

SUMMARY NOTE

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

Dated 2 June 2014

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**In respect of an Issue of €30 million 5.3% Unsecured Bonds 2024
(or €35 million in the event of exercise of the Over-Allotment Option)**

of a nominal value of €100 per Bond issued at par by



Mariner Finance p.l.c.

A public limited liability company registered in Malta
with company registration number C31514

ISIN:MT0000271214

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

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

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

APPROVED BY THE DIRECTORS

A handwritten signature in black ink, appearing to be "Marm Hili".

Marm Hili

A handwritten signature in black ink, appearing to be "Edward Hili".

Edward Hili

A handwritten signature in black ink, appearing to be "Marin Hili".

Marin Hili
on behalf of Michela Borg

A large, stylized handwritten signature in black ink, appearing to be "Kevin Saliba".

Kevin Saliba

A handwritten signature in black ink, appearing to be "Lawrence Zammit".

Lawrence Zammit

A handwritten signature in black ink, appearing to be "N.J. Bianco".

Nicholas Bianco

Manager and Registrar

Legal Counsel

Sponsor



IMPORTANT INFORMATION

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Act	the Companies Act (Cap. 386 of the Laws of Malta);
Applicant/s	a person or persons whose name or names (in the case of joint applicants) appear in the registration details of an Application Form;
Application/s	the application to subscribe for Bonds made by an Applicant/s by completing an Application Form/s and delivering same to the Registrar or to any of the Authorised Financial Intermediaries;
Application Form	the forms of application of subscription for Bonds, specimens of which are contained in Annex II of the Securities Note;
Authorised Financial Intermediaries	the licensed stockbrokers and financial intermediaries listed in Annex I of the Securities Note;
BCT	SIA Baltic Container Terminal, a company registered under the laws of Latvia with company registration number 000328803 and having its registered office at 1, Kundzinsala Street, Riga LV – 1822, Latvia;
Bond(s)	the €30 million (or €35 million in the event of exercise of the Over-Allotment Option) bonds due 2024 of a face value of €100 per bond redeemable at their nominal value on the Redemption Date, bearing interest at the rate of 5.3% per annum, as detailed in the Securities Note;
Bondholder	a holder of Bonds;
Bond Issue	the issue of the Bonds;
Bond Issue Price	the price of €100 per Bond;
Business Day	any day between Monday and Friday (both days included) on which commercial banks in Malta settle payments and are open for normal banking business;
Company, Issuer or Mariner	Mariner Finance p.l.c., a company registered under the laws of Malta with company registration number C 31514 and having its registered office at Nineteen Twenty Three, Valletta Road, Marsa MRS 3000, Malta;
CSD	the Central Securities Depository of the MSE established pursuant to Chapter 4 of the Malta Stock Exchange Bye-Laws, having its address at Garrison Chapel, Castille Place, Valletta, VLT 1063, Malta;
Directors or Board	the directors of the Company whose names and addresses are set out in the Registration Document;
EQR	SIA Equinor Riga, a company registered under the laws of Latvia with company registration number 000325568 and having its registered office at 1, Merkela Street, Riga, LV – 1050, Latvia;
Euro or €	the lawful currency of the Republic of Malta;
Exchange, Malta Stock Exchange or MSE	Malta Stock Exchange p.l.c., as originally constituted in terms of the Financial Markets Act (Cap. 345 of the Laws of Malta), having its registered office at Garrison Chapel, Castille Place, Valletta VLT 1063, Malta, and bearing company registration number C 42525;
Group	Mariner Finance p.l.c. and any company or entity in which Mariner Finance p.l.c. has a controlling interest, as further described in the Registration Document;
Interest Payment Date	3 July of each year between and including each of the years 2015 and 2024, provided that if any such day is not a Business Day such Interest Payment Date will be carried over to the next following day that is a Business Day;
Issue Date	14 July 2014;
Issue Period	the period between 23 June 2014 to 27 June 2014 during which the Bonds are on offer;
Issuer or Company	Mariner Finance p.l.c., a company registered under the laws of Malta with company registration number C 31514 and having its registered office at Nineteen Twenty Three, Valletta Road, Marsa MRS 3000, Malta;

