

GlobalCapital plc

PROSPECTUS

Prospectus dated 4 March 2016 issued by GlobalCapital plc, a public limited liability company registered under the laws of Malta with company registration number C19526 and having its registered office at GlobalCapital p.l.c., Testaferrata Street, Ta' Xbiex XBX 1403, Malta as Issuer of:

1.27 for 1 Rights Issue of 16,792,452 New Ordinary Shares of a nominal value of €0.291172 per New Ordinary Share, issued at par and in the event of Lapsed Rights: 1) an offer to Eligible Shareholders for Excess Shares and 2) an Intermediaries Offer, in this order of preference.

ISIN: MT0000170101

Application has been made to the Listing Authority in Malta which is the competent authority for the purposes of the Prospectus Directive for the approval of this Prospectus. Application has also been made to the MSE for the New Ordinary Shares issued pursuant to this Prospectus to be admitted to trading on the MSE's Regulated Market and to be listed on the Official List of the MSE. Prospective investors ought to consider the provisions of the section entitled 'Risk Factors' before making an investment in the securities. This Prospectus has been filed with the Listing Authority and will be published in electronic form on the website of the Listing Authority and of the Issuer. A printed form of the Prospectus is also available, free of charge from the registered office of the Issuer.

THE LISTING AUTHORITY HAS AUTHORISED THE ADMISSIBILITY OF THE 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 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 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.

Legal Counsel

**Refalo &
Zammit Pace**
ADVOCATES

Sponsor, Manager & Registrar

 **RIZZO FARRUGIA**
YOUR INVESTMENT CONSULTANTS



Mr Reuben Zammit



Mr Reuben Zammit on behalf of:
Prof Paolo Catalfamo, Prof Andrea Gemma, Dr Joseph del Raso,
Mr Joseph Schembri and Mr Christopher J Pace.

SUMMARY NOTE

This document is dated 4 March 2016

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.

Issued by

GlobalCapital plc

a public limited liability company registered under the laws of Malta with company registration number C19526 and having its registered office at GlobalCapital p.l.c., Testaferrata Street, Ta' Xbiex XBX 1403, Malta

A Rights Issue of 16,792,452 New Ordinary Shares of a nominal value of €0.291172 per New Ordinary Share, at par, on the basis of 1.27 New Ordinary Shares for every 1 Ordinary Share

And in the event of Lapsed Rights: 1) an offer to Eligible Shareholders for Excess Shares and 2) an Intermediaries Offer, in this order of preference.

THE LISTING AUTHORITY HAS AUTHORISED THE ADMISSIBILITY OF THESE SECURITIES AS A LISTED FINANCIAL INSTRUMENT. 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 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 ADVISER.

ISIN: MT0000170101

Sponsor, Manager & Registrar



Legal Counsel

**Refalo &
Zammit Pace**
ADVOCATES

IMPORTANT INFORMATION

THIS SUMMARY NOTE CONTAINS INFORMATION IN RELATION TO GLOBALCAPITAL P.L.C. (“ISSUER” OR “COMPANY”) AND ITS BUSINESS. THIS SUMMARY NOTE INCLUDES INFORMATION GIVEN IN COMPLIANCE WITH: THE COMPANIES ACT, CAP. 386 OF THE LAWS OF MALTA AND THE 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), THE REQUIREMENTS OF THE LISTING RULES OF THE MALTA FINANCIAL SERVICES AUTHORITY (“MFSA”) AND THE RULES AND REGULATIONS APPLICABLE TO THE ADMISSION OF SECURITIES ON THE OFFICIAL LIST OF THE MALTA STOCK EXCHANGE (“MSE”).

NO BROKER, DEALER, SALESMAN OR OTHER PERSON HAS BEEN AUTHORISED BY THE ISSUER OR ITS DIRECTORS TO ISSUE ANY ADVERTISEMENT OR TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS IN CONNECTION WITH THE ISSUER 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 ISSUER, ITS DIRECTORS, OR ADVISERS. THE ADVISERS ENGAGED BY THE ISSUER FOR THE PURPOSE OF THIS COMBINED OFFERING ARE ACTING EXCLUSIVELY FOR THE ISSUER.

THE LISTING AUTHORITY ACCEPTS NO RESPONSIBILITY FOR AND MAKES NO REPRESENTATIONS AS TO THE CONTENTS, ACCURACY OR COMPLETENESS OF THE PROSPECTUS 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.

