

Company Admission Document  
Summary  
**dated 27th September 2018**

In respect of an issue of  
**€7.5 million 5.35% Unsecured Bonds 2028**

**D**

SHOPPING MALLS  
FINANCE P.L.C.



This document, which comprises an admission document, required by the rules of Prospects MTF, a market regulated as an MTF and operated by the Malta Stock Exchange (the "MSE" or "Exchange"), has been drawn up in compliance with the Prospects MTF Rules issued by the Exchange. This document does not comprise a document drawn up in terms of the EU Prospectus Directive (2003/71/EC) or for the purposes of the Listing Rules of the Listing Authority. In terms of article 2(3)(b)(ii) of the Companies Act, Chapter 386 of the laws of Malta, this Bond Issue does not constitute an offer of securities to the public and this document does not constitute a prospectus as defined in article 2(i) of the said Act.



A public limited liability company incorporated under the laws of Malta  
company registration number C 87809

In respect of an issue of  
**€7.5 million 5.35% Unsecured Bonds 2028**  
ISIN: MT0002001205

Guaranteed by\*  
D Shopping Malls Limited  
a private limited liability company registered in Malta  
company registration number C 87499

\*Prospective investors are to refer to the guarantee contained in Annex A of this Company Admission Document for a description of the Guarantee. Reference should also be made to the sections entitled "Risk Factors" contained in this Company Admission Document for a discussion of certain risk factors, which should be considered by prospective investors in connection with the Bonds including but not limited to the guarantee provided by D Shopping Malls Limited.

## COMPANY ADMISSION DOCUMENT Dated 27th September 2018

THE MSE HAS AUTHORISED THE ISSUE OF THIS DOCUMENT. THE MSE DOES NOT GIVE ANY CERTIFICATION, REPRESENTATION, WARRANTY OR GUARANTEE REGARDING THE POTENTIAL RISKS INVOLVED IN INVESTING IN THE SAID SECURITIES OR THE SAFETY OF INVESTING IN SUCH SECURITIES. THE MSE ACCEPTS NO RESPONSIBILITY FOR ACCURACY OR COMPLETENESS OF THIS ADMISSION DOCUMENT 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 ADMISSION DOCUMENT. THE DIRECTORS OF THE ISSUER, ARE THE PERSONS RESPONSIBLE FOR THE INFORMATION CONTAINED IN THIS 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 DOCUMENT IS IN ACCORDANCE WITH FACTS AND DOES NOT OMIT ANYTHING LIKELY TO AFFECT THE IMPORTANCE OF SUCH INFORMATION. THE DIRECTORS ASSUME FULL RESPONSIBILITY FOR ITS CONTENTS ACCORDINGLY.

THE MSE HAS AUTHORISED THE ADMISSION OF THESE SECURITIES ON PROSPECTS MTF, A MARKET REGULATED AS A MULTILATERAL TRADING FACILITY OPERATED BY THE MALTA STOCK EXCHANGE. THIS MEANS THAT THE SAID INSTRUMENTS ARE IN COMPLIANCE WITH THE ADMISSION REQUIREMENTS SET OUT IN THE PROSPECTS MTF RULES. IN PROVIDING THIS AUTHORISATION, THE MSE DOES NOT GIVE ANY CERTIFICATION REGARDING THE POTENTIAL RISKS IN INVESTING IN THE SAID INSTRUMENTS AND SUCH AUTHORISATION SHOULD NOT BE DEEMED OR CONSTRUED AS A REPRESENTATION OR WARRANTY AS TO THE SAFETY OF INVESTING IN SUCH INSTRUMENTS.

INVESTING IN COMPANIES ADMITTED TO PROSPECTS MTF MAY PUT AN INVESTOR'S CASH PARTLY OR WHOLLY AT RISK. SECURITIES ISSUED BY SMALL AND MEDIUM SIZED ENTERPRISES TEND TO BE ILLIQUID AND CARRY HIGHER RISKS. INVESTORS SHOULD THUS SEEK APPROPRIATE ADVICE AND READ THE WHOLE DOCUMENT BEFORE MAKING ANY INVESTMENT DECISIONS. THE VALUE OF INVESTMENTS CAN RISE, OR FALL AND PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE PERFORMANCE. IF YOU NEED ADVICE OR ARE REQUIRED UNDER APPLICABLE LEGISLATION TO SEEK ADVICE WITH RESPECT TO THIS SECURITIES ISSUE, YOU SHOULD CONSULT A DULY LICENSED INVESTMENT ADVISOR.

### Approved by the Directors

Ms Diane Izzo

Mr Karl Izzo

Mr Nigel Scerri

Mr Edwin Pisani

Mr Joseph C. Schembri

Dr Ian Vella Galea

Mr Francis Gouder

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## IMPORTANT INFORMATION

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THIS COMPANY ADMISSION DOCUMENT CONTAINS INFORMATION ON D SHOPPING MALLS FINANCE P.L.C. IN ITS CAPACITY AS ISSUER, D SHOPPING MALLS LIMITED IN ITS CAPACITY AS GUARANTOR, THEIR SUBSIDIARIES, AFFILIATES AND THE BUSINESS OF THE GROUP, IN ACCORDANCE WITH THE PROSPECTS MTF RULES ISSUED BY THE MALTA STOCK EXCHANGE.

APPLICATION HAS BEEN MADE TO THE EXCHANGE FOR THE BONDS TO BE ADMITTED TO TRADING ON PROSPECTS MTF. PROSPECTS MTF IS A MARKET REGULATED AS AN MTF AND OPERATED BY THE MALTA STOCK EXCHANGE DESIGNED PRIMARILY FOR EMERGING AND SMALLER COMPANIES TO WHICH A HIGHER INVESTMENT RISK TENDS TO BE ATTACHED. PROSPECTS MTF SECURITIES ARE NOT ADMITTED TO THE OFFICIAL LIST OF THE MALTA STOCK EXCHANGE.

THE INFORMATION CONTAINED HEREIN IS BEING MADE AVAILABLE IN CONNECTION WITH AN ISSUE BY THE ISSUER OF €7.5 MILLION UNSECURED BONDS 2028 OF A NOMINAL VALUE OF €100 EACH. THE BONDS SHALL BE ISSUED AT PAR AND BEAR INTEREST AT THE RATE OF 5.35% PER ANNUM PAYABLE ANNUALLY IN ARREARS ON 28 OCTOBER OF EACH YEAR UNTIL THE REDEMPTION DATE, WITH THE FIRST INTEREST PAYMENT FALLING DUE ON 28 OCTOBER 2019. THE NOMINAL VALUE OF THE BONDS WILL BE REPAYABLE IN FULL AT MATURITY ON 28 OCTOBER 2028. THE BOND ISSUE IS GUARANTEED BY D SHOPPING MALLS LIMITED.

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

THE MSE ACCEPTS NO RESPONSIBILITY FOR THE COMPLETENESS OR ACCURACY OF THE COMPANY ADMISSION DOCUMENT 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 ADMISSION DOCUMENT.

THE COMPANY ADMISSION DOCUMENT DOES NOT CONSTITUTE, AND MAY NOT BE USED FOR PURPOSES OF, AN OFFER OR INVITATION TO SUBSCRIBE FOR THE BONDS ISSUED BY THE ISSUER BY ANY PERSON IN ANY JURISDICTION: (I) TO MORE THAN 149 PERSONS PER MEMBER STATE OF THE EUROPEAN UNION OR A STATE FORMING PART OF THE EUROPEAN ECONOMIC AREA, NOT INCLUDING QUALIFIED INVESTORS (AS THE TERM IS DEFINED IN THE COMPANIES ACT); OR (II) IN WHICH SUCH OFFER OR INVITATION IS NOT AUTHORISED; OR (III) IN WHICH THE PERSON MAKING SUCH OFFER OR INVITATION IS NOT QUALIFIED TO DO SO; OR (IV) TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH OFFER OR INVITATION. THE DISTRIBUTION OF THE COMPANY ADMISSION DOCUMENT IN CERTAIN JURISDICTIONS MAY BE RESTRICTED AND, ACCORDINGLY, PERSONS INTO WHOSE POSSESSION IT IS RECEIVED ARE REQUIRED TO INFORM THEMSELVES ABOUT, AND TO OBSERVE, SUCH RESTRICTIONS.