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

1 SECTION A - INTRODUCTION AND WARNINGS

A.1 Prospective investors are hereby warned that:

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

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

- i. For the purposes of any subscription for Bonds through any of the Authorised Financial Intermediaries during the Issue Period and any subsequent resale, placement or other offering of Bonds by such Authorised Financial Intermediaries in circumstances where there is no exemption from the requirement to publish a prospectus under the Prospectus Directive, the Issuer consents to the use of this Prospectus (and accepts responsibility for the information contained therein) with respect to any such subsequent resale, placement or other offering of Bonds, provided this is limited only:
 - (a) in respect of Bonds subscribed for through the Authorised Financial Intermediaries listed in Annex I of the Securities Note during the Issue Period;
 - (b) to any resale or placement of Bonds subscribed for as aforesaid taking place in Malta;
 - (c) to any resale or placement of Bonds subscribed for as aforesaid taking place within the period of 60 days from the date of the Prospectus.
- ii. **In the event of a resale, placement or other offering of Bonds by an Authorised Financial Intermediary, the Authorised Financial Intermediary shall be responsible to provide information to investors on the terms and conditions of the resale, placement or other offering at the time such is made.**
- iii. Any new information with respect to Authorised Financial Intermediaries unknown at the time of the approval of this Prospectus will be made available through a company announcement which will also be made available on the Issuer's website: www.mfplc.com.mt

2 SECTION B - ISSUER

- B.1** The legal and commercial name of the Issuer is Mariner Finance p.l.c. (registration number C 31514).
- B.2** The Issuer was registered in Malta in terms of the Act on 30 May 2003 as a private limited liability company, and is domiciled in Malta.
- B.4b** The principal object of the Issuer is to carry on the business of a finance and investment company within the Group, in particular for the financing of acquisitions in seaport terminals. The Issuer does not itself carry on any trading activities apart from the raising of capital and the advancing thereof to members of the Group. At the time of publication of the Prospectus, the Issuer considers that its future performance is intimately related to that of BCT, its principal operating subsidiary company.

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

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

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

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



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

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

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Mariner Finance p.l.c.

Pro forma consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2013

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

Mariner Finance p.l.c.

Pro forma consolidated statement of financial position as at 31 December 2013

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

- B.9** Not Applicable: the Registration Document forming part of the Prospectus does not contain any profit forecasts or estimates.
- B.10** Not Applicable: the audit reports on the audited financial statements for the years ended 31 December 2011, 2012 and 2013 do not contain any qualifications.
- B.12** The annual statutory financial statements of the Issuer for the financial years ended 31 December 2011, 2012 and 2013, as audited by Deloitte Audit Limited, and the audited financial statements of EQR and BCT, are available at the registered office of the Issuer.

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

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

Mariner Finance p.l.c.

Financial year ended 31 December

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

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

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- B.14** The principal object of the Issuer is to carry on the business of a finance and investment company within the Group, in particular for the financing of acquisitions in seaport terminals. The Issuer does not itself carry on any trading activities apart from the raising of capital and the advancing thereof to members of the Group. Accordingly the Issuer is economically dependent on the operations and performance of BCT and, to a lesser extent, EQR. The business of the Group is largely related to the acquisition and operation of seaport terminals and, to a lesser extent, the acquisition and operation of commercial properties.
- B.15** As at the date of the Prospectus, the Issuer is the holding company of the Group. In terms of the M&As the main objects of the Issuer include, *inter alia*: acting as a holding company and investing in any other company, partnership or business; the provision of management, administration, technical, financial and professional services and the provision of human resources to Group and other companies relative or incidental to its business; constructing, developing and dealing in property; carrying on the business of a finance and investment company including the ownership, development, operation, construction and financing of ports or port operations or real estate property, including the financing or re-financing of the funding requirements of the business of the Company's subsidiaries and/or associated companies.
- B.16** The Issuer's current authorised and issued share capital is €500,000, divided into 50,000 ordinary shares of €10 each, fully paid up. The issued share capital of the Issuer is divided as follows: Mariner Capital Limited (C 11890) holds 49,999 ordinary shares and Marin Hili holds 1 ordinary share. The Issuer is wholly owned directly, or indirectly through Mariner Capital Limited, by Marin Hili as to 70%, and by Edward Hili and Michela Borg as to the remaining 30%. In terms of the M&As members are entitled to appoint one director for every 25% of the issued share capital of the Issuer held by them, putting Mariner Capital Limited in a position to appoint a majority of the Board and accordingly having control over the management and operations of the Issuer. Measures in line with the Code of Principles of Good Corporate Governance found in the Listing Rules are adopted to ensure that the relationship with Mariner Capital Limited is retained at arm's length.
- B.17** Not Applicable: The Issuer has not sought the credit rating of an independent rating agency, and there has been no assessment by any independent rating agency of the Bonds issued by the Issuer.

