



Merkanti Holding p.l.c.

COMPANY ANNOUNCEMENT

Merkanti Holding p.l.c. (the “**Company**”) would like to announce that, following the publication of its prospectus dated 18 July 2019 for the issuance of €25,000,000 4% Secured Bonds Due 2026 (the “**Bonds**”), a copy of which is available at <https://merkantiholding.com/bond-prospectus> (the “**Prospectus**”), the German Law Mortgages that had originally been granted by the Property Companies in favour of the Trustee (for the benefit of the Bondholders) on 27 June 2019 (but not yet registered in the German land register as at the date of the Prospectus), have now been properly registered and perfected in the German land register as of 25 July 2019.

The obligations of the Company to Bondholders in terms of the Bonds (once issued) shall be secured by means of the German Law Mortgages, the Pledges of Shares and the Pledges of Deposited Monies. The Trustee has received confirmation in writing issued by its German legal counsel that the German Law Mortgages have been properly perfected in accordance with German law and is accordingly in the process of releasing the Interim Pledge of Bond Proceeds (which had been constituted by the Company shortly after publication of the Prospectus together with the Pledges of Shares and the Pledges of Deposited Monies).

The Offer Period for the Bonds closes on 9 August 2019, although the Company reserves the right to close the offer of Bonds prior to the end of the Offer Period in the event that the Bonds are fully subscribed prior to such date. The Bonds are expected to be admitted to the Official List of the Malta Stock Exchange on 16 August 2019 and trading is expected to commence on 19 August 2019.

Capitalised terms used but not defined in this Company Announcement have the meanings attributed to such terms as set out in the Prospectus.