



Prospectus being issued in respect of:

i. the offer for sale of

7,538,460 shares of a nominal value of €0.10 each in Main Street Complex p.l.c. by Embassy Limited (C 20568) at an Offer Price of €0.65 per Share

and

ii. the offer for subscription of

5,230,769 newly issued shares of a nominal value of €0.10 each in Main Street Complex p.l.c. at an Offer Price of €0.65 per Share

Main Street Complex p.l.c. is a public limited liability company registered under the laws of Malta with company registration number C 34767

Legal Counsel

CAMILLERI PREZIOSI
ADVOCATES

Sponsor, Manager & Registrar



RIZZO FARRUGIA
YOUR INVESTMENT CONSULTANTS

ISIN: MT0001850107

SUMMARY NOTE

DATED 23 APRIL 2018



This Summary Note is issued in accordance with the provisions of Chapter 4 of the Listing Rules issued by the Listing Authority and in accordance with the provisions of Commission Regulation (EC) No. 809/2004 of 29 April 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council as regards information contained in prospectuses as well as the format, incorporation by reference and publication of such prospectuses and dissemination of advertisements, as amended (the “**Prospectus Regulation**”).

This document is issued by Main Street Complex p.l.c. (a public limited liability company registered under the laws of Malta with company registration number C 34767) in respect of

i. the offer for sale of

**7,538,460 shares of a nominal value of €0.10 each in Main Street Complex p.l.c.
by Embassy Limited (C 20568) at an Offer Price of €0.65 per Share**

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THE LISTING AUTHORITY HAS AUTHORISED THE ADMISSIBILITY OF THESE SECURITIES AS LISTED FINANCIAL INSTRUMENTS. THIS MEANS THAT THE SAID INSTRUMENTS ARE IN COMPLIANCE WITH THE REQUIREMENTS AND CONDITIONS SET OUT IN THE LISTING RULES. IN PROVIDING THIS AUTHORISATION, THE LISTING AUTHORITY DOES NOT GIVE ANY CERTIFICATION REGARDING THE POTENTIAL RISKS IN INVESTING IN THE SAID 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 LISTING AUTHORITY ACCEPTS NO RESPONSIBILITY FOR THE CONTENTS OF THE PROSPECTUS, MAKES NO REPRESENTATIONS AS TO ITS ACCURACY OR COMPLETENESS AND EXPRESSLY DISCLAIMS ANY LIABILITY WHATSOEVER FOR ANY LOSS 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 THESE LISTED FINANCIAL INSTRUMENTS.

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

IMPORTANT INFORMATION

THIS SUMMARY NOTE CONTRAINS INFORMATION IN CONNECTION WITH (I) AN OFFER TO THE PUBLIC OF 7,538,460 ORDINARY SHARES IN THE COMPANY HAVING A NOMINAL VALUE OF €0.10 EACH (THE **"SALE SHARES"**) BY EMBASSY LIMITED (C 20568) (THE **"SELLING SHAREHOLDER"**) AT AN OFFER PRICE OF €0.65 PER SHARE (THE **"SALE SHARES OFFER"**) AND (II) AN OFFER TO THE PUBLIC FOR THE SUBSCRIPTION OF 5,230,769 NEWLY ISSUED ORDINARY SHARES IN THE COMPANY HAVING A NOMINAL VALUE OF €0.10 EACH (THE **"NEW SHARES"**) AT AN OFFER PRICE OF €0.65 PER SHARE (THE **"NEW SHARES OFFER"**) (THE SALE SHARES OFFER AND THE NEW SHARES OFFER ARE HEREINAFTER COLLECTIVELY REFERRED TO AS THE **"OFFERS"** AND THE SALE SHARES AND NEW SHARES ARE HEREINAFTER COLLECTIVELY REFERRED TO AS THE **"SHARES"**). THIS SUMMARY NOTE IS DRAWN UP IN COMPLIANCE WITH THE REQUIREMENTS OF THE LISTING RULES OF THE LISTING AUTHORITY, THE COMPANIES ACT AND THE PROSPECTUS REGULATION.

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

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

SAVE FOR THE OFFERS AS DEFINED HEREIN, NO ACTION HAS BEEN OR WILL BE TAKEN BY THE COMPANY THAT WOULD PERMIT A PUBLIC OFFERING OF THE SHARES 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.

A COPY OF THIS DOCUMENT HAS BEEN SUBMITTED TO THE LISTING AUTHORITY IN SATISFACTION OF THE LISTING RULES, THE MALTA STOCK EXCHANGE (THE **"MSE"**) IN SATISFACTION OF THE MSE BYE-LAWS, AND HAS BEEN DULY FILED WITH THE REGISTRAR OF COMPANIES IN ACCORDANCE WITH THE ACT. APPLICATION HAS ALSO BEEN MADE TO THE LISTING AUTHORITY AND THE MSE FOR THE SHARES TO BE ADMITTED TO THE OFFICIAL LIST OF THE MSE.

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 SHARES PURSUANT TO THE PROSPECTUS SHALL SUBMIT TO THE JURISDICTION OF THE MALTESE COURTS, WITHOUT LIMITING IN ANY MANNER THE RIGHT OF THE SELLING SHAREHOLDER AND THE COMPANY (AS THE CASE MAY BE) TO BRING ANY ACTION, SUIT OR PROCEEDING ARISING OUT OF OR IN CONNECTION WITH ANY PURCHASE OF SHARES OR AGREEMENT RESULTING HEREFROM OR THE PROSPECTUS AS A WHOLE IN ANY OTHER COMPETENT JURISDICTION.

STATEMENTS MADE IN THIS DOCUMENT ARE, EXCEPT WHERE OTHERWISE STATED, BASED ON THE LAW AND PRACTICE CURRENTLY IN FORCE IN MALTA AND ARE SUBJECT TO CHANGES THERETO. THE CONTENTS OF THE COMPANY'S WEBSITES OR ANY WEBSITE DIRECTLY OR INDIRECTLY LINKED TO THE COMPANY'S WEBSITE DO NOT FORM PART OF THIS DOCUMENT. ACCORDINGLY, NO RELIANCE OUGHT TO BE MADE BY ANY INVESTOR ON ANY INFORMATION OR OTHER DATA CONTAINED IN SUCH WEBSITES AS THE BASIS FOR A DECISION TO INVEST IN THE SHARES.

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

THE VALUE OF INVESTMENTS CAN GO UP OR DOWN AND PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE PERFORMANCE. INVESTORS MAY LOSE ALL OR PART OF THEIR CAPITAL INVESTED BY INVESTING IN THE SHARES. PROSPECTIVE INVESTORS IN THE SHARES ARE URGED TO CONSULT A LICENSED STOCKBROKER OR AN INVESTMENT ADVISER LICENCED UNDER THE INVESTMENT SERVICES ACT (CAP. 370 OF THE LAWS OF MALTA) PRIOR TO INVESTING IN THE SHARES.

A PROSPECTIVE INVESTOR SHOULD BE AWARE OF THE POTENTIAL RISKS IN INVESTING IN THE SECURITIES OF A COMPANY AND SHOULD MAKE THE DECISION TO INVEST ONLY AFTER CAREFUL CONSIDERATION AND CONSULTATION WITH HIS OR HER OWN INDEPENDENT FINANCIAL ADVISER.

This Summary Note is prepared in accordance with the requirements of the Regulation.

Summaries are made up of disclosure requirements known as 'Elements'. These elements are numbered in Sections A–E (A.1–E.7). This summary contains all the Elements required to be included in a summary for the type of securities and Company. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements. Even though an Element may be required to be inserted in the summary because of the type of securities and Company, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of 'not applicable'.

Except where the context otherwise requires, the capitalised words and expressions used in this Summary Note shall bear the meanings assigned to them in the Registration Document and the Securities Note, as the case may be.

SECTION A

INTRODUCTION AND WARNINGS

A.1 Prospective investors are hereby warned that:

- i. this Summary Note is being provided to convey the essential characteristics and risks associated with the Company and the securities being offered pursuant to this document. This part is merely a summary and therefore should only be read as an introduction to the Prospectus. It is not and does not purport to be exhaustive and investors are warned that they should not rely on the information contained in this Summary Note in making a decision as to whether to invest in the securities described in this document. Any decision to invest in the securities should be based on consideration of the Prospectus as a whole by the investor;
- ii. where a claim relating to the information contained in 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
- iii. civil liability attaches only to those persons who have tabled the Summary Note including any translation thereof, and who applied for its notification, but only if the Summary Note, when read together with the other parts of the Prospectus is misleading, inaccurate or inconsistent or does not provide key information in order to aid investors when considering whether to invest in such securities.

A.2 Consent required in connection with the use of the Prospectus by the Financial Intermediary; prospective investors are hereby informed that:

- i. for the purposes of any subscription for Shares through the Financial Intermediary during the Offer Period and any subsequent resale, placement or other offering of Shares by such Financial Intermediary in circumstances where there is no exemption from the requirement to publish a prospectus under the Prospectus Directive, the Company consents to the use of the Prospectus (and accepts responsibility for the information contained therein) with respect to any such subsequent resale or placement or other offering of Shares, provided this is limited only:
 - i. in respect of Shares subscribed for through the Financial Intermediary during the Offer Period;
 - ii. to any resale or placement of Shares subscribed for as aforesaid, taking place in Malta; and
 - iii. to any resale or placement of Shares subscribed for as aforesaid, taking place within the period of 60 days from the date of the Prospectus.
- ii. in the event of a resale, placement or other offering of Shares by the Financial Intermediary, the Financial Intermediary shall be responsible to provide information to investors on the terms and conditions of the resale, placement or other offering at the time of the offer of the Financial Intermediary is made.

SECTION B

COMPANY

- B.1** The legal and commercial name of the Company is Main Street Complex p.l.c..
- B.2** The Company was registered in Malta in terms of the Act on 2 November 2004 as a private limited liability company and converted to a public limited liability company on 16 April 2018 in accordance with the provisions of the Act.
- B.3** The following is an overview of the key factors relating to the nature of the Company's current operations and its principal activities, as well as the principal markets in which it operates:

The Company is a property company, the objects of which, as set out in its memorandum of association, include (i) granting by way of concession, emphyteusis, lease, right of use or in any other manner, space within its assets, and employing, improving, managing or developing any of such assets, as may from time to time be determined; and (ii) acquiring and disposing of, by any title valid at law, movable or immovable property, whether for commercial or other purposes and holding the property so acquired.

Main Street Complex opened in 2004 as a retail and entertainment complex in the heart of Paola, Malta. The Company has operated the Complex since its opening. The Company acquired the immovable property constituting the Complex, (138-142, Antoine de Paule Square, Paola, Malta), over the course of 2009 and 2011. As at the date of the Prospectus, the immovable property so acquired, still operating as the "Main Street Complex", is a retail and entertainment complex featuring four floors of retail outlets, a bar/restaurant and entertainment area, and over 20 parking bays.

The principal activity of the Company is to grant concessions of outlets or spaces in the Complex against an agreed annual rate, and in some cases, a fee payable based on a percentage of the Concessionaire's turnover.

- B.4a** Approximately 45% of all current Concessionaires, constituting 55% of the total original retail area, have been concessionaires from the commencement of the Complex's operations in 2004. 35% of present Concessionaires joined the Complex over the last 10 years. The wing of the Complex which was acquired in 2011 and renovated by 2012 has been continuously fully occupied since its launch in 2012.

Annual footfall in recent years up to 2016 fluctuated between 800,000 and 815,000. A drop of 8%, which the Board attributes to regeneration works of the square in the immediate area outside the Complex, was recorded during 2017. In the first quarter of 2018, footfall increased by 8.5%.

The total income for the Company increased by 8.4% from 2014 to 2017, whereas operating costs remained stable, reducing slightly over this period.

- B.5** The organisational structure of the Company is illustrated in the diagram below:



* The Selling Shareholder owns the entire issued share capital of the Company save for two ordinary shares in the Company which are held, as to one ordinary share each, by Gasan Enterprises Limited (C 467) and Marea Investments Limited (C 44997).

As at the date of this Prospectus, the Company forms part of a group of companies: the Company's parent company (the Selling Shareholder) owns the entire issued share capital in Embassy Management Limited (C 26851) and Embassy Hotel Limited (C 70826), a company which was incorporated to manage and operate one or more hotels and/or restaurants, guest houses, recreational tourist and pleasure resorts and other accommodation, but which since its registration in May 2015 has not undertaken any significant trading.

Following the Admission of the Company's Shares and the completion of the Offers, the Company will no longer be a subsidiary of the Selling Shareholder, and will cease to form part of a group of companies. The Company is not dependent in any manner on any of the entities within the group of companies of which it currently forms part, save that in respect of the management of the Complex, it is pertinent to note that the Company is party to a management support services agreement with Embassy Management Limited, and accordingly until such time as such agreement remains in force, the Company is, limitedly in so far as the management of the Complex is concerned, dependent on Embassy Management Limited.

B.6 As at the date of this Summary Note, the Selling Shareholder holds 99.99% of the issued share capital of the Company. The shares held by the Selling Shareholder are of the same class and carry the same voting rights as the New Shares being offered by the Company pursuant to the New Shares Offer. Following completion of the New Shares Offer and the sale of the Sale Shares, the Selling Shareholder will hold 34.1% of the issued share capital of, and will cease to continue to exercise control over, the Company. By virtue of its retention of a 34.1% shareholding in the Company, the Selling Shareholder will have the right to appoint two (2) Directors to the Board of the Company.

B.7 The Company's financial statements for the three financial years ended 31 December 2015, 2016 and 2017 are available for inspection at the Company's registered office. These financial statements have been drawn up in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU.

There has been no significant change in the financial or trading position of Main Street Complex p.l.c. since 31 December 2017, the date at which financial statements were last drawn up.

The following are extracts from the audited historical financial statements of the Company referred to above:

Condensed Income Statements
For the year ended 31 December

	2015	2016	2017
	€'000	€'000	€'000
Revenue	689	717	734
Operating profit	355	479	526
Profit for the year	115	205	330
Earnings per share (euro)*	0.008	0.015	0.023

**Profit for the year/weighted average number of shares outstanding*

Concession income generated by the Company increased from €689k in 2015 to €734k in 2017 (equivalent to an increase of 7% over the period), with the average annual occupancy of the Complex increasing from 89% in 2015 to 98.5% in 2017.

Overall, the Company's profit after tax increased from €0.1 million in 2015 to €0.3 million in 2017 in view of: (i) the increase in the Company's operating profit from €0.4 million in 2015 to €0.5 million in 2017; and (ii) the decrease in net interest costs incurred to service the Company's bank borrowings in line with the capital repayments effected by the Company over the period. In line with the increase in profit after tax, the Company's Earnings per Share ('EPS') increased from €0.008 per share in 2015 to €0.023 per share in 2017.

The presentation of the earnings per share and the weighted average number of ordinary shares in issue during each financial year on which the earnings per share is based, have been adjusted retrospectively to reflect: (i) the redenomination of the Company's share capital from a nominal value of €1 per share to a nominal value of €0.10 per share; and (ii) the bonus share issue of 198,980 shares that occurred subsequent to 31 December 2017.

Condensed Statements of Financial Position**As at 31 December**

	2015	2016	2017
	€'000	€'000	€'000
Total assets	8,825	12,404	13,439
Total equity	3,146	6,722	8,040
Total liabilities	5,679	5,682	5,399
Total equity and liabilities	8,825	12,404	13,439

The Company's total assets as at 31 December 2017 amount to €13.4 million and mainly comprise the carrying amount of the Complex of €13.0 million, based on the independent valuer's assessment carried out as at 31 December 2017.

The assets of the Company are funded through a combination of shareholder's equity and debt. As at 31 December 2017, shareholder's equity amounts to €8.0 million, which comprises: (i) share capital of €1.4 million; (ii) accumulated undistributed profits of €0.8 million; and (iii) the increase in the fair value of the Complex of €5.8 million since acquisition recognised in the Company's Revaluation Reserve.

Bank borrowings as at 31 December 2017 amount to €3.0 million. Other liabilities as at 31 December 2017 mainly include: (i) a deferred tax liability of €1.3 million in connection with the revaluation in fair value of the Complex since acquisition; and (ii) a non-current balance of €0.8 million due to related parties relating to amounts due to Embassy Management Limited in respect of the management services provided by this related party over the years.

Condensed Statements of Cash Flows**For the year ended 31 December**

	2015	2016	2017
	€'000	€'000	€'000
Net cash generated from operating activities	251	379	285
Net cash generated from investing activities	14	-	-
Net cash used in financing activities	(260)	(371)	(325)
Net movement in cash and cash equivalents	5	8	(40)
Cash and cash equivalents at beginning of year	45	50	58
Cash and cash equivalents at end of year	50	58	18

During the three-year period ending 31 December 2017, the Company generated net cash from operations totalling €0.9 million (after tax and interest payments), which have been applied primarily towards capital repayments in connection with the Company's debt facilities, with total repayments of €1.1 million between 2015 and 2017 being made towards the said bank facilities.

B.8 Not Applicable. The Company has not included pro forma financial information in the Prospectus.

B.9 The following is an extract from the profit forecasts of the Company for the forthcoming two years, ending 31 December 2019.

Condensed Projected Income Statements**For the year ended 31 December**

	2017	2018	2019
	Audited	Projected	Projected
	€'000	€'000	€'000
Revenue	734	752	831
Operating profit	526	493	557
Profit of the year	330	321	422
Earnings per share (euro)*	0.023	0.018	0.022

**Profit for the year/weighted average number of shares outstanding*

The Company's concession income has been projected by taking into consideration:

- i. The concession agreements currently in place with existing Concessionaires, including: annual increments (which stipulate increase in rates ranging between 2% per annum to 4% per annum, with the average annual increment working out at circa 2.5% per annum) and the term to expiry of existing concession agreements; and
- ii. Expectations relating to leasing of existing unoccupied space (which as at 31 December 2017 amounts to 173 square metres, equivalent to 4% of the Complex's area) and concession renewals within the projected period (relating to 73 square metres, equivalent to 2% of the Complex's area).

The operating costs of Main Street Complex p.l.c., representing CAM costs recovered through concession income rather than through separate CAM recharges to Concessionaires, are at a stable level and, save for the impact of unforeseen or exceptional events that are outside the influence of the Directors, are not expected to change materially in the future except for the impact of inflation.

The Projected Financial Information also provides for an increase in the Company's administrative costs (increasing from €37k in 2017 to €118k in 2019) on account of the costs that the Company is likely to incur in fulfilling its obligations as a listed company. Administrative costs also include management fees recharged from Embassy Management Limited, a related party, in respect of management services required to sustain the operations of the Complex. The services provided by Embassy Management Limited and the respective management fees are regulated through a management support services agreement signed on 1 April 2018.

In line with the projected reduction in the Company's indebtedness through part of the proceeds raised through the New Shares Offer, the Company's net interest costs are projected to decrease substantially in 2018 and 2019, leading to an increase in the profit after tax available for distribution to shareholders. Whereas concession income is projected to increase by 13% over the period 2017 to 2019, the Company's profit after tax available for distribution is projected to increase by 28% over the same period. The reduction in indebtedness will be important to allow the Company to sustain the projected future dividend growth.

The Company's projected statements of financial position are summarised below:

Condensed Projected Statements of Financial Position As at 31 December	2017	2018	2019
	Audited €'000	Projected €'000	Projected €'000
Total assets	13,439	13,500	13,568
Total equity	8,040	11,633	11,693
Total liabilities	5,399	1,867	1,875
Total equity and liabilities	13,439	13,500	13,568

Borrowings amounting to €2.9 million and amounts due to related parties of €0.7 million outstanding as at the date of the Offers are projected to be fully repaid from the proceeds of the New Shares Offer, expected to amount to €3.4 million, cash balances, and the bank overdraft facility (sanctioned facility of €0.3 million), thus reducing total liabilities in the projected period.

In line with the Company's accounting policy, the carrying amount of the Complex in the Company's projected financial information is stated at its market value, less depreciation. The Complex's valuation takes into account the projected future earnings of the Complex based on current concession agreements, operating costs, and other relevant market factors. The projected financial information assumes that there will be no significant changes in the future operating conditions of the Complex and market conditions in general that have a material impact on the fair value of the Complex during the projected period.

The Company's projected statements of cash flows are summarised below:

Condensed Projected Statements of Cash Flows			
For the year ended 31 December			
	2017	2018	2019
	Audited	Projected	Projected
	€'000	€'000	€'000
Net cash generated from operating activities	285	414	494
Net cash used in investing activities	-	(93)	(5)
Net cash used in financing activities	(325)	(157)	(362)
Net movement in cash and cash equivalents	(40)	164	127
Cash and cash equivalents at beginning of year	58	18	182
Cash and cash equivalents at end of year	18	182	309

The Projected Statements of Cash Flows also provide for the payment of dividends to the Company's shareholders. The projected cash flow statements assume that 40% of the expected annual dividend will be distributed as an interim dividend in or around the end of October upon the publication of the Company's six-month results drawn up to 30 June, while the remaining 60% will be distributed as a final dividend after its approval at the Company's Annual General Meeting in or around May. In the calendar year ending 31 December 2018, a single distribution is expected to be effected, in or around October 2018.

- B.10** Not Applicable. The financial statements have been audited by PwC and the auditor's report thereon comprises an unqualified audit opinion.
- B.11** Not Applicable. The Company's working capital is considered sufficient for the Company's present requirements.

SECTION C

SECURITIES

- C.1** The Selling Shareholder is offering for sale 7,538,460 shares of a nominal value of €0.10 each in the Company, and the Company is offering for subscription 5,230,769 newly issued shares of a nominal value of €0.10 each in the Company. The Shares are in registered form and, until they are admitted to the Official List of the MSE, they will be in fully certificated form. Following their admission to the Official List of the MSE, the Shares will, whilst retaining their registered form, no longer be in certificated form and will thereafter be held in book-entry form at the CSD in accordance with the requirements of the MSE, or in such other form as may be determined from time to time by applicable law, the requirements of the MSE or the Company. On admission to trading the Shares will have the following ISIN: MT0001850107.
- C.2** The Shares are denominated in Euro (€).
- C.3** The Company has an issued share capital of €1,415,385 divided into 14,153,850 ordinary shares of a nominal value of €0.10 per share, fully paid-up. As a result of the New Shares Offer, the issued share capital of the Company would increase to €1,938,462 divided into 19,384,619 ordinary shares of a nominal value of €0.10 per share, fully paid-up.
- C.4** The Shares form part of the only class of ordinary shares in the Company and shall accordingly have the same rights and entitlements as all other ordinary shares currently in issue in the Company. The following are highlights of the rights attaching to the Shares:
- The Shares shall carry the right to participate in any distribution of dividends declared by the Company *pari passu* with any other ordinary shares in the Company;
 - Each Share shall be entitled to one vote at meetings of Shareholders; and
 - The Shares shall carry the right for the holders thereof to participate in any distribution of capital made whether in the context of a winding up or otherwise, *pari passu* with all other ordinary shares of the Company.

- C.5** The Shares are freely transferable and, once admitted to the Official List, shall be transferable only in whole in accordance with the rules and regulations of the MSE applicable from time to time.
- C.6** Application has been made to the Listing Authority for the admissibility of the Shares to listing and to the MSE for the Shares to be listed and traded on its Official List.
- C.7** The extent of any dividend distribution will depend upon, amongst other factors, the profit for the year, the Directors' view on the prevailing market outlook, any debt servicing and repayment requirements, the cash flows for the Company, working capital requirements, investment opportunities, capital expenditure and the requirements of the Act. Subject to the foregoing and to unforeseen circumstances that may have a material impact on the performance and results of the Company, as from the financial year commencing 1 January 2018, it is the Directors' objective to distribute a total dividend to the holders of Shares in the Company equivalent to the distributable profits earned during the year. Such dividend distributions shall be effected on a semi-annual basis, with an interim dividend in or around the end of October and a final dividend in or around the end of May. In the calendar year ending 31 December 2018, a single distribution is expected to be effected in or around October 2018.

SECTION D

RISKS

D.1 Key information on the key risks specific to the Company:

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

This 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. They appear in a number of places throughout the Prospectus and include statements regarding the intentions, beliefs or current expectations of the Company and/or its' Directors. These forward looking statements are subject to a number of risks, uncertainties and assumptions and important factors that could cause actual risks to differ materially from the expectations of the Company's Directors. No assurance is given that the future results or expectations will be achieved.

Prospective investors are advised to read the Prospectus in its entirety and, in particular, the sections entitled "Risk Factors" in the Registration Document and Securities Note, for an assessment of the factors that could affect the Company's future performance.

The value of investments can go up or down and past performance is not necessarily indicative of future performance. An investment in the Shares involves certain risks, including those described below.

An investment in the Company and the Shares may not be suitable for all recipients of the Prospectus and prospective investors are urged to consult an independent investment adviser licensed under the Investment Services Act (Cap. 370 of the laws of Malta) as to the suitability or otherwise of an investment in the Shares before making an investment decision.

The risk factors set out below are a summary of the principal risks associated with an investment in the Company and the Shares – there may be other risks which are not mentioned in this summary.

Risks relating to reliance on Concession Agreements

In its business operations, the Company enters into Concession Agreements with third parties pursuant to which it grants such third parties the right to use the outlets forming part of Main Street Complex for an agreed annual rate and, in some cases, a fee payable on the percentage of Concession turnover

usually subject to a minimum annual rent. The Company, therefore, relies on the revenues it expects to generate from the Concessions.

There can be no guarantee that the Company will continue to find suitable Concessionaires on the terms it seeks from time to time. In addition, the financial stability of the Concessionaires under the relative Concession Agreements may change over time. Defaults by Concessionaires could result in a reduction in concession fee revenues, which may require the Company to contribute additional capital or obtain alternative financing. In addition, the Company may incur costs in enforcing rights under the Concession Agreements of a defaulting Concessionaire, including legal fees, re-possession of the space/s granted on concession and costs to grant a concession of the re-possessioned space to a new third-party/ies.

Any of the foregoing factors may adversely affect the business, financial condition and results of operations of the Company.

Risks relating to changes in the market and economic conditions

The Company's business activities are subject to general market and economic conditions. These conditions include, inter alia, consumer demand, financial market volatility, inflation, fluctuation in interest rates, exchange rates, direct and indirect taxation, the health of the local retail markets, property prices, energy and fuel costs, unemployment, wage rates, tightening of credit markets, government spending and budget priorities and other general market and economic conditions.

In the event that general market and economic conditions were to experience a downturn, these weakened conditions may have an adverse impact on the financial position and operational performance of the Company's business activity, potentially having a serious effect on the Company's financial position, cash flows, operational performance and its ability to distribute dividends to its shareholders.

Risks relating to the retail sector

The Company grants Concessions to third parties principally engaged in the retail sector. The health of the retail market (which may be affected by a number of factors including shopping preferences and consumer demand) may have a direct or indirect effect on the ability of the Company to grant Concessions. A significant downturn in the performance of the retail sector could have a material adverse effect on the Company's business, financial position and results of operation.

Fixed operating expenses

A significant portion of the Company's costs are fixed and the Company's operating results are vulnerable to short-term changes in its revenues. The Company's inability to react swiftly to changes in its revenue by reducing its operating expenses could have a material adverse effect on its business, financial position and results of operation.

Increases in operating and other expenses

The Company's operating and other expenses could increase without a corresponding increase in turnover or revenue. Such increases could have a material adverse effect on the Company's financial position and operational performance.

Risks emanating from the Company's financing strategy

The Company may not be able to obtain the capital it requires for development or improvement of existing or new properties on commercially reasonable terms, or at all. Failure to obtain, or delays in obtaining, the capital required to complete future developments and acquisitions on commercially reasonable terms, including increases in borrowing costs or decreases in loan availability, may limit the Company's growth and materially and adversely affect its business, financial condition, results of operations and prospects.

Future indebtedness

The Company may, from time to time, require bank credit facilities to maintain the Complex, to refinance indebtedness as well as to fund future growth in terms of acquisition and developments.

The agreements regulating the Company's bank debt may impose, and are likely to impose, significant operating restrictions and financial covenants on the Company. These restrictions and covenants could limit

the Company's ability to obtain future financing, make capital expenditure, withstand a future downturn in business or economic conditions generally or otherwise inhibit the ability to conduct necessary corporate activities.

Key senior personnel and management

The operations and profitability of the Company are dependent on the management support services provided by Embassy Management Limited to the Company in terms of a management support services agreement. Should either party terminate the management support services agreement prior to the expiry of its term, or, should Embassy Management Limited decide not to renew the agreement following the lapse of the term thereof, the Company would need to seek a new management support services provider or individuals to occupy the executive management roles of the Company. The Company may be unable to replace the services provided by Embassy Management Limited within the short term. This could have a material adverse effect on the Company's business and results of its operations.

The Company's insurance policies

The Company maintains insurance at levels determined by the Company to be appropriate. With respect to losses for which the Company is covered by its policies, it may be difficult and may take time to recover such losses from insurers. In addition, the Company may not be able to recover the full loss incurred from the insurer.

Risks relative to changes in laws

Various aspects of the Company's business are subject to specific laws and regulation including consumer laws and licensing requirements. The timing and effects of changes in the laws and regulations to which the Company is subject, including changes in the interpretation thereof, cannot be predicted and could have an adverse effect on the business, financial condition and profitability of the Company.

Company's solvency

The ownership of equity entails that in the case of insolvency of the Company, the shareholders may suffer direct and materially adverse consequences, including loss of part or all of their entire investment.

Reputational risk

Reputational risk is the risk that negative publicity regarding the Company's business practices, whether true or not, may cause a decline in the customer base, costly litigation, or revenue reductions. Reputational risk could be particularly damaging for the Company since the nature of its business requires maintaining the confidence of clients and of the general marketplace.

Health and Safety

The nature of the Company'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 Company to third party claims which could in turn have a material adverse effect on its business and profitability.

Litigation risk

The Company is susceptible to legal claims, with or without merit, by Concessionaires and/or patrons of the Complex. Defence and settlement costs can be substantial, even with respect to claims that have no merit.

Competitiveness in the commercial property market

The real estate market in Malta is very competitive in nature. An increase in supply and/or a reduction in demand in the commercial property segments in which the Company targets to grant Concessions, may cause the Concessions to be granted at lower rates than is being anticipated by the Company or may cause the concession of the Main Street Complex spaces to take place at a slower pace than that anticipated by the Company. If these risks were to materialise, they could have an adverse impact on the Company and its ability to distribute dividends.

Material risks relating to the potential future development of real estate

The Company may from time to time develop Main Street Complex further or develop other properties it may acquire. There are a number of factors that commonly affect the real estate development industry,

many of which are beyond the Company's control, and which could adversely affect the economic performance and value of the Company's real estate property and any developments that the Company may seek to implement. In the event of real estate developments being carried out by the Company, any of such factors described above could have an adverse effect on the Company's business, its respective financial condition and prospects and accordingly on the ability of the Company to distribute dividends.

Exposure to environmental liabilities

The Company may become liable for the costs of removal, investigation or remediation of any hazardous or toxic substances that may be located on or in, or which may have migrated from, a property owned or occupied by it, which costs may be substantial. Environmental liabilities, if realised, could have a material adverse effect on its business, financial condition and results of operations.

Risks inherent in property valuations

In providing a market value of the Complex, the independent architects engaged by the Company for this purpose have made certain assumptions which ultimately may cause the actual values to be materially different from any future values that may be expressed or implied by such forward-looking statements or anticipated on the basis of historical trends, as reality may not match the assumptions. There can be no assurance that such valuation of the Complex will reflect actual market values.

D.2 Risks relating to the Shares

- Prior to the Offers, there has been no public market within or outside Malta for the Shares being offered pursuant to the Prospectus. Due to the absence of any prior market for the Shares, there can be no assurance that the price at which the Shares will trade in the market subsequent to the Offer will correspond to the Offer Price.
- The existence of an orderly and liquid market for the Shares depends on a number of factors, many of which are beyond the Company's control, including but not limited to the presence of willing buyers and sellers of the Shares at any given time and the general economic conditions in the market in which the Shares are traded, namely the primary market of the MSE. Accordingly, there can be no assurance that an active secondary market for the Shares 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 Shares at all.
- Following the completion of the Offer, the value of an investment in the Shares may decrease or increase abruptly which may prevent Shareholders from being able to sell their Shares at or above the price they paid for them and the Offer Price may not be indicative of prices that will prevail in the trading market.
- Even after the Shares are admitted to trading on the Official List of the MSE, the Company must remain in compliance with certain requirements. The Listing Authority has the authority to suspend trading of the Shares if, *inter alia*, it comes to believe that such a suspension is required for the protection of investors or of the integrity or reputation of the markets. Furthermore, the Listing Authority may discontinue the listing of the Shares if, *inter alia*, it is satisfied that, owing to special circumstances, normal regular dealings in the Shares are no longer possible, or upon the request of the Company or the MSE. Any such trading suspensions or listing revocations / discontinuations described above, could have a material adverse effect on the liquidity and value of the Shares.
- An investment in the Shares may not be suitable for all recipients of the Prospectus and investors are urged to consult a licensed stockbroker or an investment adviser licensed under the Investment Services Act (Cap. 370 of the laws of Malta) as to the suitability or otherwise of an investment in the Shares before making an investment decision. In the event that an investor in the Shares does not seek professional advice and/or does not read and fully understand the provisions of this Prospectus, there is a risk that such investor may acquire an investment which is not suitable for his or her risk profile.
- Any dividend on the Shares will be limited by the performance of the Company. The extent of any dividend distribution by the Company will depend upon, amongst other factors, the profit for the year, the Directors' view on the prevailing market outlook, any debt servicing requirements, the

cash flows of the Company, working capital requirements, the Board's view on future investments, and the requirements of the Act.

- **It is possible that the Company may decide to offer additional shares in the future. Future offerings of new shares, or the availability for sale of substantial amounts of shares in the public market, could dilute the holdings of Shareholders not partaking in such offer or sale of shares, adversely affect the prevailing market price of the Shares and could impair the Company's ability to raise capital through future offers of equity securities.**
- **The Company is unable to predict whether, following the termination of the lock-in restrictions put in place in connection with the Offers, a substantial amount of Shares will be sold in the open market by the Selling Shareholder, as subject to such restrictions. Any sales of substantial amounts of Shares in the public market by the Selling Shareholder, or the perception that such sales might occur, could result in a material adverse effect on the market price of the Shares.**
- **A Shareholder will bear the risk of any fluctuations in exchange rates between the currency of denomination of the Shares (i.e. the Euro) and the Shareholder's currency of reference, if different.**

SECTION E

OFFER

E.1 The proceeds from the New Shares Offer are expected to amount to €3.4 million. The net proceeds from the Sale Shares Offer are expected to amount to €4.55 million and shall be for the benefit of the Selling Shareholder. The expenses incurred in respect of both Offers, including selling commissions and professional, publicity, printing, registration, Registrar, sponsorship, management, listing and other miscellaneous fees, are estimated to amount to circa €350K. These expenses shall be deducted entirely from the proceeds of the Sale Shares Offer and accordingly shall be borne exclusively by the Selling Shareholder.

E.2a The Directors believe that the Offers and Admission will:

- a. enhance the Company's public profile and status with existing and potential clients;
- b. provide access to capital markets to aid future growth if required;
- c. create a liquid market in the Shares;
- d. provide the Selling Shareholder with a partial realisation of their investment in the Company.

The net proceeds from the New Shares Offer shall be used by the Company as follows:

- i. proceeds amounting to €2.65 million will, together with cash balances and utilisation of a bank overdraft facility (sanctioned facility of €0.3 million), be applied to repay in full the principal amounts borrowed under, and all accrued and unpaid interest on, the Existing Debt Facilities;
- ii. €0.7 million of the net proceeds shall be used to pay management fees due by the Company to Embassy Management Limited as at 31 March 2018 in respect of management services rendered from 2009 until such date; and
- iii. the remaining balance of circa €50k shall be used for general corporate funding purposes of the Company.

The net proceeds from the Sale Shares Offer shall be for the benefit of the Selling Shareholder.

E.3 The following are the terms and conditions of the Offers:

1. Subscription Agreement/s

The Selling Shareholder may enter into Subscription Agreements with Designated Investor/s, whereby the Selling Shareholder will bind itself to allocate Sale Shares to such prospective investors, which in turn will bind themselves: to subscribe to said Shares for their own account, subject to the Shares being admitted to the Official List of the MSE; and not to exercise any rights to rescind or terminate, or otherwise withdraw from such commitment.

Each Subscription Agreement is binding on all parties thereto with effect from the date thereof, subject to the Selling Shareholder, through the Registrar, receiving or having received all subscription proceeds in cleared funds on or by 12:00 on 30 April 2018.

The aggregate maximum amount of Shares which may be subscribed to by Designated Investors by virtue of Subscription Agreements entered into with the Selling Shareholder is 5,815,000 Shares (equivalent to approximately 30% of the issued share capital of the Company following the Offers).

