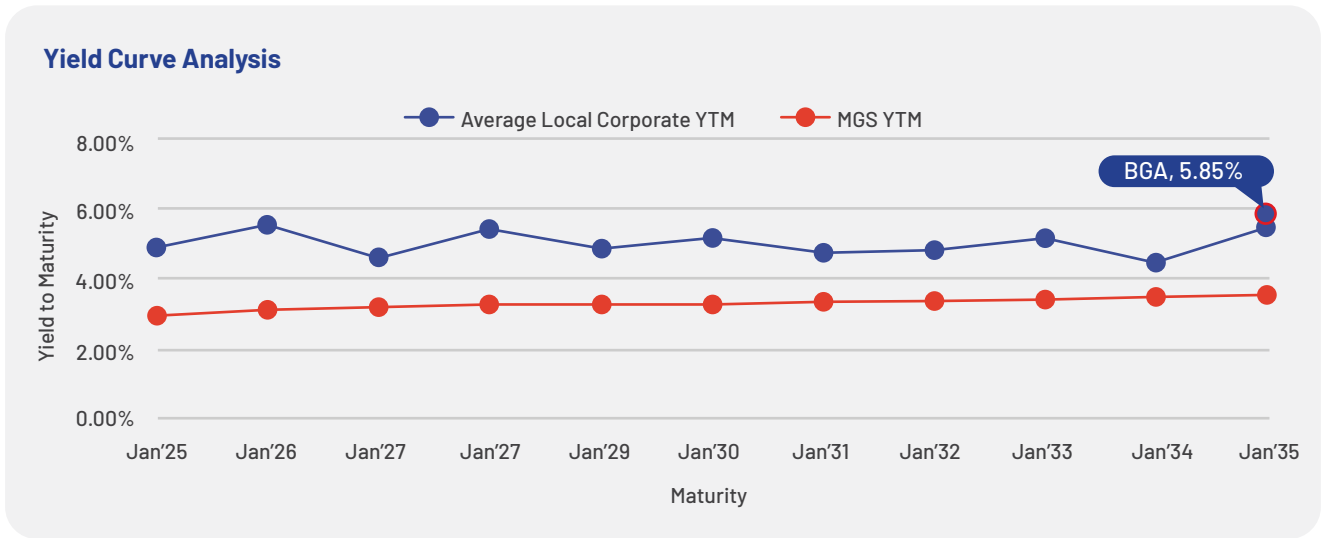
The purpose of the table below compares the Bond issued by the Issuer to other debt instruments. One must note that given the material differences in profiles and industries, the risks associated with the Group's business and that of other issuers is therefore different.

Security	Nom Value	Yield to Maturity	Interest coverage (EBITDA)	Total Assets	Total Equity	Total Liabilities / Total Assets	Net Debt / Total Equity	Net Debt / EBITDA	Current Ratio	Return on Common Equity	Net Margin	Revenue Growth (YoY)
3.5% AX Real Estate plc Unsecured € 2032 (xd)	40,000	4.93%	2.2x	422.8	248.2	41.3%	30.0%	12.0x	1.1x	(0.1)%	(0.7)%	8.1%
4.55% St Anthony Co plc Secured € 2032 (xd)	15,500	4.34%	0.4x	66.2	21.1	68.2%	62.4%	67.5x	0.7x	(6.4)%	(19.2)%	N/A
4.5% 63 Finance plc Secured € 2032	12,500	4.50%	6.0x	42.1	20.1	52.2%	32.8%	2.8x	1.2x	8.1%	15.0%	57.0%
4% Malta Properties Company Plc Sec € 2032 S1/22 T1	25,000	4.42%	2.8x	102.1	55.6	45.5%	28.4%	8.0x	5.4x	0.2%	3.3%	16.1%
4.5% Shoreline Mall plc Secured € 2032	26,000	5.37%	N/A	58.3	17.4	70.2%	68.5%	(96.4)x	17.2x	(2.3)%	N/A	0.0%
4.65% Smartcare Finance plc Secured € 2032	7,500	4.65%	1.2x	23.2	0.5	98.1%	97.7%	19.1x	0.5x	50.2%	15.5%	78.0%
4.85% JD Capital plc Secured € 2032 S1 T1	14,000	4.85%	1.7x	57.5	16.8	70.8%	57.5%	18.5x	1.7x	1.3%	1.8%	(27.3)%
5% Mariner Finance plc Unsecured € 2032	36,930	4.78%	4.7x	128.3	62.3	51.4%	49.9%	5.9x	2.6x	9.9%	28.3%	32.3%
5% Von der Heyden Group Finance plc Unsecured € 2032	35,000	5.00%	0.9x	142.0	41.1	71.1%	65.4%	38.4x	2.1x	(2.7)%	(7.2)%	32.3%
4.3% Mercury Project Finance plc Secured € 2032	50,000	4.44%	2.6x	179.4	37.2	79.3%	71.8%	15.1x	3.0x	24.1%	22.9%	666.2%
4% Central Business Centres plc Unsecured € 2027-2033	21,000	4.86%	1.3x	58.2	23.8	59.1%	55.3%	18.6x	0.7x	0.8%	10.0%	19.9%
6% Pharmicare Finance plc Unsecured € 2033 (xd)	17,000	5.71%	3.2x	37.9	17.0	55.2%	35.0%	4.0x	1.4x	1.1%	2.0%	43.0%
5.25% Qawra Palace plc Secured € 2033	25,000	4.70%	0.7x	16.6	6.5	60.7%	48.8%	19.3x	2.9x	(10.7)%	(19.8)%	698.5%
5.25% Bonnici Bros Properties plc Unsecured € 2033 S1 T1	12,000	5.25%	4.6x	31.9	17.1	46.5%	18.8%	5.6x	0.0x	1.4%	23.5%	106.1%
6.25% AST Group plc Secured Bonds 2033	8,500	5.78%	4.3x	9.5	4.4	54.2%	14.0%	0.5x	1.6x	9.9%	0.8%	51.8%
6% JD Capital plc Secured Bonds 2033 S2 T1	11,000	5.34%	1.7x	57.5	16.8	70.8%	57.5%	18.5x	1.7x	1.3%	1.8%	(27.3)%
4.75% Dino Fino Finance plc Secured € 2033	7,800	4.75%	(2.0)x	16.5	3.4	79.3%	68.6%	(8.1)x	0.9x	(34.4)%	(21.8)%	N/A
4.50% The Ona plc Secured € 2028-2034	16,000	4.75%	32.1x	29.5	8.4	71.4%	64.1%	9.8x	2.3x	19.4%	19.8%	534.1%
5.85% Burmarrad Group Assets plc € Secured 2034	16,000	5.85%	0.0x	8.1	7.5	686.0%	6.7%	0.0x	8.6x	14.8%	0.0%	0.0%