3 SECTION C - SECURITIES

- C.1** The Issuer shall issue an aggregate of €30 million (or €35 million in the event of exercise of the Over-Allotment Option) in Bonds having a face value of €100 per bond, subject to a minimum subscription of €2,000 in Bonds. The Bonds will be issued in fully registered and dematerialised form and will be represented in uncertificated form by the appropriate entry in the electronic register maintained on behalf of the Issuer at the CSD. On admission to trading the Bonds will have the following ISIN number MT0000271214. The Bonds shall bear interest at the rate of 5.3% per annum and shall be repayable in full upon maturity unless previously re-purchased and cancelled.
- C.2** The Bonds are denominated in Euro (€).
- C.5** The Bonds are freely transferable and, once admitted to the Official List, shall be transferable only in whole in accordance with the rules and regulations of the MSE applicable from time to time.
- C.8** Investors wishing to participate in the Bonds will be able to do so by duly executing the appropriate Application Form in relation to the Bonds. Execution of the Application Form will entitle such investor to:
- (i) the payment of capital;
 - (ii) the payment of interest;
 - (iii) ranking with respect to other indebtedness of the Issuer in accordance with the status of the Bonds, as follows: *"The Bonds shall constitute the general, direct, unconditional and unsecured obligations of the Issuer and shall at all times rank pari passu, without any priority or preference among themselves and with other unsecured debt, if any"*;
 - (iv) attend, participate in and vote at meetings of Bondholders in accordance with the Terms and Conditions of the Bond; and
 - (v) enjoy all such other rights attached to the Bonds emanating from the Prospectus.

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

- a loan agreement entered into by and between MFB (as borrower), AS DNB Banka (registration number 40003024725) and Nordea Bank Finland Plc (Latvian branch having registration number 40003486767) (as lenders) for an aggregate amount of €40,000,000 split equally between the two lenders, subject to the terms and conditions of said agreement (the "**Loan Agreement**"). As at 30 April 2014 the amount of €33,582,992.32 was still outstanding; and
- a loan agreement entered into by and between EQR (as borrower) and Nordea Bank Finland Plc (Latvian branch having registration number 40003486767) (as lender). As at 30 April 2014 an aggregate amount of €40,355 remained outstanding.

SUMMARY NOTE

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

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

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

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

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

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

4 SECTION D - RISKS

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

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

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

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

A. Risks relating to the Issuer:

- i. The Issuer is a holding company and, as such, its assets consist primarily of loans issued to and investments in Group companies. Consequently, the Issuer is largely dependent on income derived from dividends receivable from Group companies, particularly BCT, and the receipt of interest and loan repayments from Group companies. In this respect, the operating results of the Group companies, particularly BCT, have a direct effect on the Issuer's financial position and therefore the risks intrinsic in the business and operations of BCT and other Group companies have a direct effect on the ability of the Issuer to meet its obligations in respect of the repayment of principal and interest under the Bonds when due.
- ii. The dividends, interest payments and loan repayments to be effected by Group companies are subject to certain risks. More specifically, the ability of Group companies to effect payments to the Issuer will depend on the cash flows and earnings of BCT and such other the Group companies, which may be restricted by: changes in applicable laws and regulations; by the terms of agreements to which they are or may become party, including the indenture governing their existing indebtedness, if any; or by other factors beyond the control of the Issuer. The occurrence of any such factor could in turn negatively affect the ability of the Issuer to meet its obligations in respect of the payment of interest on the Bonds and repayment of principal when due.