THE COMPANY ADMISSION DOCUMENT AND THE OFFERING, SALE OR DELIVERY OF ANY BONDS MAY NOT BE TAKEN AS AN IMPLICATION: (I) THAT THE INFORMATION CONTAINED IN THE COMPANY ADMISSION DOCUMENT 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 AND/OR THE GUARANTOR SINCE SUCH DATE; OR (III) THAT ANY OTHER INFORMATION SUPPLIED IN CONNECTION WITH THE COMPANY ADMISSION DOCUMENT 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.

INVESTING IN COMPANIES ADMITTED TO PROSPECTS MTF MAY PUT AN INVESTOR'S CASH PARTLY OR WHOLLY AT RISK. SECURITIES ISSUED BY SMALL AND MEDIUM SIZED ENTERPRISES ("SMEs") TEND TO BE ILLIQUID AND CARRY HIGHER RISKS. INVESTORS SHOULD THUS SEEK APPROPRIATE ADVICE AND READ THE WHOLE DOCUMENT BEFORE MAKING ANY INVESTMENT DECISION. A PROSPECTIVE INVESTOR SHOULD ALWAYS SEEK INDEPENDENT FINANCIAL ADVICE BEFORE DECIDING TO INVEST IN ANY 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 INDEPENDENT LEGAL ADVISORS, ACCOUNTANTS AND/OR OTHER FINANCIAL ADVISORS AS TO LEGAL, TAX, INVESTMENT OR ANY OTHER RELATED MATTERS CONCERNING THE BONDS AND THE COMPANY ADMISSION DOCUMENT.

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

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 COMPANY ADMISSION DOCUMENT (OR ANY PART THEREOF) OR ANY OFFERING MATERIAL IN ANY COUNTRY OR JURISDICTION WHERE ACTION FOR THAT PURPOSE IS REQUIRED.

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

A COPY OF THE ADMISSION DOCUMENT HAS BEEN SUBMITTED TO THE MSE IN THE CONTEXT OF AN APPLICATION FOR ADMISSION OF THE BONDS TO PROSPECTS MTF. THE MSE HAS AUTHORISED THE ISSUE OF THIS DOCUMENT. BY SO DOING, THE MSE DOES NOT GIVE ANY CERTIFICATION, REPRESENTATION, WARRANTY OR GUARANTEE REGARDING THE POTENTIAL RISKS INVOLVED IN INVESTING IN THE SAID BONDS OR THE SAFETY OF INVESTING IN SUCH BONDS.

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

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

ALL ADVISORS TO THE ISSUER AND THE GUARANTOR HAVE ACTED AND ARE ACTING EXCLUSIVELY FOR THE ISSUER AND THE GUARANTOR IN RELATION TO THIS INTERMEDIARIES' OFFER AND HAVE NO CONTRACTUAL, FIDUCIARY OR OTHER OBLIGATION OR RESPONSIBILITY TOWARDS ANY OTHER PERSON AND WILL, ACCORDINGLY, NOT BE RESPONSIBLE TO ANY INVESTOR OR ANY OTHER PERSON WHOMSOEVER IN RELATION TO THE TRANSACTIONS PROPOSED IN THE COMPANY ADMISSION DOCUMENT, NEITHER SHALL SUCH ADVISORS BE RESPONSIBLE FOR THE CONTENTS OF, AND ANY INFORMATION CONTAINED IN THE ADMISSION DOCUMENT, ITS COMPLETENESS OR ACCURACY OR ANY OTHER STATEMENT MADE IN CONNECTION THEREWITH.

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

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

UNLESS OTHERWISE STATED, THE CONTENTS OF THE ISSUER'S WEBSITE OR ANY WEBSITE DIRECTLY OR INDIRECTLY LINKED TO THE ISSUER'S WEBSITE DO NOT FORM PART OF THE COMPANY ADMISSION DOCUMENT. ACCORDINGLY, NO RELIANCE OUGHT TO BE MADE BY ANY INVESTOR ON ANY INFORMATION OR OTHER DATA CONTAINED IN SUCH WEBSITES AS THE BASIS FOR A DECISION TO INVEST IN THE BONDS.

THE VALUE OF INVESTMENTS CAN GO UP OR DOWN AND PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE PERFORMANCE. PROSPECTIVE INVESTORS SHOULD CAREFULLY CONSIDER ALL THE INFORMATION CONTAINED IN THE ADMISSION DOCUMENT AS A WHOLE AND SHOULD CONSULT THEIR OWN INDEPENDENT FINANCIAL AND OTHER PROFESSIONAL ADVISORS.

# 1 DEFINITIONS

In this Company Admission Document, the following words and expressions shall bear the following meaning whenever such words and expressions are used in their capitalised form, except where the context otherwise requires:

<b>Act or Companies Act</b>	the Companies Act (Chapter 386 of the laws of Malta);
<b>Admission Document or Company Admission Document or Document</b>	this document in its entirety, including all its annexes;
<b>Applicant/s</b>	a person or persons whose name or names (in the case of joint applicants) appear in the registration details of an Application Form;
<b>Application/s</b>	the application to subscribe for Bonds made by an Applicant/s by completing an Application Form/s and delivering same to the Placement Agent, Manager, Registrar, and Trustee in accordance with the terms of this Company Admission Document;
<b>Application Form</b>	the form of application for subscription for Bonds, a specimen of which is contained in Annex F of this Company Admission Document;
<b>Authorised Intermediaries</b>	the licensed stockbrokers and financial intermediaries listed in Annex G of this Company Admission Document;
<b>Bondholder</b>	a holder of Bonds;
<b>Bond Issue</b>	the issue of the Bonds;
<b>Bond Issue Price</b>	the price of €100 per Bond;
<b>Bond(s) or Securities</b>	the €7.5 million unsecured bonds 2028 of a nominal value of €100 per bond issued at par and redeemable on the Redemption Date at their nominal value, bearing interest at the rate of 5.35% per annum;
<b>Business Day</b>	any day between Monday and Friday (both days included) on which commercial banks in Malta settle payments and are open for normal banking business;
<b>CAGR</b>	compound annual growth rate;
<b>CET</b>	Central European Time;
<b>Center Parc or Center Parc property</b>	the property identified in section 6.2.2.2;
<b>Center Parc Holdings Ltd</b>	Center Parc Holdings Ltd, a company registered under the laws of Malta with company registration number C 72342 and having its registered office at Time House, Dun Bartilmew Attard Street, Zebbug, Malta;
<b>Company or Issuer</b>	D Shopping Malls Finance p.l.c., a company registered under the laws of Malta with company registration number C 87809 and having its registered office at Dizz Buildings, Carob Street, St. Venera, SVR 1700, Malta;
<b>Corporate Advisor</b>	Grant Thornton of Fort Business Center, Mriehel Bypass, Mriehel, BKR 3000, Malta, and/or any related entity, and/or affiliate, as duly authorised to act as Corporate Advisor by the MSE, in terms of the Prospects MTF Rules;
<b>CSD</b>	the Central Securities Depository of the MSE authorised in terms of Part IV of the Financial Markets Act (Chapter 345 of the laws of Malta), having its address at Garrison Chapel, Castille Place, Valletta, VLT 1063, Malta;