IT IS THE RESPONSIBILITY OF ANY PERSON IN POSSESSION OF THIS DOCUMENT TO INFORM THEMSELVES OF AND TO OBSERVE AND COMPLY WITH, ALL APPLICABLE LAWS AND REGULATIONS OF ANY RELEVANT JURISDICTION. PROSPECTIVE APPLICANTS FOR ANY SECURITIES THAT MAY BE ISSUED BY THE ISSUER OR OFFERED BY THE OFFERORS 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.

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.

ALL THE ADVISERS TO THE ISSUER HAVE ACTED AND ARE ACTING EXCLUSIVELY FOR THE ISSUER 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 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.

THE RIGHTS WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED. SUBJECT TO CERTAIN EXCEPTIONS, THE RIGHTS MAY NOT BE OFFERED, SOLD OR DELIVERED WITHIN THE UNITED STATES OR TO U.S. PERSONS. FURTHERMORE, IN RELATION TO EACH MEMBER STATE OF THE EUROPEAN ECONOMIC AREA (OTHER THAN MALTA), THE RIGHTS MAY ONLY BE OFFERED, SOLD OR DELIVERED TO, SUBJECT TO CERTAIN EXCEPTIONS, AND ACCEPTED BY “QUALIFIED INVESTORS” (AS DEFINED IN THE PROSPECTUS DIRECTIVE) OR IN OTHER CIRCUMSTANCES FALLING WITHIN ARTICLE 3(2) OF THE PROSPECTUS DIRECTIVE. IN ALL CASES THE MAKING OF THE OFFER OF RIGHTS IN SUCH CIRCUMSTANCES SHALL NOT REQUIRE THE PUBLICATION BY THE ISSUER OR ANY OTHER PERSON OF A PROSPECTUS PURSUANT TO ARTICLE 3 OF THE PROSPECTUS DIRECTIVE. THE SHARES ISSUED AS A RESULT OF THE EXERCISE OF THE RIGHTS UNDER THIS RIGHTS ISSUE MAY BE LISTED AND TRADED ON THE REGULATED MARKET OF THE MSE. THE MSE'S REGULATED MARKET IS A REGULATED MARKET FOR THE PURPOSES OF DIRECTIVE 2004/39/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL OF 21 APRIL 2004 ON MARKETS IN FINANCIAL INSTRUMENTS AMENDING COUNCIL DIRECTIVES 85/611/EEC AND 93/6/EEC AND DIRECTIVE 2000/12/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL AND REPEALING COUNCIL DIRECTIVE 93/22/EEC.

THE VALUE OF INVESTMENTS CAN RISE OR FALL AND PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE PERFORMANCE. IF YOU NEED ADVICE WITH RESPECT TO THE COMBINED OFFERING, YOU SHOULD CONSULT A LICENSED STOCKBROKER OR AN INVESTMENT ADVISER 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 ORDINARY SHARES 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 ORDINARY SHARES, OR AGREEMENT, ACCEPTANCE OR CONTRACT RESULTING HEREFROM, OR THE PROSPECTUS AS A WHOLE.

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 MSE AND HAS BEEN DULY FILED WITH THE REGISTRAR OF COMPANIES. APPLICATION HAS BEEN MADE TO THE LISTING AUTHORITY FOR THE APPROVAL OF THE PROSPECTUS AND FOR THE ADMISSION OF THE ISSUER'S ORDINARY SHARES ON A REGULATED MARKET. APPLICATION HAS ALSO BEEN MADE TO THE MSE, FOR THE ORDINARY SHARES TO BE ADMITTED TO THE OFFICIAL LIST OF THE MSE.

SUMMARY NOTE

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 Note contains all the Elements required to be included in a summary for these 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 Note 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	an applicant for the subscription of Shares;
Bonds	the outstanding €13,823,200 5.6% bonds due 02 June 2016 of a nominal value of €100 per bond issued by the Company;
Collecting Agents	the Financial Intermediaries and the Issuer, as listed in Annex A of the Securities Note;
CSD	the central registration system for dematerialised financial instruments operated by the MSE and authorised in terms of the Financial Markets Act;
Directors or Board	the directors of the Issuer whose names are set out in section 11 of the Registration Document;
Eligible Shareholders	the Issuer's Shareholders on the register of the CSD as at close of trading on the Record Date and their transferee(s);
Euro or €	the lawful currency of the Republic of Malta;
Excluded Territories and each an Excluded Territory	any jurisdiction which is not a Member State of the European Union (as defined in the European Union Act, Cap. 460 of the laws of Malta), including for the avoidance of doubt the United States of America and Canada, and any other jurisdiction where the extension into or availability of the Rights Issue would breach any applicable law;
Financial Intermediaries	the licenced members of the MSE authorised to conduct investment services business by the MFSA, as listed in Annex A;
Financial Markets Act	the Financial Markets Act, Cap. 345 of the laws of Malta;
Group	the Issuer (as parent company) and its Subsidiaries;