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

- i. The development of container volumes is an important determinant of BCT's cargo volumes and, consequently, the development of its revenue and profits. A delay in or obstruction of the further liberalisation of trade with the markets from which BCT receives cargo, or to which cargo passing through its terminal is shipped, slowing economic growth or the imposition of new trade barriers in Russia or in the Commonwealth of Independent States (CIS) or globally, could lead to lower growth or a decline in the volume of trade and, consequently, to a decline or slower growth in cargo container handling. Given BCT's dependence on the volume of container traffic, such developments could materially impair BCT's growth prospects and could have a material adverse effect on its business, results of operations, financial condition or prospects.
- ii. BCT derives a substantial portion of its revenue from the handling of containers. Accordingly, its future revenues and profits will depend significantly on container shipping volumes and overall container handling capacity in the Baltic region. BCT's ability to ensure that capacity is utilised is dependent on demand for its services and the capacity provided by other providers in the area. Such developments at competing terminals could substantially impair BCT's growth prospects and could have a material adverse effect on its business, results of operations, financial condition or prospects.
- iii. The Group may, in the coming years, seek to expand its operations through the acquisition of third party container terminals. Any future acquisitions that the Group may undertake entails certain risks, including the failure to realise the expected benefits of the acquisitions and the incurrence of unexpected risks and obligations. Acquisitions are also subject to the risk that the target is overvalued and thus the payment of consideration is greater than the acquisition's actual market value. Acquiring additional businesses could also place increased pressure on the Group's cash flows and the incurrence of significantly higher than anticipated financing-related risks and operating expenses, especially if the acquisition is paid for in cash. Furthermore, if an acquisition is not completed, this may adversely impact the Group's strategic objectives. If any such risks were to materialise in conjunction with an acquisition, this could have a material adverse effect on the Group's business, results of operations, financial condition or prospects. In addition, the Group may experience problems in integrating potential acquisitions into its business and managing them optimally and such integration may place additional strain on management resources. The acquisition of operations located outside of the area in which the Group currently operates can expose the Group to the risks of operating in new geographies.
- iv. Consolidation within the container terminal industry results in BCT having to compete with other terminal operators that may be larger and have greater financial resources than BCT and therefore may be able to invest more heavily or effectively in their facilities or withstand price competition. Consolidation between competitor container ports and container shipping companies could also have the effect of reducing the number of shipping customers available to BCT and increasing the access that its competing ports have to the major shipping lines. This could substantially impair BCT's growth prospects and could have a material adverse effect on BCT's business, results of operations, financial condition or prospects.
- v. Cost pressures are amongst the factors that may contribute to the trend towards consolidation among shipping companies. If BCT's customers were to experience future market concentration or increases in their market share, their market power and bargaining power vis-à-vis BCT would increase, and BCT could suffer a decrease in its own market share if its competitors were to provide a suitable alternative to BCT's facilities on more advantageous terms, or could be forced to lower its prices with a view to retaining the shipping companies' custom. Either of these effects could substantially impair BCT's growth prospects and could have a material adverse effect on BCT's business, results of operations, financial condition or prospects.
- vi. BCT's container terminal business is dependent on a limited number of shipping lines calling at its terminal. At any time during the terms of existing contracts with such shipping lines, which are typically of an indefinite duration, one or more of these shipping lines may opt to terminate and have its containers handled at a competitor's terminal, or may reduce its throughput at BCT's terminal. As a result, BCT's revenues are vulnerable to the loss of or difficulties experienced by such customers. The loss of - or a reduction in or failure of payment for services rendered for any reason by - important customers, could substantially impair BCT's growth prospects and could have a material adverse effect on BCT's business, results of operations, financial condition or prospects.
- vii. BCT's terminal operations are subject to extensive laws and regulations governing, among other things: the loading, unloading and storage of hazardous materials; environmental protection; and health and safety. BCT's ability to operate its container terminal business is contingent on its ability to comply with these laws and regulations and to obtain, maintain and renew as necessary related permits and licences from governmental agencies and authorities in Riga, Latvia. BCT's failure to comply with all applicable regulations and obtain and maintain requisite certifications, permits and licences could: lead to substantial penalties, including criminal or administrative penalties, other punitive measures and/or increased regulatory scrutiny; trigger a default under one or more of its financing agreements; or invalidate or increase the cost of the insurance that it maintains for its port business.
- viii. BCT's failure to comply with regulations that affect its employees, such as health and safety regulations, could affect its ability to attract and retain employees. BCT could also incur civil liabilities, such as abatement and compensation for loss, in amounts in excess of, or that are not covered by, its insurance policies. For the most serious violations, BCT could also be forced to suspend operations until it obtains such certifications, permits or licences or otherwise brings its operations into compliance.