<b>D Mall or D Mall property</b>	the property identified in section 6.2.2.1;
<b>DK Fashion Co. Ltd</b>	DK Fashion Co. Ltd, a company registered under the laws of Malta with company registration number C 47296 and having its registered office at Dizz Buildings, Triq il-Harruba, Santa Venera, SVR 1700, Malta;
<b>Directors or Board</b>	the directors of the Issuer whose names are set out in section 5.1, and 'Director' shall be construed accordingly;
<b>Dizz Finance p.l.c.</b>	Dizz Finance p.l.c., a company registered under the laws of Malta with company registration number C 71189 and having its registered office at Dizz Buildings, Carob Street, Santa Venera, Malta;
<b>Dizz Limited</b>	Dizz Limited, a company registered under the laws of Malta with company registration number C 26823 and having its registered office at Dizz Buildings, Carob Street, Santa Venera, SVR 1700, Malta;
<b>Dizz Group</b>	Dizz Group of Companies Limited and its subsidiaries, being the companies indicated in the organigram found in section 6.2.4;
<b>Dizz Group of Companies Limited</b>	Dizz Group of Companies Limited, a company registered under the laws of Malta with company registration number C 64435 and having its registered office at Dizz Buildings, Triq il-Harruba, Santa Venera, Malta;
<b>EBIT</b>	earnings before interest and taxation;
<b>EBITDA</b>	earnings before interest, taxation, depreciation and amortisation;
<b>Escrow Agreement</b>	the escrow agreement in place between the Escrow Agent and the Issuer whereby the Escrow Agent is appointed to hold the proceeds from the Bond Issue on escrow in accordance with this Company Admission Document;
<b>Euro or €</b>	the lawful currency of the Republic of Malta;
<b>Event(s) of Default</b>	event(s) of default as identified in section 22.13;
<b>Exchange, Malta Stock Exchange or MSE</b>	Malta Stock Exchange p.l.c., bearing company registration number C 42525 and having its registered office at Garrison Chapel, Castille Place, Valletta VLT 1063, Malta;
<b>FY</b>	Financial Year;
<b>Group or D Shopping Malls Group</b>	The Guarantor (parent company) and any subsidiary and associated company or entity, including the Issuer, in which the Guarantor has a controlling interest;
<b>Guarantee</b>	the joint and several guarantee dated 27 September 2018 granted by the Guarantor in favour of Bondholders as security for the punctual performance of the Issuer's payment obligations under the Bond Issue, subject to the terms and conditions contained in the said guarantee, a copy of which is appended to the Company Admission Document as Annex A hereto;
<b>Guarantor or Parent</b>	D Shopping Malls Limited, a company registered under the laws of Malta with company registration number C 87499 and having its registered office at Dizz Buildings, Carob Street, Santa Venera, Malta;
<b>IFRS</b>	International Financial Reporting Standards as adopted by the EU;
<b>Interest</b>	the interest payable in connection with the Bonds, being interest from and including 29 October 2018 at the rate of 5.35% per annum payable annually in arrears on the Interest Payment Date;
<b>Interest Payment Date</b>	annually, on 28 October of each year commencing on 28 October 2019 and ending and including the Redemption Date, 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;



<b>Intermediaries' Offer</b>	shall have the meaning set out in section 22.2 of this Company Admission Document;
<b>IRS</b>	Inland Revenue Services, which pertains to the United States of America;
<b>Issue Date</b>	1 October 2018;
<b>Issue Period</b>	the period between 08:30 hours (CET) on 1 October 2018 and 12:00 hours (CET) on 26 October 2018 (or such earlier date as may be determined by the Issuer) during which the Bonds are available for subscription;
<b>Laguna property</b>	the property identified in section 6.2.2.3;
<b>Listing Authority</b>	the board of governors, acting as the Listing Authority under the Malta Financial Services Authority Act (Chapter 330 of the laws of Malta);
<b>Listing Rules</b>	the listing rules issued by the Listing Authority, as may be amended from time to time;
<b>Memorandum and Articles of Association or M&amp;As</b>	the memorandum and articles of association of the Issuer in force at the time of publication of the Company Admission Document;
<b>MFSA</b>	the Malta Financial Services Authority, established in terms of the Malta Financial Services Authority Act (Chapter 330 of the laws of Malta);
<b>Placement Agent, Manager, Registrar and Trustee or Escrow Agent</b>	Jesmond Mizzi Financial Advisors Limited, a private limited liability company registered under the Laws of Malta and having its registered address situated at 67, Flat 3, South Street, Valletta, Malta, and bearing company registration number C 30176. Jesmond Mizzi Financial Advisors Limited is authorised to conduct investment services by the Malta Financial Services Authority in terms of the Investment Services Act (Chapter 370 of the laws of Malta) and is a member of the MSE;
<b>Properties</b>	the properties identified in section 6.2.2;
<b>Prospects MTF</b>	the market regulated as a multilateral trading facility operated by the MSE providing a venue for start-up and growth small to medium-sized enterprises to float their capital (including equity or debt) on the market;
<b>Prospects MTF List</b>	the list prepared and published by the MSE as its recognised list in accordance with the Prospects MTF Rules;
<b>Prospects MTF Rules</b>	the rules issued by the Board of Directors of the MSE regulating the Prospects MTF market;
<b>Prospectus Directive</b>	Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 on the prospectus to be published when securities are offered to the public or admitted to trading and amending Directive 2001/34/EC, as amended by Directive 2010/73/EU of the European Parliament and of the Council of 24 November 2010, and as may be further amended from time to time;
<b>Qui-si-sana property</b>	the property identified in section 6.2.2.4;
<b>Redemption Date</b>	28 October 2028;
<b>Redemption Value</b>	the nominal value of each Bond (€100 per Bond);
<b>Sliema Wanderers Football Club</b>	Sliema Wanderers Football Club of 21, Tower Road, Sliema, Malta;
<b>Small and medium sized enterprises or SMEs</b>	an enterprise as defined in Article 2(1) of the Companies Act (Chapter 386 of the laws of Malta) and in line with the Prospects MTF Rules, and 'SMEs' shall be construed accordingly;



**Spinola Development  
Company Limited**

Spinola Development Company Limited, a company registered under the laws of Malta with company registration number C 331 and having its registered office at Tumas Group Corporate Office, Level 3, Portomaso Business Tower, Portomaso, St. Julian's, Malta;

**Sinking Fund**

the sinking fund referred to in Section 22.24 of this Company Admission Document;

**Summary**

a summary of the salient features of the Document, as contained in the section entitled "Summary";

**Terms and Conditions**

the terms and conditions of the Bonds which are included in section 24 of this Company Admission Document.

All references in this Company Admission Document 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 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 reference to a person includes natural persons, firms, partnerships, companies, corporations, associations, organisations, governments, states, foundations or trusts;
- e. any reference to a person includes that person's legal personal representatives, successors and assigns;
- f. any phrase introduced by the terms "including", "include", "in particular" or any similar expression is illustrative only and does not limit the sense of the words preceding those terms;
- g. any reference to a law, legislative act, and/or other legislation shall mean that particular law, legislative act and/or legislation as in force at the time of issue of this Company Admission Document.

### SECTION A INTRODUCTION AND WARNINGS

#### A.1 Prospective investors are hereby warned that:

- i. this Summary is being provided to convey the essential characteristics and risks associated with the Issuer, the Guarantor and the Securities being offered pursuant to this Document. This section is merely a summary and, therefore, should only be read as an introduction to the Company Admission Document. 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 alone in deciding as to whether to invest in the Securities described in this Document. Any decision to invest in the Bonds should be based on consideration of the Company Admission Document as a whole by the investor;
- ii. where a claim relating to the information contained in this Company Admission Document is brought before a court, the plaintiff investor might, under the national legislation of Malta, have to bear the costs of translating the Company Admission Document before the legal proceedings are initiated; and
- iii. civil liability attaches only to those persons who have tabled the Summary including any translation thereof and who applied for its notification, but only if the Summary, when read together with the other parts of the Company Admission Document, is misleading, inaccurate or inconsistent; or does not provide key information in order to aid investors when considering whether to invest in such Securities.

#### A.2 Consent required for use of the Company Admission Document in connection with the Intermediaries' Offer, prospective investors are hereby informed that:

- i. for the purposes of any subscription for Bonds by Authorised Intermediaries pursuant to the Intermediaries' Offer and any subsequent resale, placement or other offering of Bonds by Authorised Intermediaries participating in the Intermediaries' Offer in circumstances where there is no exemption from the requirement to publish a Company Admission Document under the Prospects MTF Rules, the Issuer consents to the use of the Company Admission Document (and accepts responsibility for the information contained herein in accordance with the terms hereof) with respect to any such subsequent resale, placement or other offering of Bonds, provided this is limited only: (a) in respect of Bonds subscribed for in terms of the Intermediaries' Offer by Authorised Intermediaries participating in the Intermediaries' Offer; (b) to any resale, placement or other offering of Bonds subscribed for as aforesaid, taking place in Malta; and (c) to any resale, placement or other offering of Bonds subscribed for as aforesaid, taking place within the period of 60 days from the date of the Company Admission Document;
- ii. **in the event of a resale, placement or other offering of Bonds by an Authorised Intermediary subsequent to the Intermediaries' Offer, said Authorised Intermediary shall be responsible to provide information to prospective investors on the terms and conditions of the resale, placement or other offering at the time such resale, placement or other offering is made; and**
- iii. any new information with respect to Authorised Intermediaries unknown at the time of the approval of the Company Admission Document will be made available through a company announcement which will also be made available on the Prospects MTF website and the Issuer's website [www.dizz.com.mt](http://www.dizz.com.mt).