2. Minimum amount per subscription

The minimum subscription amount for Applications received during the Offer Period (the period between 2 May 2018 and 16 May 2018) shall be of 5,000 Shares and in multiples of 100 Shares thereafter.

3. Plan of Distribution

The Shares forming the subject of the New Shares Offer and Sale Shares Offer are open for subscription to all categories of investors. The allocation of the said Shares among prospective investors will be determined in accordance with the following allocation policy:

- a. a maximum aggregate amount of 5,815,000 Shares (equivalent to not more than 30% of the issued share capital of the Company) forming the subject of the Offers has been reserved by the Selling Shareholder for Designated Investors subject to any Subscription Agreements being entered into in this respect; and
- b. the remaining balance of 6,954,229 Shares forming the subject of the Offers and any balance remaining unallocated from (a) above, shall be made available for subscription by the general public through the Financial Intermediary.

4. Allocation Policy

The Company shall allocate the Shares on the basis of the following policy:

- a. up to an aggregate amount of 5,815,000 Shares shall be allocated to Designated Investors pursuant to the Subscription Agreements entered into with the Selling Shareholder. Where subscriptions received from Designated Investors exceed an aggregate of 5,815,000 Shares, allotment of shares to such investors shall be carried out on a pro-rata basis;
- b. the remaining balance of 6,954,229 Shares and any balance remaining unallocated from (a) above shall be allocated to the general public by subscription through the Financial Intermediary, on a pro-rata basis as announced by the Company and Registrar.

The Company will endeavour, through the allocation policy to be adopted, to allow for a sufficiently dispersed shareholder base in order to facilitate, as far as practicable, an active secondary market in the Shares.

5. Pricing

The Offer Price for Shares has been fixed by the Selling Shareholder and the Company, as the case may be, at €0.65 per Share.

6. Overseas investors

The Offers are being made in Malta. The Offers are not being made to persons resident in, or who are citizens of, or who have a registered address in, countries other than Malta.

7. Refunds and Undersubscription

If any Application is not accepted, or is accepted for fewer Shares than those applied for, the Application monies or the balance of the amount paid on Application will be returned, by the Registrar on behalf of the Company or the Selling Shareholder (as the case may be), without interest, by direct credit into the Applicant's bank account as indicated by the Applicant on the relevant Application Form within five (5) Business Days from the date of announcement of basis of acceptance of Shares.

In the event that, following the Offer Period, the Offers are not fully subscribed then no allotment of Shares will be made. For the purposes of the Sale Shares Offer, the subscription for Shares shall be deemed not to have been accepted by the Selling Shareholder and for the purposes of the New Shares Offer, the subscription for Shares shall be deemed not to have been accepted by the Company. All proceeds received from Applicants shall be refunded accordingly by the Selling Shareholder or by the Company, as the case may be, without interest, by direct credit into the Applicant's bank account as indicated by the Applicant on the relevant Application Form. All refunds in this respect shall be made within five (5) Business Days from the expiration of the Offer Period.

8. Results of the Offer

Within five (5) Business Days from closing of the Offer Period, the Company, through the Registrar, shall inform the Financial Intermediary of the basis of acceptance of Applications and allocation policy to be adopted.

E.4 As at the date of this Prospectus:

- the two executive Directors of the Company are directors and officers of two of the Concessionaires, and as such are susceptible to conflicts between the potentially diverging interests of Company and the Concessionaires;
- both the executive Directors of the Company are also directors on the board of Embassy Management Limited (which in turn, in terms of a management support services agreement, performs the management function of the Company);
- one of the two executive directors, Joseph A. Gasan, as well as Bettina Azzopardi, the managing director of Embassy Management Limited, are two of the ultimate beneficial owners of the Selling Shareholder, and in this respect, conflicts may arise between the potentially diverging interests of the Company and the Selling Shareholder.

Save for the above, the Directors are not aware of any interest, conflicting or otherwise, considered material to the Offers.

E.5 Embassy Limited (C 20568) is the offeror of the Sale Shares. The Company is the offeror of the New Shares.

Lock-in: pursuant to an agreement entered into with the Company, the Selling Shareholder has undertaken not to offer, sell, grant any option, right or warrant to purchase, pledge or otherwise transfer, assign or dispose of, any of the Shares retained by it in the Company as at the date of closing of the Offers for a period of 36 months from the date when the Shares are admitted to listing on the MSE, and this undertaking shall subsist notwithstanding any provisions of the Act, the Listing Rules and the Memorandum and Articles of Association that would otherwise have permitted such transfer, assignment or disposal. Such undertaking is subject to certain specific events which, if they were to materialise, would entitle the Selling Shareholder to freely offer, sell, grant any option, right or warrant to purchase, pledge or otherwise transfer, assign or dispose of the Shares it holds in the Company.

E.6 As a result of the Offer, if fully subscribed, the Selling Shareholder's shareholding in the Company will be diluted from 99.99% to 34.1% of the entire issued share capital of the Company.

E.7 Not applicable. No expenses will be charged to the investors by the Selling Shareholder or the Company.

TIMETABLE

1. Deadline for submission of Subscription Agreements by Designated Investors	30 April 2018 (12:00)
2. Availability of Application Forms	2 May 2018
3. Opening of Subscription Lists	2 May 2018
4. Closing of Subscription Lists	16 May 2018
5. Expected announcement of basis of acceptance	23 May 2018
6. Expected dispatch of allocation advices and refunds of unallocated monies	28 May 2018
7. Expected admission of the Shares on the MSE	30 May 2018
8. Expected commencement of trading on the MSE	31 May 2018

If upon closure of subscription lists the Offers are not fully subscribed, the Selling Shareholder and the Company, acting through the Registrar, reserve the right to extend the Offer Period by an additional five (5) Business Days, in which case the events set out in steps 5 to 8 above shall also be deferred accordingly, although the number of Business Days between the respective events shall not be altered.

REGISTRATION DOCUMENT

DATED 23 APRIL 2018



This document is a Registration Document issued in accordance with the provisions of Chapter 4 of the Listing Rules issued by the Listing Authority and in accordance with the provisions of Commission Regulation (EC) No. 809/2004 of 29 April 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council as regards information contained in prospectuses as well as the format, incorporation by reference and publication of such prospectuses and dissemination of advertisements, as amended (the “**Prospectus Regulation**”).

This document is issued by
Main Street Complex p.l.c.

(a public limited liability Company registered under the laws of Malta
with Company registration number C 34767)

Legal Counsel

CAMILLERI PREZIOSI
— ADVOCATES —

Sponsor, Manager & Registrar

 **RIZZO FARRUGIA**
YOUR INVESTMENT CONSULTANTS

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

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

TABLE OF CONTENTS

	Table of Contents	19
[1]	Important information	20
[2]	Definitions	22
[3]	Risk factors	24
[4]	Persons responsible	30
[5]	Advisers and statutory auditors	30
[6]	Presentation of financial information	31
[7]	Information about the company	33
[8]	Organisational structure	34
[9]	Investments	34
[10]	Business overview – principal activities & markets	35
[11]	Property, plant and equipment and investment property	39
[12]	Operating and financial review	41
[13]	Capital resources	45
[14]	Trend information, including the company's projections	47
[15]	Administrative, management and supervisory bodies and senior management	53
[16]	Board practices	59
[17]	Employees	61
[18]	Major shareholders	61
[19]	Related party transactions	61
[20]	Financial information	62
[21]	Additional information	63
[22]	Material contracts	66
[23]	Property valuation report	66
[24]	Third party information and statement by experts and declarations of any interest	66
[25]	Documents on display	67
	ANNEX I List of directorships	68
	ANNEX II Prospective financial information	71
	ANNEX III Accountant's report	80
	ANNEX IV Valuation report	83

1 IMPORTANT INFORMATION

THIS REGISTRATION DOCUMENT CONTAINS INFORMATION IN RELATION TO MAIN STREET COMPLEX P.L.C. (THE “**COMPANY**”) AND ITS BUSINESS. IT IS DRAWN UP IN ACCORDANCE WITH THE REQUIREMENTS OF THE LISTING RULES ISSUED BY THE LISTING AUTHORITY, THE COMPANIES ACT (CAP. 386 OF THE LAWS OF MALTA) AND THE PROSPECTUS REGULATION.

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

IT IS THE RESPONSIBILITY OF ANY PERSON IN POSSESSION OF THIS DOCUMENT AND ANY PERSON WISHING TO ACQUIRE SECURITIES OF THE COMPANY TO INFORM THEMSELVES OF, AND TO OBSERVE AND COMPLY WITH, ALL APPLICABLE LAWS AND REGULATIONS OF ANY RELEVANT JURISDICTION. PROSPECTIVE INVESTORS SHOULD INFORM THEMSELVES AS TO THE LEGAL REQUIREMENTS OF ACQUIRING SECURITIES ISSUED BY THE COMPANY AND ANY APPLICABLE EXCHANGE CONTROL REQUIREMENTS AND FISCAL OBLIGATIONS IN THE COUNTRIES OF THEIR NATIONALITY, RESIDENCE OR DOMICILE.

SECURITIES ISSUED PURSUANT TO THIS PROSPECTUS 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 COMPANY WILL NOT BE REGISTERED UNDER THE UNITED STATES INVESTMENT COMPANY ACT, 1940, AS AMENDED, AND INVESTORS WILL NOT BE ENTITLED TO THE BENEFITS SET OUT THEREIN.

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

ALL THE ADVISERS TO THE COMPANY HAVE ACTED AND ARE ACTING EXCLUSIVELY FOR THE COMPANY IN RELATION TO THIS PROSPECTUS AND HAVE NO CONTRACTUAL, FIDUCIARY OR OTHER OBLIGATION OR RESPONSIBILITY TOWARDS ANY OTHER PERSON. NONE OF THE ADVISERS ACCEPT ANY RESPONSIBILITY TOWARDS ANY INVESTOR OR ANY OTHER PERSON WHOMSOEVER IN RELATION TO THE CONTENTS OF AND ANY INFORMATION CONTAINED IN THE PROSPECTUS, ITS COMPLETENESS OR ACCURACY OR ANY OTHER STATEMENT MADE IN CONNECTION THEREWITH.

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

THE VALUE OF INVESTMENTS CAN RISE AS WELL AS FALL AND PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE PERFORMANCE. INVESTORS MAY LOSE ALL OR PART OF THEIR CAPITAL INVESTED IN THE COMPANY’S SECURITIES. PROSPECTIVE INVESTORS ARE URGED

TO CONSULT A LICENSED STOCKBROKER OR AN INVESTMENT ADVISER LICENCED UNDER THE INVESTMENT SERVICES ACT (CAP. 370 OF THE LAWS OF MALTA) PRIOR TO INVESTING IN SECURITIES ISSUED BY THE COMPANY.

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

A COPY OF THIS DOCUMENT HAS BEEN SUBMITTED TO THE LISTING AUTHORITY IN SATISFACTION OF THE LISTING RULES, THE MSE IN SATISFACTION OF THE MSE BYE-LAWS AND HAS BEEN DULY FILED WITH THE REGISTRAR OF COMPANIES IN ACCORDANCE WITH THE COMPANIES ACT (CAP. 386 OF THE LAWS OF MALTA).

2 DEFINITIONS

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

Act	the Companies Act, Cap. 386 of the laws of Malta;
Common Area and Building Maintenance Costs or CAM	Costs payable by Concessionaires to the Company under Concession Agreements in respect of common area and building maintenance costs attributable to the Main Street Complex as described in section 10.1;
Company	Main Street Complex p.l.c., a public limited liability company with company registration number C 34767 and having its registered office at "Main Street Complex", Antoine De Paule Square, Paola, Malta;
Concession	a concession granted to a third party by the Company to use one or more outlets or space forming part of the Main Street Complex for a permitted use as specified in the relative Concession Agreement;
Concession Agreement	an agreement pursuant to which a Concession is granted;
Concessionaire/s	a third party who has entered into a Concession Agreement;
Directors	the directors of the Company whose names are set out in section 15 of this Registration Document. Collectively, the Directors form the board of Directors of the Company (hereinafter, the "Board" or "Board of Directors");
Embassy Management Limited	Embassy Management Limited, a limited liability company registered under the laws of Malta with company registration number C26851 and having its registered office at "Embassy", St. Lucia Street, Valletta, Malta;
Existing Debt Facilities	the following term loan facilities granted by HSBC Bank Malta p.l.c. evidenced by a sanction letter dated 2 May 2017 with reference number 011-049434: <ul style="list-style-type: none"> i. the €2,255,491 term loan facility granted to refinance a bank loan facility obtained from Lombard Bank Malta p.l.c.; and ii. the €1,043,973 term loan facility granted to finance the acquisition, development and finishing of part of the Complex, further details of which are set out in section 11 (" <i>Property, Plant and Equipment and Investment Property</i> ") and section 12 (" <i>Operating and Financing Review</i> ") of this Registration Document;
Listing Authority	the Board of Governors of the MFSA acting as the Listing Authority for the purposes of the Malta Financial Services Authority Act (Cap. 330 of the laws of Malta), which Listing Authority is established in terms of the Financial Markets Act (Cap. 345 of the laws of Malta);

Listing Rules	the listing rules issued by the Listing Authority as may be amended and/or supplemented from time to time;
Main Street Complex or Complex	the shopping and entertainment complex named “Main Street Complex” situated at 138-142, Antoine de Paule Square, Paola, Malta, accessible from Antoine de Paule Square and from a second entrance at 14, Ninu Cremona Street, Paola, Malta;
Memorandum and Articles of Association	the memorandum and articles of association of the Company in force at the date of the Prospectus. The terms “Memorandum”, “Articles” and “Articles of Association” shall be construed accordingly;
MFSA	the Malta Financial Services Authority, established in terms of the Malta Financial Services Authority Act (Cap. 330 of the laws of Malta);
MSE	Malta Stock Exchange p.l.c., as originally constituted in terms of the Financial Markets Act (Cap. 345 of the laws of Malta), having its registered office at Garrison Chapel, Castille Place, Valletta VLT 1063, Malta, and bearing Company registration number C 42525;
New Share/s	5,230,769 ordinary shares in the Company of a nominal value of €0.10 per share to be issued by the Company at the Offer Price pursuant to the New Shares Offer;
New Shares Offer	the offer of the New Shares at the Offer Price by the Company to the public in accordance with the terms of the Prospectus;
Offer Price	the price of €0.65 per Share;
Offers	collectively: i. the Sale Shares Offer; and ii. the New Shares Offer;
Official List	the list prepared and published by the MSE as its official list in accordance with the MSE bye-laws;
Prospectus	collectively this Registration Document, the Securities Note and the Summary Note, as such documents may be amended, updated, replaced and/or supplemented from time to time;
Registration Document	this document in its entirety;
Sale Share/s	7,538,460 ordinary shares in the Company of a nominal value of €0.10 per share to be offered for sale by the Selling Shareholder at the Offer Price pursuant to the Sale Shares Offer;
Sale Shares Offer	the offer of the Sale Shares by the Selling Shareholder to the public at the Offer Price;
Securities Note	the securities note dated 23 April 2018, forming part of the Prospectus;

Selling Shareholder

Embassy Limited, a limited liability Company registered under the laws of Malta with Company registration number C 20568 and having its registered office at "Embassy", St. Lucia Street, Valletta, Malta;

Shares

the shares forming part of the issued share capital of the Company having a nominal value of €0.10 per share, including the Sale Shares and, following the New Shares Offer, including the New Shares; and

Summary Note

the summary note dated 23 April 2018 , forming part of the Prospectus.

3 RISK FACTORS

3.1 INTRODUCTION

PROSPECTIVE INVESTORS SHOULD CAREFULLY CONSIDER WITH THEIR OWN INDEPENDENT FINANCIAL AND OTHER PROFESSIONAL ADVISERS THE FOLLOWING RISK FACTORS AND OTHER INVESTMENT CONSIDERATIONS, AS WELL AS ALL THE OTHER INFORMATION CONTAINED IN THIS PROSPECTUS, BEFORE MAKING ANY INVESTMENT DECISION WITH RESPECT TO THE OFFERS AND THE COMPANY. SOME OF THESE RISKS ARE SUBJECT TO CONTINGENCIES WHICH MAY OR MAY NOT OCCUR AND THE COMPANY IS NOT IN A POSITION TO EXPRESS ANY VIEWS ON THE LIKELIHOOD OF ANY SUCH CONTINGENCIES OCCURRING. THE SEQUENCE IN WHICH THE RISKS BELOW ARE LISTED IS NOT INTENDED TO BE INDICATIVE OF ANY ORDER OF PRIORITY OR OF THE EXTENT OF THEIR CONSEQUENCES.

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

THIS REGISTRATION DOCUMENT IS NOT INTENDED TO CONSTITUTE, AND SHOULD NOT BE CONSTRUED AS CONSTITUTING A RECOMMENDATION BY THE COMPANY, THE ADVISERS LISTED IN SECTION 5 OR ANY FINANCIAL INTERMEDIARY TO PURCHASE THE SHARES. PROSPECTIVE INVESTORS SHOULD MAKE THEIR OWN INDEPENDENT EVALUATION OF ALL RISK FACTORS AND SHOULD CONSIDER ALL OTHER SECTIONS OF THE PROSPECTUS.

FORWARD-LOOKING STATEMENTS

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

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance and should therefore not be construed as such. The Company's actual results of operations, financial condition, liquidity, dividend policy and

the development of its strategy may differ materially from the impression created by the forward-looking statements contained in the Prospectus. In addition, even if the results of operations, financial condition, liquidity and dividend policy of the Company 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, changes in economic conditions, legislative and regulatory developments, changes in fiscal regimes and the availability of suitable financing.

Potential investors are advised to read the Prospectus in its entirety, and, in particular, all the risk factors set out in this Prospectus, for a description of the factors that could vary the Company's future performance. In the light of these risks, uncertainties and assumptions, the events described in the forward-looking statements in this document may not occur. All forward-looking statements contained in this document are made only as at the date hereof. Subject to applicable legal and regulatory obligations, the Company and its Directors expressly disclaim any obligations to update or revise any forward-looking statement contained herein to reflect any change in expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

3.2 RISKS RELATING TO THE COMPANY AND ITS BUSINESS

The Company is subject to a number of risks which could have an adverse effect on its business and the results of operations. These risks include, but are not limited to, the risks which are mentioned below.

3.2.1 RISKS RELATING TO RELIANCE ON CONCESSION AGREEMENTS

In its business operations, the Company enters into concession agreements with third parties pursuant to which it grants such third parties the right to use the outlets forming part of Main Street Complex for an agreed annual rate and, in some cases, a fee payable on the percentage of concession turnover, usually subject to a minimum annual rent. The Concessionaires of Main Street Complex are principally engaged in retail, catering and entertainment. The Company, therefore, relies on the revenues it expects to generate from the Concessions.

There can be no guarantee that the Company will continue to find suitable concessionaires on the terms it seeks from time to time. In addition, the financial stability of the Concessionaires may change over time. Defaults by Concessionaires could result in a reduction in concession fee revenues, which may require the Company to contribute additional capital or obtain alternative financing. In addition, the Company may incur costs in enforcing rights under the Concession Agreements of a defaulting Concessionaire, including legal fees, re-possession of the space/s granted on concession and costs to grant a concession of the re-possessioned space to a new third-party/ies.

Any adverse changes in a Concessionaire's financial condition may negatively affect cash flows generated by the Company. Furthermore, if the Company's Concessionaires decide not to renew their respective Concession Agreements upon expiration, the Company may not be able to grant concessions on the same terms, if at all.

Any of the foregoing factors may adversely affect the business, financial condition and results of operations of the Company.

3.2.2 RISKS RELATING TO CHANGES IN THE MARKET AND ECONOMIC CONDITIONS

The Company's business activities are subject to general market and economic conditions. These conditions include, inter alia, consumer demand, financial market volatility, inflation, fluctuation in interest rates, exchange rates, direct and indirect taxation, the health of the local retail markets, property prices, energy and fuel costs, unemployment, wage rates, tightening of credit markets, government spending and budget priorities and other general market and economic conditions.

In the event that general market and economic conditions were to experience a downturn, these weakened conditions may have an adverse impact on the financial position and operational performance of the Company's business activity, potentially having a serious effect on the Company's financial position, cash flows, operational performance and its ability to distribute dividends to its shareholders.

3.2.3 RISKS RELATING TO THE RETAIL SECTOR

The Company grants Concessions to entities engaged principally in the retail sector. The health of the retail market may have a direct or indirect effect on the ability of the Company to grant Concessions. The health of the retail market may be affected by a number of factors, including, inter alia, consumer demand, tastes, shopping preferences, trends, online shopping, inflation, fluctuation in interest rates, exchange rates, direct and indirect taxation, regulations, energy and fuel costs, unemployment, wage rates, availability of credit, government spending and budget priorities, and other general market and economic conditions. These are particularly accentuated owing to the size of the Maltese market. A significant downturn in the performance of the retail sector could have a material adverse effect on the Company's business, financial position and results of operation.

3.2.4 FIXED OPERATING EXPENSES

A significant portion of the Company's costs is fixed and the Company's operating results are vulnerable to short-term changes in its revenues. The Company's inability to react swiftly to changes in its revenue by reducing its operating expenses could have a material adverse effect on its business, financial position and results of operation.

3.2.5 INCREASES IN OPERATING AND OTHER EXPENSES

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

- a. increases in the rate of inflation, in particular where the income stream of the Company does not increase correspondingly;
- b. increases in property taxes and other statutory charges;
- c. changes in laws, regulations or government policies;
- d. increases in insurance premia;
- e. unforeseen increases in the costs of maintaining properties;
- f. unforeseen capital expenditure;
- g. reputational risks and strategic and business risks materialising; and
- h. unanticipated expenses as a result of acts of nature and their consequences.

Such increases could have a material adverse effect on the Company's financial position and operational performance.

3.2.6 RISKS EMANATING FROM THE COMPANY'S FINANCING STRATEGY

The Company may not be able to obtain the capital it requires for development or improvement of existing or new properties on commercially reasonable terms, or at all. The Company may not be able to secure sufficient financing for its investment requirements. No assurance can be given that sufficient financing will be available on commercially reasonable terms or within the timeframes required by the Company, also taking into account the need from time to time

for the Complex to undergo renovation, refurbishment or other improvements in the future. Any weakness in the capital markets and, more generally, the inability to raise the necessary financing from time to time, may limit the Company's ability to raise capital for the execution of future developments or acquisitions. Failure to obtain, or delays in obtaining, the capital required to complete future developments and acquisitions on commercially reasonable terms, including increases in borrowing costs or decreases in loan availability, may limit the Company's growth and materially and adversely affect its business, financial condition, results of operations and prospects.

3.2.7 FUTURE INDEBTEDNESS

The Company may, from time to time, require bank credit facilities to maintain the Complex, to refinance indebtedness as well as to fund future growth in terms of acquisition and developments.

There can be no assurance that the Company will have access to sufficient capital or access to capital on terms favourable to the Company for future property acquisitions, refinancing its indebtedness, financing or refinancing of properties, funding operating expenses or other purposes.

Moreover, borrowings under bank credit facilities are or may be at variable interest rates, which would render the Company vulnerable to increases in interest rates. The agreements regulating the Company's bank debt may impose, and are likely to impose, significant operating restrictions and financial covenants on the Company. These restrictions and covenants could limit the Company's ability to obtain future financing, make capital expenditure, withstand a future downturn in business or economic conditions generally or otherwise inhibit the ability to conduct necessary corporate activities.

3.2.8 KEY SENIOR PERSONNEL AND MANAGEMENT

The operations and profitability of the Company are dependent on the management support services provided by Embassy Management Limited to the Company in terms of a management support services agreement. Should either party terminate the management support services agreement prior to the expiry of its term, or, should Embassy Management Limited decide not to renew the agreement following the lapse of the term thereof, the Company would need to seek a new management support services provider or individuals to occupy the executive management roles of the Company. The Company may be unable to replace the services provided by Embassy Management Limited within the short term. This could have a material adverse effect on the Company's business and results of its operations.

3.2.9 THE COMPANY'S INSURANCE POLICIES

The Company maintains insurance at levels determined by the Company to be appropriate in light of the cost of cover and the risk profile of the business in which the Company operates. With respect to losses for which the Company is covered by its policies, it may be difficult and may take time to recover such losses from insurers.

In addition, the Company may not be able to recover the full loss incurred from the insurer. No assurance can be given that the Company's current insurance coverage would be sufficient to cover all potential losses, regardless of the cause, nor can any assurance be given that an appropriate coverage would always be available at acceptable commercial rates.

3.2.10 RISKS RELATIVE TO CHANGES IN LAWS

Various aspects of the Company's business are subject to specific laws and regulation including consumer laws and licensing requirements. The business of the Company is also subject to laws and regulations of general application such as taxation, health and safety and employment. The timing and effects of changes in the laws and regulations to which the Company is subject, including changes in the interpretation thereof, cannot be predicted and could have an adverse effect on the business, financial condition and profitability of the Company.

3.2.11 COMPANY'S SOLVENCY

In light of the fact that this Prospectus relates to an offer of equity securities, it is pertinent to highlight to prospective investors that the Company's current and future shareholders will assume the risk of the Company's solvency. The ownership of equity entails that in the case of insolvency of the Company, the shareholders may suffer direct and materially adverse consequences, including loss of part or all of their entire investment.

3.2.12 REPUTATIONAL RISK

Reputational risk is the risk that negative publicity regarding the Company's business practices, whether true or not, may cause a decline in the customer base, costly litigation, or revenue reductions. Reputational risk could be particularly damaging for the Company since the nature of its business requires maintaining the confidence of clients and of the general marketplace.

3.2.13 HEALTH AND SAFETY

The nature of the Company'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 Company to third party claims which could in turn have a material adverse effect on its business and profitability.

3.2.14 LITIGATION RISK

The Company is susceptible to legal claims, with or without merit, by Concessionaires and/or patrons of the Complex. 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 Company's future cash flow, results of operations or financial condition.

3.3 RISKS RELATING TO THE COMMERCIAL PROPERTY MARKET

3.3.1 COMPETITIVENESS IN THE COMMERCIAL PROPERTY MARKET

The real estate market in Malta is very competitive in nature. An increase in supply and/or a reduction in demand in the commercial property segments in which the Company targets to grant Concessions, may cause the Concessions to be granted at lower rates than is being anticipated by the Company or may cause the concession of the Main Street Complex spaces to take place at a slower pace than that anticipated by the Company. If these risks were to materialise, they could have an adverse impact on the Company and its ability to distribute dividends.

3.3.2 MATERIAL RISKS RELATING TO THE POTENTIAL FUTURE DEVELOPMENT OF REAL ESTATE

The Company may from time to time develop Main Street Complex further or develop other properties it may acquire. Risks relating to real estate development may affect the economic performance and value of the property under development. There are a number of factors that commonly affect the real estate development industry, many of which are beyond the Company's control, and which could adversely affect the economic performance and value of the Company's real estate property and any developments that the Company may seek to implement. Such factors include:

- changes in general economic conditions in Malta;
- general industry trends, including the cyclical nature of the real estate market;
- 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;
- possible structural and environmental problems
- liabilities to which the Company may be exposed to in connection with the construction of real estate including but not limited to, environmental liabilities, health and safety liabilities and liabilities pertaining to the disposal of waste products;
- acts of nature, such as earthquakes and floods, that may damage the property or delay its development;
- increased competition in the market segment in which the Company is undertaking the real estate development may lead to an oversupply of commercial properties in such markets, which could lead to a lowering of concession payments and a corresponding reduction in revenue of the Company from Main Street Complex;
- the incurrence of cost overruns;
- delays in the processing of permits for the development and construction of real estate property; and
- the dependence of the Company on third party contractors and the availability of same to carry out construction and structural works at the times scheduled by, and costs agreed with, the Company.

In the event of real estate developments being carried out by the Company, any of the factors described above could have an adverse effect on the Company's business, its respective financial condition and prospects and accordingly on the ability of the Company to distribute dividends.

3.3.3 EXPOSURE TO ENVIRONMENTAL LIABILITIES

The Company may become liable for the costs of removal, investigation or remediation of any hazardous or toxic substances that may be located on or in, or which may have migrated from, a property owned or occupied by it, which costs may be substantial. The Company may also be required to remove or remediate any hazardous substances that it causes or knowingly permits at any property that it owns or may in future own. Laws and regulations, which may be amended over time, may also impose liability for the presence of certain materials or substances or the release of certain materials or substances into the air, land or water or the migration of certain materials or substances from a real estate investment, and such presence, release or migration could form the basis for liability to third parties for personal injury or other damages. These environmental liabilities, if realised, could have a material adverse effect on its business, financial condition and results of operations.

3.3.4 RISKS INHERENT IN PROPERTY VALUATIONS

In providing a market value of the Complex, the independent architects engaged by the Company for this purpose have made certain assumptions which ultimately may cause the actual values to be materially different from any future values that may be expressed or implied by such forward-looking statements or anticipated on the basis of historical trends, as reality may not match the assumptions. There can be no assurance that such valuation of the Complex will reflect actual market values.

4 PERSONS RESPONSIBLE

The Directors of the Company, whose names appear in section 15.1 under the sub-heading “*Administrative, Management and Supervisory Bodies and Senior Management*”, 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.

5 ADVISERS AND STATUTORY AUDITORS

5.1 ADVISERS

LEGAL COUNSEL

Name: Camilleri Preziosi
Address: Level 3, Valletta Buildings,
South Street, Valletta
VLT 1103, Malta.

SPONSOR, MANAGER & REGISTRAR

Name: Rizzo, Farrugia & Co. (Stockbrokers) Ltd.
Address: Airways House, Fourth Floor,
High Street,
Sliema SLM 1551, Malta.

5.2 STATUTORY AUDITORS

Name: PricewaterhouseCoopers
Address: 78, Mill Street,
Qormi QRM 3101, Malta.

PricewaterhouseCoopers (PwC) is a firm registered as a partnership of certified public accountants holding a practising certificate to act as auditors in terms of the Accountancy Profession Act (Cap. 281 of the laws of Malta).

6 PRESENTATION OF FINANCIAL INFORMATION

The Company's financial statements for the three financial years ended 31 December 2015, 2016 and 2017 are available for inspection at the Company's registered office and on the Company's website www.mainstreetcomplex.com. These financial statements have been drawn up in accordance with International Financial Reporting Standards ("IFRS") as adopted by the EU. The financial statements have been audited by PricewaterhouseCoopers and the auditor's report thereon comprises an unqualified audit opinion.

There has been no significant change in the Company's financial or trading position since 31 December 2017, the date at which financial statements were last drawn up.

Extracts from the audited financial statements of the Company for the three financial years ended 31 December 2015, 2016 and 2017 are set out below.

6.1 SUMMARY OF STATEMENTS OF COMPREHENSIVE INCOME

Statements of Comprehensive Income For the year ended 31 December

	2015 Audited €'000	2016 Audited €'000	2017 Audited €'000
Revenue	689	717	734
Operating expenses	(58)	(76)	(82)
Depreciation	(119)	(116)	(89)
Administrative expenses	(157)	(46)	(37)
Operating profit	355	479	526
Finance costs	(136)	(121)	(112)
Finance income	1	1	2
Profit before tax	220	359	416
Tax expense	(105)	(154)	(86)
Profit after tax	115	205	330
Other comprehensive income			
Revaluation of land and buildings			
Surplus arising on revaluation of land and buildings	15	3,736	1,089
Movement in deferred tax	175	(366)	(101)
Total other comprehensive income	190	3,370	988
Total comprehensive income	305	3,575	1,318
Earnings per share (euro)*	0.008	0.015	0.023

*Profit for the year/weighted average number of shares outstanding

The presentation of the earnings per share and the weighted average number of ordinary shares in issue during each financial year on which the earnings per share is based have been adjusted retrospectively to reflect the redenomination of the Company's share capital from a nominal value of €1 per share to a nominal value of €0.10 per share, and the bonus share issue of 198,980 shares of €0.10 per share, both of which occurred subsequent to 31 December 2017.

6.2 SUMMARY OF STATEMENTS OF FINANCIAL POSITION

Statements of Financial Position As at 31 December

	2015 Audited €'000	2016 Audited €'000	2017 Audited €'000
ASSETS			
Non-current assets			
Property, plant and equipment	8,381	12,000	13,000
Current assets			
Trade and other receivables	394	346	421
Cash and cash equivalents	50	58	18
Total current assets	444	404	439
Total assets	8,825	12,404	13,439
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	1,395	1,395	1,395
Revaluation reserve	1,456	4,827	5,815
Retained earnings	295	500	830
Total equity	3,146	6,722	8,040
Non-current liabilities			
Deferred tax liability	821	1,183	1,284
Trade and other payables	745	751	781
Borrowings	3,387	3,036	2,686
Total non-current liabilities	4,953	4,970	4,751
Current liabilities			
Borrowings	351	351	350
Trade and other payables	309	294	281
Current tax liabilities	66	67	17
Total current liabilities	726	712	648
Total liabilities	5,679	5,682	5,399
Total equity and liabilities	8,825	12,404	13,439

6.3 SUMMARY OF STATEMENTS OF CASH FLOWS

Statements of Cash Flows For the year ended 31 December

	2015 Audited €'000	2016 Audited €'000	2017 Audited €'000
Cash flows from operating activities			
Cash generated from operations	499	655	531
Interest paid	(136)	(121)	(112)
Interest received	1	1	2
Tax paid	(113)	(156)	(136)
Net cash generated from operating activities	251	379	285
Cash flows from investing activities			
Cash refund in respect of over payment of property, plant and equipment	14	-	-
Net cash generated from investing activities	14	-	-
Cash flows from financing activities			
Decrease in bank borrowings	(351)	(351)	(351)
Movement in related party balances	91	(20)	26
Net cash used in financing activities	(260)	(371)	(325)
Net movement in cash and cash equivalents	5	8	(40)
Cash and cash equivalents at beginning of year	45	50	58
Cash and cash equivalents at end of year	50	58	18

The financial performance and financial position for the financial years ended 31 December 2015 to 31 December 2017 are analysed in section 12 of this Registration Document *“Operating and Financial Review”*.

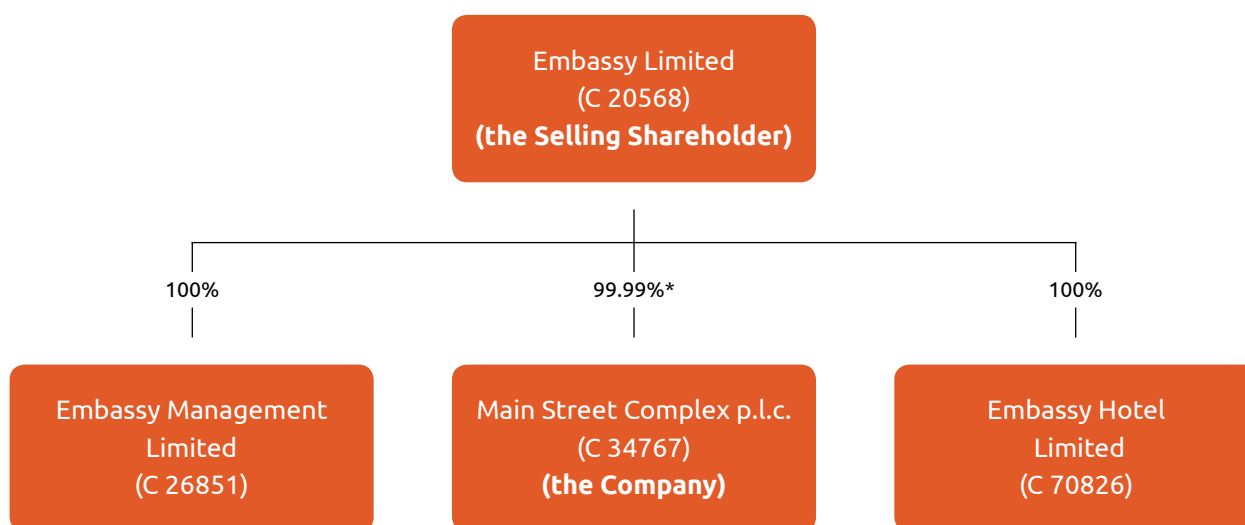
The financial information displayed throughout the Registration Document may be subject to rounding differences.

7 INFORMATION ABOUT THE COMPANY

Legal & commercial name of Company:	Main Street Complex p.l.c.
Registered address:	Main Street Complex, Antoine De Paule Square, Paola, Malta
Mailing address:	“Embassy Complex”, St. Lucia Street, Valletta, Malta
Place of domicile & registration:	Malta
Registration number:	C 34767
Telephone number (management):	+356 21227436
Email:	info@mainstreetcomplex.com
Website:	www.mainstreetcomplex.com
Date of Registration:	2 November 2004
Status:	Public limited liability company registered in terms of the Act.