- ix. Changes to existing regulations or the introduction of new regulations, procedures or licensing requirements are beyond BCT's control and may be influenced by political or commercial considerations not aligned with BCT's interests. Any such regulations and licensing requirements could adversely affect its business by reducing its revenue or increasing its operating costs or both, and it may be unable to mitigate the impact of such changes. Any expansion of the scope of the regulations governing BCT's environmental obligations, in particular, would likely involve substantial additional costs, including costs relating to maintenance and inspection, development and implementation of emergency procedures and insurance coverage or other financial assurance of its ability to address environmental incidents or external threats. The inability to control the costs involved in complying with these and other laws and regulations, or to recover the full amount of such costs from its customers, could substantially impair BCT's growth prospects and could have a material adverse effect on BCT's business, results of operations, financial condition or prospects.
- x. BCT carries insurance for all of its operations in line with currently accepted market practice. Although BCT's contracts generally provide that BCT is liable for damage to or loss of cargo it handles, its liability is limited to the cargo value stated on the applicable customs declaration. If an uninsured event were to occur and BCT were liable for it, or if BCT experiences difficulty collecting insurance compensation that is due to it, BCT could experience significant disruption in its operations and/or requirements to make significant payments for which it would not be compensated. This, in turn could substantially impair BCT's growth prospects and could have a material adverse effect on BCT's business, results of operations, financial condition or prospects.
- xi. BCT inspects cargo that enters its terminal in accordance with the inspection procedures prescribed by, and under the authority of, the governmental body charged with oversight of its port. BCT also relies on the security procedures carried out by its shipping line customers and the port facilities that such cargo has previously passed through to supplement its own inspection to varying degrees. BCT cannot guarantee that its own security measures and procedures will prevent all of the cargo that passes through its terminal from being affected by breaches in security or acts of terrorism either directly against BCT or indirectly in other areas of the supply chain that will impact on BCT.
- xii. A security breach or act of terrorism occurring at its terminal, or at a shipping line or other port facility that has handled cargo prior to it reaching BCT's facilities, could subject BCT to significant liability, including the risk of litigation, adverse publicity and loss of goodwill. Moreover, a major security breach or act of terrorism occurring at its terminal or one of its competitors' facilities may result in a temporary shutdown of the container terminal and/or the introduction of additional or more stringent security measures and other regulations. The costs associated with any such outcome could substantially impair BCT's growth prospects and could have a material adverse effect on BCT's business, results of operations, financial condition or prospects.
- xiii. BCT's business is dependent on retaining the services of, or in due course promptly obtaining equally qualified replacements for, key members of its management team. Demand for personnel with relevant expertise is intense due to the limited number of qualified individuals with suitable practical experience in the container ports industry. Although BCT has employment agreements with these key managers, the retention of their services cannot be guaranteed. Should they decide to leave BCT, it may be difficult to replace them promptly with other managers of sufficient expertise and experience or at all. Should BCT lose any of its key senior managers without prompt and equivalent replacement, or if BCT is otherwise unable to attract or retain such qualified personnel for its requirements, this could substantially impair BCT's growth prospects and could have a material adverse effect on BCT's business, results of operations, financial condition or prospects.
- xiv. The operational information and technology systems at BCT's terminal are designed to enable the terminal to use its infrastructure resources as efficiently as possible and monitor and control all aspects of its operations and terminal management. Although BCT's terminal is configured to keep its systems operational under abnormal conditions, including with respect to business processes and procedures, any failure or breakdown in these systems could interrupt its normal business operations and result in a significant slowdown in operational and management efficiency for the duration of the failure or breakdown. Any prolonged failure or breakdown could dramatically affect its ability to offer its transportation services to its customers. Similarly, any significant delays or interruptions in its loading or unloading of a customer's cargo could negatively affect its reputation as an efficient and reliable terminal operator. Any of the above factors could substantially impair BCT's growth prospects and could have a material adverse effect on BCT's business, financial condition, results of operations and/or future prospects.
- xv. BCT may experience disruptions to its operations due to strikes, labour disputes or other labour unrest. Any disruptions of transportation services due to strikes or other events could also impair customers' ability to use BCT's terminal. Moreover, any labour interruptions in any of the ports that serve as starting points or final destinations for trade lanes calling at the BCT terminal could lower the shipping volume passing through the terminal. Such disruptions could adversely affect the business, financial condition, results of operations and prospects of BCT.