### SECTION B ISSUER AND GUARANTOR

#### B.1 The legal and commercial name of the Issuer is D Shopping Malls Finance p.l.c. (company registration number 87809).

The legal and commercial name of the Guarantor is D Shopping Malls Limited (registration number C 87499).

#### B.2 The Issuer was registered in Malta in terms of the Act on 13 August 2018 as a public limited liability company and is domiciled in Malta.

The Guarantor was registered in Malta in terms of the Act on 26 July 2018 as a private limited liability company and is domiciled in Malta.

**B.3** *The following is an overview of the most significant trends affecting the Issuer and the Guarantor and the markets in which the D Shopping Malls Group operates:*

The Issuer has been set up to act as a financing company and its business is limited to the raising of capital and the lending of such capital to the Guarantor, the collection of interest from the Guarantor and the settlement of interest payable on capital raised from third parties. The Issuer does not have any substantial assets. Its role is limited to the financing of the Guarantor's operations and it is, accordingly, fully dependent on the cash flows of the Guarantor.

The Guarantor is principally engaged in investing in, acquiring, holding and/or managing any land, building or other property for the purpose of deriving income therefrom. The Guarantor's principal activity is the management, operation and lease of the following four properties:

- D Mall Property, a shopping and commercial centre located in Tigne Point, as better defined in section 6.2.2.1;
- 2,581 sqm in Center Parc, a shopping and commercial centre located in Triq it-Tigrija, Qormi, as better defined in section 6.2.2.2;
- Laguna property, an apartment and car parking space located in the Laguna Complex, Portomaso Development, Spinola, St. Julian's, as better defined in section 6.2.2.3;
- Qui-si-sana property, an apartment internally numbered 13, located at Waterside Place, Qui-si-sana, Sliema, which is adjoined to another apartment situated in 6, Byron Court, ix-Xatt ta' Qui-si-sana, Sliema, as better defined in section 6.2.2.4.

It is the intention of the Guarantor to sub-lease the Properties to various tenants. As at the date of the Company Admission Document the Dizz Group has entered/in the process of finalising four agreements with related parties to lease four retail outlets having a total area of 1,577sqm, eight non-binding letters of intent with third parties to lease eight retail outlets having a total area of 1,489sqm and three non-binding letters of intent with related parties to lease three retail outlets having a total area of 180sqm situated in D Mall and Center Parc.

Without prejudice to the risks identified in this Document, as at the time of publication of the Company Admission Document, the Issuer and the Guarantor consider that generally they shall be subject to the normal business risks associated with the business in which the D Shopping Malls Group companies operate, and, barring unforeseen circumstances, do not anticipate any particular trends, uncertainties, demands, commitments or events outside the ordinary course of business that could be deemed likely to have a material adverse effect on the upcoming prospects of the D Shopping Malls Group and its business, at least with respect to the current financial year. **However, investors are strongly advised to carefully read the risk factors in the Company Admission Document.**

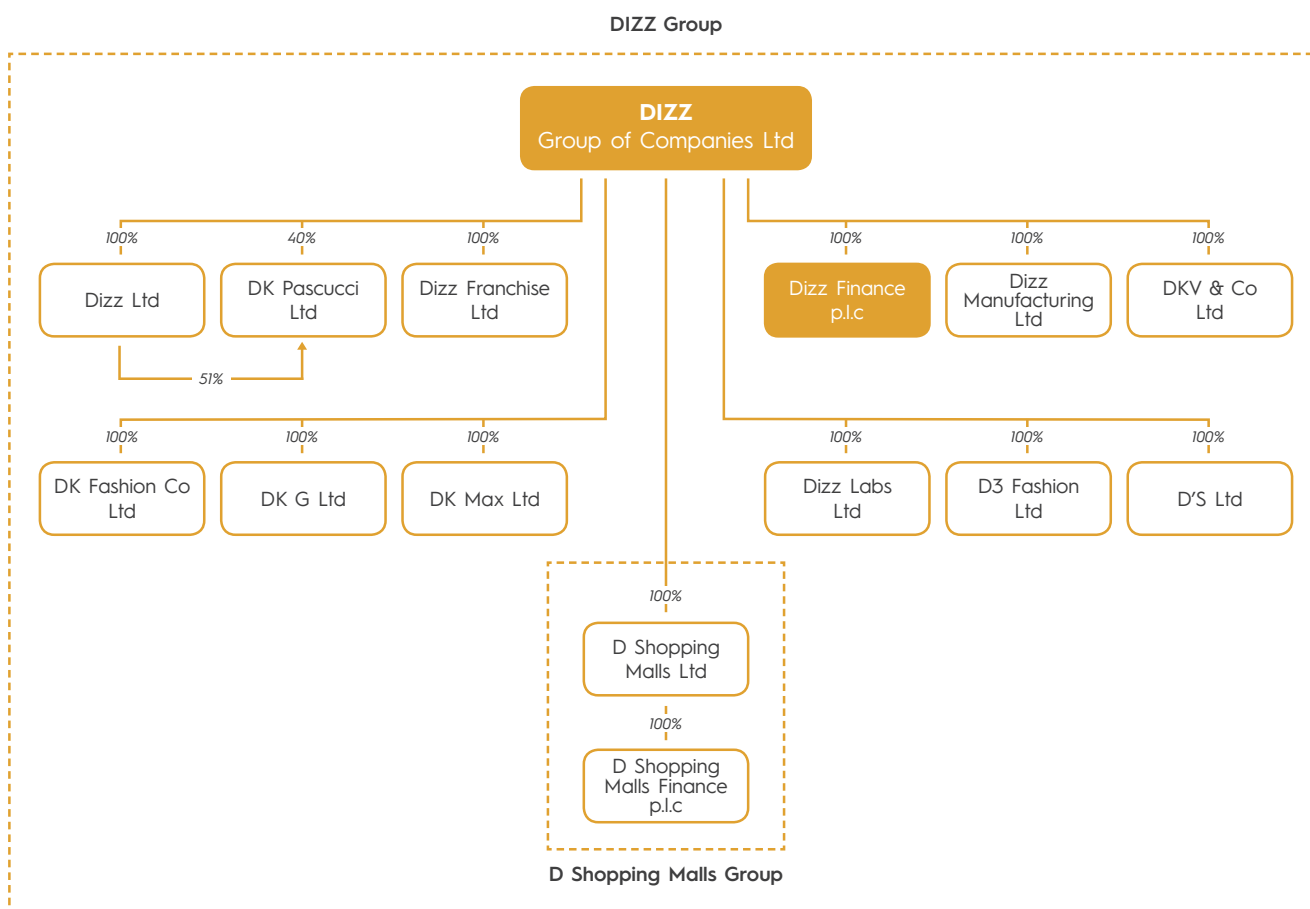
*The following is a brief synopsis of the significant trends affecting the key areas of operation of the D Shopping Malls Group (refer to section 7.2 for further detail).*

The D Shopping Malls Group was set up as a property managing company of the Dizz Group. In this regard, the Guarantor aims to continue to manage the Properties that fall under its responsibility. Consequently, its principal income stream will be the generation of income from lease agreements with third parties and/or companies within the Dizz Group. There has been no material adverse change in the prospects of the Guarantor since the date of its incorporation.

The D Shopping Malls Group's business prospects therefore predominantly revolve around the ability of the Guarantor to find suitable tenants to occupy the Properties, and for these tenants to service their obligations in a timely manner. The annual amounts receivable by the D Shopping Malls Group are based on the current residential and commercial rental rates, and assume that they will reflect market rates. Given the financial stability of the Dizz Group, the Directors are confident that the anticipated revenue streams in the coming year and foreseeable future will be generated on the basis assumed in this Company Admission Document.

**B.4** The Issuer is, except for one share which is held by Dizz Group of Companies Limited, a fully-owned subsidiary of the Guarantor, which latter entity is the parent company of the D Shopping Malls Group. The Issuer is a special purpose vehicle set up to act as a financing company for the needs of the D Shopping Malls Group and, as such, it is dependent on the business prospects and operating results of its Parent.

The organisational structure of the D Shopping Malls Group as at the Company Admission Document is illustrated in the diagram below:



**B.5** The Issuer and Guarantor are both companies which were incorporated in August and July 2018 respectively and since their incorporation and up to the date of the Company Admission Document no financial statements have been prepared. There has not been any significant change in the financial or trading position of the Issuer or the Guarantor, which has occurred since the companies' date of incorporation.