8 ORGANISATIONAL STRUCTURE

The organisational structure of the Company as at the date of the Prospectus is illustrated in the diagram below:



** The Selling Shareholder owns the entire issued share capital of the Company save for two ordinary shares in the Company which are held, as to one ordinary share each, by Gasan Enterprises Limited (C 467) and Marea Investments Limited (C 44997).*

As at the date of this Prospectus, the Company forms part of a group of companies: the Company's parent company (the Selling Shareholder) owns the entire issued share capital in Embassy Management Limited (C 26851) and Embassy Hotel Limited (C 70826), which was incorporated to manage and operate one or more hotels and/or restaurants, guest houses, recreational tourist and pleasure resorts and other accommodation, but which since its registration in May 2015 has not undertaken any significant trading.

Following the Admission of the Company's Shares and the completion of the Offers, the Company will no longer be a subsidiary of the Selling Shareholder, and will cease to form part of the said group of companies. The Company is not dependent in any manner on any of the entities within the group of companies of which it currently forms part, save that in respect of the management of the Complex, it is pertinent to note that the Company is party to a management support services agreement with Embassy Management Limited as explained in section 10.2 below. Accordingly, until such time as such agreement remains in force the Company is, limitedly in so far as the management of the Complex is concerned, dependent on Embassy Management Limited.

The Selling Shareholder and the Company are both limited liability companies registered in Malta. Following the listing of the Company's issued share capital and the completion of the Offers, the Selling Shareholder will retain a 34.1% shareholding in the Company and accordingly will no longer have a controlling interest in the Company, however, it will have the right to appoint two directors to the Board of the Company for so long as it retains a 34% shareholding therein.

9 INVESTMENTS

The Company did not undertake any investments for the financial years ended 31 December 2015 to 31 December 2017. The Company plans to undertake an investment of circa €50k during the financial year ending 31 December 2018, to install a solar photovoltaic system at the Complex. Such investment shall be financed from the cash generated from the Company's operations.

10 BUSINESS OVERVIEW – PRINCIPAL ACTIVITIES & MARKETS

The principal business activity of the Company is the management and operation of Main Street Complex.

10.1 HISTORY OF MAIN STREET COMPLEX

Main Street Complex opened in 2004 as a retail and entertainment complex in the heart of Paola, Malta. The Company has operated the Complex since its opening. The Company acquired the three properties constituting Main Street Complex in 2009 (properties 138, 139 and 140 on Antoine De Paule Square, Paola) from Marlex Limited (C 6322) and, in 2011, with the aim of expanding, it acquired a further two properties adjacent to the Complex (properties 141 and 142 on Antoine De Paule Square, Paola) from private individuals. The acquisition of the Complex was financed through bank facilities.

As at the date of the Prospectus, Main Street Complex has a total internal area of over 7,000 square metres and an external area of 1,000 square metres, including a terrace and a roof area. The building's main entrance is on Antoine De Paule Square and a secondary entrance allows access to the parking area from Ninu Cremona Street whilst a further two entrances on the square lead directly into two of the outlets forming part of the Complex. The Complex comprises retail, catering, services and entertainment outlets spread over five floors with an additional level utilised as a public car park for 22 vehicles and for storage.

Paola has a growing reputation as a retail and commercial centre, nowadays generally recognised as the most popular retail destination in the south of Malta, and third overall after Sliema and Valletta. Situated in a prominent location in Paola's busiest commercial area, the Directors of the Company believe that Main Street Complex will continue to grow in its prominence in light of the embellishment project of Antoine De Paule Square, which is currently underway, and is due to be completed by July 2018. The embellishment of Antoine De Paule Square will create an urban pedestrian area for the south of Malta and, in accordance with publicly available plans, will link the Malta College of Arts, Science and Technology (MCAST) (which hosts approximately 6,000 students) via a pedestrian walkway rendering Antoine De Paule Square more accessible and more attractive to this customer type.

Main Street Complex offers current retail trends at competitive prices by hosting a broad range of established international franchises and locally established brands. Furthermore, Main Street Complex boasts a large computerised Bingo Hall which attracts several hundred patrons daily, a café and restaurant and a large terrace with panoramic views of the Paola Parish Church stretching across the island. As at the end of the financial year ended 31 December 2017, occupancy levels stood at 95.6%. The Company is currently party to 19 Concession Agreements with third-parties principally operating in the retail sector, the local entertainment industry, or the catering business.

Although there are variations in the terms of each Concession Agreement concluded, in general, pursuant to each Concession Agreement, Concessionaires are granted a concession of an outlet or space for a prescribed term to carry out a permitted use (as defined in the particular Concession Agreement) against the payment of an agreed annual rate, and in some cases, a fee payable based on a percentage of the Concessionaire's turnover. Where the fee payable is based on a percentage of the Concessionaire's turnover, save in one particular case, the fee payable is typically subject to a minimum annual rent. In some cases a security deposit is payable on signing of the Concession Agreement. Most Concessionaires are also required to pay a Common Area and Building Maintenance Cost as well as a Marketing Service Cost, for the upkeep and general marketing of the Complex as a shopping and entertainment destination.

To ensure ease of communication between the Company and the various Concessionaires, a Concessionaires' Association has been created amongst Concessionaires, with the object of protecting and furthering the

interests of the Concessionaires at the Complex. Set out below are certain key obligations of the Company and the Concessionaires in terms of the Concession Agreements:

i. Marketing and Advertising

The Company has the obligation to create and implement professional marketing and advertising programs for the benefit of the Complex. An advisory committee is set up to review, comment and decide on the programs and activities of the marketing service.

ii. Completion of Works

Works for the fitting out of the premises granted on concession will be performed at the Concessionaire's sole cost whereas the common areas forming part of the Complex are at all times subject to the exclusive control and management of the Company which has the right to do whatever it deems fit in the said area including, but not limited to restructuring and altering the said area.

iii. Maintenance by the Parties

The Concessionaire must, at its sole expense, carry out ordinary expenses to the premises granted on concession as may be required from time to time and must keep the interior of the premises, the store front, and all interior and exterior doors of the premises in good order and repair. Responsibility to carry out repairs to (and where necessary replacements of parts of) the common areas is vested in the Company. In respect of the latter, the Company is in the process of replacing a lift at the Complex, at a cost of €43k.

iv. The Common Area and Building Maintenance Costs

Concessionaires are required to pay, on an annual basis, a fee for the common area and building maintenance costs, which shall also include a charge for marketing services, known as a marketing services cost. Such contribution is typically calculated in proportion to the size of the premises granted on concession. Annual routine repairs and maintenance at the Complex are recharged to Concessionaires through the Common Area and Building Maintenance Costs. The said costs include all costs and expenses incurred by the Company in connection with the common area and exterior surfaces of the buildings within the Complex and include (a) all costs incurred for installing, operating, inspecting, repairing, replacing, lighting, cleaning, heating, air conditioning, removing surface water, debris, trash and other refuse from the common area; (b) repairing and replacing surfaces of buildings within the Complex; (c) employment of personnel and consultants in connection with the common area; (d) permits and licences; (e) landscaping; (f) painting and decorating; (g) pest extermination; (h) water and electricity costs; (i) marketing of the Complex and any other cost or charge which in the Concessionaire's judgement is necessary or desirable for the common area or for the maintenance of the building. The Concessionaire retains the right to revise annual contributions with a view, inter alia, to addressing possible unforeseen increases in the cost of maintaining the Complex.

v. Insurance

In most cases, the Concessionaire must obtain, at its sole expense, a public liability insurance cover with respect to the premises and the business of the Concessionaire with cover for injury or death to any person and damage to property, whereas the Company must keep in force insurance cover for loss or damage to the Complex in an amount of full replacement value.

vi. Assignment and Sub-Concession

In most cases, the Concessionaire may not assign or permit the sub-concession of the premises without the Company's prior written approval. In terms of the Concession Agreement, a transfer from the existing shareholders or their direct descendants during the terms of the Concession Agreement of a controlling interest or of the majority of the shares in the Concessionaire is considered a prohibited transfer.

vii. Breach and Termination

The Concession Agreement sets out those instances which are considered to give rise to a material default and breach of the Concession Agreement by the Concessionaire, these being: (i) vacating or abandoning the premises; (ii) failure by the Concessionaire to make any payment of the concession fee, the Common Area and Building Maintenance Costs, the Concessionaire's share of insurance premium or any payments due to the Concessionaire's Association or any other payment due by the Concessionaire under the Concession Agreement; (iii) the failure by the Concessionaire to observe any of the covenants or provisions of the Concession Agreement; (iv) any general assignment or general arrangement for the benefit of creditors, bankruptcy or insolvency or the appointment of a liquidator for the Concessionaire. In the event of breach by the Concessionaire which persists for the period set out in the respective Concession Agreement, amongst other remedies available to the Company, the Company has the right to take back possession of the premises granted on concession.

At the expiration of the term, or at any earlier termination of the Concession, the Concessionaire must surrender the premises to the Company with all improvements.

The terms of a Concession Agreement may vary from one Concession Agreement to another. Accordingly, the list of key obligations above should be read as a list of the obligations that would typically be included in a Concession Agreement concluded with the Company. There may, however, be instances in which certain rights and obligations of the parties as listed above may be excluded altogether from, or reflected differently in, a particular Concession Agreement.

10.2 Management of Main Street Complex

Main Street Complex is managed by Embassy Management Limited, the entity responsible for the management of the "Embassy Complex", an established shopping complex which houses retail outlets, entertainment, catering establishments and a cinema in Valletta, Malta. In this respect, the Company entered into a management support services agreement dated 1 April 2018 pursuant to which Embassy Management Limited bound itself for a period of five years to provide support services to the Company for a fee and is vested, subject to compliance with any instructions from the Company, with decision-making authority in the day-to-day operation, direction, management and supervision of the Complex.

The Directors of the Company are of the view that the conclusion of the management support services agreement between the Company and Embassy Management Limited is in the best interests of the Company and its future growth. The support services to be provided by Embassy Management Limited include but are not limited to:

- i. The preparation of periodic reporting required by the Company, including but not limited for the purposes of the preparation of the accounts, reports and financial statements of the Company;
- ii. Assistance in the preparation of projections, budgets and feasibility studies;
- iii. Internal financial control services and liaison with the Company's auditors;
- iv. Allocation of office space at the manager's premises to be used by the Company to facilitate the administration of services being provided under the agreement;
- v. Upkeep of Company's records, contracts and documentation;
- vi. Negotiation of all concession agreements, including sub-concession agreements, relative to premises within the Complex, as applicable;
- vii. Dealing with tenants of the Complex on behalf of the Company;
- viii. Ensuring that the Complex is open for business during the times and days of operation, as well as special events as may be agreed beforehand between the Parties from time to time;
- ix. Co-ordinating marketing plans and supervising of all advertising, public relations and promotional policies with respect to the Complex;
- x. Negotiation and monitoring of service contracts with third party service providers;

- xi. Management and supervision of the common areas forming part of the Complex; and
- xii. Monitoring of performance of the operations of the Complex.

Pursuant to the management support services agreement, Embassy Management Limited may not terminate its obligations thereunder until the expiration of the five-year term, save in the express cases specified in the agreement such as repeated non-payment of the management fee and/or any performance bonus due to Embassy Management Limited, and/or insolvency of the Company. Conversely, the Company may terminate the management support services agreement at its discretion on giving six months' notice.

10.3 COMPETITIVE STRENGTHS

The main competitive strengths of Main Street Complex are, in the view of the Directors, the following:

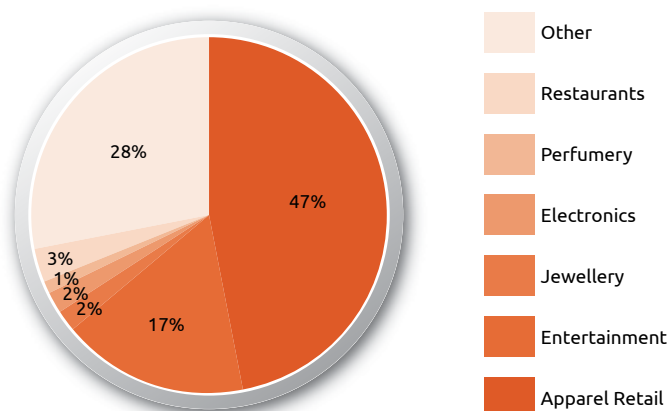
- Main Street Complex is strategically located in Antoine De Paule Square Paola, the leading commercial centre in the south of Malta. The Complex is located in the heart of the main square of Paola surrounded by other commercial entities which provide essential services and a varied retail offering;
- Main Street Complex is easily accessible to residents, students and visitors of the south of Malta. For residents of the south of Malta and tourists visiting historical sites in the south of Malta and who are desirous of taking a short break in the city of Paola, there are direct bus routes to Antoine de Paule Square. The Complex is also a short walk from MCAST, making it a popular destination for the circa 6,000 students who frequent the college;
- Main Street Complex is the largest shopping mall in the south of the island boasting a wide range of international and local brands. The retail and entertainment mix at Main Street Complex attracts customers of various age groups;
- Since opening, Main Street Complex has built a healthy reputation among its regional customer base. The average footfall over the past few years has been approximately 800,000 annually;
- The Complex has parking facilities accessible from Ninu Cremona Street with direct access from two lifts and a staircase into the Complex;
- In the near future, Main Street Complex will enjoy a large public open space with an attractive urban garden directly in front of its main entrance with regeneration works to the square currently due to be completed in July 2018.

10.4 CONCESSION INCOME GENERATED BY THE COMPANY

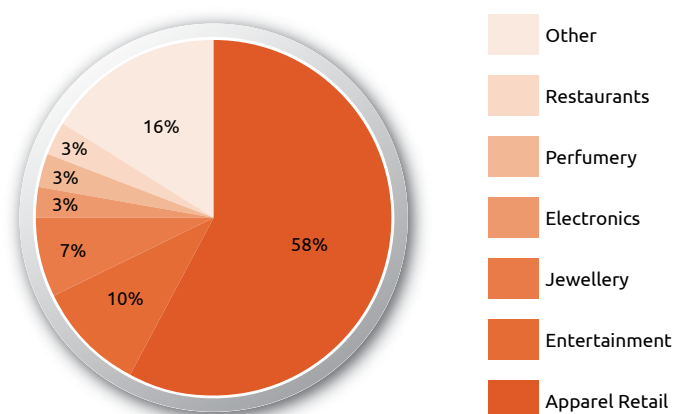
The Company generated concession income of €0.7 million in 2017. The occupancy level as at 31 December 2017 stood at 95.6%, with only one area of 173 square metres being vacant as at this date.

The charts below provide an analysis of the concession income and concession areas based on the activity of the Concessionaire:

ANALYSIS OF 2017 AVERAGE CONCESSION AREAS BY CONCESSIONAIRE'S ACTIVITY



ANALYSIS OF 2017 CONCESSION INCOME BY CONCESSIONAIRE'S ACTIVITY



The analysis above indicates that approximately 68% of total concession income generated in 2017 related to Concessionaires involved in apparel retail and entertainment activities. During 2017, these Concessionaires occupied circa 64% of the area at the Complex.

The Company's income is supported by Concession Agreements, most of which are long-term and are based on an agreed annual rate. Three of the Concession Agreements are based on a percentage of the Concessionaires' turnover, two of which are subject to a minimum annual rent. Concession income based on a percentage of Concessionaires' turnover accounted for circa 18% of concession income derived in 2017.

Footfall at the Complex has been fairly consistent over the last couple of years with an average of 67,500 per month. In 2017, average monthly footfall declined to approximately 62,000 per month (equivalent to a reduction of approximately 8% from that recorded in the period from 2015-16 levels). The Board of Directors of the Company believes that the decrease in footfall is directly related to the construction works currently being carried out in the main square at Paola opposite the Complex. Following completion of these improvement works (scheduled for July 2018), the visibility of the Complex is expected to increase, and higher footfall figures are expected at the Complex.

11 PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTY

The principal property asset owned by the Company is the Main Street Complex. The immovable property is subject to an annual and perpetual annuity of €197.57 and to an annual and perpetual sub-ground rent of €485.37.

The Company financed the acquisition and development of the immovable properties forming part of the Main Street Complex through bank financing. In this respect, HSBC Bank Malta p.l.c. made the Existing Debt Facilities available to the Company. For the purpose of securing amounts outstanding under the Existing Debt Facilities, the Company constituted the following security interests in favour of HSBC Bank Malta p.l.c.:

- i. a first general hypothec over all its assets, both present and future, for the amount of €5,157,571;
- ii. a first special hypothec over the extension to the Main Street Complex (made up of two adjacent houses numbered 141 and 142) for the amount of €1.5 million;
- iii. a special privilege for the amount of €1.5 million over the Main Street Complex (including the extension made up of two adjacent houses numbered 141 and 142);

- iv. a first special hypothec for €5,157,571 over the Main Street Complex (specifically the houses numbered 138, 139 and 140); and
- v. a special privilege for €3,657,000 over the Main Street Complex (specifically premises 138, 139 and 140).

The security interests listed above are registered in the Public Registry with hypothec inscription numbers: H 345/ 2012 and I 11014/ 2011.

As at the 31 December 2017, the amount of €3.0 million is outstanding by the Company, representing capital and interest under the Existing Debt Facilities. The Company shall pay all amounts outstanding under the Existing Debt Facilities from the proceeds of the New Shares Offer, and accordingly all the above-mentioned security interests shall be terminated and cancelled upon full discharge of all debt outstanding under the Existing Debt Facilities.

On the 28 March 2018, the Company subscribed to a bank overdraft facility of up to €0.3 million, from HSBC Bank Malta p.l.c. As security for the obligations of the Company under the facility, in addition to a pledge over its combined business policy, the following security interests were constituted in favour of HSBC Bank Malta p.l.c.:

- i. a general hypothec over all the assets of the Company, both present and future, for the amount of €300,000; and
- ii. a special hypothec for €300,000 over the Complex.

Further information on the Existing Debt Facilities is contained in section 12 (*“Operating and Financial Review”*).

12 OPERATING AND FINANCIAL REVIEW

The table below sets out the financial performance of the Company over the period from 1 January 2015 to 31 December 2017 and summarises the key operating parameters for the same period:

Statements of Comprehensive Income For the year ended 31 December

	2015 Audited €'000	2016 Audited €'000	2017 Audited €'000
Revenue	689	717	734
Operating expenses	(58)	(76)	(82)
Depreciation	(119)	(116)	(89)
Administrative expenses	(157)	(46)	(37)
Operating profit	355	479	526
Finance costs	(136)	(121)	(112)
Finance income	1	1	2
Profit before tax	220	359	416
Tax expense	(105)	(154)	(86)
Profit after tax	115	205	330
Other comprehensive income			
Revaluation of land and buildings			
Surplus arising on revaluation of land and buildings	15	3,736	1,089
Movement in deferred tax	175	(366)	(101)
Total other comprehensive income	190	3,370	988
Total comprehensive income	305	3,575	1,318
Earnings per share (euro)*/**	0.008	0.015	0.023

Operating parameters

Rentable area (internal area, in sqm)	3,983	3,983	3,983
Average annual occupancy %	89.0%	99.5%	98.5%
Average annual concession rate (exc CAM)	€178	€162	€166
Average monthly footfall	67,838	67,191	62,000

*Profit for the year/ weighted average number of shares outstanding

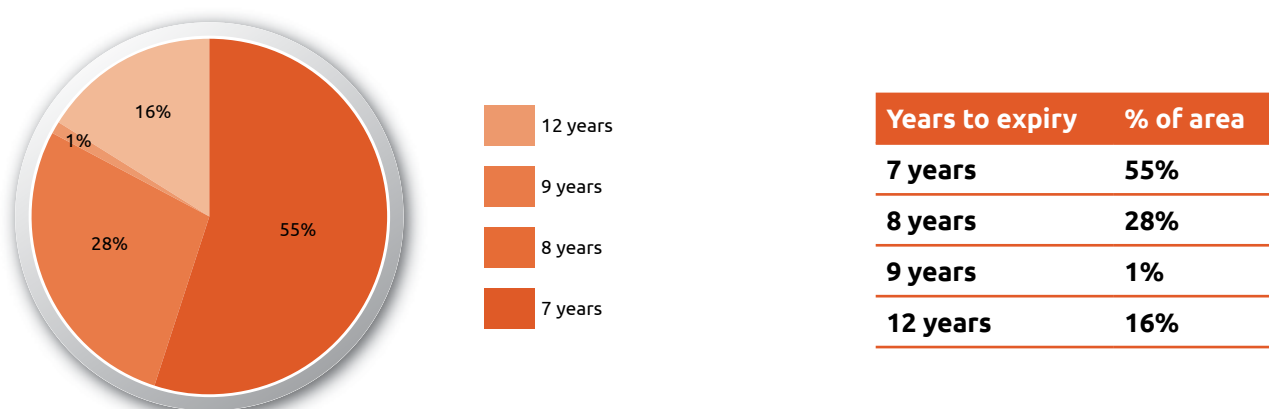
**Based on redenominated share capital of €0.10 per share and following the bonus share issue of 198,980 shares

Concession income generated by the Company increased from €689k in 2015 to €734k in 2017 (equivalent to an increase of 7% over the period), with the average annual occupancy of the Complex increasing from 89% in 2015 to 98.5% in 2017.

The average annual concession rate (excluding Common Area and Building Maintenance Cost recharges) reduced from €178 per square metre per annum in 2015 to €162 per square metre per annum in 2016 as the Complex increased its average occupancy levels (from 89% to 99.5%) by leasing the remaining vacant area at a lower average rate. Average occupancy remained substantially unchanged in 2017, with the average annual concession rate increasing to €166 per square metre per annum.

The Concession Agreements stipulate annual increases ranging between 2% per annum to 4% per annum, with the average annual increment working out at circa 2.5% per annum.

The steady growth in concession income highlights the limited churn (i.e. the change in Concessionaires at the Complex) over the period in view of the long-term Concession Agreements in place with Concessionaires. In fact, more than half of the area in the Complex is currently subject to Concession Agreements for a term of seven years, with the remaining area subject to longer concession terms as set out below:



The Company's policy is to recharge Common Area and Building Maintenance costs to its Concessionaires as a separate charge. However, certain Concession Agreements provide that the annual rate payable in respect thereof includes CAM costs. The operating expenses, averaging at €72k per annum over the period 2015 to 2017, relate to CAM costs not recovered directly by the Company through CAM recharges.

Administrative expenses, amounting to €46k in 2016 and €37k in 2017, include a management fee of €30k to Embassy Management Limited, a related party, in respect of management services required to sustain the operations of the Complex. Administrative costs of €0.2 million in 2015 include an additional one-off management charge from Embassy Management Limited of €0.12 million.

Overall, the Company's profit after tax increased from €0.1 million in 2015 to €0.3 million in 2017 in view of: (i) the increase in the Company's operating profit from €0.4 million in 2015 to €0.5 million in 2017; and (ii) the decrease in net interest costs incurred to service the Company's bank borrowings, which decreased from €135k in 2015 to €110k in 2017 in line with the capital repayments effected by the Company over the period. In line with the increase in profit after tax, the Company's Earnings per Share ('EPS') increased from €0.008 per share in 2015 to €0.023 per share in 2017.

The value of the Complex on the Company's books as at 31 December 2017 was revalued to €13.0 million on the basis of an independent valuation report by a qualified valuer having the necessary experience in the location and segments of the property being valued. The revaluation in 2017 resulted in a fair value gain of €1 million (after deferred tax) recognised as other comprehensive income in 2017 and credited to the revaluation reserve in the shareholder's equity. Prior to this, as at 31 December 2016, the Company had also recognised other comprehensive income of €3.4 million (after deferred tax) relating to a fair value gain on the revaluation of the Complex to €12.0 million on the basis of the Directors' assessment of the value of the Complex as at that date after seeking professional advice from independent valuers.

The table below sets out the financial position of the Company as at the financial years ending 31 December 2015, 2016, and 2017:

Statements of Financial Position
As at 31 December

	2015 Audited €'000	2016 Audited €'000	2017 Audited €'000
ASSETS			
Non-current assets			
Property, plant and equipment	8,381	12,000	13,000
Current assets			
Trade and other receivables	394	346	421
Cash and cash equivalents	50	58	18
Total current assets	444	404	439
Total assets	8,825	12,404	13,439
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	1,395	1,395	1,395
Revaluation reserve	1,456	4,827	5,815
Retained earnings	295	500	830
Total equity	3,146	6,722	8,040
Non-current liabilities			
Deferred tax liability	821	1,183	1,284
Trade and other payables	745	751	781
Borrowings	3,387	3,036	2,686
Total non-current liabilities	4,953	4,970	4,751
Current liabilities			
Borrowings	351	351	350
Trade and other payables	309	294	281
Current tax liabilities	66	67	17
Total current liabilities	726	712	648
Total liabilities	5,679	5,682	5,399
Total equity and liabilities	8,825	12,404	13,439

The Company's total assets as at 31 December 2017 amount to €13.4 million and comprise:

- i. The carrying amount of the Complex of €13.0 million, based on the independent valuer's assessment carried out as at 31 December 2017, adjusted for additions and accumulated depreciation since this date;
- ii. Trade and other receivables of €0.4 million, comprising amounts due from Concessionaires of €271k, an amount of €104k receivable from Embassy Limited, and other receivables and prepayments of €47k; and
- iii. Cash balances of €18k.

The assets of the Company are funded through a combination of shareholder's equity and debt. As at 31 December 2017, shareholder's equity amounts to €8.0 million, which comprises: (i) share capital of €1.4 million; (ii) accumulated undistributed profits of €0.8 million; and (iii) the increase in the fair value of the Complex of €5.8 million since acquisition recognised in the Company's Revaluation Reserve.

Bank borrowings as at 31 December 2017 amount to €3.0 million. These were drawn down to refinance the original bank facility obtained from Lombard Bank Malta p.l.c. to acquire the Complex and, subsequently, to acquire, develop and finish the property adjacent to the Complex acquired in 2011.

Other liabilities as at 31 December 2017 include: (i) a deferred tax liability of €1.3 million in connection with the revaluation in fair value of the Complex since acquisition; (ii) a non-current balance of €0.8 million due to related parties relating to the amounts due to Embassy Management Limited in respect of management services provided by this related party over the years; and (iii) trade and other payables of €0.3 million comprising amounts relating to rental income received in advance and security deposits obtained from Concessionaires.

There has been no significant change in the financial or trading position of the Company since the end of the last financial period.

13 CAPITAL RESOURCES

The Company's capitalisation and net indebtedness is summarised below:

Capitalisation and net indebtedness

As at 31 December

	2015 Audited €'000	2016 Audited €'000	2017 Audited €'000
Net indebtedness	4,414	4,095	3,676
Deferred taxation	821	1,183	1,284
Shareholder's funds	3,146	6,722	8,040
Total capital employed	8,381	12,000	13,000
Net indebtedness as a proportion of total capital employed	52.7%	34.1%	28.3%
Cash and cash equivalents	(50)	(58)	(18)
Non-current liabilities			
Secured bank borrowings	3,387	3,036	2,686
Amounts owed to related parties (unsecured)	745	751	781
Subtotal	4,132	3,787	3,467
Current liabilities			
Trade and other payables (unsecured)	294	284	265
Amounts owed to related parties (unsecured)	15	10	16
Secured bank borrowings	351	351	350
Current tax (unsecured)	66	67	17
Subtotal	726	712	648
Current assets			
Trade and other receivables (unsecured)	(388)	(320)	(314)
Trade and other receivables (interest bearing)	(6)	(20)	(3)
Amounts due from related parties (unsecured)	-	(6)	(104)
Subtotal	(394)	(346)	(421)
Net working capital liability	332	366	227
Net indebtedness	4,414	4,095	3,676
Interest cover (x) (Operating profit / Finance costs)	2.6x	4.0x	4.7x

The weighted effective interest rates at the end of the reporting period were as follows:

Amounts owed to related parties	0.0%	0.0%	0.0%
Bank loans	3.4%	3.4%	3.4%
Trade and other receivables (interest bearing)	8.0%	8.0%	n/a

The Company's net indebtedness as at 31 December 2017 amounted to €3.7 million and included:

- a. Bank borrowings with HSBC Bank Malta p.l.c. amounting to €3.0 million (current portion of €350k and non-current portion of €2.7 million) comprising: (i) an outstanding loan balance of €2.0 million originally obtained to refinance a term loan facility obtained from Lombard Bank Malta p.l.c. to acquire the Complex; and (ii) an outstanding loan balance of €1 million to acquire, develop and finish the property adjacent to the Complex. These facilities are repayable by June 2026 and December 2026 respectively. Further information on the Existing Debt Facilities is contained in section 11 (*"Property, Plant and Equipment and Investment Property"*).
- b. The Company's working capital, mainly comprises the net impact of trade and other receivables together with trade and other payables. Current trade and other payables comprises: (i) amounts relating to concession income received in advance; and (ii) security deposits. Current assets include an amount of €50k receivable from related parties on account of concessions held and operated by related parties at the Complex;
- c. The non-current balance of €0.8 million due to related parties relates to amounts due to Embassy Management Ltd in respect of the management services provided by this related party over the years. Part of the proceeds from the New Shares Offer will be applied to settle this related party balance in full; and
- d. Cash balances of €18k as at 31 December 2017.

Net indebtedness as a proportion of total capital employed as at 31 December 2017 (which represents the carrying amount of the Main Street Complex in the books of the Company) was equivalent to 28.3%, decreasing from 52.7% as at 31 December 2015 in view of the Company's annual capital repayments on its bank borrowings and the increase in the fair value of the Complex over the period. Similarly, the Company's interest cover (calculated as operating profit divided by finance costs) has increased from 2.6x in 2015 to 4.7x in 2017.

The Company's cash flows during the three-year period ended 31 December 2015, 2016 and 2017 are analysed below:

Statements of Cash Flows

For the year ended 31 December

	2015 Audited €'000	2016 Audited €'000	2017 Audited €'000
Cash flows from operating activities			
Cash generated from operations	499	655	531
Interest paid	(136)	(121)	(112)
Interest received	1	1	2
Tax paid	(113)	(156)	(136)
Net cash generated from operating activities	251	379	285
Cash flows from investing activities			
Cash refund in respect of over payment of property, plant and equipment	14	-	-
Net cash generated from investing activities	14	-	-
Cash flows from financing activities			
Decrease in bank borrowings	(351)	(351)	(351)
Movement in related party balances	91	(20)	26
Net cash used in financing activities	(260)	(371)	(325)
Net movement in cash and cash equivalents	5	8	(40)
Cash and cash equivalents at beginning of year	45	50	58
Cash and cash equivalents at end of year	50	58	18

Net cash generated from operating activities, as set out in the table above, reflects the net result of the cash inflows from the Concession Agreements with the Concessionaires less operating costs, interest paid on borrowings, and tax payments.

During the three-year period ending 31 December 2017, the Company generated net cash from operations totalling €0.9 million (after tax and interest payments), which have been applied primarily towards capital repayments in connection with the Company's Existing Debt Facilities, with total repayments of €1.1 million between 2015 and 2017 being made towards the said bank facilities.

14 TREND INFORMATION, INCLUDING THE COMPANY'S PROJECTIONS

ANALYSIS OF CURRENT TRENDS IMPACTING THE BUSINESS OF THE COMPANY

RENEWALS OF TENANTS

Approximately 45% of all current Concessionaires, constituting 55% of the total original retail area, have been Concessionaires from the commencement of the Company's operations in 2004. 35% of present Concessionaires joined the Complex over the last 10 years while the wing of the Complex which was acquired in 2011 and renovated by 2012 has been continuously fully occupied since its launch in 2012.

Annual footfall in recent years up to 2016 fluctuated between 800,000 and 815,000. A drop of circa 8%, which the Board attributes to regeneration works of the square in the immediate area outside the Complex, was recorded during 2017.

The total income for the Company increased by 8.4% from 2014 to 2017 whereas operating costs remained stable, reducing slightly over this period.

The Directors consider that the Company is generally subject to the normal business risks associated with the local macro-economic conditions in general 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 its upcoming prospects, at least in the short-term.

THE COMPANY'S PROJECTED FINANCIAL INFORMATION

The expectations of the Directors with respect to the future operations of the Complex for the financial years ending 31 December 2018 and 31 December 2019 are presented in the Projected Financial Information summarised below. The Projected Financial Information, their basis of preparation and the key underlying assumptions are set out in detail in Annex II of this Registration Document, which must be read in conjunction with the Accountant's Report thereon set out in Annex III.

The Projected Financial Information is based on the Company's use of proceeds from the New Shares Offer, part of which will be used to settle: (i) the outstanding bank loans, which amount to €3.0 million as at 31 December 2017; and (ii) amounts due to Embassy Management Limited of €0.8 million in respect of management fees as at 31 December 2017. Nonetheless, the Company was granted a new bank overdraft facility with a reputable credit institution of €0.3 million to finance its working capital requirements.

The Company's business prospects predominantly revolve around the ability of the Concessionaires to service their obligations towards the Company in a timely manner. The annual amounts receivable are, in the majority, quantifiable and provide the Company with a visible and stable income stream, which is contracted to increase over time.

In view that the Company's income is derived from long-term Concession Agreements with third parties, and considering that, as at 31 December 2017, only 4% (or 173 square metres) of the Complex is unoccupied, the Directors do not consider the Company to be unduly exposed, at least in the short-term, to operating and economic uncertainties in the commercial real estate market that are outside the influence of the Directors.

In the absence of any adverse changes in the country's economic environment, the Company anticipates growth in concession income, which is expected to be translated into additional profits over the two-year financial period ending 31 December 2019.

The Company's projected Income Statements for the 2-year financial period ending 31 December 2019 are summarised below:

Projected Income Statements For the year ended 31 December	2017 Audited €'000	2018 Projected €'000	2019 Projected €'000
Revenue	734	752	831
Operating expenses	(82)	(90)	(94)
Other income	-	23	32
Depreciation	(89)	(93)	(94)
Administrative expenses	(37)	(99)	(118)
Operating profit	526	493	557
Finance Income	2	-	-
Finance costs	(112)	(50)	(5)
Profit before tax	416	443	552
Tax expense	(86)	(122)	(130)
Profit after tax	330	321	422
Earnings per share (euro)*/**	0.023	0.018	0.022
Operating parameters			
Rentable area (internal area, in sqm)	3,983	3,983	3,983
Average annual occupancy %	98.5%	97.8%	100.0%
Average annual concession rate (exc CAM)	€166	€170	€187

*Profit for the year/ weighted average number of shares outstanding

**Based on redenominated share capital of €0.10 per share, following bonus share issue of 198,980 shares, and following New Shares Offer

Set out below are the factors which the Directors can influence and which underlie the prospective financial information, unless otherwise stated.

Concession income

The Company's concession income has been projected by taking into consideration:

1. The Concession Agreements currently in place with existing Concessionaires, including: annual increments (which stipulate increase in rates ranging between 2% per annum to 4% per annum, with

the average annual increment working out at circa 2.5% per annum) and the term to expiry of existing Concession Agreements; and

2. Expectations relating to leasing of existing unoccupied space (which as at 31 December 2017 amounts to 173 square metres, equivalent to 4% of the Complex's area) and concession renewals within the projected period (relating to 73 square metres, equivalent to 2% of the Complex's area).

On this basis, the Company's concession income is projected to increase from €734k in 2017 to €831k by 2019, equivalent to an increase of 13% over the period. Concession income based on a percentage of Concessionaires' turnover accounts for 18% of concession income in 2018 and 2019. Occupancy is projected to increase from 98.5% as at 31 December 2017 to reach 100% average occupancy in 2019, as vacant space is expected to be granted on concession during 2018.

Other income

Other income will flow to the Company from the underlying 22-vehicle car park, and the solar photovoltaic system expected to be installed at the Complex during 2018.

Operating and administrative expenses

Operating expenses, representing CAM costs recovered through concession income rather than through separate CAM recharges to Concessionaires, are at a stable level and, save for the impact of unforeseen or exceptional events that are outside the influence of the Directors, are not expected to change materially in the future except for the impact of inflation. Operating expenses include provisions for future maintenance and replacement costs which will need to be incurred to ensure consistent and high levels of upkeep at Complex. Nonetheless, these CAM costs are ultimately recharged to Concessionaires.

Administrative costs are projected to increase from €37k in 2017 to €118k in 2019 on account of the costs that the Company is likely to incur in fulfilling its obligations as a listed company. Administrative costs also include management fees recharged from Embassy Management Limited, a related party, in respect of management services required to sustain the operations of the Complex. The services provided by Embassy Management Limited and the respective management fees are regulated through a management support services agreement signed on 1 April 2018. Management fees are projected at €40k in 2018 increasing at 1.5% p.a. as stipulated in the management support services agreement.

Taxation

Current taxation is based on 15% of all concession income, and 35% of income generated from the solar photovoltaic system.

Finance costs and Profit after Tax

In line with the projected reduction in the Company's indebtedness through part of the proceeds raised through the New Shares Offer, the Company's net interest costs are projected to decrease substantially in 2018 and 2019.

As a result of the reduction in net interest costs, the profit after tax available for distribution to shareholders is expected to increase at a significantly higher pace than increases in concession income. As indicated above, concession income is projected to increase by 13% over the period 2017 to 2019, whereas, over the same period, the Company's profit after tax available for distribution is projected to increase by 28%. The reduction in indebtedness will be important to allow the Company to sustain the projected future dividend growth.