C. Risks relating to EQR and its business:

- i. EQR was formed to own and operate a commercial property in Riga, Latvia. As property is a relatively illiquid asset, combined with the fact that so far EQR has made only one material property investment, in Riga, such illiquidity may affect EQR's ability to vary its portfolio or dispose of or liquidate part of its portfolio in a timely fashion and at satisfactory prices in response to changes in economic, real estate market or other conditions or the exercise by tenants of their contractual rights such as those which enable them to vacate properties occupied by them prior to, or at, the expiration of the lease term. These factors could have an adverse effect on EQR's financial condition and results.
- ii. EQR is susceptible to adverse economic developments and trends both locally and overseas. Negative economic factors and trends could have a material impact on the business of EQR generally, and may adversely affect rental revenues, property values and results of operations. In addition, EQR may be impacted by increased competition from other similar developments and rising operating costs.
- iii. The health of the property and commercial rental market may be affected by a number of factors such as the national economy, political developments, government regulations, changes in planning or tax laws, interest rate fluctuations, inflation, the availability of financing and yields of alternative investments. An increase in the supply of commercial space could impact negatively upon capital values and income streams of the property.
- iv. EQR is dependent on tenants fulfilling their obligations under their lease agreements. The business, revenue and projected profits of EQR would be negatively impacted if tenants were to fail to honour their respective lease obligations.
- v. EQR is subject to the risk that tenants may terminate or elect not to renew their respective lease, either due to the expiration of the lease term or due to an early termination of the lease. In cases of early termination by tenants prior to the expiration of the lease term there is a risk of loss of rental income if the tenant is not replaced in a timely manner.
- vi. Changes in laws and regulations relevant to EQR's business and operations that may have an adverse impact on EQR's business, results of operations, financial condition or prospects could be enacted.
- vii. EQR's operating and other expenses could increase without a corresponding increase in revenue. The factors which could materially increase operating and other expenses include: unforeseen increases in the costs of maintaining the property; material increases in operating costs that may not be fully recoverable from tenants; and specifically in respect of the 25-year lease agreement between EQR and McDonald's Latvia, increases in the rate of inflation above the level of annual increments contracted with tenants. Such increases could have a material adverse effect on EQR's financial position and its ability to make distributions to its shareholders.