Extracts from the projections of the D Shopping Malls Group for FY2019, FY2020, FY2021 and FY2022 are set out below (refer to section 8 for further detail). The following extracts assume that interest commences on 1 October 2018:

Extract from the projected consolidated income statement				
€000	FY2019 Sep18 - Dec19	FY2020 Jan - Dec	FY2021 Jan - Dec	FY2022 Jan - Dec
Revenue	2,225	2,876	2,362	2,478
Gross Profit	1,351	2,033	1,517	1,630
Operating profit	993	1,586	1,061	1,166
Profit before tax	38	746	224	332
<b>Profit after tax</b>	<b>(194)</b>	<b>286</b>	<b>(51)</b>	<b>24</b>

Sources: D Shopping Malls Group forecasts for the period 1 September 2018 to 31 December 2019 and the years ending 31 December 2020, 2021 and 2022

Extract from the projected consolidated statement of financial position as at 31 December				
€000	2019	2020	2021	2022
<b>ASSETS</b>				
Non-current assets	15,652	14,749	13,845	12,941
Currents assets	1,279	2,610	3,219	4,102
<b>Total assets</b>	<b>16,931</b>	<b>17,358</b>	<b>17,064</b>	<b>17,044</b>
<b>EQUITY AND LIABILITIES</b>				
Equity	1,104	1,389	1,339	1,362
Total liabilities	15,827	15,969	15,725	15,682
<b>Total equity and liabilities</b>	<b>16,931</b>	<b>17,358</b>	<b>17,064</b>	<b>17,044</b>

Sources: D Shopping Malls Group forecasts for the period 1 September 2018 to 31 December 2019 and the years ending 31 December 2020, 2021 and 2022

Extract from the projected consolidated statement of cash flows				
€000	FY2019 Sep18 - Dec19	FY2020 Jan - Dec	FY2021 Jan - Dec	FY2022 Jan - Dec
Cash generated from operating activities	1,346	1,846	1,113	1,407
Cash used in investing activities	(7,651)	(550)	(513)	(529)
Cash generated from financing activities	7,368	1,269	600	873
<b>Net movement in cash and cash equivalents</b>	<b>1,062</b>	<b>2,358</b>	<b>2,958</b>	<b>3,836</b>
Cash and cash equivalents at beginning of period / year	-	1,062	2,358	2,958
<b>Cash and cash equivalents at end of year</b>	<b>1,062</b>	<b>2,358</b>	<b>2,958</b>	<b>3,836</b>

Sources: D Shopping Malls Group forecasts for the period 1 September 2018 to 31 December 2019 and the years ending 31 December 2020, 2021 and 2022

**B.6** The Issuer is not intended to undertake any trading activities itself apart from the raising of capital and the advancing thereof to the Guarantor. Accordingly, the Issuer is economically dependent on the financial and operating performance of the Group.

The Issuer does not have any substantial assets and is essentially a special purpose vehicle set up to act as a financing company. The Issuer is, therefore, intended to serve as a vehicle through which the D Shopping Malls Group will continue to finance its future projects.

The Guarantor is the parent company of the Group and is principally engaged in investing in, acquiring, holding and/or managing any land, building or other property for the purpose of deriving income therefrom.

**B.7** The Issuer was set up and established to act as a finance company. In terms of its Memorandum of Association, the main object for which the Issuer is constituted is to carry on the business of a finance company in connection with the ownership, development, operation and financing of the business activities of any related company, whether in Malta or overseas, and thereby, to lend or advance money or otherwise give credit to any related company, with or without security, on such terms as the Directors may deem fit; and to invest and deal with the monies of related companies in such manner as the Directors may deem fit. The issue of bonds falls within the objects of the Issuer. Clause 3 of the Memorandum of Association contains the full list of objects of the Issuer.

The Guarantor, as the parent company of the Group, is principally engaged in investing in, acquiring, holding and/or managing any land, building or other property for the purpose of deriving income therefrom. In terms of its Memorandum of Association, the Guarantor is, amongst other things, empowered to guarantee the obligations of third parties up to an unlimited amount and/or to secure such guarantees by the constitution of a pledge over any of the Company's issued shares and/or by hypothecating any of the company's property, present and future, movable and immovable.

**B.8** The Issuer's current authorised and issued share capital is €50,000 divided into (i) 49,999 ordinary A shares of €1 each, fully paid up and held by the Guarantor; and (ii) 1 ordinary B share of €1, fully paid up and held by Dizz Group of Companies Limited.

The Guarantor's current authorised share capital is €1,400,000 divided into 1,400,000 ordinary shares of €1 each and issued share capital is €721,200 divided into 721,200 ordinary shares of €1 each, fully paid up and held by Dizz Group of Companies Limited (company registration number C 64435).

The Issuer and the Guarantor are ultimately owned 100% by Ms Diane Izzo and Mr Karl Izzo, in equal shares.

- B.9** In terms of the Guarantee, the Guarantor irrevocably and unconditionally guarantees to each Bondholder that if for any reason the Issuer fails to pay any sum payable by it to such Bondholder, pursuant to the terms and conditions of the Bonds, as and when the same shall become due, the Guarantor will pay to such Bondholder on demand the amount payable by the Issuer to such Bondholder.

The obligations of the Guarantor under the Guarantee shall remain in full force and effect until no sum remains payable to any Bondholder pursuant to the issue of the Bonds.

## SECTION C THE SECURITIES

- C.1** The Issuer shall issue an aggregate of €7.5 million in Bonds 2028 having a nominal value of €100 per Bond, subject to a minimum subscription of €5,000 in Bonds and multiples of €100 thereafter, pursuant to an offer made in accordance with this Company Admission Document to less than 150 persons per Member State of the European Union or a state forming part of the European Economic Area as provided in Article 2(3)(b)(ii) of the Companies Act, not including qualified investors (as the term is defined in the Companies Act). The Bonds will be issued in fully registered 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 on Prospects MTF, the Bonds will have the following ISIN: MT0002001205. The Bonds shall bear interest at the rate of 5.35% per annum. The Bonds shall be repayable in full upon maturity unless previously re-purchased and cancelled, provided that the Issuer reserves the right to purchase any Bonds on the secondary market, at the price they would be trading at the time, prior to the Bonds' Redemption Date.

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

- C.3** The Bonds are freely transferable and, once admitted to the Prospects MTF, shall be transferable only in whole in accordance with the rules and regulations of the MSE applicable from time to time.

- C.4** Subject to the terms of the offer being made pursuant to this Company Admission Document, investors wishing to participate in the Bonds will be able to do so by duly executing the appropriate Application Form in relation to the Bonds. Execution of the Application Form will entitle such investor to:

- i. the receipt of interest;
- ii. the repayment of capital;
- iii. ranking with respect to other indebtedness of the Issuer and Guarantor in accordance with the status of the Bonds, as follows: "the Bonds constitute the general, direct, unconditional and unsecured obligations of the Issuer, guaranteed by the Guarantor, and shall at all times rank *pari passu*, without any priority or preference among themselves and with other outstanding and unsecured debt of the Issuer and Guarantor, present and future";
- iv. attend, participate in and vote at meetings of Bondholders in accordance with the Terms and Conditions of the Bond Issue; and
- v. enjoy all such other rights attached to the Bonds emanating from the Company Admission Document.

The Bonds would rank after any future debts which may be secured by a cause of preference such as a pledge, privilege and/or a hypothec.

- C.5** The issue and allotment of the Bonds is conditional upon the Bonds being admitted to the Prospects MTF List of the MSE. The Bonds shall bear interest from and including 29 October 2018 at the rate of 5.35% per annum on the nominal value thereof, payable annually in arrears on each Interest Payment Date. The first interest payment will be affected on 28 October 2019 (covering the period 29 October 2018 to 28 October 2019). For Bonds issued at the Bond Issue Price, the gross yield calculated on the basis of the Interest, the Bond Issue Price and the Redemption Value of the Bonds at Redemption Date is 5.35%. The Bonds will mature on 28 October 2028, unless previously repurchased and cancelled. The Issuer may at any time purchase the Bonds in the open market or otherwise at any price. Any purchase by tender shall be made available to all Bondholders alike. All Bonds so purchased will be cancelled forthwith and may not be re-issued or re-sold.