The Company's projected Statements of Financial Position as at 31 December 2018 and 31 December 2019 are summarised below:

Projected Statements of Financial Position As at 31 December	2017 Audited €'000	2018 Projected €'000	2019 Projected €'000
ASSETS			
Non-current assets			
Property, plant and equipment	13,000	13,000	12,911
Current assets			
Trade and other receivables	421	318	348
Cash and cash equivalents	18	182	309
Total current assets	439	500	657
Total assets	13,439	13,500	13,568
EQUITY AND LIABILITIES			
Equity and reserves			
Equity and reserves	8,040	11,633	11,693
Total equity	8,040	11,633	11,693
Non-current liabilities			
Deferred tax liability	1,284	1,286	1,288
Trade and other payables	781	-	-
Borrowings	2,686	-	-
Total non-current liabilities	4,751	1,286	1,288
Current liabilities			
Borrowings / Bank overdraft	350	300	300
Trade and other payables	281	264	270
Current tax liabilities	17	17	17
Total current liabilities	648	581	587
Total liabilities	5,399	1,867	1,875
Total equity and liabilities	13,439	13,500	13,568

In line with the Company's accounting policy, the carrying amount of the Complex in the Company's projected financial information is stated at its market value, less depreciation. The Complex's valuation takes into account the projected future earnings of the Complex based on current concession agreements, operating costs, and other relevant market factors. The projected financial information assumes that there will be no significant changes in the future operating conditions of the Complex and market conditions in general that have a material impact on the fair value of the Complex during the projected period.

The Company's projected Statements of Cash Flows for the two-year period ending 31 December 2019 are summarised below:

Projected Statements of Cash Flows For the year ended 31 December	2017 Audited €'000	2018 Projected €'000	2019 Projected €'000
Cash flows from operating activities			
Cash generated from operations	531	584	627
Interest paid	(112)	(50)	(5)
Interest received	2	-	-
Tax paid	(136)	(120)	(128)
Net cash generated from operating activities	285	414	494
Cash flows from investing activities			
Capital expenditure	-	(93)	(5)
Net cash used in investing activities	-	(93)	(5)
Cash flows from financing activities			
Proceeds from New Shares Offer	-	3,400	-
Dividends paid	-	(128)	(362)
Bank overdraft drawn down	-	300	-
Capital repayments	(351)	(3,036)	-
Movement in related party balances	26	(693)	-
Net cash used in financing activities	(325)	(157)	(362)
Net movement in cash and cash equivalents	(40)	164	127
Cash and cash equivalents at beginning of year	58	18	182
Cash and cash equivalents at end of year	18	182	309

Cash generated from operations in the two financial years ending 31 December 2019 is projected to amount to €0.9 million. During this period, cash outflows on new capital expenditure is expected to amount to €98k, comprising €43k invested in February 2018 to replace a lift at the Complex, and a further planned investment of €50k to install a solar photovoltaic system at the Complex in 2018. Recurring capital expenditure has been assumed at €5k in 2019.

The projected Statement of Cash Flows for 2018 also reflects the proceeds from the New Shares Offer, expected to amount to €3.4 million, which, along with cash available and the bank overdraft facility (sanctioned facility of €0.3 million as at 31 March 2018), will be applied to repay total bank borrowings of €2.9 million and to settle the amounts due to Embassy Management Limited of €0.7 million outstanding as at the date of the Offers.

PROJECTED DIVIDEND POTENTIAL

The intention of the Directors is to make the entire annual distributable profits of the Company available for distribution to its shareholders, subject to any unforeseen circumstances. The Directors believe that such a

dividend pay-out policy is sustainable in light of the fact that the Company will not have any outstanding bank loans to service, except for a bank overdraft facility of €0.3 million. Furthermore, the cash profit generated by the Company exceeds the net profit after tax by the amount of the annual depreciation less annual recurring capital expenditure. In this respect, it is expected that cash reserves set aside annually through the provision for depreciation could contribute towards any potential future investments undertaken by the Company.

The first dividend will cover the financial year ending 31 December 2018. The projected cash flow statement assumes that 40% of the expected annual dividend will be distributed as an interim dividend in or around the end of October upon the publication of the Company's six-month results drawn up to 30 June, while the remaining 60% will be distributed as a final dividend after its approval at the Company's Annual General Meeting in or around May.

The utilisation of part of the proceeds from the New Shares Offer to repay the outstanding bank balances, as highlighted above, is specifically intended to enable the Company to maximise the annual dividend pay-out to shareholders. The following projected dividend distributions, net of tax, have been provided for:

Projected dividend yield %	2018 Projected	2019 Projected
Gross dividends declared	443	552
Net dividends declared	321	422
Gross dividend yield %	3.5%	4.4%
Net dividend yield %	2.5%	3.3%

Projected dividend yields are based on the share price and may vary if the market price changes.

The Company's projections indicate that the main limiting factor in the payment of dividends in the immediate years ahead will be the availability of distributable earnings. Variations from the projected earnings and/or shifts in the value of the Complex will have a direct impact on the Company's ability to distribute the projected dividends. Although the Directors believe that the financial projections included herein have been prepared on a fair and reasonable basis, all projections are inherently subject to the risk of adverse unexpected events which may affect the Company's income streams and its profitability.

The Projected Financial Information is based on the assumption that the factors that are outside the influence of Directors will remain constant. These factors include, inter alia, no material adverse events in the market and economic conditions, no significant change in the interest rates and in the inflation rate (detailed assumptions are set out in Annex II of this Registration Document).

LONGER TERM TRENDS AND GROWTH POTENTIAL

Although the Company is not currently evaluating any potential investment opportunities, the Board of Directors does not exclude further projects and investments over the coming years should it become aware of any opportunities that fit within the strategic objectives of the Company. In pursuing such opportunities, the Board of Directors will, however, seek to ensure, as far as possible, that the Company embarks upon ventures that do not impede the dividend flows resulting from the Company's existing operations.

15 ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES AND SENIOR MANAGEMENT

15.1 THE BOARD

The Company is currently managed by a Board of Directors consisting of five members who are entrusted with the overall direction, administration and management of the Company. The majority of the Directors are independent within the meaning of the Listing Rules.

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

NAME	DESIGNATION	DATE OF APPOINTMENT
Joseph A. Gasan	Executive Director and Chairman	1 December 2009
Mario Camilleri	Executive Director	13 May 2010
Etienne Borg Cardona	Non-Executive Director	11 April 2018
Christopher Mifsud	Non-Executive Director	11 April 2018
Marlene Seychell	Non-Executive Director	11 April 2018

A full list of the past and present directorships held by the Directors for the financial period under review is contained in Annex I of the Registration Document.

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

The Company Secretary is Dr. Malcolm Falzon.

15.2 CURRICULUM VITAE OF THE DIRECTORS

Hereunder is a brief curriculum vitae of each of the current Directors:

Joseph A. Gasan (Chairman of the Board, Executive Director)

Joseph A. Gasan is the chairman of Gasan Group Limited, Gasan Mamo Insurance Limited and several companies constituting the Gasan group of companies. He is also a director of several other companies including the Company, MIDI plc, Kemmuna Limited and TumasGasan Holdings Limited.

Mr Gasan assumed the running of the family business in 1971 and in the mid-70s initiated and directed an expansion and diversification programme which resulted in the development of the Gasan group of companies to its present level of development. Under his chairmanship, the group successfully expanded its portfolio of activities, established leadership of the automotive business, captured a significant share of the insurance market, secured a strong presence in the residential and commercial property and maximised business opportunities in engineering and information and communication and technology sectors. The result has been the creation of a dynamic enterprise with the necessary human and financial resources to continue to seek fresh opportunities at home and abroad.

Mario Camilleri (Executive Director)

Over the last 15 years, Mario Camilleri has held a number of board appointments and senior management positions in the retail, property, hotel and banking sectors. Since his appointment in 2006 as general manager and later as the chief executive officer of the Bigbon group, Mr Camilleri has driven the transition of this group from a traditional family business to modern set up run by professional external executives

with the aim of focusing its business activities on the most profitable segments. He has been an active member on the board of Embassy group since 2008 and for the most of a seven-year term up to 2015 served as an alternate director on the Peninsula Holdings group, owners of the Westin Dragonara Hotel & Resort. Given his banking background, Mr Camilleri specialises in the planning and raising of finance and funding requirements to support growth strategies, including treasury and financial management and the overseeing and implementation of business plans within organisations.

Prior to joining the Bigbon Group, Mr Camilleri spent 19 years at Bank of Valletta. His banking experience progressed from retail banking to international trade finance and a final nine-year period in Corporate Banking and Finance where he was responsible for a loan portfolio of €150 million spread mainly over the Hotel, Real Estate and Manufacturing sectors.

Mr Camilleri holds a degree in Financial Services from the London Institute of Banking and Finance where he first qualified as an Associate in 1997. Between 2000 and 2006, Mr Camilleri was a visiting lecturer for Marketing, Sales & Customers Service at the Malta branch of the Institute of Financial Services.

Etienne Borg Cardona (Non-Executive Director)

Etienne Borg Cardona is a certified public accountant and auditor by profession and holds a warrant to practice. Following experience in the banking, accountancy and audit practices, he has had a 30-year career in leadership positions in the private sector. He is the founding partner of Capital Advisory Limited, an independent advisory and consulting firm, and advises on corporate finance, financial management, business optimization, company restructuring and turnaround, and corporate governance.

A fellow of the Chartered Association of Certified Accountants and the Malta Institute of Accountants, he holds a Masters' degree in Financial Services from the University of Malta, and is currently reading a PhD in Strategic Leadership and Management at Cranfield Business School, Cranfield University, UK. He is an elected council member of the Malta Institute of Accountants, and a member of the Malta Chamber of Commerce, Enterprise and Industry's SME and Family Business Committee.

Mr Borg Cardona is an assistant lecturer at the University of Malta, and is responsible for industry outreach in the Department of Management within the Faculty of Economics, Management and Accountancy. He also lectures on the history of finance, commerce and money in modern economies at the University's Centre for Liberal Arts and Sciences, and is a visiting lecturer at Cranfield Business School, Cranfield University, UK.

Christopher Mifsud (Non-Executive Director)

Christopher Mifsud is an executive director at MPS Ltd, Malta's leading full-service marketing agency, having previously occupied the positions of COO and CEO. With experience in guiding and developing client business through brand identity, marketing strategy and public relations, Mr Mifsud, through MPS Ltd, has been involved in numerous IPOs and bond issues. Mr Mifsud sits on various boards and management teams for select clients and is a founding investor and strategic advisor in: ANCHOVY plc, Keepmeposted (Malta's leading online job board) and iCity Malta (Malta's first digital out of home company). Mr Mifsud holds an MBA specialised in International Economics & Management from the Università SDA Bocconi, Milan.

Marlene Seychell (Non-Executive Director)

A fashion retail expert with a career spanning almost 35 years, Marlene Seychell has extensive experience in every sector of the industry. Ms Seychell started her own fashion retail business in the UK in 1984, trading two Benetton stores. In 1997 she opened a first Miss Selfridge store in Malta. Under her guidance, the business grew rapidly throughout the Maltese Islands representing internationally renowned brands including Promod, Morgan, George, Jules, Adams, Pumpkin Patch, Parfois, Tammy Girl, Jennyfer and Okaidi. In her role, Ms Seychell provided leading edge thinking, sought market opportunities and led the development and implementation of the overall strategy, overseeing operational execution of the brand strategies and maintenance of brand integrity, whilst also focusing on key objectives with the principle aim of driving bottom line sales and improving the overall commercial operation of the business. Over the

years, Ms Seychell has built and maintained excellent relationships with the international franchisors she represented, both at board room and operational level.

15.3 APPOINTMENT AND REMOVAL OF DIRECTORS

Once appointed to office, in accordance with the provisions of the Articles of Association of the Company, a Director shall hold office until the subsequent annual general meeting, unless s/he resigns or is earlier removed in accordance with the Articles, provided that a Director whose term of office expires shall be eligible for re-appointment. The appointment of the Directors shall, unless circumstances require otherwise, take place at the annual general meeting of the Company. The Articles of Association provide for two mechanisms by virtue of which directors may be appointed:

- i. Appointment made by holders of 17% of the voting rights in the Company

The Articles of Association provide that one or more shareholders holding at least 17% of all the voting rights of the Company shall have the right to appoint one Director for each and every block of shares representing 17% of the issued share capital of the Company having voting rights, by letter addressed to the Company. Any voting rights, or part thereof, remaining unused by a Member in the appointment of a Director in this manner may be used in an election to appoint Directors to be held at the annual general meeting in terms of Article 14.2.3.

The appointment of Directors in this manner shall not require the approval of the Nominations Committee.

- ii. Nomination and Election of Directors

The Articles of Association provide for a second mechanism pursuant to which board members are appointed. In terms of the Articles of Association, nominations of prospective directors may be made by any one or more shareholders who in aggregate hold not less than 5% in nominal value of shares having voting rights in the Company. No person shall be or become entitled to act or take office as a director of the Company unless approved by the Nominations Committee (as described in section 16.2), which is empowered by the Articles of Association to reject any recommendation made if in its considered opinion the appointment of the person so recommended as a director could be detrimental to the Company's interests or if such person is not considered as fit and proper to occupy that position. The Nominations Committee and the existing board members themselves may also make recommendations for the appointment of new directors at the annual general meeting. Where the number of candidates approved by the Nominations Committee is more than the number of vacancies on the Board of Directors, then an election would take place in accordance with the provisions of the Articles of Association, pursuant to which those candidates obtaining the highest number of votes overall from amongst the candidates listed on the ballot paper distributed in advance of the general meeting shall be elected and appointed directors. In the event that the number of candidates so approved by the Nominations Committee is equal to or less than the number of vacancies on the Board of Directors and after taking into account the number of Directors appointed in accordance with Article 14.2.1 above, then no election shall take place and all the candidates approved by the Nominations Committee will take office as Directors.

An election of directors shall take place every year save in the event that all five directors are appointed in terms of Article 14.2.1 or where as specified in Article 14.2.2 no election is required and all the candidates approved by the Nominations Committee take office as Directors. All Directors, except a Managing Director (if any), shall retire from office once at least in each three years, but shall be eligible for re-election.

Any director may be removed at any time by the ordinary resolution of the shareholders of the Company in accordance with the Act, or in accordance with any other applicable Law, or in the specific cases set out

in the Articles of Association of the Company. Directors appointed in accordance Article 14.2.1 may be removed from office at any time by the member or members by whom he/she was appointed, by means of a letter addressed to the Company.

None of the Directors mentioned in section 15.1 is party to a contract with the Company which provides for a term of office different from that described above and provided for in the Articles of Association of the Company relating to eligibility for re-appointment of directors.

15.4 POWERS OF DIRECTORS

The Directors are empowered to act on behalf of the Company and in this respect, have the authority to enter into contracts, to borrow, to sue and be sued in representation of the Company. In terms of the Memorandum and Articles of Association they may transact all business of whatever nature of the Company not expressly reserved to the shareholders in general meeting by the Memorandum and Articles of Association or by any provision contained in any law for the time being in force.

15.5 POTENTIAL CONFLICTS OF INTEREST

As at the date of this Prospectus, the two executive Directors of the Company are directors and officers of two of the Concessionaires, and as such are susceptible to conflicts between the potentially diverging interests of Company and the Concessionaires. Both the executive Directors of the Company are also directors on the board of Embassy Management Limited.

One of the two executive directors, Joseph A. Gasan, as well as Bettina Azzopardi, the managing director of Embassy Management Limited (which in turn, in terms of the management support services agreement described in section 10 (under the sub-heading "*Management of Main Street Complex*"), performs the management function of the Company), are two of the ultimate beneficial owners of Embassy Limited. In this respect, conflicts may arise between the potentially diverging interests of the Company and Embassy Limited.

In situations giving rise to potential conflicts of interest, the conflicted Directors are to act in accordance with the majority decision of those Directors who are not conflicted in the proposed contract, transaction or arrangement and in line with the advice of outside legal counsel.

To the extent known or potentially known to the Company as at the date of this Prospectus, there are no other potential conflicts of interest between any duties of the executive Directors and their respective private interests and/or their other duties, which require disclosure in terms of the Prospectus Regulation. Furthermore, to the extent known or potentially known to the Company, as at the date of this Prospectus, there are no potential conflicts of interest between any duties of the non-executive Directors and their respective private interests and/or their other duties, which require disclosure in terms of the Prospectus Regulation.

15.6 REMUNERATION OF DIRECTORS

In terms of Article 20.1 of the Articles of Association of the Company, the aggregate emoluments of all Directors in any one financial year, and any increases thereto, shall be such amount as may from time to time be determined by the Company in a general meeting. The maximum aggregate annual directors' emoluments currently approved by the shareholders, including salaries due in respect of executive roles, amount to €40,000.

15.7 LOANS TO DIRECTORS

As at the date of this Prospectus, there are no loans outstanding by the Company to any of its Directors, or any guarantees issued for their benefit by the Company.

15.8 CHIEF EXECUTIVE OFFICER

In terms of Article 13 of the Articles of Association, the Directors may from time to time appoint any person to the office of Chief Executive of the Company for such period and on such terms as they think fit. As at the date of this Prospectus, the Board of Directors have not appointed a Chief Executive Officer.

15.9 SENIOR MANAGEMENT OF THE COMPANY

In addition to the executive Directors, the senior management of the Company comprises the employees of Embassy Management Limited who, in terms of the management support services agreement between the Company and Embassy Management Limited, perform the management function of the Company:

Hereunder is a brief curriculum vitae of the individuals forming part of the senior management of the Company:

Bettina Azzopardi, Managing Director

Bettina Azzopardi has been the managing director of the Embassy Group since her appointment in 2002. Ms. Azzopardi is responsible for the overall management of the Embassy Complex, Valletta and Main Street Complex, Paola, which was acquired by the Embassy Group in 2008. In this role she oversees the planning and upkeep of the retail complexes, the leasing out of space, the development and maintenance of relationships with concessionaires and service providers as well as the management and operation of the Embassy Cinemas, Valletta. As a board member, she is actively involved in exploring the potential maximisation of investments of the Embassy group to improve revenue generating sources.

Ms Azzopardi graduated with a Bachelor of Laws degree from the University of Sussex, UK in 1996. She had previously completed a two-year diploma in Florence, Italy in design and marketing.

Upon completion of her degree, Ms Azzopardi launched her professional career as the general manager of Coin Department store at the Plaza, Sliema, a position she held for four years. In 2000 she relocated to Czech Republic where she held the position of general manager for Artel, a US luxury crystal glassware company based in Prague. Over two years Ms Azzopardi managed the administration of the company with a focus on international expansion of the brand, sales and product development.

Ms Azzopardi has also been company secretary for Townsquare Sliema Ltd since 2004.

Simon DeMarco, Financial Controller

Simon DeMarco graduated with a B.A. (Hons) degree in Accountancy from the University of Malta in 1989. He was subsequently employed with Sea Malta Co Limited as the assistant general manager, Finance.

In 2002, Mr DeMarco joined the Embassy group of companies as the financial controller and became involved in the management of the Embassy Complex, the cinema operations and the catering establishments.

In 2008, when the management of the Main Street Complex was outsourced to Embassy Management Limited, Mr DeMarco became the Financial Controller of the Company.

As Financial Controller, Mr DeMarco is responsible for all the accounting data in the debtors, creditors and

general ledgers from the input stage to the final audit of the financial statements. He prepares monthly management accounts and the necessary budgets, feasibility studies and reports for the board of directors.

Mr DeMarco has also been the Hon Treasurer of the Malta Amateur Dramatic Club since 2000.

Chris Borg, Assistant to Managing Director

Chris Borg joined Embassy Management Limited in 2013 as an assistant to the managing director. Mr Borg is responsible for various tasks for both Embassy Management Limited and the Company, including the planning, development and implementation of all marketing activities, overseeing the operations of the shopping malls, generating leads for further business growth, supporting different human resources initiatives, maintaining a good relationship between the Company and all stakeholders, and assisting the managing director in the day-to-day running of the business.

Mr Borg holds a degree in Communications from the University of Malta, a post-graduate certificate in Marketing from the London Chartered Institute of Marketing and is currently reading for a degree in Liberal Arts from the University of Malta. Mr Borg has more than 15 years' working experience in the local marketing agency industry and was involved in different sectors including Consumer Retail, FMCG and Corporate Telecommunications.

15.10 SERVICE CONTRACTS

None of the Directors, members of the board committees or members of management referred to in section 15 of this Registration Document are party to service contracts with the Company providing for benefits upon termination of employment.

15.11 DECLARATION

None of the Directors, members of the board committees or members of management referred to in section 15 of this Registration Document have, in the last five years:

- i. been the subject of any convictions in relation to fraudulent offences;
- ii. been associated with bankruptcies, receiverships or liquidations (other than voluntary) in respect of entities in respect of which they were members of administrative, management or supervisory bodies, partners with unlimited liability (in the case of a limited partnership with a share capital), founders or members of senior management;
- iii. been the subject of any official public incrimination and/or sanctions by statutory or regulatory authorities (including designated professional bodies); or
- iv. been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of a company or from acting in the management or conduct of the affairs of any company.

16 BOARD PRACTICES

The Directors have constituted the following board committees, the terms of reference of which shall be determined by the Board from time to time with the purpose of fulfilling the below mentioned purposes:

16.1 AUDIT COMMITTEE

The Audit Committee is composed of Etienne Borg Cardona (Chairman of the Audit Committee), Christopher Mifsud and Marlene Seychell, all occupying a non-executive director role within the Company. Etienne Borg Cardona is the Audit Committee member who is considered to be competent in accounting and/or auditing in terms of the Listing Rules. The Committee is responsible for reviewing the financial reporting processes and policies, the system of internal control and management of financial risk, the audit process, any transactions with related parties and the Company's process for monitoring compliance with laws and regulations. When the Audit Committee's monitoring and review activities reveal cause for concern or scope for improvement, it shall make recommendations to the Board on the action needed to address the issue or make improvements.

The Audit Committee has the task to ensure that any potential conflicts of interest are resolved in the best interests of the Company. Its primary objective is to assist the Board in dealing with issues of risk, control and governance and in reviewing the Company's reporting processes, financial policies and internal control structure. The Audit Committee also oversees the conduct of the external audit and facilitates communication between the Company's Board, management and external auditors.

The Audit Committee is a committee appointed by the Board and is directly responsible and accountable to the Board. Its main role and responsibilities are:

- a. to review procedures and assess the effectiveness of the internal control systems, including financial reporting;
- b. to assist the Board in monitoring the integrity of the financial statements, the internal control structures, the financial reporting processes and financial policies of the Company;
- c. to make recommendations to the Board in relation to the appointment of the external auditor and to approve the remuneration and terms of engagement of the external auditor following appointment by the shareholders in general meeting;
- d. to monitor and review the external audit functions, including the external auditor's independence, objectivity and effectiveness;
- e. to establish internal procedures and to monitor these on a regular basis;
- f. to establish and maintain access between the internal and external auditors of the Company and to ensure that this is open and constructive;
- g. to review and challenge where necessary, the actions and judgements of management, in relation to the interim (if applicable) and annual financial statements before submission to the Board, focusing particularly on:
 - i. critical accounting policies and practices and any changes in them;
 - ii. decisions requiring a major element of judgement;
 - iii. the extent to which the financial statements are affected by any unusual transactions in the year and how they are disclosed;
 - iv. the clarity of disclosures and compliance with International Financial Reporting Standards;
 - v. significant adjustments resulting from the audit;
 - vi. compliance with stock exchange (as applicable) and other legal requirements; and
 - vii. reviewing the Company's statement on Corporate Governance prior to endorsement by the Board;

- h. to gain an understanding of whether significant internal control recommendations made by internal and external auditors have been implemented by management;
- i. to establish and exercise oversight upon the internal audit function of the Company, and to review its plans, activities, staffing and organisational structure;
- j. to monitor the statutory audit of the annual and consolidated accounts;
- k. to discuss Company policies with respect to risk assessment and risk management, review contingent liabilities and risks that may be material to the Company; and
- l. to consider other matters that are within the general scope of the Committee that are referred to it by the Board of Directors.

16.2 NOMINATIONS COMMITTEE

The Company has appointed a Nominations Committee to lead the process for board appointments and to make recommendations to it. The Nominations Committee consists of Joseph A. Gasan, Etienne Borg Cardona and Marlene Seychell. One of the principal functions of the Nominations Committee is to periodically assess the skills, knowledge and experience of individual directors necessary for the board to have the appropriate level of skill, competence and experience that would endow the board with the requisite collective knowledge and skill necessary for the proper functioning of the Company and its oversight by the Board of Directors, and to report and make its recommendations on this to the board.

The role of the Nominations Committee with respect to the appointment of directors is further explained in section 15.3 (ii) of this Registration Document.

16.3 CORPORATE GOVERNANCE

The Company is subject to the Code of Principles of Good Corporate Governance (the “**Code**”) originally issued by the Malta Stock Exchange which now forms part of the Listing Rules. The Board has taken such measures as are necessary in order for the Company to comply with the requirements of the Code to the extent that these were considered appropriate and complementary to the size, nature and operations of the Company. In particular:

1. The Company is headed by an effective Board in terms of Code Provision 1, which is responsible for accountability, monitoring, strategy formulation and policy development as specified in Code Provision 4;
2. The Chairman does not also occupy the role of Chief Executive Officer, as envisaged in Code Provision 2;
3. The Board is composed of five directors, including three independent non-executives in terms of Code Provision 3 (see section 15.1 of this Registration Document); thus retaining a healthy mix between executive and non-executives in the composition of the Board;
4. The Board of Directors aims to meet regularly and all Directors are given ample opportunity to discuss the agenda and convey their opinions as specified in Code Provision 5;
5. The Company recognises the importance of professional development and seeks to ensure that there are adequate schemes in place for professional development of management and employees in accordance with Code Provision 6;
6. The Board of Directors has set up the audit committee. It has also set up a nominations committee required in terms of Code Provision 8B (as detailed in section 16.2 above). These have the tasks, *inter alia*, to ensure the professional development of the Board, as specified in Code Provision 6, to evaluate the Board’s performance, as specified in Code Provision 7 and to manage conflicts of interest in terms of Code Provision 11. Conflicts of interest are also managed in terms of the Company’s Articles of Association;
7. The company has not appointed a Remuneration Committee as required in terms of Code Provision

8A. The Board believes that the size of the Company and the Board itself does not warrant the setting up of an ad hoc committee to establish the remuneration packages of individual directors and relies on the constant scrutiny of the Board itself, the Company's shareholders, the market and the rules by which the Company is regulated as a listed company. The Board shall retain this matter under review over the coming year;

8. The Company recognises the importance of its role in the corporate social responsibility arena and seeks to ensure that in its operations the environment is respected. The Directors are also aware of the importance of having good relations with stakeholders and strive to work together with them in order to invest in human capital, health and safety issues and to adopt environmentally responsible practices, in line with Code Provision 12;
9. Pursuant to the Company's statutory obligations, the annual report and financial statements, declaration of dividends, election of directors and appointment of auditors and authorisation of the directors to set the auditors' fees are proposed and approved at the Company's annual general meeting. The Board of Directors properly serves the legitimate interests of all shareholders and is accountable to all shareholders, particularly through the representation of the shareholders on the Board itself. This ensures compliance with Code Provision 9.

In the light of the factors mentioned above, the Board is of the opinion that the Company is in compliance with the Code.

17 EMPLOYEES

As at 31 December 2017, the date up to which the last audited financial statements have been drawn up, the Company did not have any employees. Any service providers to the Company are engaged by Embassy Management Limited for the benefit of the Company.

18 MAJOR SHAREHOLDERS

As at the date of this Registration Document, the Selling Shareholder holds 99.99% of the issued share capital of the Company. The Sale Shares held by the Selling Shareholder are of the same class and carry the same voting rights as the New Shares to be offered by the Company pursuant to the New Shares Offer. Following completion of the New Shares Offer and the sale of the Sale Shares, the Selling Shareholder will hold 34.1% of the issued share capital of, and will cease to continue to exercise control over, the Company. By virtue of its retention of a 34.1% shareholding in the Company, the Selling Shareholder will have the right to appoint two Directors to the Board of the Company. Further detail on the appointment of directors of the Company is found in section 15.3 of this Registration Document.

There are no arrangements the operation of which may at some future date result in a change of control of the Company.

19 RELATED PARTY TRANSACTIONS

The following are related party transactions that the Company has entered into during the financial years ending 31 December 2015, 31 December 2016 and 31 December 2017 and the ensuing period up until the date of this Registration Document:

i. Management Support Services Agreement

Embassy Management Limited and the Company currently share the same parent company (the Selling Shareholder) and accordingly are related parties. As detailed in section 10 of this Registration Document, the Company entered into a management support services agreement dated 1 April 2018 with Embassy Management Limited.

The Company intends to pay Embassy Management Limited, out of the proceeds of the New Shares Offer, an amount of €0.7 million to settle the remaining amounts due by the Company to Embassy Management Limited in respect of the management services rendered by Embassy Management Limited to the Company in respect of the Complex from 2009 until the date of the abovementioned management support services agreement.

ii. Related party loans

During the period under review, the Selling Shareholder was granted a series of loans by the Company. The outstanding debt due by the Selling Shareholder to the Company of €103,601.62 (which amount is reported in the Company's audited financial statements for the financial year ended 31 December 2017) was settled in full by the Selling Shareholder on the 31 March 2018.

Following completion of the Offers, the Selling Shareholder will hold 34.1% of the issued share capital of the Company, vesting it with the right to appoint two Directors of the Company. The Board of the Company consider that Embassy Limited (which is also the sole shareholder of Embassy Management Limited) should be considered as a party which is capable of exercising a significant influence over the Company in making financial and operating decisions. For the aforementioned reasons, the Board of Directors considers the above agreements to constitute related party transactions.

Other than the aforesaid, the Directors are not aware of any related party transactions having been entered into by the Company during the financial period under review up until the date of the Registration Document.

20 FINANCIAL INFORMATION

20.1 HISTORICAL FINANCIAL INFORMATION

The Company's historical financial information included in this Registration Document has been extracted from the financial statements of the Company for the financial years ended 31 December 2015, 2016 and 2017 as audited by PricewaterhouseCoopers (PwC). These financial statements, including the auditors' reports thereon, are available for inspection as set out in section 25 of this Registration Document.

Pursuant to Regulation (EC) No. 1606/2002 on application of international accounting standards, the financial statements for the financial years ended 31 December 2015, 2016, and 2017 were prepared in accordance with IFRS as issued by the International Accounting Standards Board and endorsed by the European Union.

There has been no significant change in the financial or trading position of the Company since the end of the financial period to which the last audited financial statements relate.

20.2 PROJECTED FINANCIAL INFORMATION

The Projected Financial Information for the Company included in this Prospectus reflects the Directors' expectations with respect to the future operations of the Complex for the two-year financial period from

1 January 2018 to 31 December 2019. The Projected Financial Information reflects, inter alia, the key trends affecting the Issuer's business as outlined in section 14 of this Registration Document *"Trend Information, Including the Company's Projections"*.

The Projected Financial Information, including the basis of preparation and the key underlying assumptions, are set out in Annex II of this Registration Document, which must be read in conjunction with the Accountant's Report thereon set out in Annex III.

20.3 ACCOUNTANT'S REPORT ON THE COMPANY'S PROJECTED FINANCIAL INFORMATION

The Company engaged PricewaterhouseCoopers (PwC), a firm of Certified Public Accountants, to issue an Accountant's Report on the compilation of the Projected Financial Information included in Annex II of this Registration Document. The Accountant's Report is appended to this Registration Document as Annex III.

PricewaterhouseCoopers has given, and has not withdrawn, its written consent to the inclusion of the reference to PwC's name in the form and context in which it is included in this Registration Document. PricewaterhouseCoopers has also given and has not withdrawn its written consent for the publication of the Accountant's Report in the form and context in which it is included in this Registration Document.

20.4 DIVIDEND POLICY

The extent of any dividend distribution will depend upon, amongst other factors, the profit for the year, the Directors' view on the prevailing market outlook, any debt servicing and repayment requirements, the cash flows for the Company, working capital requirements, investment opportunities, capital expenditure and the requirements of the Act. Subject to the foregoing and to unforeseen circumstances that may have a material impact on the performance and results of the Company, as from the financial year commencing 1 January 2018, it is the Directors' objective to distribute a total dividend to the holders of Shares in the Company equivalent to the distributable profits earned during the year. Such dividend distributions shall be effected on a semi-annual basis, with an interim dividend in or around the end of October and a final dividend in or around the end of May. In the calendar year ending 31 December 2018, a single distribution is expected to be effected, in or around October 2018.

20.5 LEGAL AND ARBITRATION PROCEEDINGS

The Directors are not aware of any pending or threatened governmental, legal or arbitration proceedings which may have, or have had in the recent past, significant effects on the Company's financial position or profitability.

20.6 SIGNIFICANT CHANGE IN THE COMPANY'S FINANCIAL OR TRADING POSITION

There has been no significant change in the financial or trading position of the Company since 31 December 2017.

21 ADDITIONAL INFORMATION

In advance of the Company seeking admissibility to listing, it was a single member private exempt company, fully-owned by Embassy Limited. The status of the Company was converted to that of a public limited liability

company with effect from 16 April, 2018 following the transfer of two ordinary shares by Embassy Limited, effective on the 11 April 2018, as follows: one ordinary share was transferred to Gasan Enterprises Limited (C 467) and one ordinary share was transferred to Marea Investments Limited (C 44997). In addition to the change in status, the Company:

- re-denominated its share capital from a nominal value of €1.00 per share to a nominal value of €0.10 per share;
- increased its authorised share capital from €1,400,000 divided into 1,400,000 ordinary shares having a nominal value of €1.00 each to €5,000,000 divided into 50,000,000 ordinary shares of a nominal value of €0.10 each;
- increased its issued share capital from €1,395,487 divided into 1,395,487 ordinary shares of a nominal value of €1.00 each to €1,415,385 divided into 14,153,850 ordinary shares of a nominal value of €0.10 each, as a result of a bonus share issue pursuant to which 198,980 ordinary shares of a nominal value of €0.10 per share were issued in favour of the Selling Shareholder through the capitalisation of €19,898 from retained earnings;
- the Board of Directors authorised, for a period of five years, to increase the Company's issued share capital up to the authorised share capital of the Company through the issue of new shares.

Accordingly, as at the date of this Registration Document, the Company has an authorised share capital of €5,000,000 divided into 50,000,000 ordinary shares of a nominal value of €0.10 per share. The issued share capital of the Company is €1,415,385 divided into 14,153,850 ordinary shares of a nominal value of €0.10 per share, fully paid-up. As a result of the New Shares Offer, the issued share capital of the Company would increase to €1,938,462 divided into 19,384,619 ordinary shares of a nominal value of €0.10 per share, fully paid-up.

21.1 MEMORANDUM AND ARTICLES OF ASSOCIATION

21.1.1 OBJECTS

The Articles of the Company are registered with the Registry of Companies. A full list of the objects for which the Company is established is provided in Clause 3 of the Memorandum of Association. These objects include:

- i. to grant by way of concession, emphyteusis, lease, right of use or in any other manner, space within its assets, and to employ, improve, manage or develop any of such assets, as may from time to time be determined;
- ii. to carry on the business of importer, exporters, purchasers, sellers, wholesalers, retailers, distributors, dealers, commission agents and manufacturers of all types of clothing, textiles, and other fabrics including household furnishings;
- iii. to acquire and dispose of, by any title valid at law, movable or immovable property, whether for commercial or other purposes and to hold the property so acquired; and the consideration for any acquisition or disposal can be by credit or in cash or in kind, including the allotment of shares or debentures of the Company, credited as paid up in full or in part as needs be; and
- iv. to invest or hold shares in any other company, partnership or business, or to participate in the management or activities thereof.

21.1.2 APPOINTMENT AND POWERS OF DIRECTORS

At present, in terms of the Articles of Association of the Company, the board of directors shall consist of five directors. For the mechanism for the appointment of directors as set out in the Articles of Association, please refer to section 15.3 of this Registration Document. For a description of the powers of the Directors, please refer to section 15.4 of this Registration Document.

21.1.3 CLASSES OF SHARES: RIGHTS, PREFERENCES AND RESTRICTIONS

The Shares form part of one class of ordinary shares in the Company and shall accordingly have the same rights and entitlements as all other ordinary shares currently in issue in the Company.

A detailed description of the principal rights, preferences and restrictions attaching to the Shares is contained in section 4.2 of the Securities Note.

21.1.4 CHANGES TO RIGHTS OF SHAREHOLDERS

The rights attached to any class of Shares as is currently in existence, or other classes of shares that may be created in the future, may (unless otherwise provided by the terms of issue of Shares), whether or not the Company is being wound up, be varied with the consent in writing of the holders of two-thirds (2/3) of the issued shares of that class, or with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of the shares of that class.