SUMMARY NOTE

Intermediaries Offer	in the event of Lapsed Rights, and where the Eligible Shareholders have not taken up the Excess Shares, the invitation made by the Issuer to Financial Intermediaries to make an offer for such Lapsed Rights for their own account or for the account of their clients, provided that such offers may only be made through and by Financial Intermediaries during the Intermediaries Offer Period;
Intermediaries Offer Period	the period between 08:30 on 6 April 2016 and 10:00 on 8 April 2016;
Issuer or Company	GlobalCapital p.l.c., a public limited liability company registered in Malta with company registration number C19526;
Lapsed Rights	rights to New Ordinary Shares not validly taken up by the Shareholders by the expiry of the Offer Period;
Listing Authority	the Board of Governors of the MFSA, appointed as Listing Authority for the purposes of the Financial Markets Act, by virtue of the Malta Financial Services Authority Act, Cap. 330 of the laws of Malta;
Listing Rules	the listing rules of the Listing Authority;
Malta Stock Exchange or MSE	Malta Stock Exchange p.l.c., a public limited liability company having its registered office at Garrison Chapel, Castille Place, Valletta VLT 1063, Malta, and bearing company registration number C 42525, which continued in the personality of the Malta Stock Exchange established under Part IV of the Financial Markets Act, prior to the repeal of that Part by the Various Financial Services Laws (Amendment) Act, 2007 (Act XX of 2007), with effect from 01 November 2007;
Manager or Registrar	Rizzo, Farrugia & Co. (Stockbrokers) Ltd. Airways House, Third Floor High Street, Sliema SLM 1549, Malta;
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;
MFSA	the Malta Financial Services Authority, established in terms of the Malta Financial Services Authority Act (Cap. 330 of the laws of Malta);
New Ordinary Shares	16,792,452 New Ordinary Shares to be issued pursuant to the Share Issue;
Offer	the invitation to subscribe for Rights to the New Ordinary Shares as contained in this Prospectus;
Offer Period	the period between 08:30 on 16 March 2016 and 12:00 on 30 March 2016 (both dates inclusive) during which the rights to the New Ordinary Shares are on offer for subscription;
Ordinary Shares	the 30,000,000 ordinary shares of a nominal value of €0.291172 each of the Issuer;
Overseas Shareholders	Shareholders with registered address in, or who are citizens in, or residents of, countries other than Malta;
Prospectus	this document together with the Registration Document and the Securities Note, as such documents may be amended, updated, replaced and supplemented from time to time;
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 amended by Directive 2008/11/EC of the European Parliament and of the Council of 11 March 2008, Directive 2010/73/EU of the European Parliament and of the Council of 24 November 2010 and Directive 2010/78/EU of the European Parliament and of the Council of 24 November 2010, and as supplemented by Commission Delegated Regulation (EU) No 1392/2014 of 2014;
Provisional Allotment Letter or PAL	the document of title issued to Eligible Shareholders by the Issuer in respect of the Rights to New Ordinary Shares, pursuant to the Rights Issue;
Record Date	the 4 March 2016, meaning trading up to and including 2 March 2016;
Registration Document	the registration document issued by the Issuer dated 4 March 2016, forming part of the Prospectus;
Regulated Market	the regulated market in terms of Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on markets in financial instruments amending Council Directives 85/611/EEC and 93/6/EEC and Directive 2000/12/EC of the European Parliament and of the Council and repealing Council Directive 93/22/EEC and operated by the MSE;

