



Merkanti Holding p.l.c.
The Plaza Commercial Centre, Level 4, Suite 7
Bisazza Street, Sliema SLM 1640
Malta

COMPANY ANNOUNCEMENT

Reference: (01/2019)

The following is a company announcement issued by Merkanti Holding p.l.c. (C 70823) (the "**Company**") pursuant to Listing Rule 5.16.16 of the Listing Rules issued by the Listing Authority.

Quote

Results of Intermediaries' Offer by Merkanti Holding p.l.c. of €25,000,000 4% Secured Bonds Due 2026 (the "Bonds")

The Company is pleased to announce that its offer of Bonds pursuant to a prospectus dated 18 July 2019 (the "**Prospectus**") has been successfully completed and subscribed in full. The Bonds have been allocated amongst the Authorised Intermediaries in accordance with the terms of the Prospectus. The offer period for the Bonds closed on 9 August 2019 and the Bonds have been issued in accordance with the terms of the Prospectus. Capitalised terms used but not defined in this announcement have the meanings attributed to such terms in the Prospectus.

As described in the Prospectus, the proceeds of the Bonds will be advanced by the Company to its subsidiaries as follows: term deposits with, and a subordinated loan granted to, Merkanti Bank Limited; and loans granted to Merkanti (A) International Limited and Merkanti (D) International Limited.

Interest on the Bonds at the rate of 4% per annum commenced on 12 August 2019 and shall be payable annually in arrears on the 12th of August of each year, with the first interest payment due on 12 August 2020. The Bonds were admitted to the Official List of the Malta Stock Exchange on 16 August 2019 and trading will commence on 19 August 2019.

The Company would also like to announce that the German Law Mortgages granted by the Property Companies in favour of the Trustee (for the benefit of the Bondholders) have been duly registered and perfected in the German land register as of 25 July 2019. Having received confirmation in writing issued from its German legal counsel that the German Law Mortgages were perfected in accordance with German law, the Trustee released the Interim Pledge of Bond Proceeds (which had been constituted by the Company together with the Pledges of Shares and the Pledges of Deposited Monies shortly after publication of the Prospectus). The obligations of the Company to Bondholders in terms of the Bonds are therefore secured by means of the German Law Mortgages, the Pledges of Shares and the Pledges of Deposited Monies.

The Company wishes to thank the investing public and its advisors for their support and confidence expressed in this bond issue.



Merkanti Holding
p.l.c

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Unquote

A handwritten signature in black ink, appearing to read 'Dr. Andre Zerafa', is written over a horizontal line. The signature is fluid and cursive.

Name: *Dr. Andre Zerafa*
on behalf of
GANADO Services Limited
Company Secretary
16 August 2019