21.1.5 EXTRAORDINARY GENERAL MEETINGS AND ANNUAL GENERAL MEETINGS

Subject to the provisions of the Act, annual general meetings of the Company shall be held at such time and place as the Directors shall appoint. A general meeting is not deemed to have been duly convened unless at least 21 days' notice is given in writing to all shareholders entitled to receive such notice, which must specify the place, the day and the hour of the meeting, and in case of special business, the general nature of that business, and shall be accompanied by a statement regarding the effect and scope of any proposed resolution in respect of such special business. The notice period may be reduced to 14 days if certain conditions are satisfied. Persons are entitled to participate in, and vote at, a general meeting if they are entered as a holder of Shares on the register of members on the record date. The *quorum* of shareholders required is not less than 51% of the nominal value of the issued Shares entitled to attend and vote at the meeting.

The Directors may convene an extraordinary general meeting whenever they think fit.

If at any time there are not sufficient Directors capable of acting to form a *quorum* for a meeting of the Directors, any Director, or any two members of the Company holding at least ten per cent (10%) of the Shares conferring a right to attend and vote at general meetings of the Company, may convene an extraordinary general meeting.

For further detail on general meetings of the Company, please refer to the Article 11 of the Articles of Association of the Company.

21.1.6 CHANGE IN CONTROL OF THE COMPANY

There are no provisions in the Company's Articles of Association that would have an effect of delaying, deferring or preventing a change in control of the Company.

21.1.7 DISCLOSURE OF OWNERSHIP OF SHAREHOLDING IN THE COMPANY

There are no provisions in the Company's Articles of Association providing for an ownership threshold above which shareholder ownership must be disclosed by the shareholders of the Company.

21.1.8 CHANGES IN CAPITAL

The Memorandum and Articles of Association of the Company do not contain any conditions governing changes in the capital of the Company which are more stringent than those required by law.

22 MATERIAL CONTRACTS

The Company is not party to any contract, not being a contract entered into in the Company's ordinary course of business, giving rise to an obligation or entitlement which is material to the Company as at the date of the Registration Document.

23 PROPERTY VALUATION REPORT

The Company has commissioned MMP Studios, a firm of architects based in Malta, to issue a property valuation report in relation to the Complex. The following are the details of the valuer:

Name:	Perit Stephen Mangion
Business Address:	MMP Studios, 37, Dolphin Court, Block C Apartment M, Embassy Way, Ta' Xbiex XBX 1073
Qualifications:	B.Arch, A&C.E. Warranted architect in terms of Section 793 of the Architecture and Civil Engineering Professionals (PERITI) Act 1996

The valuation report is dated 31 March 2018.

A copy of the report compiled by Perit Stephen Mangion in respect of the Complex is annexed to this Registration Document as Annex IV.

24 THIRD PARTY INFORMATION, STATEMENT BY EXPERTS AND DECLARATIONS OF ANY INTEREST

The valuation report in relation to the Complex has been included in the form and context in which it appears with the authorisation of Perit Stephen Mangion, who has given and has not withdrawn his respective consent to the inclusion of the reports herein. Perit Stephen Mangion does not have any material interest in the Company. The Company confirms that the valuation report has been accurately reproduced in the Prospectus and that there are no facts of which the Company is aware that have been omitted and which would render the reproduced information inaccurate or misleading.

The Company engaged PricewaterhouseCoopers, a firm of Certified Public Accountants, to issue the Accountant's Report, which is dated 23 April 2018 and is included in this Registration Document as Annex III. Details of the said expert are found in section 5.2.

To the knowledge of the Company, PricewaterhouseCoopers does not have any beneficial interest in the Company.

The Company confirms that the Accountant's Report has been accurately reproduced in this Registration Document, with the consent of PricewaterhouseCoopers. The Company further confirms that there are no facts of which it is aware that have been omitted and which would render the reproduced information inaccurate or misleading.

PricewaterhouseCoopers has given and has not withdrawn its consent for the publication of the Accountant's Report in the form and context in which it is included in this Registration Document.

Save for the valuation report prepared in relation to Main Street Complex, as contained in Annex IV and the

Accountant's Report on the projected financial information as contained in Annex III of this Registration Document, this Registration Document does not contain any statement or report attributed to any person as an expert.

In addition to the aforesaid, information sourced from other third parties has been accurately reproduced and as far as the Company is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

25 DOCUMENTS ON DISPLAY

For the duration period of this Registration Document the following documents shall be available for inspection at the registered address of the Company:

- a. Memorandum and Articles of Association of the Company;
- b. Audited financial statements of the Company covering the years ended 31 December 2015, 2016, and 2017, together with the Auditors' Reports thereon;
- c. PricewaterhouseCoopers' consent letter; and
- d. Independent expert's property valuation report prepared in respect of Main Street Complex.

Documents (a) and (b) above shall also be available on the Investor Relations section of the Company's website www.mainstreetcomplex.com.

ANNEX I

LIST OF DIRECTORSHIPS

The following table lists the details of the companies the Directors have been members of in terms of their administration and management over the previous five years, and are so as at the date of this Prospectus:

JOSEPH A. GASAN

Present

Gasas Group Limited	C 29585
Gasas Properties Limited	C 2
Gasas Zammit Motors Limited	C 57642
Gasas Enterprises Limited	C 467
Gasas Finance Company plc	C 16435
Mekanika Limited	C 3238
JAG Limited	C 1635
Montecristo Limited	C 5871
Troy Limited	C 2963
JAG Holdings Limited	C 22291
Oakhill Properties Limited	C 48143
GV Investments Limited	C 40102
Embassy Limited	C 20568
Embassy Management Limited	C 26851
Embassy Cinemaworld Limited	C 26852
Multi-Gaming Holding Company Limited	C 42399
TumasGasas Holdings Limited	C 28031
TumasGasas Operators Limited	C 70333
Ta' Monita Residence Condominium Limited	C 59216
Ropes Limited	C 45241
The Quad Limited	C 45767
Abacus Risk Management PCC Limited	C 45947
GasasMamo Financial Services Limited	C 27916
GasasMamo Insurance Limited	C 3143
MIDI plc	C 15836
Mid Knight Holdings Limited	C 65838
V&A Investments Limited	C 80257
Air Malta p.l.c.	C 2685
Townsquare Sliema Limited	C 16082
Mid Knight Operations Limited	C 79435
Tigne' Point Marketing Limited	C 30073
Bingo Limited	C 26853
International Motor Holdings Limited	C 63863
GazanZammit International Limited	C 63475
Embassy Hotel Limited	C 70826
Tigne Contracting Limited	C 28438
Eyeka Invest Limited	C 75746
Kemmuna Limited	C 15344
Greenheart Limited	C 66492
GM Insurance Brokers Limited	C 22660

Past five years

Chemimart Limited	C 1214
Kemimport Limited	C 74
FG Limited	C 10906
Melita Limited	C 12715
Melita Mobile Ltd	C 35794
Melita Capital plc	C 47318
Honey III Limited	C 41814
International Automobiles Ltd	C 38853
VG Services Ltd	C 40101
Gee Five Limited	C 5958
Marea Main Street Limited	C 45280
Melita Infrastructure Limited	C 44734
Property Portfolio Holdings Limited	C 32028
Royalembassy Limited	C 42541
Gasas Investments Limited	C 2706
Tigne Point Business Centre Limited	C 64216
V&A Investments Limited	OC 893

MARIO CAMILLERI

Present

Marea Investments Ltd	C 44997
Embassy Hotel Ltd	C 70826
Embassy Management Ltd	C 26851
Embassy Limited	C 20568

Past five years

Marea Complex Investments Ltd	C 44996
Peninsula Holdings Limited	C 16111
Peninsula Investments Limited	C 15215
SJ Limited	C 56939

ETIENNE BORG CARDONA

Present

Aim Professional Academy Limited	C 30777
Alexo International Holdings Limited	C 69690
APS Funds SICAV	SV78
Capital Advisory Limited	C 77470
Capital Consulting Limited	C 55456
Falcon Energy Ltd	C 54710
Fetchit Technologies Limited	C 79744
Forestals Investments Limited	C 58184
Fortune Technologies Limited	C 27838
Gasam Finance Company p.l.c.	C 16435
ICT Ltd	C 46930
Mistral Holdings Limited	C 55455
Orsus International Limited	C 64803
Starmac Malta Limited	C 70626
Stryker Medtech Limited	OC 863
Vitasoy Holdings (Malta) Limited	C 42423
Calamatta Cuschieri Finance plc	C 85280
ME & Co. Ltd	C 86861

Past five years

Access Point Technology Limited	C 34500
Aircraft ABS Holdings Malta Limited	C 72961
China Designer Outlet Mall p.l.c.	C 78823
Documents Archive Management Limited	C 48631
D.M.I (Malta) Limited	C 26141
DAI Marketing Limited	C 23636
FCM Holdings Limited	C 43886
FGL Entertainment Limited	C 41655
FGL Group Services Limited	C 31201
FGL Information Technology Limited	C 31198
FGL Services Limited	C 55391
Floorcare (Services) Limited	C 8427
FLS Malta Limited	C 45415
FM Distribution Limited	C 31255
Forestals Appliances Limited	C 313
Forum Operations Limited	C 18184
handi-cash Limited	C 70142
ICT Software Limited	C 47406
Information Technology Services Limited	C 15179
Kelquan Holdings Limited	OC 923
Lead Service Technologies Limited	C 64386
Noehw Limited	C 57079
Online Trading Limited	C 49126
Panta computer Company Limited	C 5851
Q-Retail Limited	C 36851
Rentastore Malta Limited	C 47422
Sacal Holdings Limited	OC 924
Salv. R. Tabone (Successors) Limited	C 239
Savient International Limited (a company registered in Ireland)	C 519851

CHRIS MIFSUD

Present

MPS Limited	C 816
Anchovy Studios plc	C 57419
Fetch IT Technologies	C 79744
Darius Investments Ltd	C 16246
G + R Mifsud Limited	C 28160

Past five years

Blue Media Marketing Limited	C 39186
Goldsmith & Syde Limited	C 71284

MARLENE SEYCHELL

Present

Calamatta Cuschieri Finance plc	C 85280
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Past five years

Cyka Limited	C 22070
Cyamco Limited	C 40632
Malta Enterprise Limited	C 29092

SUMMARY OF SIGNIFICANT ASSUMPTIONS AND ACCOUNTING POLICIES

1 INTRODUCTION

The projected statement of financial position, the projected income statement and the projected statement of cash flows of Main Street Complex p.l.c. ("**the Company**", previously Paola Complex Limited), for the two-year period from 1 January 2018 to 31 December 2019 ("**the Prospective Financial Information**") have been prepared to provide financial information for the purpose of inclusion in the Prospectus of Main Street Complex p.l.c. dated 23 April 2018. The Prospective Financial Information, set out in section 5 below and the assumptions hereunder are the sole responsibility of the Directors of Main Street Complex p.l.c.

The Prospective Financial Information has been prepared on the basis of an assumed offer for sale of shares by Embassy Limited of 7,538,460 ordinary shares in Main Street Complex p.l.c. at an offer price of €0.65 per share and a new offer of shares by Main Street Complex p.l.c. of 5,230,769 ordinary shares at an offer price of €0.65 per share.

The Prospective Financial Information for the two-year period ending 31 December 2019 has been based on the projections of the Company covering the period from 1 January 2018 to 31 December 2019.

The Prospective Financial Information is intended to show a possible outcome based on a mixture of best-estimate assumptions as to future events which the Directors expect to take place and actions the Directors expect to take and hypothetical assumptions about future events and management actions which are not necessarily expected to take place. Events and circumstances frequently do not occur as expected and therefore actual results may differ materially from those included in the Prospective Financial Information. Attention is drawn, in particular, to the risk factors set out in the Prospectus, which describe the primary risks associated with the business and operations to which the Prospective Financial Information relates.

The Prospective Financial Information is not intended to, and does not, provide all the information and disclosures necessary to give a true and fair view of the financial results, financial position and cash flows of the Company in accordance with International Financial Reporting Standards ("**IFRS**") as adopted by the EU.

The Directors have exercised due care and diligence in adopting the assumptions below. The Directors formally approved the Prospective Financial Information on 23 April 2018 and the stated assumptions reflect the judgments made by the Directors at that date. The assumptions that the Directors believe are significant to the Prospective Financial Information are set out in section 3 below and in section 14 of the Registration Document.

2 SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies of Main Street Complex p.l.c. (previously Paola Complex Limited) are set out in its audited financial statements for the year ended 31 December 2017. Where applicable, these accounting policies, in so far as they relate to recognition and measurement criteria, have been consistently applied in the preparation of the Prospective Financial Information.

3 BASIS OF PREPARATION AND PRINCIPAL ASSUMPTIONS

The Prospective Financial Information covers the operations of Main Street Complex p.l.c. in its current form and excludes the impact of any possible extensions or of new future developments in which the Company may participate.

The principal assumptions relating to the environment in which Main Street Complex p.l.c. operates and the factors which are exclusively outside the influence of the Directors and which underlie the Prospective Financial Information are the following:

- There will be no material adverse events originating from market and economic conditions;
- Main Street Complex p.l.c. will continue to enjoy the confidence of its bankers;
- Interest rates will not change materially throughout the period covered by the Prospective Financial Information;
- The basis and rates of taxation will not change materially throughout the period covered by the Prospective Financial Information; and
- The rate of inflation will not exceed that experienced in the last few years.

The principal assumptions relating to the environment in which Main Street Complex p.l.c. operates and the factors that the Directors can influence and which underlie the Prospective Financial Information are outlined below:

3.1 REVENUES

The Company's projected revenue for the two years up to 31 December 2019 mainly reflects the base rents that Main Street Complex p.l.c. expects to receive from operating the Complex.

Whilst the terms of the individual concessions differ, each Concession Agreement is based on a standard form of agreement, with Concessionaires being granted a concession of an outlet or space for a term to carry out a permitted use (as defined in the respective Concession Agreement) against the payment of a concession fee and, in certain instances, a security deposit being payable on signing of the Concession Agreement. Concessions are contracted for a long-term period, typically more than 7 years.

The Company's concession income has been projected by taking into consideration the Concession Agreements currently in place with existing Concessionaires, including annual increments (which stipulate increase in rates ranging between 2% per annum to 4% per annum, with the average annual increment working out at circa 2.5% per annum) and the term to expiry of existing Concession Agreements. It is therefore being assumed that the existing Concessionaires will honour their term as stipulated in the existing Concession Agreements throughout 2018 and 2019.

With regards to existing unoccupied space (which as at 31 December 2017 amounts to 173 square metres, equivalent to 4% of the Complex's internal rentable area), this is expected to be granted on concession after the first semester of 2018. The concession up for renewal within the projected period (relating to 73 square metres, equivalent to 2% of the Complex's area) is assumed to be successfully renewed.

Based on these assumptions, occupancy at the Complex is projected to increase from 98.5% as at 31 December 2017 to reach 100% average occupancy in 2019 as vacant space will be leased out during 2018.

Certain Concession Arrangements also provide for concession income based on turnover, which is calculated at a pre-determined percentage of the turnover that the respective Concessionaire generates. In all cases, except for one, such Concession Income is subject to a minimum annual rent. In this respect, the Prospective Financial Information reflects the Directors' expectations for the Concessionaires' projected growth

over the 2018 and 2019. Concession income generated from agreements based on a percentage of the Concessionaires' turnover accounts for 18% of concession income in 2018 and 2019.

The possibility of higher concession income being earned from changes in Concessions has been disregarded, which substantially offsets the potential impact of outlets becoming vacant from time to time.

On this basis, the Company's concession income is projected to increase from €734k in 2017 to €831k by 2019, equivalent to an increase of 13% over the period.

3.2 OTHER INCOME

The Company is expected to generate other income of c. €30k per annum from the underlying 22-vehicle car park and the solar photovoltaic system (expected to be installed in the first semester of 2018). Therefore, the full effect of these revenue streams will be reflected in 2019.

3.3 OPERATING AND ADMINISTRATIVE EXPENSES

The Company incurs Common Area and Building Maintenance Costs ("**CAM**") relating to: (i) provisions for future maintenance and replacement costs incurred to ensure a consistent and high level of upkeep at the Complex; (ii) costs incurred in relation to the common areas of the Complex, including cleaning, utilities and security costs; and (iii) advertising and promotion costs in relation to the Complex for the benefit of all Concessionaires.

CAM costs are typically recovered through a separate recharge to Concessionaires. However, under certain Concession Agreements, CAM costs are recovered through concession income rather than through separate CAM recharges to Concessionaires. CAM costs recovered in this way are classified as Operating Expenses, which are projected at €90k in 2018 and €94k in 2019. Save for the impact of unforeseen or exceptional circumstances that are outside the influence of the Directors, these costs are not expected to change materially in the future except for the impact of inflation and cost of labour.

Administrative costs are projected to increase to €99k in 2018 and to €118k in 2019 on account of the additional costs which the Company is likely to incur in fulfilling its obligations as a listed company, including directors' fees, professional fees, listing fees together with other corporate and general expenses. Administrative costs also include management fees charged by Embassy Management Limited, a related party, in respect of management services required to sustain the operations of the Complex. Management fees are projected at €40k in 2018 increasing at 1.5% per annum, in line with the management support services agreement entered into on 1 April 2018 between Main Street Complex p.l.c. and Embassy Management Limited.

3.4 DEPRECIATION

Depreciation is calculated on the straight-line method to allocate the cost or revalued amount of all items comprised within property, plant and equipment to their residual values over their estimated useful lives. As the property was revalued upwards to €13.0 million on 31 December 2017 based on the Valuation Report prepared by Mangion, Mangion & Partners, the depreciation charge relating to property has been calculated on the basis of the revalued amount over its remaining estimated useful life as at 31 December 2017. Future changes in asset values have been disregarded.

The depreciation charge is based on Main Street Complex p.l.c.'s fixed asset base as at 31 December 2017

adjusted for forecast additions during the period of the projections and on the basis of the following depreciation rates:

	%
Land and Buildings	1
Improvements to premises	5
Plant, machinery and equipment	5 - 25
Furniture, fixtures and fittings	10 - 20

3.5 FINANCE COSTS

Finance costs relate primarily to the Company's bank borrowings (bank loans and bank overdraft facilities), including interest costs and similar finance charges.

The Company's outstanding bank loan liabilities as at 31 December 2017 amount to €3.0 million. Net interest cost is forecast to decrease substantially in 2018 as the existing bank loans will be paid off from the proceeds of the new shares offer, cash balances, and a bank overdraft facility (sanctioned facility of €0.3 million).

Finance costs have been projected on the basis of the forecast level of borrowings outstanding during the period covered by the projections at the contracted interest rates for the term of the borrowings. The Company's bank borrowings currently carry an effective interest rate of 3.4% per annum.

3.6 TAXATION

Current taxation is provided at a rate of 15% on the Company's gross concession income and income generated from the underground car park, whilst income generated from the solar photovoltaic system is assumed to be taxed at 35%.

Deferred tax is provided using the liability method for all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes.

3.7 EARNINGS PER SHARE

Earnings per share are based on the projected profit after taxation attributable to the ordinary shareholders of Main Street Complex p.l.c. divided by the projected weighted average number of ordinary shares in issue during the respective year. In 2018, the projected earnings per share is estimated at €0.018 per share based on €321k net profit attributable to shareholders and the weighted average number of ordinary shares in issue of 18,076,927 ordinary shares. Projected earnings per share is projected to increase to €0.022 per share in 2019 based on the weighted average number of ordinary shares in issue during 2019 of 19,384,619 ordinary shares.

3.8 DIVIDEND POLICY

The intention of the Directors is to make the entire annual distributable profits of the Company available for distribution to its shareholders, subject to any unforeseen circumstances.

The Company's dividend policy will provide for 40% of the expected annual dividend to be distributed as an interim dividend in or around the end of October upon the publication of the Company's six-month results drawn up to 30 June, and for the remaining 60% to be distributed as a final dividend after its approval at the Company's Annual General Meeting in or around May. Total net dividends declared to shareholders in respect of financial years ending 31 December 2018 and 2019 are forecast at €321k and €422k respectively, as explained in section 14 of the Company's Registration Document.

The projected levels of dividends are being made for illustrative purposes only and are subject to the Company's profit for the year, the Directors' view on the prevailing market outlook, ongoing liquidity and working capital requirements.

3.9 CAPITAL AND RESERVES

The preparation of this Prospective Financial Information reflects the following changes to the Company's share capital and reserves effective as from 11 April 2018 in advance of the Company's admissibility to listing:

- The re-denomination of the Company's share capital from a nominal value of €1.00 per share to a nominal value of €0.10 per share; and
- The increase in the Company's issued share capital from €1,395,487 divided into 1,395,487 ordinary shares of a nominal value of €1.00 each to €1,415,385 divided into 14,153,850 ordinary shares of a nominal value of €0.10 each, by virtue of a bonus share issue pursuant to which 198,980 ordinary shares of a nominal value of €0.10 per share were issued in favour of its existing shareholders through the capitalisation of €19,898 from retained earnings.

Following the listing of the Company's shares, Share Capital has been increased by the new shares offer of 5,230,769 ordinary shares of Main Street Complex p.l.c. at a nominal value of €0.10 per share and issued at an Offer Price of €0.65 per share. Issuance costs will be borne by Embassy Limited and deducted from the proceeds of the sale shares offer.

The revaluation reserve will remain unchanged for the two-year period, with retained earnings increasing in line with undistributed profits.

3.10 CAPITAL EXPENDITURE

Capital expenditure during the two financial years ending 31 December 2019 is expected to amount to €98k, comprising €43k invested in February 2018 to replace a lift at the Complex, and a further planned investment of €50k to install a solar photovoltaic system at the Complex in 2018.

Recurring capital expenditure has been assumed at €5k in 2019.

3.11 WORKING CAPITAL

The Company's working capital mainly comprises the net impact of trade and other receivables together with trade and other payables. Current trade and other payables include significant amounts relating to concession income received in advance.

The amount of €0.7 million payable to Embassy Management Limited as at 31 March 2018, relating to accumulated management fees, will be settled through the new shares offer.

Within the Prospective Financial Information, settlement of trade receivable balances has been assumed to be effected within the normal credit terms granted to Concessionaires as at 31 December 2017. Also, settlement of trade payable balances has been assumed to be effected within the normal credit terms allowed by creditors as at 31 December 2017.

The Directors, having made due and careful enquiry, are of the opinion that in the absence of unforeseen circumstances outside their control, the working capital available to the Company will be sufficient for the carrying out of its business.

4 CONCLUSION

The Directors believe that the assumptions on which the Prospective Financial Information is based are reasonable.

Approved by the Board of Directors on 23 April 2018 and signed on their behalf by:



Joseph A. Gasan
Executive Director and Chairman



Mario Camilleri
Executive Director

5 PROJECTED FINANCIAL STATEMENTS

5.1 PROJECTED STATEMENTS OF FINANCIAL POSITION

Projected Statements of Financial Position As at 31 December	2017 Audited €'000	2018 Projected €'000	2019 Projected €'000
ASSETS			
Non-current assets			
Property, plant and equipment	13,000	13,000	12,911
Current assets			
Trade and other receivables	421	318	348
Cash and cash equivalents	18	182	309
Total current assets	439	500	657
Total assets	13,439	13,500	13,568
EQUITY AND LIABILITIES			
Equity and reserves			
Equity and reserves	8,040	11,633	11,693
Total equity	8,040	11,633	11,693
Non-current liabilities			
Deferred tax liability	1,284	1,286	1,288
Trade and other payables	781	-	-
Borrowings	2,686	-	-
Total non-current liabilities	4,751	1,286	1,288
Current liabilities			
Borrowings / Bank overdraft	350	300	300
Trade and other payables	281	264	270
Current tax liabilities	17	17	17
Total current liabilities	648	581	587
Total liabilities	5,399	1,867	1,875
Total equity and liabilities	13,439	13,500	13,568

5.2 PROJECTED INCOME STATEMENTS

Projected Income Statements For the year ended 31 December	2017 Audited €'000	2018 Projected €'000	2019 Projected €'000
Revenue	734	752	831
Operating expenses	(82)	(90)	(94)
Other income	-	23	32
Depreciation	(89)	(93)	(94)
Administrative expenses	(37)	(99)	(118)
Operating profit	526	493	557
Finance income	2	-	-
Finance costs	(112)	(50)	(5)
Profit before tax	416	443	552
Tax expense	(86)	(122)	(130)
Profit after tax	330	321	422
Earnings per share (euro)*/**	0.023	0.018	0.022
Operating parameters			
Rentable area (internal area, in sqm)	3,983	3,983	3,983
Average annual occupancy %	98.5%	97.8%	100.0%
Average annual concession rate (exc CAM)	€166	€170	€187

*Profit for the year/ weighted average number of shares outstanding

**Based on redenominated share capital of €0.10 per share, following bonus share issue of 198,980 shares, and following New Shares Offer

5.3 PROJECTED STATEMENTS OF CASH FLOWS

Projected Statements of Cash Flows For the year ended 31 December	2017 Audited €'000	2018 Projected €'000	2019 Projected €'000
Cash flows from operating activities			
Cash generated from operations	531	584	627
Interest paid	(112)	(50)	(5)
Interest received	2	-	-
Tax paid	(136)	(120)	(128)
Net cash generated from operating activities	285	414	494
Cash flows from investing activities			
Capital expenditure	-	(93)	(5)
Net cash used in investing activities	-	(93)	(5)
Cash flows from financing activities			
Proceeds from New Shares Offer	-	3,400	-
Dividends paid	-	(128)	(362)
Bank overdraft drawn down	-	300	-
Capital repayments	(351)	(3,036)	-
Movement in related party balances	26	(693)	-
Net cash used in financing activities	(325)	(157)	(362)
Net movement in cash and cash equivalents	(40)	164	127
Cash and cash equivalents at beginning of year	58	18	182
Cash and cash equivalents at end of year	18	182	309



The Directors
Main Street Complex p.l.c.
“Embassy”
St. Lucia Street,
Valletta.
Malta

23 April 2018

Independent Accountant’s Report on the Projected Financial Information of Main Street Complex p.l.c.

To the board of directors of Main Street Complex p.l.c.

We report on the projected statements of financial position as at 31 December 2018 and as at 31 December 2019, and the income and cash flow statements for the two-year period ending 31 December 2019 (the ‘Projected Financial Information’) of Main Street Complex p.l.c. (‘Main Street Complex’). The Projected Financial Information, the basis of preparation and the material assumptions upon which the Projected Financial Information is based, are set out in Annex II – Prospective Financial Information of the Registration Document issued by Main Street Complex dated 23 April 2018.

This report is required in terms of rule 5.40 of the Listing Rules issued by the Listing Authority of the Malta Financial Services Authority and is given for the purpose of complying with that regulation and for no other purpose.

Directors’ responsibilities for the projected financial information

It is the responsibility of the Directors of Main Street Complex to prepare the Projected Financial Information and the assumptions upon which it is based, as set out in Annex II – Prospective Financial Information of the Registration Document of Main Street Complex dated 23 April 2018, in accordance with the requirements of the Listing Rules issued by the Listing Authority of the Malta Financial Services Authority and EU Regulation EC 809/2004.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

PricewaterhouseCoopers,
78 Mill Street, Qormi, QRM3101. Malta
T: +(356) 2124 7000, F: +(356) 2124 4768, www.pwc.com/mt

The firm is registered as a partnership of Certified Public Accountants in terms of the Accountancy Profession Act.
A list of partners and directors of the firm is available at 78 Mill Street, Qormi, Malta.



Independent Accountant's Report on the Projected Financial Information of Main Street Complex p.l.c.

To the board of directors of Main Street Complex p.l.c.

Accountant's responsibility

It is our responsibility to form an opinion as required by Listing Rule 5.40 as issued by the Listing Authority of the Malta Financial Services Authority and Annex I item 13.2 of EU Regulation EC 809/2004 as to the proper compilation of the Projected Financial Information on the basis stated in Annex II – Prospective Financial Information of the Registration Document of Main Street Complex dated 23 April 2018, in so far as the application of the underlying accounting policies and accuracy of calculations are concerned, and to report that opinion to you.

Save for any responsibility which we may have to those persons to whom this report is expressly addressed, to the fullest extent permitted by law, we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with the Listing Rules, consenting to its inclusion in the Prospectus.

Basis of preparation of the Projected Financial Information

The Projected Financial Information has been prepared on the basis stated in Annex II – Prospective Financial Information of the Registration Document of Main Street Complex dated 23 April 2018 and is based on projections covering the two-year period ending 31 December 2019. The Projected Financial Information is required to be presented on a basis consistent with the accounting policies of Main Street Complex.

Basis of opinion

We have examined the basis of compilation and the accounting policies of the accompanying Projected Financial Information of Main Street Complex for the two-year period ending 31 December 2019 in accordance with ISAE 3000, 'Assurance Engagements Other than Audits and Reviews of Historical Financial Information'. Our work included evaluating the basis on which the Projected Financial Information has been prepared and considering whether the Projected Financial Information has been accurately computed based upon the disclosed assumptions and accounting policies of Main Street Complex.

The assumptions upon which the Projected Financial Information is based are solely the responsibility of the Directors of Main Street Complex and accordingly, we express no opinion on the validity of the assumptions.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with reasonable assurance that the Projected Financial Information has been properly compiled on the basis stated, in so far as the accuracy of calculations are concerned.

The Projected Financial Information is not intended to, and does not provide all the information and disclosures necessary to give a true and fair view of the results of the operations and the financial position of the company in accordance with International Financial Reporting Standards as adopted by the EU ('IFRSs'). Accordingly, we do not give an opinion as to whether the Projected Financial Information has been properly prepared in accordance with IFRSs.



Independent Accountant's Report on the Projected Financial Information of Main Street Complex p.l.c.

To the board of directors of Main Street Complex p.l.c.

Since the Projected Financial Information and the assumptions on which they are based relate to the future and may therefore be affected by unforeseen events, we can express no opinion as to whether the actual results reported will correspond to those shown in the Projected Financial Information and differences may be material.

Opinion

In our opinion, the Projected Financial Information has been properly compiled on the basis stated in Annex II – Prospective Financial Information of the Registration Document of Main Street Complex dated 23 April 2018 and the basis of accounting used is consistent with the accounting policies of Main Street Complex.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Simon Flynn', written over a horizontal line.

Simon Flynn
Partner

PricewaterhouseCoopers
78 Mill Street
Qormi
QRM 3101
Malta

Partners:

David Bonello Eur Ing, A&CE
Jonathan Mizzi BA (Hons) Arch, Dip Arch, MArch, ARB RIBA
Victoria Farrugia Galea BE&A (Hons), A&CE

Consultants:

Stephen Mangion B Arch, A&CE
Patrick Camilleri BE&A (Hons), A&CE

MMP STUDIOS

37, Dolphin Court,
Blk C, Apt M, Embassy Way,
Ta' Xbiex XBX 1073, Malta

Phone: [+356 2133 6704](tel:+35621336704)

Email: info@mmp.com.mt

Our Ref: 17026Uva001

The Directors,
Main Street Complex plc
Embassy Complex Limited
Santa Lucia Street
Valletta

31st March 2018

Re: Valuation of Main Street Complex, 138-142, Antoine de Paule Square, Paola

Dear Sirs

I have been instructed to prepare a valuation of the immovable property known as the Main Street Complex located in 138 – 142, Antoine de Paule Square, Paola (hereinafter also referred to as “**Complex**” or “**Property**”).

I have prepared this valuation as an independent valuer in terms of the Kamra tal-Periti Valuation Standards (2012) and the TEGoVA European Valuation Standards (2009). These standards are considered to be suitable replacements for the Royal Institute of Chartered Surveyors (RICS) standards referred to in the Listing Rules. I can confirm that no conflicts of interest exist in the preparation of this valuation since I will not benefit in any way other than from the valuation fee. As a warranted architect in terms of section 7(3) of the Architecture and Civil Engineering Professionals (PERITI) Act 1996, I have been involved in numerous valuations for public and private companies and for individual clients and have acted as a property valuer for three major banks since 2003.

The basis of the valuation is to arrive at the best price at which the sale of an interest in the Property would have been completed unconditionally for a cash consideration on the date of the valuation, assuming:

- A willing seller;
- That prior to the date of the valuation, there had been a reasonable period (having regard to the nature of the Property and the state of the market) for the proper marketing of the interest, for the agreement on price and on the terms and conditions for the completion of the sale;
- That the state of the market, level of values and other circumstances are consistent over the period of the valuation;
- That no account is taken of any additional bid by a purchaser with a special interest; and
- That both parties had acted knowledgeably, prudently and without compulsion.

Purpose of the valuation:

The purpose of the valuation is for its inclusion with a prospectus to be published in connection with the following offers:

- (i) The offer to the public of 7,538,460 Ordinary Shares in Main Street Complex plc (C 34767) (the “**Company**”) by the majority shareholder of the Company, Embassy Limited (C 20568);
- (ii) The offer to the public of 5,230,769 newly issued Ordinary Shares in the Company by the Company

This valuation has been prepared in accordance with Chapter 7 of the Listing Rules published by the Malta Financial Services Authority. Listing rules LR 7.4.7 and LR7.4.8 are not considered applicable to this present valuation.

Site visit and data consulted:

The Property was visited on the 21st November 2017 in connection with this valuation. I was accompanied during this inspection by Ms Bettina Azzopardi and Mr Mario Camilleri. It should be stated, however, that I had visited the Property on several occasions in previous years (the last of which was in September 2014) in connection with valuations requested at the time by HSBC Bank Malta p.l.c.. The following documents were consulted and used in the preparation of this valuation:

- Site plan.
- Plans of the entire Complex.
- A schedule of all current concessions.
- Standard terms and conditions of a concession agreement.
- MEPA permits.
- Deeds of acquisition of the Property.

Description of the Property, approximate age of buildings and existing use.:

The Property consists of a commercial complex located in Paola’s main square - Antoine de Paule Square. It occupies a site which measures approximately 1,000 m². It is bounded on the East by the said square, on the South partly by Ninu Cremona Street on which it has a limited frontage and partly by built, third party property. On the North and West it is also bounded by built, third party property. Its main frontage is on Antoine de Paule Square and this measures 12.5 metres while the frontage on Ninu Cremona Street measures 4.5 metres and provides access to the basement car park of the Complex. For the purposes of its use as a commercial and shopping complex, the Property consists of, *inter alia*, the following accommodation:

- A floor of car parking situated two floors below street level (level -2) accommodating some 22 parking bays as well as a sub-station. This is accessible from Nina Cremona Street via a ramp and staircase as well as internally from the other floors.
- Four full floors of retail outlets arranged round a central atrium. The lowest level (-1), which is a semi-basement, includes three large retail outlets, of which one has independent access from the square via a flight of stairs. At ground floor there are seven retail units of which one has independent access from the square and then extends over the next two floors above it. At level +1, there are four retail units apart from the

aforementioned outlet covering three floors, of which one area of 173 m² is currently vacant, while at level +2, there are three units (again apart from the aforementioned outlet covering three floors).

- A top receded floor with a cafeteria with a very large terrace and a bingo hall.

All levels are served by two passenger lifts located at different parts of the building and accessible from the common circulation space and a staircase. There is a second free-standing staircase on levels -1 to +2. Toilets are located on all retail floors except for the ground floor.

The construction of the building consists in a reinforced concrete frame structure with stiffening provided by the vertical circulation core which extends through the building. Finishes are of a high level and include ceramic tile floors, false ceilings with integrated lighting and engineering services, aluminium and glass shop-fronts, full air conditioning and engineering services including the electrical installation and lighting, plumbing, ELV as well as a stand-by generator. The engineering services are the ones installed originally but one of the lifts is being replaced now. The Company is proposing to install photovoltaic panels over the whole roof area with a consequent saving in electricity costs as well as an increase in the income from the sale of electricity to the national grid but, as this does not yet exist at the date of this valuation, it is not being factored into the assessment of value. The Complex appears to generally meet the requirements of a shopping and entertainment complex in terms of finishes, services installations, accessibility etc.

The original building, which encompasses most of the Complex, was constructed around 1993 while the extension was constructed in 2012. The condition of the building and of the finishes and fixtures are good. The structure appears to be in good condition although it should be made clear that this is based only on a visual examination which was carried out merely for the purposes of this valuation and which does not constitute a structural condition report. Moreover, no parts of the building that were covered or otherwise inaccessible were inspected. It is being assumed that the building is essentially free of any major structural defects. The owners have service agreements with a number of reputable companies for the maintenance of the lifts, generator, air conditioning and other engineering services.

Tenure:

The Complex is subject to an annual and perpetual ground-rent of €197.57 and an annual and perpetual sub ground-rent of €485.37. It was acquired in two separate deeds: the first was dated 1st April 2009 and this covered the acquisition of the major part of the Complex - namely numbers 138, 139 and 140, Antoine de Paule Square which accommodated the Big Bon department store - at a purchase price of €4,854,344; the second was dated 22nd December 2011 and this covered the acquisition of numbers 141 and 142, Antoine de Paule Square. The site area of this second property was 256m² and the purchase price was €931,749.36.