- C.6** Application has been made to the MSE for the Bonds to be issued pursuant to the Company Admission Document and to be admitted and traded on its Prospects MTF. The Bonds are expected to be admitted to Prospects MTF with effect from 29 October 2018 and trading is expected to commence on 30 October 2018. While the MSE has disclaimed responsibility for the contents of this Company Admission Document, it has authorised the issue of the said Admission Document in respect of this Application. Dealing may commence prior to notification of the amount allotted being issued to Applicants.

## SECTION D RISKS

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

The Company Admission Document contains statements that are, or may be deemed to be, “forward-looking statements”, which relate to matters that are not historical facts and which may involve projections of future circumstances. These forward-looking statements are subject to a number of risks, uncertainties and assumptions and important factors that could cause actual risks to differ materially from the expectations of the Issuer’s and Guarantor’s respective directors. No assurance is given that the future results or expectations will be achieved.

In so far as prospective investors seek advice from Authorised Intermediaries concerning an investment in the Bonds, Authorised Intermediaries are to determine the suitability of prospective investors’ investment in the Bonds in the light of said prospective investors’ own circumstances. The Bonds may not be a suitable investment for all investors. In particular, Authorised Intermediaries should determine whether each prospective investor: (i) has sufficient knowledge and experience to make a meaningful evaluation of the Bonds, the merits and risks of investing in the Bonds and the information contained or incorporated by reference in the Company Admission Document or any applicable supplement; (ii) has access to, and knowledge of, appropriate analytical tools to evaluate, in the context of his/her/its particular financial situation, an investment in the Bonds and the impact the Bonds will have on his/her/its overall investment portfolio; (iii) 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; (iv) understands thoroughly the terms of the Bonds and is familiar with the behaviour of any relevant indices and financial markets; and (v) is able to evaluate possible scenarios for economic, interest rate and other factors that may affect his/her/its investment and his/her/its ability to bear the applicable risks.

Below is a summary of the principal risks associated with the Bonds of the Company (refer to section 3 for further detail) – there may be other risks which are not mentioned in this Summary and/or in this Company Admission Document. Investors are therefore urged to consult their own financial or other professional advisors with respect to the suitability of investing in the Bonds.

### D.1 Risks relating specifically to the Issuer

- i. The Issuer has the function of acting as a finance company, with its main purpose being that of financing the funding requirements of the Guarantor, and as such, its assets consist of the loans to be issued to the Guarantor, as mentioned hereinafter in section E.1. Consequently, the Issuer is entirely dependent on receipt of interest and loan repayments from the Guarantor.
- ii. The D Shopping Malls Group is ultimately owned exclusively by Diane Izzo and Karl Izzo, in equal proportions respectively. The Issuer is owned as to 99.998% by the Guarantor and 0.002% by Dizz Group of Companies Limited, who exercise effective control over the Issuer. These individuals are considered important to the success of the Issuer and the unexpected loss of any of these persons or a dilution in their influence over the Issuer and their business could have an adverse effect on the Issuer. There can be no assurance that such individuals will not at any time during the term of the Bonds dispose of any interest, direct or indirect, in the Issuer or the D Shopping Malls Group.
- iii. This Company Admission Document features projected revenues of the D Shopping Malls Group. Forecasts are inherently subject to the risks of adverse unexpected events which may affect the revenue streams and profitability of the D Shopping Malls Group or the Issuer. The forecasts set out in this Company Admission Document are dependent on a number of assumptions and future expectations that may or may not occur. The non-occurrence of those future expectations could have material effects on the financial position and results of the D Shopping Malls Group and the Issuer.

### D.2 Risks relating to the D Shopping Malls Group and its business

- i. At the date of this Company Admission Document, approval of the Commercial Sports Facilities Commission was not yet received and consequently a full development permit to the change of use of the property from sports facilities to Class 4 commercial property at Level 0 and Class 5 financial, professional and other offices at Level -1 was not yet submitted and approved. Furthermore, the permit to excavate Center Parc site, construct two levels of underground parking, construct level of retail and DIY space with ancillary facilities and construct receded first floor of retail space and offices (Class 4A & 4B) as well as to sanction extra excavations from that approved in PA/05444/16 is still pending. In addition, the assignment agreement between Dizz Limited and the Guarantor relating to the Center Parc property has not yet been finalised. The leasing of the D Mall is subject to the successful approvals from the Commercial Sports Facilities Commission and Planning Authority, whilst the leasing of Center Parc is subject to the successful approval from the Planning Authority and subsequent development by Center



Parc Holdings Ltd, as well as the conclusion of the assignment agreement between Dizz Limited and the Guarantor. Should the necessary approvals, assignment and permits not be obtained for whatever reason or should they take long to be obtained, the Guarantor will not be in a position to manage and/or operate D Mall and Center Parc and/or benefit from the revenue generated from the lease of the office and/or retail spaces forming part of D Mall and Center Parc, according to the Group's projections.

- ii. The Issuer relies on the revenues it expects to generate from the lease of office and/or retail and/or residential spaces forming part of the Properties. There can be no guarantee that the Issuer will find and/or continue to find suitable tenants for these Properties on the terms it seeks from time to time. In addition, the financial stability of the Issuer's tenants may change over time. Defaults by tenants could result in a reduction in rental revenue, which could require the D Shopping Malls Group to incur costs in enforcing rights under the lease of a defaulting tenant, including eviction and re-leasing costs. Any adverse changes in tenants' financial condition may negatively affect cash flows generated by the tenants. Further, if the Guarantor's tenants decide to terminate the lease, the Guarantor may not be able to re-let their space on terms not less favourable than those it currently applies or expects to apply, if at all. If tenants were to default on or fail to renew their leases, the Guarantor may need to expend significant time and money in attracting replacement tenants. Any of the foregoing factors may adversely affect the business, financial condition and results of operations of the D Shopping Malls Group.
- iii. The property market in Malta is a very competitive market that can influence the lease of office and/or retail and/or residential spaces forming part of the D Shopping Malls Group.
- iv. The Issuer's operations and the results of its operations are subject to a number of market and economic conditions generally which may have a significant impact on the lease of office and/or retail and/or residential spaces of the D Shopping Malls Group. These include factors such as the state of the local property market, general market conditions, inflation and fluctuations in interest rates, exchange rates, property prices and other economic and social factors affecting demand for real estate generally.
- v. A portion of the D Shopping Malls Group's costs are fixed and operating results are vulnerable to short-term changes in its revenue.
- vi. At the date of this Company Admission Document, the terms of the purchase and acquisition of the Laguna property are set out in a promise of sale agreement and therefore the acquisition is subject to the successful conclusion of the final deed of sale. Should the seller of the Laguna property or the Guarantor fail to appear on the final deed of sale for whatever reason including but not limited to the fulfilment of the conditions to which completion is subject, the Guarantor will not be in a position to manage and lease the Laguna property and benefit from the revenue generated from the lease forming part of the Laguna property.
- vii. The D Shopping Malls Group will have a material amount of debt and may incur additional debt in connection with its future growth. The D Shopping Malls Group's indebtedness could adversely affect its financial position as well as its ability to raise further finance in future.
- viii. The D Shopping Malls Group believes that its growth is partially attributable to the efforts and abilities of the members of its executive management team and other key personnel. If one or more of the members of this team were unable or unwilling to continue in their present position, the D Shopping Malls Group might not be able to replace them within the short term, which could have a material adverse effect on the D Shopping Malls Group's business, financial condition and results of operations.
- ix. Historically, the Dizz Group has maintained insurance at levels determined by the Dizz Group to be appropriate in light of the cost of cover and the risk profiles of the business in which the Dizz Group operates. It is intended for the D Shopping Malls Group to adopt a similar policy in respect of insurance coverage for its operations. With respect to losses for which the D Shopping Malls Group shall be covered by its policies, it may be difficult and may take time to recover such losses from insurers. In addition, the D Shopping Malls Group may not be able to recover the full amount from the insurer. No assurance can be given that the D Shopping Malls Group's insurance coverage will be sufficient to cover all potential losses, regardless of the cause, nor can any assurance be given that an appropriate coverage would always be available at acceptable commercial rates.
- x. As with any business, the D Shopping Malls Group is at risk in relation to changes in laws and regulations and timing and effects of changes in the laws and regulations to which it is subject, including changes in the interpretation thereof which cannot be predicted. No assurance can be given as to the impact of any possible judicial decision or change in law or administrative practice after the date of the Company Admission Document upon the business and operations of D Shopping Malls Group companies.
- xi. Reputational risk could be particularly damaging for the D Shopping Malls Group since the nature of its business requires maintaining the confidence of clients and of the general marketplace.