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

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

- i. the existence of an orderly and liquid market for the Bonds depends on a number of factors, including but not limited to the presence of willing buyers and sellers of the Issuer's Bonds at any given time and the general economic conditions in the market in which the Bonds are traded. Such factors are dependent upon the individual decisions of investors and the general economic conditions of the market, over which the Issuer has no control. Accordingly, there can be no assurance that an active secondary market for the Bonds will develop, or, if it develops, that it will continue. Furthermore, there can be no assurance that an investor will be able to sell or otherwise trade in the Bonds at or above the Bond Issue Price or at all;
- ii. investment in the Bonds involves the risk that subsequent changes in market interest rates may adversely affect the value of the Bonds;
- iii. a Bondholder will bear the risk of any fluctuations in exchange rates between the currency of denomination of the Bonds (€) and the Bondholder's currency of reference, if different;
- iv. no prediction can be made about the effect which any future public offerings of the Issuer's securities, or any takeover or merger activity involving the Issuer, will have on the market price of the Bonds prevailing from time to time;
- v. the Bonds constitute the general, direct, unconditional and unsecured obligations of the Issuer and shall at all times rank *pari passu*, without any priority or preference among themselves and with other unsecured debt, if any. Furthermore, subject to the negative pledge clause, third party security interests may be registered which will rank in priority to the Bonds against the assets of the Issuer for so long as such security interests remain in effect;

- vi. **in the event that the Issuer wishes to amend any of the Terms and Conditions of the Bond Issue it shall call a meeting of Bondholders. The provisions relating to meetings of Bondholders permit defined majorities to bind all Bondholders including Bondholders who did not attend and vote at the relevant meeting and Bondholders who voted in a manner contrary to the majority;**
- vii. **the Terms and Conditions of this Bond Issue are based on Maltese law in effect as at the date of this Prospectus. No assurance can be given as to the impact of any possible judicial decision or change in Maltese law or administrative practice after the date of this Prospectus.**

5 SECTION E - OFFER

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

- a. the first €20 million of the proceeds from the Bond Issue will be used to refinance the Loan Agreement; (described in element C.8 of this Summary Note); and
- b. any remaining balance of the net Issue proceeds (including proceeds raised through the exercise of the Over-Allotment Option) will be used for the purpose of: funding investments in ports or port operations and/or storage or logistics facilities related to the core and ancillary operations of the Group; and/or general corporate funding purposes of the Group; and/or further reducing the corporate indebtedness of the Group.

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

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

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

1. *General*
The Bonds constitute the general, direct, unconditional and unsecured obligations of the Issuer and shall at all times rank *pari passu*, without any priority or preference among themselves and with other unsecured debt, if any. Unless previously purchased and cancelled, the Bonds will be redeemed at their nominal value (together with interest accrued to the date fixed for redemption) on 3 July 2024.
2. *Form, Denomination and Title*
The Bonds will be issued in fully registered form, without interest coupons, in denominations of any integral multiple of €100 provided that on subscription the Bonds will be issued for a minimum of €2,000 per individual Bondholder. Financial Intermediaries subscribing to the Bonds through nominee accounts for and on behalf of clients shall apply the minimum subscription amount of €2,000 to each underlying client. Any person in whose name a Bond is registered may (to the fullest extent permitted by applicable law) be deemed and treated at all times, by all persons and for all purposes (including the making of any payments), as the absolute owner of such Bond. Title to the Bonds may be transferred as provided in the Securities Note.
3. *Redemption and Purchase*
Unless previously purchased and cancelled, the Bonds will be redeemed at their nominal value (together with interest accrued to the date fixed for redemption) on the Redemption Date. Subject to the provisions of this paragraph, the Issuer may at any time purchase Bonds in the open market or otherwise at any price. Any purchase by tender shall be made available to all Bondholders alike. All Bonds so purchased will be cancelled forthwith and may not be re-issued or re-sold.
4. *Interest and Yield*
The Bonds shall bear interest at the rate of 5.3% per annum payable annually on 3 July of each year. Interest shall accrue as from 4 July 2014. The first Interest Payment Date following the issuance of this Prospectus shall be 3 July 2015. Any Interest Payment Date which falls on a day other than a Business Day will be carried over to the next following day that is a Business Day.

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

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

SUMMARY NOTE

6. *Payments*

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

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

7. *Events of Default*

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

8. *Transferability of the Bonds*

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

9. *Further Issues*

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

10. *Meetings of Participation Bondholders*

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

11. *Governing Law and Jurisdiction*

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

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

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

6 TIME-TABLE

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

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