The land is held on a perpetual emphyteusis subject to a total annual ground rent of €682.94 per annum. The Property is encumbered by the following security interests registered in the Public registry in Malta in favour of HSBC Bank Malta p.l.c.:

- A first general hypothec over all the Company's assets, including the Property, both present and future, for the amount of €5,157,571;
- A first special hypothec over the extension to the Complex (made up of two adjacent houses numbered 141 and 142) for the amount of €1,500,000;

- A special privilege over the Complex (including the extension made up of two adjacent houses numbered 141 and 142);
- A first special hypothec for € 5,147,571 over the Complex (specifically the houses numbered 138,139 and 140); and
- A special privilege over the Complex (specifically premises 138, 139 and 140).

Permits:

The Complex lies fully within the Paola Urban Conservation Area (UCA) and in the Primary Town Centre of Paola within the South Malta Local Plan (SMLP). The Primary Town Centre is subject to policy SMCM 01 which stipulates the permitted uses. These range through classes 1 to 9 and classes 11, 17 and a number of other uses. The height limitation is for three floors plus basement. In terms of DC2015, this would be equivalent to a height of 17.5 metres. It is also subject to Policy SMCO 01 which regulates development within UCAs. The public open space in Antoine de Paule Square is regulated by Policy SMSE 04. I have reviewed all the said policies in preparing this valuation.

There is an extensive planning history concerning the Property, with permits issued over the years as follows:

- PA 03707/92 which covers the construction of a six storey commercial centre.
- PA 00782/01 which covers change of use of the upper basement from car parking to retail use, internal modifications and the construction of a sub-station.
- PA 00263/04 which covers change of use at second floor level from a store to retail and restaurant and at third floor level from store to bingo hall, games room and restaurant.
- PA 02442/08 which covers change of use at second floor level from games room to retail use.
- PA 03099/10 which covers the extension of the Complex including the demolition of the adjacent properties, retaining of the facade, excavation and construction of three floors.
- PA 00123/13 which covers sanctioning of internal and external alterations and signage.

Material Contravention of statutory requirements:

There has not been a material contravention of any statutory requirements by the Company in relation to the Property. Accordingly, Listing Rule 7.4.1.6 is not applicable.

Valuation:

As stated above, the valuation is being prepared in accordance with Chapter 7 of the Listing Rules published by the Malta Financial Services Authority. The Listing Rules require that a property which is occupied for the purposes of a business should be valued at existing use value.

The Complex is being valued as an operating investment property - the market value for existing use. Since a very high proportion of the value arises over the early years, it is normal to apply a detailed calculation of rents and costs for up to 20 years and then to adopt the terminal value at the end of that period. The terminal value is the capitalisation of the free cash flow from

twenty years to perpetuity discounted to net present value. The existing use value is its market value based on the continuation of its existing use on a vacant possession basis and the assumption that the asset could be sold on the open market for its existing use.

The market value for existing use is being assessed first. The Complex lies in a prime location in the commercial centre of Paola and it has high visibility. Paola itself is a regional shopping centre for the whole of the South of Malta and its catchment area would include the towns of Tarxien, Luqa, Zejtun, Zabbar, the Three Cities and Birzebbugia - although there is some competition from the PAVI complex in Qormi with possibly more competition expected following the construction of a proposed retail complex in Zejtun. Despite these competitive factors, the Complex has constantly experienced a high footfall. (This has increased fairly consistently over the last years with averages of 65,417 per month in 2013, 66,980 per month in 2014, 67,838 per month in 2015 and 67,191 per month in 2016) This should be further enhanced once the on-going improvement works in the square are completed. These will include the partial pedestrianisation of the square with the road shifted to the side of the Complex with traffic running in both directions. There will also be an unloading lane and a bus stop almost directly in front of the Complex. This should lead to a greater use of the main square and serve to increase the visibility of the Complex when it is completed in July 2018. In addition to these factors, the high quality finish and established reputation of the Complex allow it to be considered as an A Grade property. Footfall was affected negatively by some 8% in 2017 at a time during which works were being done in the square as entry to the Complex was blocked and was only possible through the side (garage) entrance. This notwithstanding, sales levels reportedly did not drop. In consideration of all these factors, the Complex is not expected to lose its primacy, even if other shopping centres were to be developed elsewhere in the region. It should therefore continue to command high concession rates with high occupancy levels.

As at the date of this valuation report, the Complex is almost completely occupied by concessionaires with only one area of 173m² vacant. The leases of the retail units have generally been of long duration, with six of 21 years each, two of 18 years, one of 15 years, two of 12 years, one each of 11 and 9 years, three of 8 years and one each of 7 and 3 years from inception to termination. The average duration has therefore been of 14 years and two months. The maximum remaining concession term at the end of 2017 was of 12 years. The occupancy rate for the retail areas was 89% in 2015, 100% in 2016 and of 95.6% as at 31st December 2017. There is a relatively low turnover of concessionaires as most concessionaires have signed long concession agreements. Historically, when concession agreements were not renewed by concessionaires at the end of their term, except in the case of level +2 where the accommodation proved to be harder to grant on concession, the Company was generally able to grant the vacated areas on concession soon after the termination of a concession agreement. Since 2014 when I prepared my last valuation of the Property on behalf of HSBC Bank Malta p.l.c., there were six changes of the original concessionaires. In two instances these were simply changes in areas occupied by the concessionaire, in three cases new concessionaires replacing previous ones and in only one instance a concessionaire leaving and not being replaced. The only area that is currently vacant relates to a concession granted to Terranova which occupied an area of 245m². Part of the 245m² was granted on concession to a third party when Terranova's concession ended in 2017 leaving an area of 173m² vacant as at the date of this valuation.

The concession rates vary substantially depending on a number of factors such as: location within the building and exposure, floor area etc. The overall average rate is €166.30/m² per annum, although at level +2, the concession rate is generally lower. I was informed by the Board of Directors of the Company that the accommodation on this floor does not get occupied easily and part of it was vacant for some time. As a result, the units that were leased on this floor in 2016 are based on a very low starting rent of between €35 and €82/m² per annum in order to

attract concessionaires. Although this is set to increase somewhat over the coming years it would still be at a lower rate than the remainder of the accommodation. A schedule of the accommodation in the entire building together with the concession fees receivable over a 20-year period up to the year 2037 has been prepared and is attached hereto as Annex 1. This takes into account the annual increments. These are mainly of 2% per annum with six units having increments of 3% per annum, two units having increments of 4% per annum and three units with set increases. Payments for maintenance of the common areas effected by the concessionaires are being included in the concession fees receivable and the actual common area costs are then set off against these. The schedule is based on the current concession agreements in force between the Company and concessionaires and following their termination, on the assumption that current concession fee levels will be maintained (allowing, of course, for the annual increments). This appears to be a reasonable assumption as many of the concessionaires have continued to occupy the relative unit/s granted on concession for many years and generally speaking, any units that were vacated were granted on concession again relatively quickly, although in the case of level +2, it has been much harder to do so.

Management costs, which are included in the income stream, amount to between €35,000 and €40,000 per annum representing some 6% of total revenue. This is considered to be somewhat on the low side as, based on other exemplars, 8% would be more realistic. I am informed that the management fee is backed by a 5-year term agreement and thus, the Company has a favourable rate in this regard. These would be deducted from the income. The net revenue in 2018 after deducting common area maintenance and management costs will be €641,014.

The principal conditions of the concession agreements are as follows:

- a. The premises granted on concession are handed over to the concessionaire in shell form or in the form as vacated by the previous concessionaire
- b. The concessionaire's use and occupation of the premises includes the use of the common areas and facilities.
- c. The concession fee is payable quarterly or at other pre-agreed periodic intervals in advance and a security deposit equivalent to six months' concession fee is made as security.
- d. The premises may only be used for the specific use set forth in the concession agreement and the concessionaire shall operate the premises with diligence and efficiency and shall keep it clean at all times.
- e. The Common Areas shall be subject at all times to the exclusive control and management of the Company. The concessionaire shall pay the Company, on a half yearly basis, a sum of money to cover common area and building maintenance costs which shall include a charge for marketing services. Each concessionaire is responsible to maintain the premises which it occupies.
- f. The concessionaire shall, with the other concessionaires, form a Concessionaire's Association of Main Street Complex.
- g. The Company reserves the right to make alterations and additions to the Complex, including the right to build additional storeys on the existing structure.
- h. Upon expiry of the term of the concession, the concessionaire shall surrender the premises to the Company. The concessionaire shall also be responsible for paying all charges for the public utilities used in his premises and shall keep these properly insured.
- i. In most cases of the initial agreements, the concessionaire acquired the right to assign the concession subject to the lessor's approval and subject to the payment of one year's concession fee.

The terms of a concession agreement may vary from one concession agreement to another. Accordingly, the list terms of conditions above should be read as a list of the terms that is typically included in a concession agreement concluded with the Company.

The determination of the discount rate to be applied to the rental value is based on the current risk-free rate and inflation, on a general risk associated with property developments in general and finally on a specific risk premium related directly to the Property being valued. The risk-free rate is based on long term (20-year) Government of Malta bonds with a current yield of 2.04%. To this is added a yield to reflect the general risks of investing in property, such as liquidity, depreciation, changes in the law, etc. A rate of 2% is being taken to cover this. The final additional yield would cover risks specific to the Property in question including location and concessionaire risk, age and level of finish, land value and churn. A specific risk premium of 3% is being applied. Thus, the discount rate for the retail areas would be 7.04% (2.04% + 2.0% + 3.0%) which is being rounded off to 7%.

In view of the fact that the net income figures are changing due to annual increases, a Discounted Cash Flow (DCF) approach was used to determine the market value for existing use with a discount rates of 7%. The terminal value was then established by capitalising the free cash flow in year 20 at a rate of 6% and discounted at 7% to establish the present value. The calculation is shown on the attached Annex 1 and the value was assessed at €13,555,152.

An allowance is being made for the capital expenditure required to keep the Property in a good state of repair so as to continue to command the income calculated. This was determined by assessing the annual capital expenditure required over the projected 20-year period and beyond and estimating the present value of such expenditure by applying the discount rate as set out above. No capital expenditure is likely to be required during the 20-year period as it is being assumed that the condition of the complex up to year 20 can be sustained with the annual routine repairs and maintenance recharged to concessionaires but thereafter an annual allowance of €100,000 per annum. is being provided for. This will amount to €430,649 when discounted to present value. This is being deducted from the value giving a net valuation figure of €13,124,503 which I am rounding off to €13,100,000.

Thus, the present value of the Property comprising the retail accommodation, cafeteria and parking, in its existing state and taking into account the current use, is being assessed at €13,100,000.

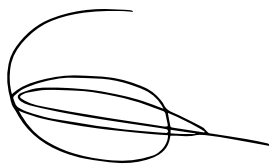
I do not see the factors determining the revenue and profitability of the development changing substantially, as supported by the concession agreements currently in place, and thus the present estimated level of concession fee income, and the value of the Complex should not therefore decrease in the foreseeable future.

My opinion of the value of the Property is based upon the data available at the date of the valuation, most of which was made available by the management of the Complex. The area measurements have been checked and they are correct. No site investigations have been carried out but it would appear that there is no reason to believe that there are any problems in the foundations or structure of the buildings. Neither does it appear that any contamination exists.

Valuations are not a prediction of price, nor a guarantee of value, and whilst my valuation is one which I consider both reasonable and defensible, different valuers may properly arrive at different opinions of value. Moreover, the value of property is susceptible to changes in economic conditions and it may therefore change over relatively short periods. I advise that no responsibility is accepted or implied to third parties to whom this valuation may be disclosed, with or without my consent.

In accordance with standard practice, neither the whole nor any part of this valuation nor any reference thereto may be included in any published document without my prior written approval for the context in which it may appear.

Yours sincerely,

A handwritten signature in black ink, consisting of a large, stylized 'S' followed by a horizontal line and a small flourish.

S.A. Mangion A. & C.E.

ANNEX 1

Discounted Cash Flow.

Main Street Complex, Paola as at January 2018

	Rental Income 2017 Eur	Gross Rental Income 2018 Eur	Rental Income 2019 Eur	Rental Income 2020 Eur	Rental Income 2021 Eur	Rental Income 2022 Eur	Rental Income 2023 Eur	Rental Income 2024 Eur	Rental Income 2025 Eur	Rental Income 2026 Eur	Rental Income 2027 Eur	Rental Income 2028 Eur	Rental Income 2029 Eur	Rental Income 2030 Eur	Rental Income 2031 Eur	Rental Income 2032 Eur	Rental Income 2033 Eur	Rental Income 2034 Eur	Rental Income 2035 Eur	Rental Income 2036 Eur	Rental Income 2037 Eur	Terminal Income
		769,694	837,394	860,260	879,794	900,325	929,682	951,220	971,334	991,963	1,020,001	1,043,818	1,066,076	1,088,506	1,119,312	1,146,246	1,170,891	1,196,175	1,229,801	1,258,976	1,286,932	
Income recoverable from tenants for CAM charges			80,000	82,000	82,000	82,000	82,000	82,000	82,000	82,000	82,000	82,000	82,000	82,000	82,000	82,000	82,000	82,000	82,000	82,000	82,000	
Total income		849,694	919,394	942,260	961,794	982,325	1,011,682	1,033,220	1,053,334	1,073,963	1,102,001	1,125,818	1,148,076	1,170,906	1,201,312	1,228,246	1,252,891	1,278,175	1,311,801	1,340,976	1,368,923	
CAM costs (total)		168,000	176,000	177,000	179,000	181,000	183,000	184,830	186,678	188,545	190,431	192,335	194,258	196,201	198,163	200,144	202,146	204,167	206,209	208,271	210,354	
Management fees (1.5%)		40,000	40,600	41,209	41,827	42,455	43,091	43,738	44,394	45,060	45,736	46,422	47,118	47,825	48,542	49,270	50,009	50,759	51,521	52,294	53,078	
Ground rent		680	680	680	680	680	680	680	680	680	680	680	680	680	680	680	680	680	680	680	680	
Net rental income		641,014	702,704	723,371	740,287	758,190	784,911	803,972	821,582	839,678	855,155	886,382	906,020	926,201	953,927	978,151	1,000,056	1,022,568	1,053,391	1,079,731	1,104,811	18,412,783

Notes

1. Recoverable CAM costs. No increase for inflation considered.
2. Management fees starting at Euros 40,000 p.a. in 2018 and increasing thereafter at 1.5% p.a.

Discounted Cash Flow

PV at 7%	0.9346	0.8734	0.8163	0.7629	0.713	0.6663	0.6227	0.582	0.5439	0.5083	0.475	0.444	0.415	0.3878	0.3624	0.3387	0.3166	0.2959	0.2765	0.2594	0.2394
DCF	599,002	613,742	590,488	564,765	540,590	522,986	500,634	478,161	456,701	439,758	421,120	402,273	384,373	369,933	354,482	338,719	323,745	311,698	298,546	285,483	4,757,863

Total Value 13,555,150.63

Terminal Value Calculation	
Projected cash flow (2037)	1,104,811
Inflation 1%	6.00%
Capitalisation rate	16.666
YP	18,412,783
Terminal Value	0
Recurring capex	18,412,783
Terminal Value	

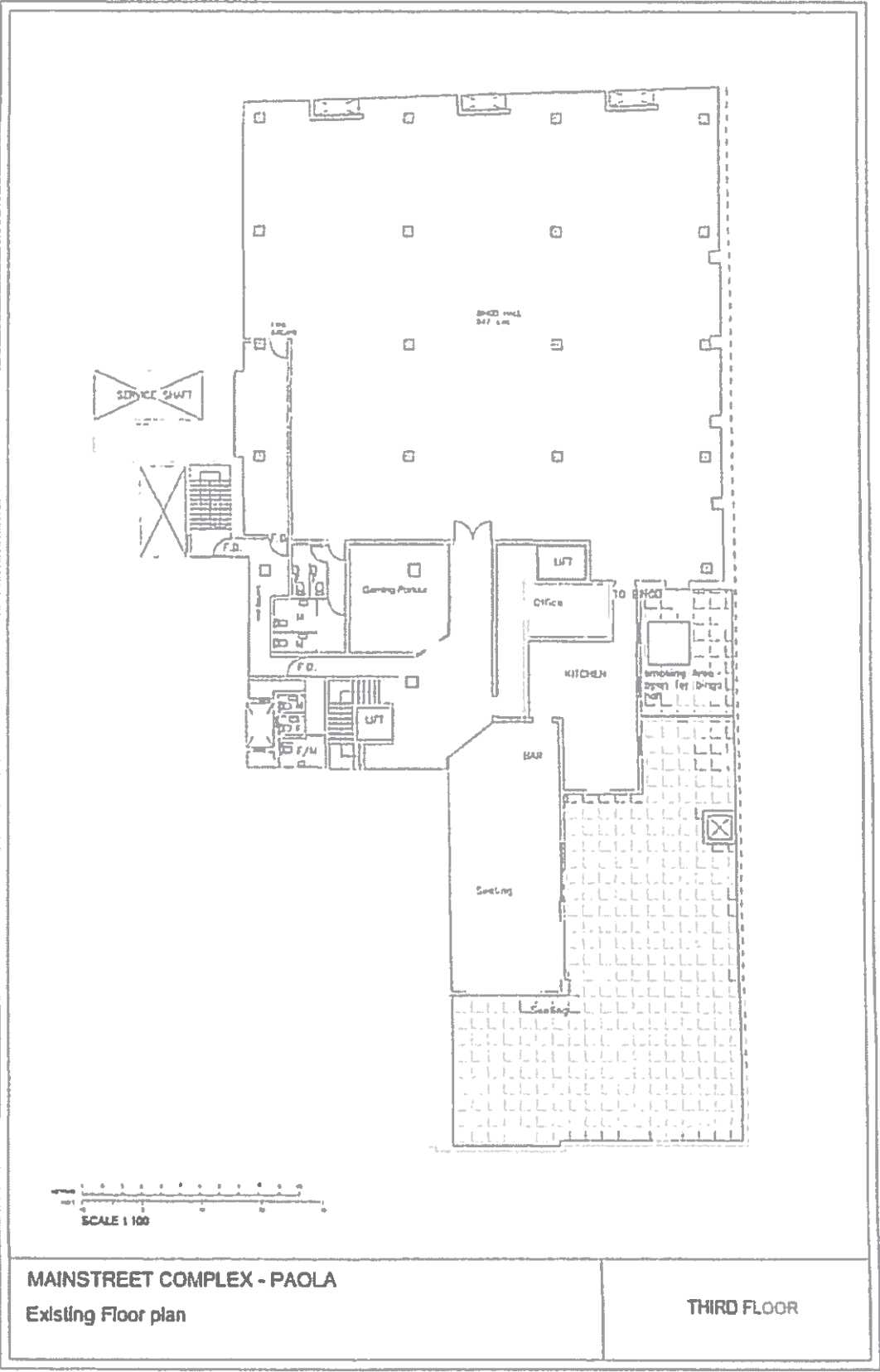
APPENDIX

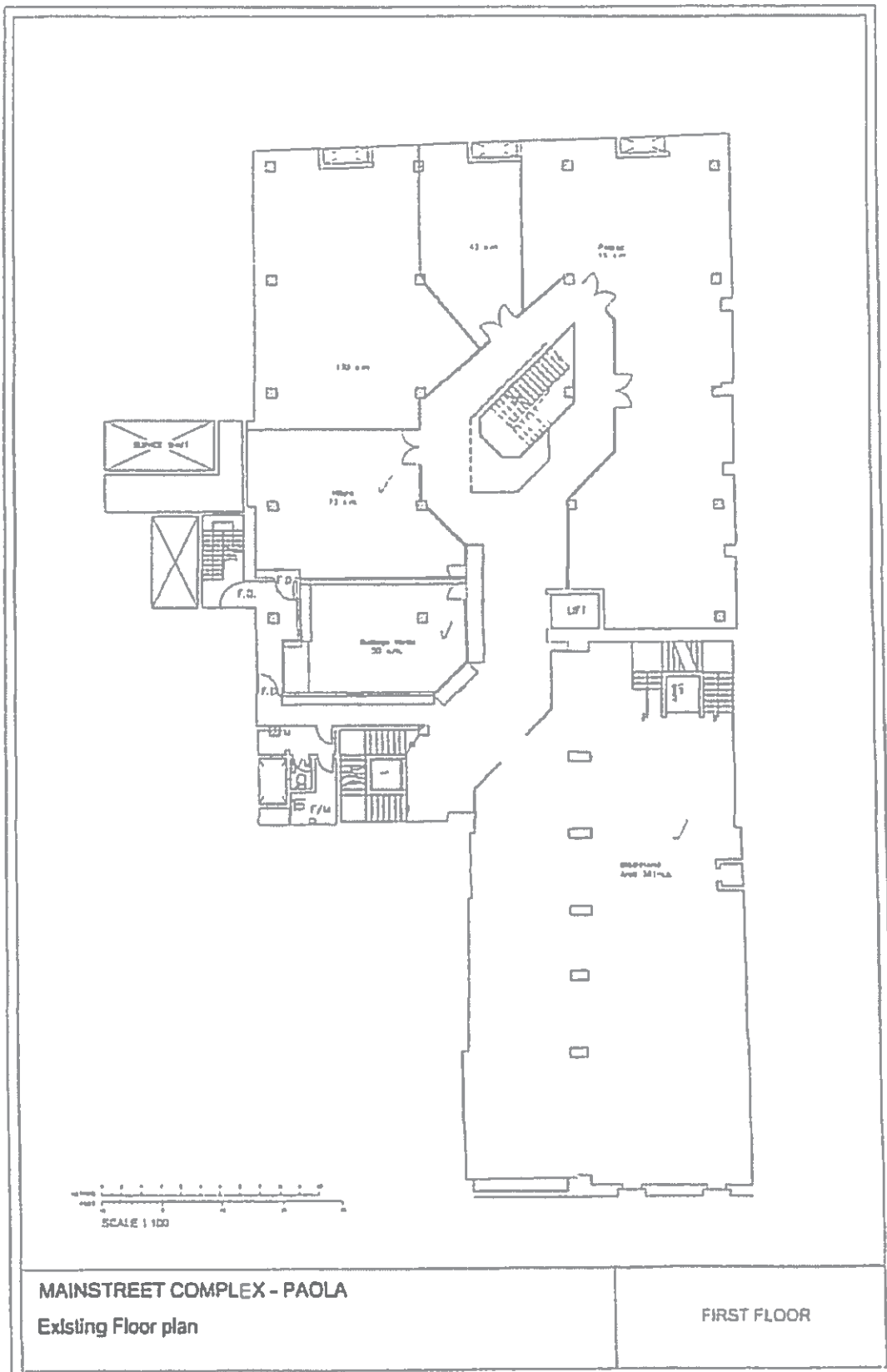
Documents attached:

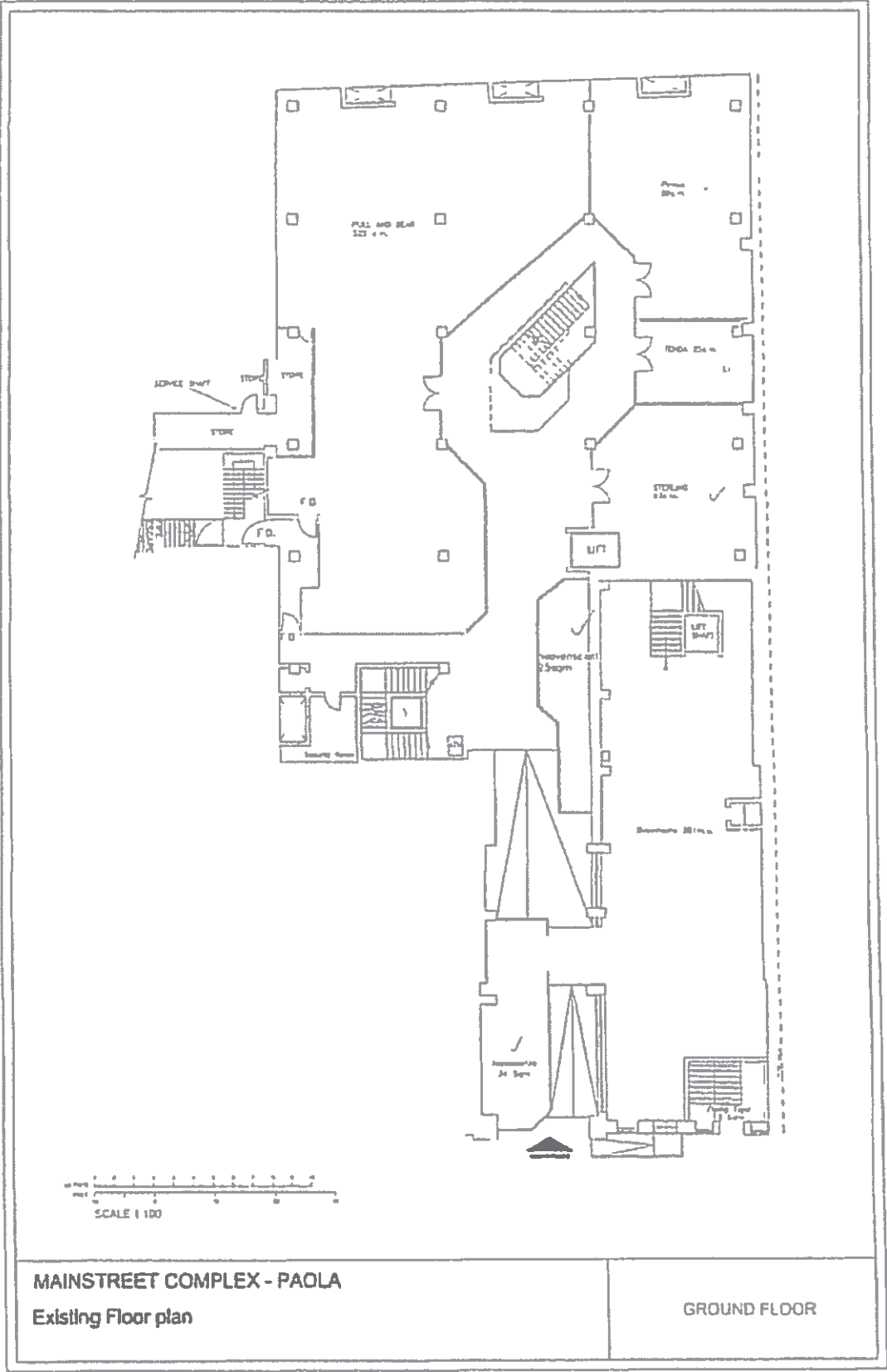
Site location plan.

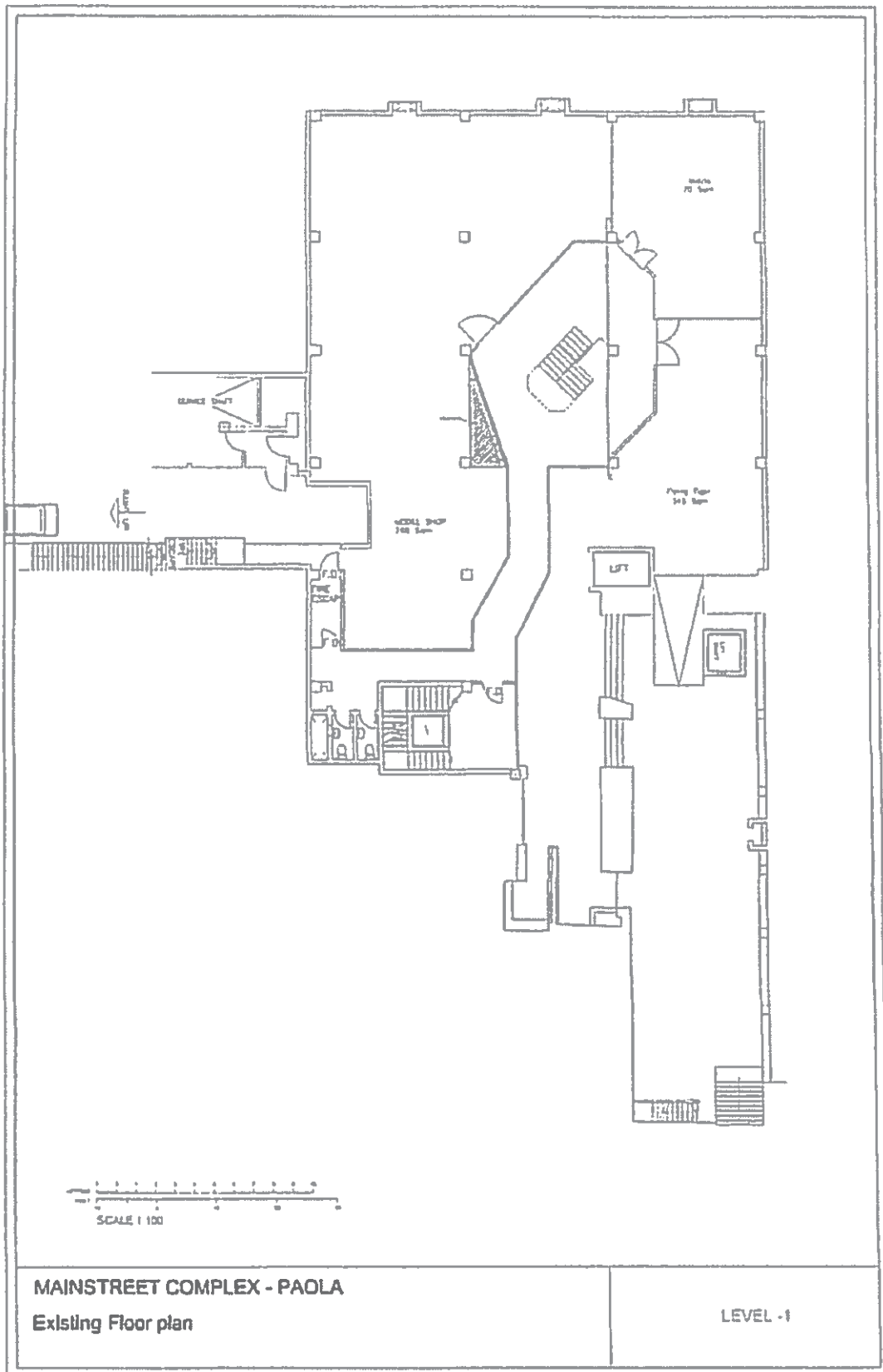
Floor plans.

Photographs









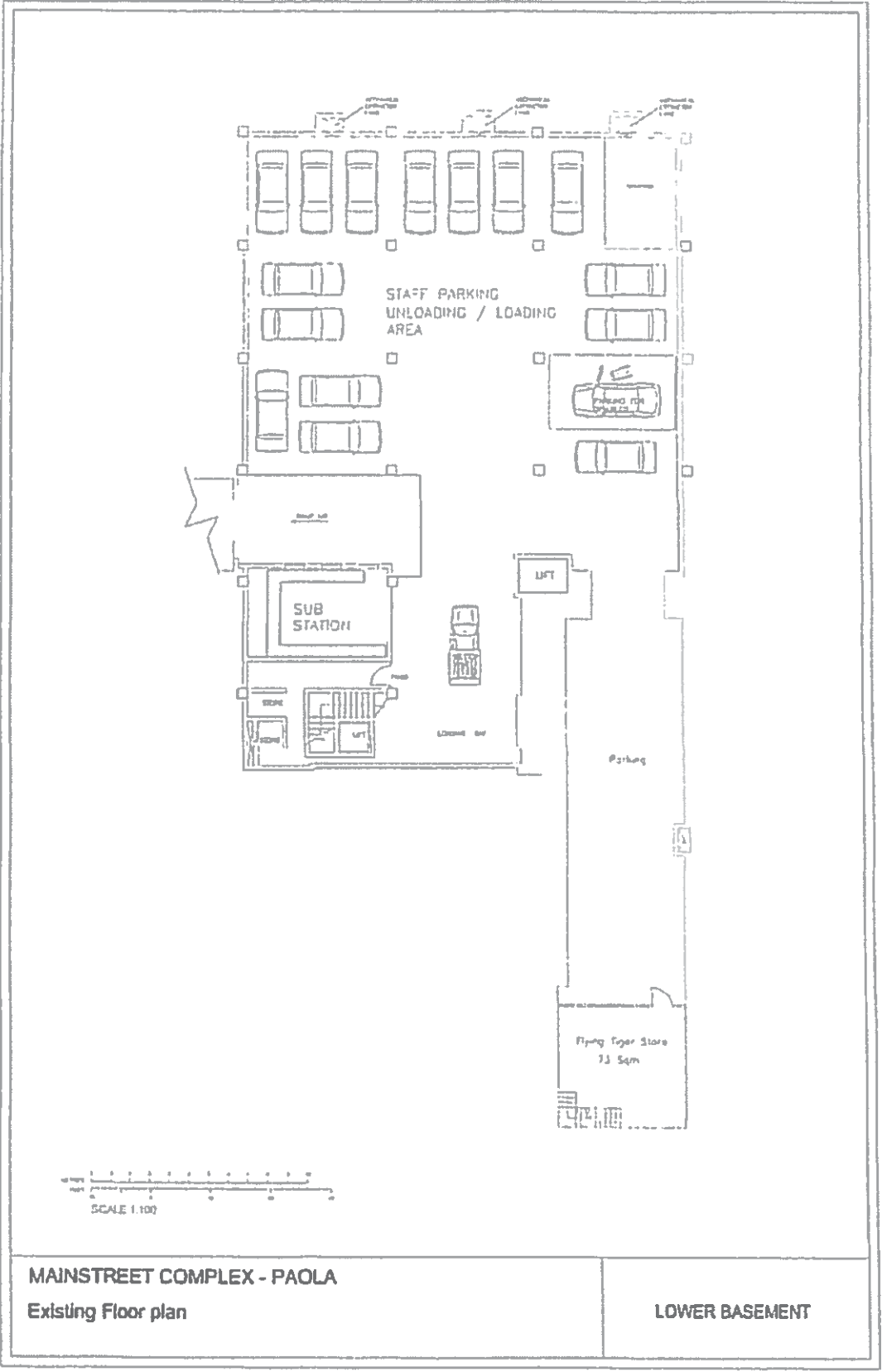


Photo Number

1



External view on Paola square

Photo Number

2



Internal view

MMP Studios

No. 37, Apartment M, Block C,
Dolphin Court,
Embassy Way, Ta' Xbiex MSD11
Tel: 21336704, 21336706, 21320833, 21320854

Job Title:

Valuation

Job No.:-

17026U

Date:-

13/02/2018

Photo Number
3



Internal view

Photo Number
4



Internal view

MMP Studios

No. 37, Apartment M, Block C,
Dolphin Court,
Embassy Way, Ta' Xbiex MSD11
Tel: 21336704, 21336706, 21320833, 21320854

Job Title:

Valuation

Job No.:-

17026U

Date:-

13/02/2018

Photo Number
5



Internal view

Photo Number
6



View of main square showing works in progress

MMP Studios

No. 37, Apartment M, Block C,
Dolphin Court,
Embassy Way, Ta' Xbiex MSD11
Tel: 21336704, 21336706, 21320833, 21320854

Job Title:

Valuation

Job No.:-

17026U

Date:-

13/02/2018



Photo Number

7

View of main square showing works in progress

MMP Studios

No. 37, Apartment M, Block C,
Dolphin Court,
Embassy Way, Ta' Xbiex MSD11
Tel: 21336704, 21336706, 21320833, 21320854

Job Title:

Valuation

Job No.:-

17026U

Date:-

13/02/2018

SECURITIES NOTE

DATED 23 APRIL 2018



This document is a Securities Note issued in accordance with the provisions of Chapter 4 of the Listing Rules issued by the Listing Authority and in accordance with the provisions of Commission Regulation (EC) No. 809/2004 of 29 April 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council as regards information contained in prospectuses as well as the format, incorporation by reference and publication of such prospectuses and dissemination of advertisements, as amended (the “**Prospectus Regulation**”).

This Securities Note is issued pursuant to the requirements of Listing Rule 4.14 of the Listing Rules and contains information about the shares being offered for sale (the “**Sale Shares**”) by the majority shareholder of Main Street Complex p.l.c. (the “**Selling Shareholder**”) and the offer to the public of new shares in Main Street Complex p.l.c. (the “**New Shares**”). Application has been made for the admission to listing and trading of the entire issued share capital of Main Street Complex p.l.c. (including the Sale Shares and the New Shares) on the Official List of the Malta Stock Exchange. This Securities Note should be read in conjunction with the most updated Registration Document issued from time to time containing information about Main Street Complex p.l.c.