- xii. The nature of the D Shopping Malls Group's business necessitates that adequate importance is given to maintaining compliance with international health and safety standards. The failure to comply with such standards could expose the D Shopping Malls Group to third party claims which could in turn have a material adverse effect on its business and profitability.
- xiii. All industries are subject to legal claims, with and without merit. Defence and settlement costs can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation and dispute resolution process, there can be no assurance that the resolution of any particular legal proceeding or dispute will not have a material adverse effect on the D Shopping Malls Group's future cash flow, results of operations or financial condition.
- xiv. The D Shopping Malls Group's activities potentially expose it to a variety of financial risks, including market risk (principally interest rate risk and fair value risk), credit risk and risks associated with the unpredictability of financial markets, all of which could have adverse effects on the financial performance of the D Shopping Malls Group.
- xv. Information technology systems failure or disruption could impact the D Shopping Malls Group's day-to-day operations.
- xvi. Failure to protect customers' confidential and/or personal information could significantly impact the D Shopping Malls Group's reputation and expose the D Shopping Malls Group to litigation and/or penalties.

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

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

- i. Prior to the Bond Issue, there has been no public market nor trading record of the Bonds within or outside Malta. Due to the absence of any prior market for the Bonds, there can be no assurance that the Bond Issue Price will correspond to the price at which the Bonds will trade in the market subsequent to the Bond Issue.
- ii. Only upon successful admission, may the Bonds be traded on Prospects MTF but will NOT be traded on any regulated market. Hence, the market for the Bonds may be less liquid than a regulated market and a Bondholder may find it more difficult to identify willing buyers for their Bonds. The existence of an orderly and liquid market depends on a number of factors. Accordingly, there can be no assurance that an active secondary market for the Bonds will develop, or if it develops, that it will continue. Furthermore, there can be no assurance that an investor will be able to sell or otherwise trade in the Bonds at all.
- iii. Investment in the Bonds involves the risk that subsequent changes in market interest rates may adversely affect the value of the Bonds.
- iv. A Bondholder will bear the risk of any fluctuations in exchange rates between the currency of denomination of the Bonds (€) and the investor's currency of reference, if different.
- v. No prediction can be made about the effect which any future public offerings of the Issuer's securities, or any takeover or merger activity involving the Issuer, will have on the market price of the Bonds prevailing from time to time.
- vi. The Issuer is entitled to issue Bonds bearing a fixed rate of interest. Investment in such fixed rate Bonds involves the risk that subsequent changes in market interest rates may adversely affect the market value of the said Bonds. Investors should also be aware that the price of the fixed rate bonds moves adversely to changes in interest rates.
- vii. The value of investments can go up or down and past performance is not necessarily indicative of future performance. The nominal value of the Bonds will be repayable in full upon maturity on the Redemption Date unless the Bonds are previously re-purchased and/or cancelled.
- viii. Application has been made to the MSE for the Bonds to be admitted and traded on Prospects MTF. Prospects MTF is a market regulated as a multilateral trading facility and operated by the MSE and provides a venue for SMEs to float their securities. Consequently, this market is designed primarily for companies to which a higher risk than that associated with established companies tends to be attached. A prospective investor should be aware of the potential risks in investing in such companies and should make the decision to invest only after careful consideration and consultation with his or her own independent financial advisor.

- ix. Even after the Bonds are admitted to trading on Prospects MTF, the Issuer is required to remain in compliance with certain requirements relating, *inter alia*, to the free transferability, clearance and settlement of the Bonds in order to remain eligible to trade on Prospects MTF in terms of the Prospects MTF Rules issued by the Exchange as amended from time to time. Moreover, the MSE has the authority to suspend trading 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 MSE may discontinue the trading of the Bonds on Prospects MTF. Any such trading suspension or listing revocations/discontinuance could have a material adverse effect on the liquidity and value of the Bonds.
- x. The Bonds shall constitute the general, direct, unconditional and unsecured obligations of the Issuer, and shall be guaranteed in respect of both the interest due and the principal amount under said Bonds by the Guarantor. The Bonds shall at all times rank *pari passu*, without any priority or preference among themselves and, save for such exceptions as may be provided by applicable law, shall rank without priority and preference to all other present and future unsecured obligations of the Issuer and the Guarantor. The Bonds will, however, rank subordinate to the present and future secured creditors of the Issuer and the Guarantor, if any. Furthermore, subject to the negative pledge (section 22.5 of this Company Admission Document), third party security interests may be registered which will rank in priority to the Bonds against the assets of the Issuer and the Guarantor for so long as such security interests remain in effect.
- xi. In view of the fact that the Bonds are being guaranteed by the Guarantor, Bondholders are entitled to request the Guarantor to pay both the interest due and the principal amount under said Bonds if the Issuer fails to meet any amount, when due. The strength of this undertaking on the part of the Guarantor and, therefore, the level of recoverability by the Bondholders from the Guarantor of any amounts due under any of the Bonds is dependent upon and directly linked to the financial position and solvency of the Guarantor, such that the level of recoverability is further dependent upon the existence or otherwise of any prior ranking claims over the assets of the Guarantor. Furthermore, subject to the negative pledge clause (section 22.5 of this Company Admission Document), third party security interests may be registered which will rank in priority to the Bonds against the assets of the Issuer and of the Guarantor, as the case may be, for so long as such security interests remain in effect.
- xii. The issue and allotment of the Bonds is conditional upon the Bonds being admitted to the Prospects MTF List.
- xiii. The Issuer has not sought, nor does it intend to seek, the credit rating of an independent rating agency and there has been no assessment by any independent rating agency of the Bonds.
- xiv. In the event that the Issuer wishes to amend any of the Terms and Conditions of the issue of the Bonds it shall call a meeting of Bondholders in accordance with the provisions of section 22.16 of the Company Admission Document. These provisions permit defined majorities to bind all Bondholders, including Bondholders who do not attend and vote at the relevant meeting and Bondholders who vote in a manner contrary to the majority.
- xv. The Bonds and the Terms and Conditions of the Bond Issue are based on the requirements of the Prospects MTF Rules, the Companies Act and applicable regulations in effect as at the date of the Company Admission Document. No assurance can be given as to the impact of any possible judicial decision or change in law or administrative practice after the date of the Company Admission Document.
- xvi. The funds or assets constituting the Sinking Fund (as described in section 22.24 of the Company Admission Document) shall be held by Jesmond Mizzi Financial Advisors Limited as trustees for the benefit of the Issuer. In accordance with Section 302 of the Act, in the event of winding up of the Issuer, where the assets are insufficient to meet the liabilities, the right of secured and unsecured creditors (which include the Bondholders) and the priority and ranking of their debts shall be regulated by the law for the time being in force. Accordingly, in view of the unsecured rights of Bondholders under the Bonds, any secured creditors of the issuer shall have recourse to the funds or assets constituting the sinking fund to satisfy their secured claims with priority over Bondholders.

## SECTION E SECURITIES

### E.1 Use of Proceeds

The proceeds from the Bond Issue, which net of issue expenses are expected to amount to approximately €7,318,000, will be used by the Issuer for the following purposes in the following order of priority, and should the amount not be utilised in full, such additional proceeds will be used for the following purposes:

- A. a maximum amount €611,000 will be advanced under title of loan to the Guarantor to pay the final payment on the Laguna property upon deed of sale, inclusive of any professional fees, stamp duty and furniture

expenses. Until such time the said payment becomes legally due, the proceeds shall be held on escrow by the Escrow Agent;

- B. a maximum amount of €2,420,000 of the proceeds from the Bonds will be advanced under title of loan to the Guarantor to be utilised for the payment of upfront rent to Sliema Wanderers Football Club. Until such time the said payment becomes legally due, the proceeds shall be held on escrow by the Escrow Agent;
- C. a maximum amount of €1,587,000 of the proceeds from the Bonds will be advanced under title of loan to the Guarantor to be utilised to finish the D Mall property. Until such time the said payment becomes legally due, the proceeds shall be held on escrow by the Escrow Agent;
- D. a maximum amount of €1,000,000 of the net proceeds from the Bonds will be advanced under title of loan to the Guarantor to be utilised to finish the Center Parc property. Until such time the said payment becomes legally due, the proceeds shall be held on escrow by the Escrow Agent;
- E. a maximum amount €1,700,000 will be advanced under title of loan to the Guarantor to acquire the Qui-si-sana property. Until such time the said payment becomes legally due, the proceeds shall be held on escrow by the Escrow Agent; and
- F. any remaining balance of the net Bond Issue proceeds will be advanced under title of loan to the Guarantor and will be used for general corporate funding purposes.