Source: Latest available audited financial statements

Last price as at 15/02/24

*Average figures do not capture the financial analysis of the Group



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

The above graph illustrates the average yearly yield of all local issuers as well as the corresponding yield of MGSs (Y-axis) vs the maturity of both Issuers and MGSs (X-axis), in their respective maturity bucket, to which the spread premiums can be noted. The graph illustrates on a stand-alone basis, the yield of the Burmarrad Group Assets p.l.c. bond.

As at 15 February 2024, the average spread over the Malta Government Stocks (MGS) for issuers with a maturity range of 8-10 years (2032 - 2034) was 147 basis points. The proposed Burmarrad Group Assets p.l.c. bond is being priced with a 5.85% coupon issued at par, meaning a spread of 232 basis points over the equivalent MGS, and therefore at a premium to the average on the market of 85 basis points. It is pertinent to note that both the Issuers' maturity and industry are significantly different to the corporates identified and as such its risks also differ to that of other issuers.

PART 4 - GLOSSARY AND DEFINITIONS

Income Statement	
Revenue	Total revenue generated by the Group/Company from its principal business activities during the financial year.
Costs	Costs are expenses incurred by the Group/Company in the production of its revenue.
EBITDA	EBITDA is an abbreviation for earnings before interest, tax, depreciation and amortisation. It reflects the Group's/Company's earnings purely from operations.
EBIT (Operating Profit)	EBIT is an abbreviation for earnings before interest and tax.
Depreciation and Amortisation	An accounting charge to compensate for the decrease in the monetary value of an asset over time and the eventual cost to replace the asset once fully depreciated.
Net Finance Costs	The interest accrued on debt obligations less any interest earned on cash bank balances and from intra-group companies on any loan advances.
Profit After Taxation	The profit made by the Group/Company during the financial year net of any income taxes incurred.
Profitability Ratios	
Growth in Revenue (YoY)	This represents the growth in revenue when compared with previous financial year.
Gross Profit Margin	Gross profit as a percentage of total revenue.
EBITDA Margin	EBITDA as a percentage of total revenue.
Operating (EBIT) Margin	Operating margin is the EBIT as a percentage of total revenue.
Net Margin	Net income expressed as a percentage of total revenue.
Return on Common Equity	Return on common equity (ROE) measures the rate of return on the shareholders' equity of the owners of issued share capital, computed by dividing the net income by the average common equity (average equity of two years financial performance).
Return on Assets	Return on assets (ROA) is computed by dividing net income by average total assets (average assets of two years financial performance).
Cash Flow Statement	
Cash Flow from Operating Activities (CFO)	Cash generated from the principal revenue producing activities of the Group/Company less any interest incurred on debt.
Cash Flow from Investing Activities	Cash generated from the activities dealing with the acquisition and disposal of long-term assets and other investments of the Group/Company.
Cash Flow from Financing Activities	Cash generated from the activities that result in change in share capital and borrowings of the Group/Company.
Capex	Represents the capital expenditure incurred by the Group/Company in a financial year.
Free Cash Flows (FCF)	The amount of cash the Group/Company has after it has met its financial obligations. It is calculated by taking Cash Flow from Operating Activities less the Capex of the same financial year.

Balance Sheet

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

Financial Strength Ratios

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

Other Definitions

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

Prepared by:

Calamatta Cuschieri Investments Services Limited

Ewropa Business Centre, Triq Dun Karm, Birkirkara BKR 9034, Malta
www.cc.com.mt

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