This document is issued by Main Street Complex p.l.c. (a public limited liability company registered under the laws of Malta with company registration number C 34767) in respect of

i. the offer for sale of

**7,538,460 shares of a nominal value of €0.10 each in Main Street Complex p.l.c.
by Embassy Limited (C 20568) at an Offer Price of €0.65 per Share**

and

ii. the offer for subscription of

**5,230,769 newly issued shares of a nominal value of €0.10 each in Main Street Complex p.l.c. at an
Offer Price of €0.65 per Share**

ISIN: MT0001850107

Legal Counsel

CAMILLERI PREZIOSI
ADVOCATES

Sponsor, Manager & Registrar

 **RIZZO FARRUGIA**
YOUR INVESTMENT CONSULTANTS

THE LISTING AUTHORITY HAS AUTHORISED THE ADMISSIBILITY OF THESE SECURITIES AS LISTED FINANCIAL INSTRUMENTS. THIS MEANS THAT THE SAID INSTRUMENTS ARE IN COMPLIANCE WITH THE REQUIREMENTS AND CONDITIONS SET OUT IN THE LISTING RULES. IN PROVIDING THIS AUTHORISATION, THE LISTING AUTHORITY DOES NOT GIVE ANY CERTIFICATION REGARDING THE POTENTIAL RISKS IN INVESTING IN THE SAID 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 LISTING AUTHORITY ACCEPTS NO RESPONSIBILITY FOR THE CONTENTS OF THE PROSPECTUS, MAKES NO REPRESENTATIONS AS TO ITS ACCURACY OR COMPLETENESS AND EXPRESSLY DISCLAIMS ANY LIABILITY WHATSOEVER FOR ANY LOSS 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 THESE LISTED FINANCIAL INSTRUMENTS.

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

IMPORTANT INFORMATION

THIS SECURITIES NOTE CONTAINS INFORMATION IN CONNECTION WITH (I) AN OFFER TO THE PUBLIC OF 7,538,460 ORDINARY SHARES IN THE COMPANY HAVING A NOMINAL VALUE OF €0.10 EACH (THE **"SALE SHARES"**) BY THE SELLING SHAREHOLDER AT AN OFFER PRICE OF €0.65 PER SHARE (THE **"SALE SHARES OFFER"**) AND (II) AN OFFER TO THE PUBLIC FOR THE SUBSCRIPTION OF 5,230,769 NEWLY ISSUED ORDINARY SHARES IN THE COMPANY HAVING A NOMINAL VALUE OF €0.10 EACH (THE **"NEW SHARES"**) AT AN OFFER PRICE OF €0.65 PER SHARE (THE **"NEW SHARES OFFER"**) (THE SALE SHARES OFFER AND THE NEW SHARES OFFER ARE HEREINAFTER COLLECTIVELY REFERRED TO AS THE **"OFFERS"** AND THE SALE SHARES AND THE NEW SHARES ARE HEREINAFTER REFERRED TO AS THE **"SHARES"**). THIS SECURITIES NOTE IS DRAWN UP IN COMPLIANCE WITH THE REQUIREMENTS OF THE LISTING RULES OF THE LISTING AUTHORITY, THE COMPANIES ACT AND THE PROSPECTUS REGULATION.

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

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

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

SAVE FOR THE OFFERS AS DEFINED HEREIN, NO ACTION HAS BEEN OR WILL BE TAKEN BY THE COMPANY THAT WOULD PERMIT A PUBLIC OFFERING OF THE SHARES OR THE DISTRIBUTION OF THE PROSPECTUS (OR ANY PART THEREOF) OR ANY OFFERING MATERIAL IN ANY COUNTRY OR JURISDICTION WHERE ACTION FOR THAT PURPOSE IS REQUIRED.

IN RELATION TO EACH MEMBER STATE OF THE EUROPEAN ECONOMIC AREA (OTHER THAN MALTA) WHICH HAS IMPLEMENTED DIRECTIVE 2003/71/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL OF 4 NOVEMBER 2003 ON THE PROSPECTUS TO BE PUBLISHED WHEN SECURITIES ARE OFFERED TO THE PUBLIC OR ADMITTED TO TRADING OR WHICH, PENDING SUCH IMPLEMENTATION, APPLIES ARTICLE 3(2) OF SAID DIRECTIVE, THE SHARES CAN ONLY BE OFFERED TO "QUALIFIED INVESTORS" (AS DEFINED IN THE SAID DIRECTIVE) AS WELL AS IN ANY OTHER CIRCUMSTANCES WHICH DO NOT REQUIRE THE PUBLICATION BY THE COMPANY OF A PROSPECTUS PURSUANT TO ARTICLE 3 OF THE SAID DIRECTIVE.

THE SHARES 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, INTO OR WITHIN THE UNITED STATES OF AMERICA, EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, 1933 AND APPLICABLE STATE SECURITIES LAWS. FURTHERMORE, THE COMPANY 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. FURTHERMORE, THIS PROSPECTUS DOES NOT CONSTITUTE AN OFFER TO SELL, OR THE SOLICITATION OF AN OFFER TO BUY OR TO SUBSCRIBE FOR, SHARES TO ANY PERSON IN ANY OTHER JURISDICTION TO WHOM OR IN WHICH JURISDICTION SUCH OFFER OR SOLICITATION IS UNLAWFUL AND, IN PARTICULAR, IS NOT FOR DISTRIBUTION IN AUSTRALIA, CANADA, JAPAN OR SOUTH AFRICA. NEITHER THE COMPANY NOR ANY OF ITS DIRECTORS ACCEPTS ANY LEGAL RESPONSIBILITY FOR ANY VIOLATION BY ANY PERSON, WHETHER OR NOT A PROSPECTIVE INVESTOR, OF ANY SUCH RESTRICTIONS. NO ACTION HAS BEEN, OR WILL BE, TAKEN IN ANY JURISDICTION OTHER THAN MALTA THAT WOULD PERMIT A PUBLIC OFFERING OF THE SHARES, OR THE POSSESSION, CIRCULATION OR DISTRIBUTION OF THIS PROSPECTUS OR ANY OTHER MATERIAL RELATING TO THE COMPANY OR THE SHARES, IN ANY JURISDICTION WHERE ACTION FOR THAT PURPOSE IS REQUIRED. THE OFFER, SALE AND/OR ISSUE OF THE SHARES HAS NOT BEEN, AND WILL NOT BE, QUALIFIED FOR SALE UNDER ANY APPLICABLE SECURITIES LAWS OF AUSTRALIA, CANADA, JAPAN OR SOUTH AFRICA.

A COPY OF THIS DOCUMENT HAS BEEN SUBMITTED TO THE LISTING AUTHORITY IN SATISFACTION OF THE LISTING RULES, THE MALTA STOCK EXCHANGE (THE “MSE”) IN SATISFACTION OF THE MSE BYE-LAWS, AND HAS BEEN DULY FILED WITH THE REGISTRAR OF COMPANIES IN ACCORDANCE WITH THE ACT. APPLICATION HAS ALSO BEEN MADE TO THE LISTING AUTHORITY AND THE MSE FOR THE SHARES TO BE ADMITTED TO THE OFFICIAL LIST OF THE MSE.

THE CONTENTS OF THE COMPANY’S WEBSITE OR ANY WEBSITE DIRECTLY OR INDIRECTLY LINKED TO THE COMPANY’S WEBSITE DO NOT FORM PART OF THIS DOCUMENT. ACCORDINGLY, NO RELIANCE OUGHT TO BE MADE BY ANY INVESTOR ON ANY INFORMATION OR OTHER DATA CONTAINED IN SUCH WEBSITES AS THE BASIS FOR A DECISION TO INVEST IN ANY FINANCIAL INSTRUMENTS OFFERED BY THE COMPANY AND THE SELLING SHAREHOLDER.

ALL THE ADVISERS TO THE COMPANY HAVE ACTED AND ARE ACTING EXCLUSIVELY FOR THE COMPANY IN RELATION TO THIS PROSPECTUS AND HAVE NO CONTRACTUAL, FIDUCIARY OR OTHER OBLIGATION OR RESPONSIBILITY TOWARDS ANY OTHER PERSON. NONE OF THE ADVISERS ACCEPT ANY RESPONSIBILITY TO ANY INVESTOR OR ANY OTHER PERSON WHOMSOEVER IN RELATION TO THE CONTENTS OF, AND ANY INFORMATION CONTAINED IN, THE PROSPECTUS, ITS COMPLETENESS OR ACCURACY OR ANY OTHER STATEMENT MADE IN CONNECTION THEREWITH.

THE VALUE OF INVESTMENTS CAN RISE OR FALL 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 CONSULT THEIR OWN FINANCIAL AND OTHER PROFESSIONAL ADVISERS BEFORE DECIDING TO INVEST IN THESE FINANCIAL INSTRUMENTS.

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 SHARES PURSUANT TO THE PROSPECTUS SHALL SUBMIT TO THE JURISDICTION OF THE MALTESE COURTS, WITHOUT LIMITING IN ANY MANNER THE RIGHT OF THE SELLING SHAREHOLDER AND THE COMPANY (AS THE CASE MAY BE) TO BRING ANY ACTION, SUIT OR PROCEEDING ARISING OUT OF OR IN CONNECTION WITH ANY PURCHASE OF SHARES OR AGREEMENT RESULTING HEREFROM OR THE PROSPECTUS AS A WHOLE IN ANY OTHER COMPETENT JURISDICTION.

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

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

TABLE OF CONTENTS

	Important information	108
	Table of contents	111
	Definitions	112
[1]	Persons responsible	115
[2]	Risk factors	116
	2.1 No prior market for the shares	117
	2.2 Orderly and liquid market	117
	2.3 Volatility in prices of equity securities	118
	2.4 Revocation / Discontinuation of listing	118
	2.5 Suitability	118
	2.6 Dividends	118
	2.7 Future issuances of shares may dilute the holdings of shareholders and may depress the price of the shares	119
	2.8 Lock-in arrangements	119
	2.9 Currency of reference	119
[3]	Key information	119
	3.1 Working capital statement	119
	3.2 Capitalisation and Indebtedness	119
	3.3 Interest of natural and legal persons involved in the offer	121
	3.4 Reasons for the offers and use of proceeds	121
[4]	Information about the shares	122
	4.1 Offers statistics	122
	4.2 Rights, preferences and restrictions attached to the shares	124
	4.3 Authorisations	125
[5]	Terms and conditions of the offer	125
	5.1 Subscription agreement/s	125
	5.2 Plan of distribution and allotment	125
	5.3 Allocation policy	126
	5.4 Lock-in arrangements	126
	5.5 Eligible applicants	127
	5.6 Overseas investors	127
	5.7 Application form/method of payment	127
	5.8 Refunds and undersubscription	127
	5.9 Minimum applications	128
	5.10 Pricing	128
	5.11 Selling commission	128
	5.12 Results of the offer	128
	5.13 Intention to acquire	128
	5.14 Expected timetable	129
[6]	Admission to trading and dealing arrangements	129
[7]	Selling shareholder	129
[8]	Expenses of offers	129
[9]	Taxation	130
[10]	Dilution	131
[11]	Further terms and conditions of the offers	131
	ANNEX I Application form	136

DEFINITIONS

Words and expressions and capitalised terms used in this Securities Note shall, except where the context otherwise requires and except where reflected or otherwise defined herein, bear the same meaning as the meaning given to such words, expressed and capitalised terms as indicated in the Registration Document forming part of the Prospectus. Additionally, the following words and expressions as used in this Securities Note shall bear the following meanings whenever such words and expressions are used in their capitalised form, except where the context otherwise requires.

Act or Companies Act	the Companies Act (Cap. 386 of the laws of Malta);
Admission	admission of the Shares to the Official List and to trading on the main market for listed securities of the Malta Stock Exchange becoming effective in accordance with Listing Rule 4.46 of the Listing Rules and in accordance with paragraph 5.00.02.05 of the Bye-Laws issued by the MSE;
Applicant/s	a person/s whose name/s, appear in the registration details of an Application Form and/or the Subscription Agreement, as the case may be;
Application/s	the application/s to subscribe for Shares made by <ul style="list-style-type: none"> i. a Designated Investor by entering into a Subscription Agreement with the Selling Shareholder; and/or ii. an Applicant by completing an Application Form and delivering it to the Financial Intermediary;
Application Form/s	the form of application for subscription of Shares pursuant to the Offers, a specimen of which is contained in Annex I of this Securities Note;
Articles	the Articles of Association of the Company as currently applicable or as may from time to time be in force;
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;
CSD	the Central Securities Depository of the MSE licensed in terms of article 24 of the Financial Markets Act (Cap. 345 of the laws of Malta), and situated at Garrison Chapel, Castille Place, Valletta VLT 1063, Malta;
Designated Investor	means such investors subscribing for Sale Shares in accordance with the terms of Subscription Agreements entered into with the Selling Shareholder, as set out in section 5.1 of this Securities Note;

Existing Debt Facilities	<p>the following term loan facilities granted by HSBC Bank Malta p.l.c. evidenced by the sanction letter dated 2 May 2017 with reference number 011-049434 :</p> <ul style="list-style-type: none"> i. the €2,255,491 term loan facility granted to refinance a bank loan facility obtained from Lombard Bank Malta p.l.c.; and ii. the €1,043,973 term loan facility granted to finance the acquisition, development and finishing of part of the Complex, <p>further details of which are set out in section 11 of the Registration Document (<i>"Property, Plant and Equipment and Investment Property"</i>) and section 12 of the Registration Document (<i>"Operating and Financial Review"</i>);</p>
Financial Intermediary	<p>Rizzo, Farrugia & Co. (Stockbrokers) Ltd. as duly appointed to act as the financial intermediary through whom the subscription for the Shares forming part of the Offers will be available. Rizzo Farrugia & Co. (Stockbrokers) Ltd. is a private limited liability company registered in Malta with company number C 13102 having its registered office at Airways House, Fourth Floor, High Street, Sliema, SLM 1551, Malta. It is an authorised financial intermediary licensed by the Malta Financial Services Authority and a member of the Malta Stock Exchange;</p>
New Share/s	<p>5,230,769 ordinary shares in the Company of a nominal value of €0.10 per share to be issued by the Company at the Offer Price pursuant to the New Shares Offer;</p>
New Shares Offer	<p>the offer of the New Shares at the Offer Price by the Company to the public in accordance with the terms of the Prospectus;</p>
Offers	<p>collectively:</p> <ul style="list-style-type: none"> i. the Sale Shares Offer; and ii. the New Shares Offer;
Offer Period	<p>the period commencing on 2 May 2018 and lapsing on the 16 May 2018;</p>
Offer Price	<p>the price of €0.65 per Share;</p>
Official List	<p>the list prepared and published by the MSE as its official list in accordance with the MSE bye-laws;</p>
Prospectus	<p>this Securities Note together with the Registration Document and the Summary Note, all dated 23 April 2018 issued in connection with the Offers;</p>
Registration Document	<p>the registration document dated 23 April 2018 forming part of the Prospectus;</p>
Sale Share/s	<p>7,538,460 ordinary shares having a nominal value of €0.10 each in the Company to be sold by the Selling Shareholder at the Offer Price pursuant to the Sale Shares Offer;</p>
Sale Shares Offer	<p>the offer of the Sale Shares by the Selling Shareholder to the public at the Offer Price;</p>

Securities Note	this securities note dated 23 April 2018 forming part of the Prospectus;
Selling Shareholder	Embassy Limited, a limited liability Company registered under the laws of Malta with Company registration number C 20568 and having its registered office at “Embassy”, St. Lucia Street, Valletta, Malta, being the majority shareholder of the Company;
Shareholders	the persons registered in the Company’s register of members as holding shares in the Company from time to time;
Share/s	the ordinary shares representing the issued share capital of the Company having a nominal value of €0.10 per share, including the Sale Shares and, following the New Shares Offer, including the New Shares;
Sponsor, Manager and / or Registrar	Rizzo, Farrugia & Co. (Stockbrokers) Ltd., a private limited liability company registered in Malta with company number C 13102 having its registered office at Airways House, Fourth Floor, High Street, Sliema, SLM 1551, Malta. Rizzo, Farrugia & Co. (Stockbrokers) Ltd. is an authorised financial intermediary licensed by the Malta Financial Services Authority and a member of the Malta Stock Exchange;
Subscription Agreement/s	the conditional subscription agreements entered into between, of the one part, the Selling Shareholder and, of the other part, Designated Investors, as described in section 5.1 of this Securities Note;
Summary Note	the summary note dated 23 April 2018 forming part of the Prospectus; and
Terms and Conditions	the terms and conditions of Application relating to the Shares as the same are contained in 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 the feminine gender and vice versa;
- c. the word “may” shall be construed as permissive and the word “shall” shall be construed as imperative.

1 PERSONS RESPONSIBLE

All of the Directors of the Company, whose names appear under the heading “*Administrative, Management and Supervisory Bodies and Senior Management*” found in section 15 of the Registration Document, accept responsibility for the information contained in this Securities Note. To the best of the knowledge and belief of the Directors (who have all taken reasonable care to ensure 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 accept responsibility accordingly. They have been advised and assisted in the drafting and compilation of the document by the persons mentioned under the heading “*Advisers and Statutory Auditors*” found in section 5 of the Registration Document.

1.1 CONSENT FOR USE OF PROSPECTUS

Consent in connection with the use of the Prospectus by the Financial Intermediary during the Offer Period:

For the purposes of any subscription for the Shares through the Financial Intermediary during the Offer Period in terms of this Securities Note and any subsequent resale, placement or other offering of Shares by such Financial Intermediary in circumstances where there is no exemption from the requirement to publish a prospectus under 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, the Company consents to the use of this Prospectus (and accepts responsibility for the information contained herein) with respect to any such subsequent resale or placement or other offering of Shares, provided this is limited only:

- i. in respect of Shares subscribed for through the Financial Intermediary during the Offer Period;
- ii. to any resale or placement of Shares subscribed for as aforesaid, taking place in Malta; and
- iii. to any resale or placement of Shares subscribed for as aforesaid, taking place within the period of 60 days from the date of the Prospectus.

It is solely the responsibility of the Financial Intermediary to ensure its 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 Shares.

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

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

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

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

Any resale, placement or other offering of Shares to an investor by a Financial Intermediary will be made in accordance with any terms and other arrangements in place between such 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 Financial Intermediary at the time of such resale, placement or other offering to provide the investor with that information and neither the Company nor the Sponsor has any responsibility or liability for such information.

Any Financial Intermediary using this Prospectus in connection with a resale, placement or other offering of Shares subsequent to the Offers 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 Company 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 financial intermediaries unknown at the time of the approval of this Securities Note will be made available through a company announcement which will also be made available on the Company's website: www.mainstreetcomplex.com.

2 RISK FACTORS

AN INVESTMENT IN THE SHARES INVOLVES CERTAIN RISKS, INCLUDING THOSE DESCRIBED BELOW. PROSPECTIVE INVESTORS SHOULD CAREFULLY CONSIDER, WITH THEIR OWN INDEPENDENT FINANCIAL AND OTHER PROFESSIONAL ADVISERS, THE FOLLOWING RISK FACTORS AND OTHER INVESTMENT CONSIDERATIONS, AS WELL AS ALL THE OTHER INFORMATION CONTAINED IN THE PROSPECTUS, BEFORE DECIDING TO MAKE AN INVESTMENT IN THE SHARES. SOME OF THESE RISKS ARE SUBJECT TO CONTINGENCIES WHICH MAY OR MAY NOT OCCUR AND NEITHER THE DIRECTORS OF THE COMPANY NOR THE SELLING SHAREHOLDER ARE IN A POSITION TO EXPRESS ANY VIEWS ON THE LIKELIHOOD OF ANY SUCH CONTINGENCIES OCCURRING. THE SEQUENCE IN WHICH THE RISKS BELOW ARE LISTED IS NOT INTENDED TO BE INDICATIVE OF ANY ORDER OF PRIORITY OR OF THE EXTENT OF THEIR CONSEQUENCES. IF ANY OF THE RISKS DESCRIBED BELOW WERE TO MATERIALISE, IT COULD HAVE A SERIOUS EFFECT ON THE VALUE OF THE SHARES. THE RISKS AND UNCERTAINTIES DISCUSSED BELOW ARE THOSE IDENTIFIED AS SUCH BY THE DIRECTORS, BUT THESE RISKS AND UNCERTAINTIES MAY NOT BE THE ONLY ONES THAT THE COMPANY FACES. ADDITIONAL RISKS AND UNCERTAINTIES, INCLUDING THOSE WHICH THE DIRECTORS ARE NOT CURRENTLY AWARE OF, MAY WELL RESULT IN A MATERIAL IMPACT ON THE FINANCIAL CONDITION AND OPERATIONAL PERFORMANCE OF THE COMPANY.

THIS SECURITIES NOTE IS NOT INTENDED TO CONSTITUTE, AND SHOULD NOT BE CONSTRUED AS CONSTITUTING, A RECOMMENDATION BY THE SELLING SHAREHOLDER, THE COMPANY, THE ADVISERS LISTED HEREIN, OR ANY OF THE OTHER FINANCIAL INTERMEDIARIES TO PURCHASE, OR SUBSCRIBE TO, THE SHARES, AS APPLICABLE. ACCORDINGLY, PROSPECTIVE INVESTORS SHOULD MAKE THEIR OWN INDEPENDENT EVALUATION OF ALL RISK FACTORS, AND SHOULD CONSIDER ALL OTHER SECTIONS IN THIS DOCUMENT.

FORWARD-LOOKING STATEMENTS

The Prospectus includes statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can be identified by the use of forward-looking terminology,

including the terms “believes”, “estimates”, “anticipates”, “expects”, “intends”, “may”, “will” or “should” or, in each case, their negative or other variations or comparable terminology. These forward-looking statements relate to matters that are not historical facts. They appear in a number of places throughout the Prospectus and include statements regarding the intentions, beliefs or current expectations of the Company and/or the Directors concerning, amongst other things, the Company’s strategy and business plans, results of operations, financial condition, liquidity, prospects and dividend policy of the Company 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 Company’s actual results of operations, financial condition, liquidity, dividend policy and the development of its strategy may differ materially from the impression created by the forward-looking statements contained in the Prospectus. In addition, even if the results of operations, financial condition, liquidity and dividend policy of the Company 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, changes in global and local economic conditions, legislative and regulatory developments, changes in taxation regimes and the availability of suitable financing.

Potential investors are advised to read the Prospectus in its entirety and, in particular, all the “*Risk Factors*” set out in this section, for a review of the factors that could affect the Company’s future performance. 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 Company 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.

2.1 NO PRIOR MARKET FOR THE SHARES

Prior to the Offers, there has been no public market within or outside Malta for the Shares being offered pursuant to the Prospectus. Due to the absence of any prior market for the Shares, there can be no assurance that the price at which the Shares will trade in the market subsequent to the Offers will correspond to the Offer Price. The market price of the Shares could be subject to significant fluctuations in response to numerous factors, including, the Company’s operating results and political and economic developments in Malta.

2.2 ORDERLY AND LIQUID MARKET

The existence of an orderly and liquid market for the Shares depends on a number of factors, many of which are beyond the Company’s control, including but not limited to the presence of willing buyers and sellers of the Shares at any given time and the general economic conditions in the market in which the Shares are traded, namely the primary market of the MSE. Accordingly, there can be no assurance that an active secondary market for the Shares 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 Shares at all.

2.3 VOLATILITY IN PRICES OF EQUITY SECURITIES

Prospective investors should be aware that, following Admission, the value of an investment in the Shares may decrease or increase abruptly which may prevent Shareholders from being able to sell their Shares at or above the price they paid for them and the Offer Price may not be indicative of prices that will prevail in the trading market. The price of the Shares may fall in response to market appraisal of the Company's strategy, if the Company's operating results and/or prospects are below expectation of market analysts or Shareholders, in response to regulatory changes affecting the Company's operations. Moreover, stock markets may, from time to time, experience significant price and volume fluctuations which affect the market price of securities. A number of factors, some of which are outside the control of the Company, may impact the price and performance of the Shares, including:

- prevailing economic conditions in Malta and conditions or trends in the Maltese commercial property market generally;
- differences between the Company's expected and actual operating performance as well as between expected and actual performance of the property rental industry generally;
- strategic actions by the Company or its competitors, such as mergers, acquisitions, partnerships and restructurings;
- speculation, whether or not well founded, about possible changes in the Company's management team;
- the publication of research reports by analysts or failure to meet analyst's forecasts; and
- regulatory changes.

2.4 REVOCATION / DISCONTINUATION OF LISTING

Even after the Shares are admitted to trading on the Official List of the MSE, the Company must remain in compliance with certain requirements. The Listing Authority has the authority to suspend trading of the Shares if, *inter alia*, it comes to believe that such a suspension is required for the protection of investors or of the integrity or reputation of the markets. Furthermore, the Listing Authority may discontinue the listing of the Shares if, *inter alia*, it is satisfied that, owing to special circumstances, normal regular dealings in the Shares are no longer possible, or upon the request of the Company or the MSE. Any such trading suspensions or listing revocations / discontinuations described above, could have a material adverse effect on the liquidity and value of the Shares.

2.5 SUITABILITY

An investment in the Shares may not be suitable for all recipients of the Prospectus and investors are urged to consult a licensed stockbroker or an investment adviser licensed under the Investment Services Act (Cap. 370 of the laws of Malta) as to the suitability or otherwise of an investment in the Shares before making an investment decision. 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 Shares and the inherent risks associated with the Company's business. In the event that an investor in the Shares does not seek professional advice and/or does not read and fully understand the provisions of this Prospectus, there is a risk that such investor may acquire an investment which is not suitable for his or her risk profile.

2.6 DIVIDENDS

There is no guarantee that dividends will be paid by the Company. Any dividend on the Shares will be limited by the performance of the Company. The Company's dividend policy is described in section 20.4

of the Registration Document ("*Dividend Policy*") and should not be construed as a dividend forecast. The extent of any dividend distribution by the Company will depend upon, amongst other factors, the profit for the year, the Directors' view on the prevailing market outlook, any debt servicing requirements, the cash flows of the Company, working capital requirements, the Board's view on future investments, and the requirements of the Companies Act. In terms of Maltese law, a company shall not make a distribution except out of profits available for the purpose or if the Directors conclude it would not be in the best interests of the Company. Any of the foregoing could limit the payment of dividends to Shareholders or, if the Company does pay dividends, the amount of such dividends.

2.7 FUTURE ISSUANCES OF SHARES MAY DILUTE THE HOLDINGS OF SHAREHOLDERS AND MAY DEPRESS THE PRICE OF THE SHARES.

Other than in connection with Admission, the Company has no current plans for an offering of new ordinary shares. It is possible that the Company may decide to offer additional shares in the future. Future offerings of new shares, or the availability for sale of substantial amounts of shares in the public market, could dilute the holdings of Shareholders not partaking in such offer or sale of shares, adversely affect the prevailing market price of the Shares and could impair the Company's ability to raise capital through future offers of equity securities.

2.8 LOCK-IN ARRANGEMENTS

The Company is unable to predict whether, following the termination of the lock-in restrictions put in place in connection with the Offers (further described in section 5.4 below), a substantial amount of Ordinary Shares will be sold in the open market by the Selling Shareholder, as subject to such restrictions. Any sales of substantial amounts of Ordinary Shares in the public market by the Selling Shareholder, or the perception that such sales might occur, could result in a material adverse effect on the market price of the Ordinary Shares. This may make it more difficult for Shareholders to sell Ordinary Shares at a time and price that they deem appropriate, and could also impede the Company's ability to issue equity securities in the future.

2.9 CURRENCY OF REFERENCE

A Shareholder will bear the risk of any fluctuations in exchange rates between the currency of denomination of the Shares (i.e. the Euro) and the Shareholder's currency of reference, if different.

3 KEY INFORMATION

3.1 WORKING CAPITAL STATEMENT

The Directors of the Company, after reasonable inquiry, are of the opinion that the working capital available to the Company is sufficient for the Company's present business requirements.

3.2 CAPITALISATION AND INDEBTEDNESS

This section summarises the capitalisation and indebtedness of the Company as at 31 December 2017 (date of the latest audited financial statements) and as at 31 March 2018 (based on unaudited financial information).

Statement of Capitalisation as at Amounts in €000s	31 December 2017 Audited	31 March 2018 Unaudited
Current debt		
Secured	350	350
Unguaranteed / Unsecured	16	-
Total current debt	366	350
Non-current debt (excluding current portion of long-term debt)		
Secured	2,686	2,598
Unguaranteed / Unsecured (net of amounts receivable from related parties)	677	683
Total non-current debt	3,363	3,281
Shareholder's equity		
Share capital	1,395	1,395
Other reserves	5,814	5,814
Total equity	7,209	7,209
Total capitalisation	10,938	10,840

As at 31 December 2017, the Company's total capitalisation amounted to €10.9 million, comprising shareholder's equity of €7.2 million, total secured bank loans of €3.0 million, and net amounts due to related parties of €0.7 million.

Total capitalisation declined slightly to €10.8 million as at 31 March 2018 as the Company effected bank loan repayments in line with the applicable stipulated repayment schedule.

On 11 April 2018 the Company's issued share capital was increased from €1,395,487 divided into 1,395,487 shares of a nominal value of €1.00 each to €1,415,385 divided into 14,153,850 shares of a nominal value of €0.10 each, as the Company redenominated the nominal value of its share capital from €1.00 to €0.10 and carried out a bonus share issue whereby a total of 198,980 shares of a nominal value of €0.10 per share were issued to its shareholders at a par value of €0.10 per share through the capitalisation of €19,898 out of retained earnings to issued ordinary share capital.

Net Indebtedness as at Amounts in €000s	31 December 2017 Audited	31 March 2018 Unaudited
Cash	18	1
Liquidity	18	1
Current bank debt	350	350
Other current financial debt	16	-
Current financial debt	366	350
Net current financial indebtedness	348	349
Non-current bank loans	2,686	2,598
Other non-current loans (net of amounts receivable from related parties)	677	683
Non-current financial indebtedness	3,363	3,281
Net financial indebtedness	3,711	3,630

As at 31 March 2018, the Company's net financial indebtedness amounted to €3.6 million, which represents a reduction from €3.7 million as at 31 December 2017.

The New Shares Offer, with a value of €3.4 million, will be applied by the Company to repay its outstanding borrowings as at the commencement of the Offers Period, which is based on the Company's financial liabilities outstanding as at 31 March 2018 in respect of total bank borrowings of €2.9 million, amounts due to related party (Embassy Management Limited) of €0.7 million, less cash and drawdown of a bank overdraft facility (sanctioned facility of €0.3 million).

3.3 INTEREST OF NATURAL AND LEGAL PERSONS INVOLVED IN THE OFFER

Members of the board of the Selling Shareholder, namely Joseph A. Gasan and Mario Camilleri, are also members of the board of directors of the Company. Following Admission, the Selling Shareholder will retain a 34.1% interest in the issued share capital of the Company and accordingly will remain a majority shareholder in the Company. For so long as such percentage interest is retained, the Selling Shareholder will have the right to appoint two directors to the board of directors of the Company.

Save for the above, the Directors are not aware of any interest, conflicting or otherwise, considered material to the Offers.

3.4 REASONS FOR THE OFFERS AND USE OF PROCEEDS

The Directors believe that the Offers and Admission will:

- a. enhance the Company's public profile and status with existing and potential clients;

- b. provide access to capital markets to aid future growth if required;
- c. create a liquid market in the Shares; and
- d. provide the Selling Shareholder with a partial realisation of their investment in the Company.

The proceeds from the New Shares Offer, expected to amount to €3.4 million, shall be used by the Company as follows:

- i. proceeds amounting to €2.65 million will, together with cash balances and utilisation of a bank overdraft facility (sanctioned facility of €0.3 million), be applied to repay in full the principal amounts borrowed under, and all accrued and unpaid interest on, the Existing Debt Facilities (see section 22 (*"Material Contracts"*) of the Registration Document for more information on the Existing Debt Facilities);
- ii. €0.7 million of the net proceeds shall be used to pay management fees due by the Company to Embassy Management Limited as at 31 March 2018 in respect of management services rendered from 2009 until such date; and
- iii. The remaining balance of circa €50k shall be used for general corporate funding purposes of the Company.

The net proceeds from the Sale Shares Offer, expected to amount to €4.55 million, shall be for the benefit of the Selling Shareholder.

The expenses payable in respect of both Offers, expected to amount to circa €350k, shall be deducted from the proceeds of the Sale Shares Offer, and accordingly shall be borne exclusively by the Selling Shareholder.

In the event that following the Offer Period, the Offers are not fully subscribed:

- i. no allotment of Shares will be made;
- ii. for the purposes of the Sale Shares Offer, the subscription for Shares shall be deemed not to have been accepted by the Selling Shareholder;
- iii. for the purposes of the New Shares Offer, the subscription for Shares shall be deemed not to have been accepted by the Company; and
- iv. all proceeds received from Applicants shall be refunded accordingly.

4 INFORMATION ABOUT THE SHARES

4.1 OFFERS STATISTICS

Description, Amount & Class of Shares

- i. 7,538, 460 ordinary Shares of a nominal value of €0.10 per Share are being offered by the Selling Shareholder pursuant to the Sale Shares Offer; and
- ii. 5,230,769 ordinary Shares of a nominal value of €0.10 per Share are being offered by the Company pursuant to the New Shares Offer;

Offer Price

The price of €0.65 per Share;

Legislation under which the Shares have been created

The Shares were created in terms of the Companies Act;

Registered Form

The Shares in the Company will be issued in registered form and, until they are admitted to the Official List of the MSE, they will be in fully certificated form. The share certificates currently in issue are evidence provided by the Company to its existing shareholders of the relevant entry in the register of members of the Company of the shares held by such members. Following their admission to the Official List of the MSE: the Sale Shares will, whilst retaining their registered form, no longer be in certificated form and will thereafter be held in book-entry form at the CSD in accordance with the requirements of the MSE, or in such other form as may be determined from time to time by applicable law, the requirements of the MSE or the Company; the New Shares will be in registered form and be held in book-entry form at the CSD in accordance with the requirements of the MSE or in such other form as may be determined from time to time by applicable, the requirements of the MSE or the Company;

Currency of Shares

Euro (€);

ISIN

MT0001850107;

Minimum amount per subscription

Minimum of 5,000 Shares and in multiples of 100 Shares thereafter;

Withdrawal Rights

If the Company is required to publish any supplementary prospectus, Applicants who have applied for Shares under the New Shares Offer or the Sale Shares Offer (as the case may be) shall have at least two working days following the publication of the relevant supplementary prospectus within which to withdraw their application to acquire Shares in its entirety provided that the new factor, material mistake or inaccuracy referred to in Listing Rule 4.26 arose before the final closing of the Offers and the delivery of the securities. The right to withdraw an application to acquire New Share and/or the Sale Shares in these circumstances will be available to all investors under the Offers. If the Application is not withdrawn within the stipulated period, any Application for New Shares and/or the Sale Shares under either of the Offers will remain valid and binding.

Details of how to withdraw an Application will be made available in the context of the aforesaid if and when a supplementary prospectus is published;

Plan of Distribution

The Offers are open for subscription by all categories of investors;

Listing

Application has been made to the Listing Authority for the admissibility of the Shares to listing and to the MSE for the Shares to be listed and traded on its Official List;

Application Forms Available

2 May 2018; and

Offer Period

The period between 2 May 2018 and 16 May 2018.

4.2 RIGHTS, PREFERENCES AND RESTRICTIONS ATTACHED TO THE SHARES

The shares subject to the Offers form part of the only class of ordinary shares in the Company and shall accordingly have the same rights and entitlements as all other ordinary shares currently in issue in the Company. The following are highlights of the rights attaching to the Shares:

4.2.1 DIVIDENDS

The Shares shall carry the right to participate in any distribution of dividend declared by the Company *pari passu* with any other ordinary shares in the Company.

4.2.2 VOTING RIGHTS

Each Share shall be entitled to one vote at meetings of Shareholders.

4.2.3 CAPITAL DISTRIBUTIONS

The Shares shall carry the right for the holders thereof to participate in any distribution of capital made whether in the context of a winding up or otherwise, *pari passu* with all other ordinary shares of the Company.

4.2.4 TRANSFERABILITY & RESTRICTIONS

The Shares are freely transferable and following Admission shall be transferable in accordance with the applicable rules and regulations thereof.

4.2.5 PRE-EMPTION

In accordance with article 88 of the Act and Article 3.11 of the Articles, should any shares in the Company be proposed for allotment for consideration in cash, the Company must, on a pre-emptive basis, offer existing holders a proportion of such shares which are as nearly as practicable equal to the proportion in nominal value held by him/her/it of the aggregate Shares in issue in the Company immediately prior to the new issue of shares. The obligation of the Company to offer shares to existing Shareholders on a pre-emptive basis would not, however, apply to shares issued and allotted to employees of the Company pursuant to any scheme to be approved by the Shareholders. Any issue and allotment of shares to employees shall require the approval of the Shareholders in general if, in the aggregate, the Shares so issued and allotted exceed 10% of the issued share capital at the time of the proposed issue and allotment of shares to employees.