For further detail, refer to section 21.

**E.2** Subject to the terms of the offer being made pursuant to this Company Admission Document (refer to Company Admission Document Part II), the Bonds are open for subscription by Authorised Intermediaries through an Intermediaries' Offer. The total amount of the Bond is being reserved for subscription by Authorised Intermediaries participating in the Intermediaries' Offer. In this regard, the Issuer may enter into conditional subscription agreements with a number of Authorised Intermediaries for the subscription of Bonds, whereby it will bind itself to allocate the Bonds thereto up to the total amount of €7.5 million as aforesaid during the Intermediaries' Offer.

In terms of each subscription agreement entered into with an Authorised Intermediary, the Issuer will be conditionally bound to issue, and each Authorised Intermediary will conditionally bind itself to subscribe for, a number of Bonds as indicated therein, without prejudice to the terms of the offer being made pursuant to this Company Admission Document, and subject to the Bonds being admitted to trading on the Prospects MTF. Authorised Intermediaries subscribing for Bonds may do so for their own account or for the account of underlying customers, including retail customers, and shall, in addition, be entitled to distribute any portion of the Bonds subscribed for upon commencement of trading.

Applications for subscriptions to the Bonds may be made through the Placement Agent, Manager, Registrar and Trustee during the Issue Period on a first-come-first-served basis, provided that the offer being made hereon is not being made to more than 149 persons per Member State of the European Union or a state forming part of the European Economic Area, not including qualified investors (as the term is defined in the Companies Act). The Issue Period shall close immediately upon attaining full subscription or on the last day of the Issue Period, whichever is the earliest. It is expected that notification of allotment will be announced to Bondholders within five (5) Business Days from the closing of the Issue Period.

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

### **1. Form, Denomination and Title**

The Bonds will be issued in fully registered form in denominations of any integral multiple of €100 provided that on subscription the Bonds will be issued for a minimum of €5,000 per individual Bondholder. Authorised 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.

### **2. Redemption and purchase**

Unless previously purchased and cancelled, the Issuer hereby irrevocably covenants in favour of each Bondholder that the Bonds will be redeemed at their nominal value (together with interest accrued to the date fixed for redemption) on 28 October 2028. Subject to the provisions of this paragraph, the Issuer may at any time purchase Bonds in the open market or otherwise at any price. Any purchase by tender shall be made available to all Bondholders alike. All Bonds so purchased will be cancelled forthwith and may not be re-issued or re-sold.

### **3. Payments**

Payment of the principal amount of the Bonds will be made within 7 days of the Redemption Date in Euro by the Issuer to the person in whose name such Bonds are registered, with interest accrued up to the Redemption Date, by means of direct credit transfer into such bank account as the Bondholder may designate from time to time,

provided such bank account is denominated in Euro. Payment of Interest on a Bond will be made to the person in whose name such Bond is registered at the close of business 15 days prior to the Interest Payment Date, by means of a direct credit transfer into such bank account as the Bondholder may designate, from time to time. Such payment shall be effected within 7 days of the Interest Payment Date.

#### **4. Interest and Yield**

The Bonds shall bear interest at the rate of 5.35% per annum payable annually on 28 October of each year. Interest shall accrue as from 29 October 2018. The first Interest Payment Date following the issuance of this Company Admission Document shall be 28 October 2019. Any Interest Payment Date which falls on a day other than a Business Day will be carried over to the next following day that is a Business Day.

The gross yield calculated on the basis of the interest, the Bond Issue Price and the redemption value of the Bonds at Redemption Date, is 5.35%

#### **5. Status of the Bonds**

The Bonds shall constitute the general, direct, unconditional and unsecured obligations of the Issuer, guaranteed by the Guarantor and shall at all times rank *pari passu*, without any priority or preference among themselves and with other unsecured debt of each of the Issuer and Guarantor.

#### **6. Events of Default**

Section 22.13 sets out a list of events of default the occurrence of which would result in the Bonds becoming immediately due and repayable at their principal amount, together with accrued interest.

#### **7. Transferability of the Bonds**

The Bonds are freely transferable and once admitted to the Prospects MTF, shall be transferable only in whole (in multiples of €100) in accordance with the rules and regulations of Prospects MTF and the MSE applicable from time to time. If the Bonds are transferred in part, such an attempted partial transfer will not be cleared and the transferee thereof will not be registered as a Bondholder or become entitled to claim from the Issuer any purported benefit therefrom.

#### **8. Register of Bondholders**

Certificates will not be delivered to Bondholders in respect of the Bonds in virtue of the fact that the entitlement to Bonds will be represented in an uncertificated form by the appropriate entry in the electronic register maintained on behalf of the Issuer by the CSD. There will be entered in such electronic register the names, addresses, identity card numbers, registration numbers 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.

#### **9. Further Issues**

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

#### **10. Meetings of Bondholders**

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 Company Admission Document require the approval of a Bondholders' meeting.

#### **11. Governing Law and Jurisdiction**

The Bonds have been created, and the Bond Issue relating thereto is being made, in accordance with the Companies Act. The Bonds, and all contractual arrangements arising therefrom, shall be governed by and shall be construed in accordance with Maltese law. Any legal action, suit or proceedings against the Issuer and/or the Guarantor arising out of or in connection with the Bonds and/or the Company Admission Document shall be brought exclusively before Maltese courts and the Bondholder shall be deemed to acknowledge that it is submitting to the exclusive jurisdiction of such courts.

#### **12. Sinking Fund**

The Issuer undertakes that as from the financial year ending 31 December 2024 it shall, over a period of five years, build a Sinking Fund the value of which will by the Redemption Date be equivalent to 100% of the value of the issued Bonds.

The Issuer shall make periodic payments for the purpose of building up the Sinking Fund. The following table sets out the minimum amounts to be paid by the Issuer for this purpose:

Sinking fund contribution for the years ending 31 December					
€000	2024	2025	2026	2027	2028
Annual Contribution	1,500	1,500	1,500	1,500	1,500
Cumulative balance	1,500	3,000	4,500	6,000	7,500

**E.3** Jesmond Mizzi Financial Advisors Limited may hold clients' money on their behalf in a clients' accounts.

Save for the subscription for Bonds by the Authorised Intermediaries (which include the Placement Agent, Manager, Registrar and Trustee) and any fees payable to Jesmond Mizzi Financial Advisors Limited as Placement Agent, Manager, Registrar and Trustee in connection with the Bond Issue, to the best of the Issuer's knowledge no person involved in the Issue has an interest material to the Bond Issue.

**E.4** Professional fees and costs related to publicity, advertising, printing, registration, selling commission & other miscellaneous costs incurred in connection with this bond issue are estimated not to exceed €182,000 and shall be borne by the issuer.

**E.5** Expected Timetable

1. Application Forms Available	1 October 2018
2. Issue Period	1 October 2018 to 26 October 2018
3. Commencement of Interest on Bonds	29 October 2018
4. Expected date of Admission of the Bonds to Prospects MTF	29 October 2018
5. Expected date of commencement of trading in the Bonds	30 October 2018

The Issuer reserves the right to close the offer of the Bonds before the 26 October 2018 at 12:00 CET in the event that the Bonds are fully subscribed prior to the said date and time. In such an eventuality, the events set out in steps three (3) to five (5) above shall be brought forward although the number of working days between the respective events shall not be altered.











#### **Issuer**

**D Shopping Malls Finance p.l.c**  
Dizz Buildings, Carob Street  
Santa Venera, Malta



#### **Guarantor**

**D Shopping Malls Limited**  
Dizz Buildings, Carob Street  
Santa Venera, Malta



#### **Corporate Advisor and Reporting Accountant**

**Grant Thornton**  
Fort Business Center, Level 2, Mriehel Bypass  
Mriehel, Malta



#### **Placement Agent, Manager, Registrar and Trustee**

**Jesmond Mizzi Financial Advisors Limited**  
67, Level 3, South Street,  
Valletta, Malta