A copy of any offer of subscription on a pre-emptive basis indicating the period within which this right must be exercised must be delivered to the Registrar of Companies for registration. This right of pre-emption must be exercised in accordance with the terms and conditions set out in the Articles of the Company and the said right may be assigned in favour of third parties.

This right of pre-emption may be withdrawn by an extraordinary resolution of the general meeting of Shareholders, in which case, the Directors will be required to present to that general meeting a written report indicating the reasons for restriction/withdrawal of the said right and justifying the issue price.

4.2.6 MANDATORY TAKEOVER BIDS, SQUEEZE-OUT AND SELL-OUT RULES

Chapter 11 of the Listing Rules, implementing the relevant provisions of Directive 2004/25/EC of the European Parliament and of the Council of 21 April 2004, regulates the acquisition by a person

or persons acting in concert of the control of a company and provides specific rules on takeover bids and the squeeze-out and sell-out mechanisms. The Shareholders of the Company may be protected by the said Listing Rules in the event that the Company is the subject of a Takeover Bid (as defined therein). The Listing Rules may be viewed on the official website of the Listing Authority – www.mfsa.com.mt. Chapter 11 of the Listing Rules may be subject to changes following the publication of this Prospectus. Investors should consult with their advisers as to the implications of such changes as and when amendments to Chapter 11 of the Listing Rules take effect.

4.2.7 OTHER

In terms of the Articles and the Companies Act, the Company may by extraordinary resolution convert any paid-up shares into stock, and re-convert any stock into paid-up shares of any denomination. Further details on the rights of conversion are included in Article 8 of the Articles. The Shares are not redeemable or convertible into any other form of security.

4.3 AUTHORISATIONS

The Offers have been authorised by the Board of Directors of the Company through a resolution dated 11 April 2018. The Listing Authority admitted the Shares as eligible to listing on the Official List of the MSE pursuant to the Listing Rules by virtue of a letter dated 23 April 2018.

5 TERMS AND CONDITIONS OF THE OFFER

The following terms and conditions should be read and construed as one with the additional terms and conditions of Application for Shares contained in section 11 to this Securities Note.

5.1 SUBSCRIPTION AGREEMENT/S

The Selling Shareholder may enter into Subscription Agreements with Designated Investor/s, whereby the Selling Shareholder will bind itself to allocate Sale Shares to such prospective investors, which in turn will bind themselves: to subscribe to, for their own account, said Shares subject to the Shares being admitted to the Official List of the MSE; and agree not to exercise any rights to rescind or terminate, or otherwise withdraw from such commitment.

Each Subscription Agreement, which is subject to the Terms and Conditions set out in this Securities Note, is binding on all parties thereto with effect from the date thereof, subject to the Selling Shareholder, through the Registrar, receiving or having received all subscription proceeds in cleared funds on or by 12:00 on 30 April 2018.

The aggregate maximum amount of Shares which may be subscribed to by Designated Investors by virtue of Subscription Agreements with the Selling Shareholder is 5,815,000 Shares (equivalent to approximately 30% of the issued share capital of the Company).

5.2 PLAN OF DISTRIBUTION AND ALLOTMENT

The Shares forming the subject of the New Shares Offer and Sale Shares Offer are open for subscription to all categories of investors. The allocation of the said Shares among prospective investors will be determined in accordance with the following allocation policy:

- a. a maximum aggregate amount of 5,815,000 Shares (equivalent to not more than 30% of the issued share capital of the Company) forming the subject of the Offers has been reserved by the Selling Shareholder for Designated Investors subject to any Subscription Agreements being entered into in this respect; and
- b. the remaining balance of 6,954,229 Shares forming the subject of the Offers, and any balance remaining unallocated from (a) above, shall be made available for subscription by the general public through the Financial Intermediary.

Designated Investors may apply for Shares by entering into a Subscription Agreement with the Company. Investors may apply for Shares by completing the Application Form, which may be obtained from, and is to be lodged with, the Financial Intermediary during the Offer Period. The Financial Intermediary may, for the purposes of (b) above, subscribe for Shares for their own account or for the account of underlying customers, including retail clients. The Financial Intermediary shall, in addition, be entitled to either distribute to its underlying customers any portion of the Shares subscribed for upon commencement of trading, or submit Application Forms directly in the name of their underlying customers. In either case, subscription amounts made by Applicants through the Financial Intermediary, including those made under nominee, shall, for each individual Shareholder/underlying customer, be for a minimum of 5,000 Shares and in multiples of 100 Shares thereafter.

5.3 ALLOCATION POLICY

The Company shall allocate the Shares on the basis of the following policy:

- i. up to an aggregate amount of 5,815,000 Shares shall be allocated to Designated Investors pursuant to the Subscription Agreements entered into with the Selling Shareholder, details of which can be found in section 5.1 above. If subscriptions received from Designated Investors exceed an aggregate of 5,815,000 Shares, allotment of Shares to such investors shall be carried out on a pro-rata basis;
- ii. the remaining balance of 6,954,229 Shares and any balance remaining unallocated from (i) above shall be allocated to the general public based on an allocation policy that will be communicated to the Financial Intermediary by the Company and Registrar.

The Company will endeavour, through the allocation policy to be adopted, that there will be a sufficiently dispersed shareholder base to facilitate, as far as practicable, an active secondary market in the Shares.

5.4 LOCK-IN ARRANGEMENTS

Pursuant to an agreement entered into with the Company, the Selling Shareholder has undertaken not to offer, sell, grant any option, right or warrant to purchase, pledge or otherwise transfer, assign or dispose of, any of the Shares retained by it in the Company as at the date of closing of the Offers for a period of 36 months from the date when the Shares are admitted to listing on the MSE, and this undertaking shall subsist notwithstanding any provisions of the Act, the Listing Rules and the Memorandum and Articles of Association that would otherwise have permitted such transfer, assignment or disposal (the “**Lock-In**”).

The aforementioned agreement contemplates a number of events in terms of which the Selling Shareholder is granted the option of electing to be released from the undertaking created pursuant to the Lock-In, including, *inter alia*:

- i. the merger or amalgamation of the Company with any other corporate body in accordance with the provisions of the Act;

- ii. the sale, transfer or issuance of ordinary shares in the Company to any one person other than to the Selling Shareholder, if after such sale, transfer or issuance, such other person would hold an amount equivalent to 30% of the Shares; or
- iii. any fresh issue and allotment of ordinary shares made by the Company if such issue and allotment operate to reduce the Selling Shareholder's shareholding in the Company to 30%.

In the above-mentioned instances, the Selling Shareholder is entitled to freely offer, sell, grant any option, right or warrant to purchase, pledge or otherwise transfer, assign or dispose of the Shares it holds in the Company.

5.5 ELIGIBLE APPLICANTS

Subject to section 5.6. ("*Overseas Investors*"), any person, whether natural or legal, shall be eligible to submit an Application, and any one person should not submit more than one Application Form for Shares in his own name or for his own benefit.

5.6 OVERSEAS INVESTORS

The Offers are being made in Malta. The Offers are not being made to persons resident in, or who are citizens of, or who have a registered address in, countries other than Malta.

No person downloading a copy of the Prospectus (or part thereof) or an Application Form in any territory other than Malta, may treat the same as constituting an invitation or offer to him/ her, nor should he/she in any event deal with the Application Form unless, in the relevant territory, such an invitation or offer could lawfully be made to him/her or the Application Form could lawfully be used or dealt with without contravention of any legal or regulatory requirements.

Having considered the circumstances, the Company has formed the view (due to the onerous requirements involved in the registration of this Prospectus in any territory other than Malta and/or compliance with the relevant legal or regulatory requirements) not to accept completed Application Forms from investors residing in or citizens of a country other than Malta, except where, *inter alia*, in the absolute discretion of the Company, it is satisfied that such action would not result in a contravention of any applicable legal or regulatory requirement in the relevant jurisdiction.

5.7 APPLICATION FORM/METHOD OF PAYMENT

Applications by investors must be submitted on an Application Form. A specimen of the Application Form can be found in Annex I to this Securities Note. The completed Application Form is to be lodged with the Financial Intermediary during the Offer Period. All Application Forms must be accompanied by the full payment due for the Shares applied for. In the event that any cheques accompanying the Application Forms are not honoured on their first presentation, the Company and the Registrar reserve the right to invalidate the relative Application.

5.8 REFUNDS AND UNDERSUBSCRIPTION

If any Application is not accepted, or is accepted for fewer Shares than those applied for, the Application monies or the balance of the amount paid on Application will be returned, by the Registrar on behalf of the Company or the Selling Shareholder (as the case may be), without interest, by direct credit into the Applicant's bank account as indicated by the Applicant on the relevant Application Form within five (5) Business Days from the date of announcement of basis of acceptance of Shares.

In the event that, following the Offer Period, the Offers are not fully subscribed then no allotment of Shares will be made. For the purposes of the Sale Shares Offer, the subscription for Shares shall be deemed not to have been accepted by the Selling Shareholder and for the purposes of the New Shares Offer, the subscription for Shares shall be deemed not to have been accepted by the Company. All proceeds received from Applicants shall be refunded accordingly by the Selling Shareholder or by the Company, as the case may be, without interest, by direct credit into the Applicant's bank account as indicated by the Applicant on the relevant Application Form. All refunds in this respect shall be made within five (5) Business Days from the expiration of the Offer Period.

5.9 MINIMUM APPLICATIONS

All Applications for Shares shall be for a minimum of 5,000 Shares and in multiples of 100 Shares thereafter.

5.10 PRICING

The Offer Price for Shares has been fixed by the Selling Shareholder and the Company, as the case may be, at €0.65 per Share.

5.11 SELLING COMMISSION

Selling commission is payable to the Financial Intermediary based on the value of the Shares allocated to Applicants applying through such Financial Intermediary at the rate of 1.5% on the value of Shares allocated as aforesaid.

5.12 RESULTS OF THE OFFER

Within five (5) Business Days from closing of the Offer Period, the Company, through the Registrar, shall inform the Financial Intermediary of the basis of acceptance of Applications and allocation policy to be adopted.

5.13 INTENTION TO ACQUIRE

Save as otherwise indicated in section 5.1 above, the Company does not have any knowledge whether any single investor has the intention of participating in the Offer by acquiring more than five per cent (5%) of the Shares. The Company is informed that no members of the management, supervisory or administrative bodies of the Company have the intention of participating in the Offer by acquiring more than five per cent (5%) of the Shares.

5.14 EXPECTED TIMETABLE

EVENT	DATE
1. Deadline for submission of Subscription Agreements by Designated Investors	30 April 2018 (12:00)
2. Availability of Application Forms	2 May 2018
3. Opening of Subscription Lists	2 May 2018
4. Closing of Subscription Lists	16 May 2018
5. Expected announcement of basis of acceptance	23 May 2018
6. Expected dispatch of allocation advices and refunds of unallocated monies	28 May 2018
7. Expected admission of the Shares on the MSE	30 May 2018
8. Expected commencement of trading on the MSE	31 May 2018

If upon closure of subscription lists the Offers are not fully subscribed, the Selling Shareholder and the Company, acting through the Registrar, reserves the right to extend the Offer Period by an additional five Business Days, in which case the events set out in steps 5 till 8 above shall also be deferred accordingly, although the number of Business Days between the respective events shall not be altered.

6 ADMISSION TO TRADING AND DEALING ARRANGEMENTS

Application has been made for the Shares to be admitted to the Official List of the MSE. Subject to the provisions of section 5.14 above and completion of the process for Admission undertaken by the MSE, the Shares are expected to be admitted to the Official List with effect from 30 May 2018 and trading is expected to commence as from 31 May 2018.

7 SELLING SHAREHOLDER

As at the date of this Securities Note, Embassy Limited, the Selling Shareholder, holds 14,153,850 Shares of a nominal value of €0.10 each in the Company, equivalent to circa 99.99% of the entire issued share capital of the Company as at the date hereof. Embassy Limited has its registered office and business address at "Embassy", St. Lucia Street, Valletta, Malta.

8 EXPENSES OF OFFERS

The expenses incurred in respect of both Offers, including selling commissions and professional, publicity, printing, registration, Registrar, sponsorship, management, listing and other miscellaneous fees, are estimated to amount to *circa* €350k. These expenses shall be deducted entirely from the proceeds of the Sale Shares Offer and accordingly shall be borne exclusively by the Selling Shareholder.

9 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 Shares, including their acquisition, holding, disposal as well as any income/gains derived therefrom or made on their disposal. The following information of the anticipated tax treatment applicable to investors is applicable only 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 Company at the date of this Securities Note in respect of a subject on which no official guidelines exist. Investors are reminded that tax law and practice and their interpretation on the subject matter referred to in the preceding paragraph, as well as the levels of tax, may change from time to time.

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

9.1 TAXATION STATUS OF THE COMPANY

The Company is subject to tax in Malta on taxable profits at the standard corporate tax rate which currently stands at the rate of 35%. The Company also has the option to be taxed on the gross rental income derived from third parties unrelated to the Company at a final withholding rate of 15%.

9.2 TAX ON DIVIDENDS

Dividends distributed to individual shareholders resident in Malta, from untaxed profits are subject to 15% withholding tax which may be treated as a final tax at the option of the recipient shareholders, depending on the status and the level of income of the recipient. Such withholding tax may also apply to distributions made to non-resident persons in specific circumstances including when the non-Maltese resident shareholder is owned and controlled by directly or indirectly an individual who is ordinarily resident and domiciled in Malta. The Company will deduct this 15% withholding tax from the amount of the dividend and will remit such withholding tax to the Commissioner for Revenue.

All other dividends distributed to any Shareholders are not subject to any further tax.

Under the full imputation system, a person is subject to tax, where applicable, on the net dividend grossed up by the tax paid by the distributing company on the profits out of which the dividend is distributed, other than profits distributed from the Final Tax Account or profits that have been relieved from tax by way of tax credits. A Shareholder may, in certain instances, be entitled to claim a refund of the difference between the tax payable on the grossed-up dividend and the tax paid by the company distributing the dividend but in certain cases the amount of refund may be limited depending on the status, level of income and percentage holding of the recipient.

Furthermore, a Shareholder holding not more than 0.5% of the shares of the Company may claim a full credit of the tax at source on the dividends distributed if such dividends relate to distributions made out of profits derived in the year preceding the year of assessment 2018 or later.

9.3 TAX ON CAPITAL GAINS

In accordance with the current legislation, if and for as long as the Shares which are subject to this Securities Note are listed on the MSE, no tax on capital gains is payable in Malta on any transfer of these Shares.

9.4 DUTY ON DOCUMENTS AND TRANSFERS

In accordance with the current legislation, if and for as long as the Shares are listed on the MSE, no duty on documents and transfers is payable in Malta on any transfer of these Shares.

THE ABOVE INFORMATION IS BASED ON TAX LAW AND PRACTICE APPLICABLE AS AT THE DATE OF THIS SECURITIES NOTE. PROSPECTIVE INVESTORS ARE CAUTIONED THAT TAX LAW AND PRACTICE AND THE LEVELS OF TAX RELATING TO THE COMPANY AND ITS SHAREHOLDERS MAY CHANGE FROM TIME TO TIME. PROSPECTIVE INVESTORS ARE THEREFORE URGED TO SEEK PROFESSIONAL ADVICE AS REGARDS BOTH MALTESE AND FOREIGN TAX LEGISLATION APPLICABLE TO THE ACQUISITION, HOLDING AND DISPOSAL OF THE SHARES, AS WELL AS DIVIDEND PAYMENTS MADE BY THE COMPANY. THIS INFORMATION, WHICH DOES NOT CONSTITUTE LEGAL OR TAX ADVICE, REFERS ONLY TO INVESTORS WHO DO NOT DEAL IN SECURITIES IN THE COURSE OF THEIR NORMAL TRADING ACTIVITY.

10 DILUTION

As a result of the Offers, if fully subscribed, the Selling Shareholder's shareholding in the Company will be diluted from 99.99% to 34.1% of the entire issued share capital of the company.

11 FURTHER TERMS AND CONDITIONS OF THE OFFERS

1. The contract created by the Company's acceptance of an Application shall be subject to the terms and conditions set out herein, in the remainder of the Prospectus and in the respective Application Form.
2. Subject to all other terms and conditions set out in the Prospectus, the Company reserves the right to reject in whole or in part, or to scale down, any Application (including multiple or suspected multiple Applications) and any cheques and, or drafts for payment, upon receipt. The right is also reserved to refuse any Application which, in the opinion of the Financial Intermediary and/or the Registrar, is not properly completed in all respects in accordance with the instructions, or is not accompanied by the required documents. Only original Application forms will be accepted and photocopies/facsimile/scanned copies will not be accepted.
3. In the case of joint Applications, reference to the Applicant in these Terms and Conditions is a reference to each Applicant, and liability therefore is joint and several. Joint Applications are to be signed by all parties.
4. In the case of corporate Applicants or Applicants having separate legal personality, the Application Form must be signed by a person/s authorised to sign and bind such Applicant. It shall not be incumbent on the Company or Registrar to verify whether the person or persons purporting to bind such an Applicant is or are in fact authorised. **Applications by corporate Applicants have to include a valid legal entity identifier (LEI) which must be unexpired. Applications without such information or without a valid LEI will not be accepted.**

5. Applications in the name and for the benefit of minors shall be allowed provided that they are signed by both parents or by the legal guardian and accompanied by a Public Registry birth certificate of the minor in whose name and for whose benefit the Application Form is submitted, provided that a birth certificate is not required if the minor already holds securities which are listed on the MSE. Any Shares allocated pursuant to such an Application shall be registered in the name of the minor as the holder of the acquired Shares, with dividends payable to the parents/legal guardian signing the Application Form until such time as the minor attains the age of eighteen (18) years, following which all dividends shall be payable directly to the registered holder, provided that the Company has been duly notified in writing of the fact that the minor has attained the age of eighteen (18) years.
6. All applications for Shares must be submitted on the appropriate Application Form within the time limits established herein. The minimum application is for 5,000 Shares. Applications in excess of the said minimum thresholds must be in multiples of 100 Shares. The completed Application Forms are to be lodged with the Financial Intermediary. All Application Forms must be accompanied by the full payment due for the Shares applied for, in Euro. In the event that a cheque accompanying an Application Form is not honoured on its first presentation, the Company and/or the Registrar reserves the right to invalidate the relative Application Form.
7. By completing and delivering an Application Form, the Applicant(s):
 - a. accepts to be **irrevocably** contractually committed to acquire the number of Shares allocated to such Applicant(s) at the Offer Price and, to the fullest extent permitted by law, accepts to be deemed to have agreed not to exercise any rights to rescind or terminate, or otherwise withdraw from, such commitment, such **irrevocable** offer to purchase, and pay the consideration for, the number of Shares specified in the Application Form submitted by the Applicant(s) (or any smaller number for which the Application is accepted) at the Offer Price being made subject to the provisions of the Prospectus, these Terms and Conditions, the Application Form and the Memorandum and Articles of Association of the Company;
 - b. authorises the Registrar and the Directors to include the Applicant's details as specified in the Application Form in the register of members of the Company in respect of the Shares allocated;
 - c. agrees that any refund of unallocated Application monies, without interest, will be paid by direct credit, at the Applicant's own risk, to the bank account as indicated in the Application Form. The Company shall not be responsible for any loss or delay in transmission or any charges in connection therewith;
 - d. warrants that the remittance will be honoured on first presentation and agrees that, if such remittance is not so honoured: the Applicant will not be entitled to receive a registration advice or to be registered in the register of members or to enjoy or receive any rights in respect of such Shares, unless and until a payment is made in cleared funds for such Shares and such payment is accepted by the Registrar (which acceptance shall be made in its absolute discretion and may be on the basis that 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 Registrar of such late payment in respect of such Shares); the Company may, without prejudice to other rights, treat the agreement to allocate such Shares as void and may allocate such Shares to another person, in which case the Applicant will not be entitled to any refund or payment in respect of such Shares (other than return of such late payment);
 - e. agrees that the registration advice and other documents and any monies returnable may be retained pending clearance of your remittance and any verification of identity as required in

terms of the Prevention of Money Laundering Act 1994 (and regulations made thereunder) and that such monies will not bear interest;

- f. agrees that all Applications, acceptances of Applications and contracts resulting therefrom will be governed by, and construed in accordance with Maltese law, and to submit to the jurisdiction of the Maltese Courts, and agrees that nothing shall limit the right of the Company to bring any action, suit or proceeding arising out of or in connection with any such Applications, acceptances of Applications and contracts in any other manner permitted by law in any court of competent jurisdiction;
- g. warrants that, where an Applicant signs and submits an Application Form on behalf of another party or on behalf of a corporation or corporate entity or association of persons, the Applicant is duly authorised to do so and such person, corporation, corporate entity, or association of persons will also be bound accordingly and will be deemed also to have given the confirmations, warranties and undertakings contained in these Terms and Conditions and undertake to submit your power of attorney or a copy thereof duly certified by a lawyer or notary public if so required by the Company or the Registrar;
- h. agrees that, having had the opportunity to read the Prospectus, the Applicant shall be deemed to have had notice of all information and representations concerning the Company and the Offers contained therein;
- i. confirms that in making such Application, the Applicant is not relying on any information or representation in relation to the Company or the Offers other than those contained in the Prospectus and accordingly agrees that no person responsible solely or jointly for the Application or any part thereof will have any liability for any such other information or representation;
- j. confirms that the Applicant has reviewed and will comply with the restriction contained in paragraph (q) and the warning in paragraph 8 below;
- k. warrants that where the Applicant is under the age of 18 years or, where an Application is being lodged in the name and for the benefit of a minor, the Applicant is the parents or legal guardian/s of the minor;
- l. agrees that such Application Form is addressed to the Company and that, in respect of those Shares for which the Application has been accepted, the Applicant shall receive a registration advice confirming such acceptance;
- m. confirms that in the case of a joint Application, the first-named Applicant shall be deemed the holder of the Shares;
- n. agrees to provide the Registrar, as the case may be, with any information which it may request in connection with the Application(s);
- o. agree that Rizzo, Farrugia & Co (Stockbrokers) Ltd will not, in its capacity as Sponsor, Manager and Registrar to the Offers, treat the Applicant as their customer by virtue of said Applicant making an application for Shares or by virtue of the Application to purchase Shares being accepted, and they will not owe you any duties or responsibilities concerning the price of the Shares or their suitability for the Applicant;
- p. warrants that, in connection with the Application, the Applicant has observed all applicable laws, obtained any requisite governmental or other consents, complied with all requisite

formalities and paid any issue, transfer or other taxes due in connection with the Application in any territory and that you have not taken any action which will or may result in the Company or the Registrar acting in breach of the regulatory or legal requirements of any territory in connection with the Offers or the Application;

- q. represents that the Applicant is not a U.S. person as such term is defined in Regulation S under the U.S. Securities Act of 1933, as amended (the **"Securities Act"**) and that the Applicant is not accepting the invitation comprised in the Offers from within the United States of America, its territories or its possessions, any State of the United States of America or the District of Columbia (the **"United States"**) or on behalf or for the account of anyone within the United States or anyone who is a U.S. person, unless indicated otherwise with the Application Form;
 - r. warrants that the Shares have not been and will not be registered under the Securities Act and accordingly may not be offered or sold within the United States or to or for the account or benefit of a U.S. person; and
 - s. acknowledges that any Shares which may be allotted will be recorded by the CSD in the MSE account number quoted on the Application Form even if the details of such account number, as held by the MSE, differ from any or all of the details appearing on the Application Form.
8. No person receiving a copy of the Prospectus or any part thereof or an Application Form in any territory other than Malta may treat the same as constituting an invitation or offer to him nor should he in any event use such Application Form, unless, in the relevant territory, such an invitation or offer could lawfully be made to him or such Application Form could lawfully be used without contravention of any registration or other legal requirements. It is the responsibility of any person outside Malta wishing to make any Application to satisfy himself as to full observance of the laws of any relevant territory in connection therewith, including obtaining any requisite governmental or other consents, observing any other formalities required to be observed in such territory and paying any issues, transfer or other taxes required to be paid in such territory.
9. For the purposes of the Prevention of Money Laundering and Funding of Terrorism Regulations 2008 as subsequently amended, the Financial Intermediary is under a duty to communicate, upon request, all information it holds about clients, pursuant to Articles 1.2(d) and 2.4 of the "Members' Code of Conduct" appended as Appendix 3.6 in Chapter 3 of the MSE bye-laws. Furthermore, such information shall be held and controlled by the MSE in terms of the Data Protection Act (Cap. 440 of the laws of Malta) and/or 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.
10. Within five (5) Business Days from closing of subscription lists, the Company, through the Registrar, shall inform the Financial Intermediary of the basis of acceptance of Applications and allocation policy to be adopted.
11. Save where the context requires otherwise, terms defined in the Prospectus bear the same meaning when used in these Terms and Conditions of Application for the Shares, in the Application Form and in any other document issued pursuant to the Prospectus.
12. Application Forms must be submitted to the Financial Intermediary by no later than 12:00 hours on 16 May 2018.

REGISTRATION, REPLACEMENT, TRANSFER AND EXCHANGE

- a. A register of the Shares will be kept by the Company at the CSD, wherein there will be entered the names and addresses of the holders of Shares. A copy of such register will, at reasonable times during business hours, be open for inspection at the registered office of the Company for the purpose of inspecting information held on their respective account.
- b. Upon admission and listing of the Shares on the Official List of the MSE, the Shares shall be maintained in an electronic register maintained on behalf of the Company by and at the CSD. The Shareholders' details shall accordingly be entered on the electronic register of shareholders by the CSD. Statements of holdings and/or registration advices issued by the CSD will be regulated in terms of the e-portfolio service offering of the CSD. To this extent, the Shareholders are expected to liaise directly with the CSD on this matter.
- c. Shares may be transferred only in whole in accordance with the rules and procedures applicable from time to time in respect of the Official List of the MSE.
- d. Any person becoming entitled to the Shares in consequence of the death or bankruptcy of a holder of Shares may, upon such evidence being produced as may from time to time properly be required by the Company or the MSE, elect either to be registered himself/herself as holder of the Share/s or to have another person nominated by him/her registered as the transferee thereof. If the person so becoming entitled elects to be registered himself/herself, he/she shall deliver or send to the Company a notice in writing signed by him/her stating that he/she so elects. If he/she elects to have another person registered he/she shall testify his/her election by executing to that person a transfer of that/those Shares.
- e. All transfers and transmissions are subject in all cases to any pledge (duly constituted) of the Shares and to any applicable laws and regulations.
- f. The cost and expenses of effecting any exchange or registration of transfer or transmission except for the expenses of delivery other than regular mail (if any) and except, if the Company shall so require, the payment of a sum sufficient to cover any tax, duty or other governmental charge or insurance charges that may be imposed in relation thereto, will be borne by the holder of the Shares.
- g. Upon submission of an Application Form, Shareholders who opt to subscribe for the online e-portfolio by ticking the appropriate box on the Application Form will be registered by the CSD for the online e-portfolio facility and will receive by mail at their registered address a handle code to activate the new e-portfolio login. The Shareholder's statement of holdings evidencing entitlement to Shares 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>.

ANNEX 1

APPLICATION FORM



MAIN STREET COMPLEX P.L.C.

**COMBINED OFFER AND ISSUE OF 12,769,229 ORDINARY SHARES
HAVING A NOMINAL VALUE OF €0.10 PER SHARE AT AN OFFER PRICE OF
€0.65 PER SHARE**

All capitalised terms herein shall have the meaning assigned to them in the prospectus issued by Main Street Complex p.l.c. (the "Company") dated 23 April 2018 (the "Prospectus").

Please read the notes overleaf before completing this Application Form. Mark 'X' where applicable.

APPLICANT DETAILS (see notes 2 and 3 overleaf)				
A	<input type="checkbox"/> Non-Resident	<input type="checkbox"/> Minor (under 18 yrs) (ask for Addendum)	<input type="checkbox"/> Body Corporate / Body of Persons (ask for Addendum)	<input type="checkbox"/> CIS - Prescribed Fund (ask for Addendum)
B	TITLE (Mr/Mrs/Ms ...) FULL NAME & SURNAME / REGISTERED NAME			
ADDRESS / REGISTERED OFFICE				
			Post Code	
Email Address:				
MSE Account	Type of ID Document	Nationality	Mobile Number	Date of Birth (DD/MM/YYYY)
	ID/Passp No.	Country of Issue		
	Co Reg No	LEI	Register for e-Portfolio	

C ADDITIONAL (JOINT) APPLICANTS (see note 4 overleaf) - please use additional Application Forms if the space is not sufficient				
TITLE (Mr/Mrs/Ms ...)		FULL NAME & SURNAME		
ADDRESS				
			Post Code	
Email Address:				
Type of ID Document		Nationality	Mobile Number	Date of Birth (DD/MM/YYYY)
ID / Passp No.		Country of Issue		

D I / WE APPLY TO PURCHASE AND ACQUIRE (see notes 9 and 10):		MINIMUM 5,000 SHARES AND IN MULTIPLES OF 100 SHARES THEREAFTER
Number of Shares in figures	Number of Shares in words	
Shares in Main Street Complex p.l.c. at the Offer Price (as defined in the Prospectus dated 23 April 2018) payable in full upon Application and subject to the terms and conditions of the Prospectus and the Memorandum & Articles of Association of the Company.		
AMOUNT PAYABLE		€

E DIVIDEND & REFUND MANDATE (see note 8) - completion of this panel is MANDATORY	
Name of Bank	IBAN

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

I/We hereby authorize the Company or its duly appointed agent (including the Registrar) to forward the details to the Malta Stock Exchange for the purposes of registering the Shares in my /our MSE account, to register for the e-Portfolio facility (if applicable), and to enable the reporting of all necessary transaction and personal information provided in this Application Form to the Malta Financial Services Authority as competent authority ("Transaction Reporting"). Furthermore, I/we understand and acknowledge that the Company or its duly appointed agent (including the Registrar) may require additional information for Transaction Reporting purposes and agree that such information will be provided.

Signature/s of Applicant/s

Date

FINANCIAL INTERMEDIARY'S STAMP

APPLICATION NUMBER

TO BE COMPLETED ONLY WHERE AND AS NECESSARY

MAIN STREET COMPLEX P.L.C.
COMBINED OFFER AND ISSUE OF 12,769,229 ORDINARY
SHARES HAVING A NOMINAL VALUE OF €0.10 PER SHARE
AT AN OFFER PRICE OF €0.65 PER SHARE

F MINOR'S PARENTS / LEGAL GUARDIANS (see note 5)			
TITLE (Mr/Mrs/Ms ...)	FULL NAME & SURNAME		
Nationality	Type of ID Document	Date of Birth (DD/MM/YYYY)	
	ID / Passp No. Country of Issue		

TITLE (Mr/Mrs/Ms ...)	FULL NAME & SURNAME		
Nationality	Type of ID Document	Date of Birth (DD/MM/YYYY)	
	ID / Passp No. Country of Issue		

G DECISION MAKER DETAILS (see note 6)			
Name of Legal Entity	FULL NAME & SURNAME (of decision maker)		
Type of ID Document	Nationality	Date of Birth (DD/MM/YYYY)	
ID/Passp No.	Country of Issue		
Co Reg No	LEI		

Name of Legal Entity	FULL NAME & SURNAME (of decision maker)		
Type of ID Document	Nationality	Date of Birth (DD/MM/YYYY)	
ID/Passp No.	Country of Issue		
Co Reg No	LEI		

H COLLECTING AGENTS ACTING AS PRINCIPALS / UNDER A DISCRETIONARY MANDATE - Details on the Decision Maker			
FULL NAME & SURNAME (of decision maker)			
Type of ID Document	Nationality	Date of Birth (DD/MM/YYYY)	
ID/Passp No.	Country of Issue		
Co Reg No	LEI		

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

I/We hereby authorize the Company or its duly appointed agent (including the Registrar) to forward the details to the Malta Stock Exchange for the purpose of registering the Shares in my/our MSE account, to register for the e-Portfolio facility (if applicable), and to enable the reporting of all necessary transaction and personal information provided in this Application Form to the Malta Financial Services Authority as competent authority ("Transaction Reporting"). Furthermore, I/We understand and acknowledge that the Company or its duly appointed agent (including the Registrar) may require additional information for Transaction Reporting purposes and agree that such information will be provided.

Signature/s _____

Date _____

Notes on how to complete the Application Form

Capitalised terms not defined herein shall, unless the context otherwise requires, have the meaning ascribed to them in the prospectus issued by Main Street Complex p.l.c. (the “Company”) dated 23 April 2018 (the “Prospectus”).

The following notes are to be read in conjunction with the Prospectus regulating the Offers.

1. The Application is governed by the Terms and Conditions of the Offers contained in the Securities Note forming part of the Prospectus.
2. The Application Form is to be completed in BLOCK LETTERS. Applicants who already hold securities on the MSE are to indicate their MSE account number in Panel B. Applicants are to note that any Shares allotted to them will be recorded by the MSE in the MSE account quoted in this Application Form even if the details of the Applicant's MSE account, as held by the CSD of the MSE, differ from any or all of the details appearing on the Application Form. Should the Applicant wish to update the records currently held by the CSD of the MSE to reflect the details provided in this Application Form, a separate request for this purpose is to be made by the Applicant to the MSE.
3. Applicant details are to be included in Panel B.
4. In the case of an Application by more than one person (joint Applicants), full details of all individuals must be given in Panels B and C, but the person whose name appears in Panel B shall, for all intents and purposes, be deemed to be the registered holder of the Shares.
5. Applications in the name and for the benefit of minors shall be allowed provided that they are signed by both parents or by the legal guardian/s and accompanied by a public registry birth certificate of the minor in whose name and for whose benefit the Application Form is submitted (the birth certificate is not required if the minor already holds securities which are listed on the MSE). Parents / legal guardian/s are to fill in the appropriate information in Panel F. The relative box in Panel A must also be marked appropriately. Any Shares allocated pursuant to such an Application shall be registered in the name of the minor as Shareholder, with dividends (if any) payable to the parents or legal guardian/s signing the Application Form until such time as the minor attains the age of eighteen (18) years. Following the attainment of eighteen (18) years of age, any dividends shall be payable directly to the registered holder, provided that the Company has been duly notified in writing of the fact that the minor has attained the age of eighteen (18) years. In the case that the Company has not been notified in writing that the minor has attained eighteen (18) years of age, any dividends will continue to be paid by the Company to the parents or legal guardian/s of the minor signing the Application Form.
6. In the case of a body corporate, the name of the entity (which must reflect the name registered with the respective registry of companies) the registration number, as well as the Legal Entity Identifier (LEI) are to be inserted in Panel B. Applications must be signed by duly authorised representatives indicating the capacity in which they are signing. The relative box in Panel A must also be marked appropriately. **Applications on behalf of a body corporate without an LEI (not expired) will not be entertained. The person making the investment decision on behalf of the body corporate is to include the details required in Panel G.**
7. Applicants must state the amount of Shares they wish to purchase and acquire in Panel D.
8. Dividends, if any, will be paid by direct credit to the bank account (which must be a Euro denominated bank account held with a local bank) bearing the IBAN (which must be a valid one) indicated by the Applicant in Panel E, or to such other bank account indicated by the Shareholder/s to the MSE from time to time. Any refunds to be made by the Company will also be made to the bank account indicated by the Applicant in Panel E.
9. Applications must be accompanied by the relevant payment in Euro, corresponding to the number of Shares applied for. In the event that the cheque accompanying an Application Form is not honoured on the first presentation, the Company and the Registrar reserve the right to invalidate the relative Application.
10. Applications may be subject to scaling down as per allocation policy announced by the Company and/or the Registrar in the event that the subscriptions received are in excess of the aggregate amount of Shares available through the Offers.

11. The Company reserves the right to refuse any Application which appears to be in breach of the Terms and Conditions of the Offer as contained in the Prospectus.
12. Upon submission of an Application Form, Shareholders who opt to have an online e-portfolio facility (by marking the relative box in Panel B), will receive, by mail at their registered address, a handle code to activate the new e-Portfolio login. Registration for the e-Portfolio facility requires a mobile number to be provided on the Application Form. The Shareholder's statement of holdings evidencing entitlement to Shares 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 may be found on <https://eportfolio.borzamalta.com.mt/Help>.
13. By completing and delivering an Application Form, the Applicant/s acknowledge that:
- a. the Company (or its service providers, including the CSD and/or the Registrar) may process the personal data that is provided in the Application Form in accordance with the Data Protection Act (Cap. 440 of the laws of Malta) and the General Data Protection Regulation (GDPR)(EU) 2016/679, as amended from time to time;
 - b. the Company (or its service providers, including the CSD and/or the Registrar) may process such personal data for all purposes necessary for and related to the Shares applied for; and
 - c. the Applicant has the right to request access to and rectification of the personal data relating to him/her, as processed by the Company (or its service providers, including the CSD and/or the Registrar).

Any such requests must be made in writing and addressed to the Company and signed by the Applicant to whom the personal data relates.

The value of investments can go up or down and past performance is not necessarily indicative of future performance. Prior to purchasing the Shares, an investor should consult an independent financial or other professional adviser.

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