Rights	the entitlements in nil paid form to acquire the New Ordinary Shares subject to the payment of the Share Offer Price;
Rights Issue or Issue	the proposed issue by way of New Ordinary Shares to Eligible Shareholders as described in this Prospectus;
Securities Note	the securities note issued by the Issuer dated 4 March 2016, forming part of the Prospectus;
Shareholders or Ordinary Shareholders	holders of Ordinary Shares of the Issuer;
Share Offer Price	the price of €0.291172 per Share;
Solvency II Directive	Directive 2009/138/EC of the European Parliament and of the Council of 25 November 2009 on The Taking-Up and Pursuit of the Business of Insurance and Reinsurance (Solvency II) (Recast) as amended by Directive 2011/89/EU of the European Parliament and of the Council of 16 November 2011, Directive 2012/23/EU of the European Parliament and of the Council of 12 September 2012, Council Directive 2013/23/EU of 13 May 2013, Directive 2013/58/EU of the European Parliament and of the Council of 11 December 2013 and Directive 2014/51/EU of the European Parliament and of the Council of 16 April 2014, and as may be further amended from time to time;
Solvency II Regulation	Commission Delegated Regulation 2015/35 of 10 October 2014 supplementing Directive 2009/138/EC of the European Parliament and of the Council on the taking-up and pursuit of the business of Insurance and Reinsurance;
Sponsor	Rizzo, Farrugia & Co. (Stockbrokers) Ltd. Airways House, Third Floor High Street, Sliema SLM 1549, Malta;
Subsidiaries	<p>any company the ultimate holding company of which, as at the date of this Summary Note is the Company, including without limitation each of the following companies:</p> <ol style="list-style-type: none"> GlobalCapital Holdings Ltd, a private limited liability company registered in Malta with company registration number C 29873; GlobalCapital Financial Management Ltd, a private limited liability company registered in Malta with company registration number C 30053; GlobalCapital Insurance Brokers Ltd, a private limited liability company registered in Malta with company registration number C 32451; GlobalCapital Life Insurance Ltd, a private limited liability company registered in Malta with company registration number C 29086; Central Landmark Development Ltd, a private limited liability company registered in Malta with company registration number C 34858; GlobalCapital Health Insurance Agency Ltd, a private limited liability company registered in Malta with company registration number C 6393; Global Properties Ltd. (Medunardodue Nekretnine d.o.o.) a private limited liability company registered in Croatia with company registration number 97381210793; Global Estates Ltd, a private limited liability company registered in Malta with company registration number C 37544; Brammer Ltd, a private limited liability company registered in Bulgaria with company registration number 131292817; and Quadrant Italia s.r.l., a limited liability company (società a responsabilità limitata) registered in Italy with company registration number 1102926;
Summary Note	this document in its entirety;
Terms and Conditions	the terms and conditions set out under the heading “ <i>Terms and Conditions of the Rights Issue and the Intermediaries Offer</i> ” in section 8 of the Securities Note.

Section A: Introduction and Warnings

A.1 Introduction and Warning

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 New Ordinary Shares being issued 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 the Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the Member States, 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 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 acquire the New Ordinary Shares.

A.2 Consent by the Issuer to the use of the prospectus in subsequent resale of the securities

Not applicable. No consent has been given by the Company or any person responsible for drawing up this Prospectus to use this Prospectus for subsequent sale or final placement of securities by financial intermediaries.

Section B: The Issuer

B.1 Legal and commercial name of the issuer

GlobalCapital p.l.c.

B.2 Domicile and legal form of the Issuer, the legislation under which the Issuer operates and its country of incorporation

The Issuer is a Maltese public limited company, incorporated in Malta under the Act. The Issuer is domiciled in Malta. The registered office of the Issuer is at GlobalCapital plc, Testaferrata Street, Ta' Xbiex XBX 1403, Malta.

B.3 Nature of the issuer's current operations and its principal activities

The Issuer's principal activity is to carry on the business of a holding and investment company. The Issuer operates exclusively in and from Malta. The Issuer itself does not undertake any trading activities, however its Subsidiaries operate primarily in (i) the business of insurance; (ii) investment and advisory services; (iii) insurance intermediation activities; and (iv) the business of property holding and management.

B.4a Significant recent trends

The Issuer is a holding company having investments in a number of Subsidiaries, which operate the business of the Group.

Since the publication of its unaudited interim financial report for the period from 1 January to 30 June 2015, no material events or transactions have taken place that would have an impact on the financial position of the Company, such that would require specific mention, disclosure or announcement pursuant to the applicable Listing Rules. Furthermore, the Issuer is not aware of any trends or uncertainties that are likely to affect the Group's prospects for the current financial year, except for the working capital deficiency referred to in section B.11 below.

The Issuer's strategy, which is aimed at generating revenue growth, reducing operational costs and ensuring long-term financial stability, is generating the desired results for the Group and this has allowed its positive financial performance to continue throughout the first half of 2015.

GCLI's life insurance business registered growth during the first nine months of 2015 when compared to the business registered during the same reporting period in 2014. New policies written continued to increase by 28% in 2013, 44% in 2014 and 16% in 2015 showing that GCLI has registered sustained growth over the past three years. Total number of active policies increased by 4% in 2015 following a decline by 2% in 2013 and no change in 2014. During 2015 GCHIA's results remained in positive territory, with both revenues and costs in line with the previous year. GCFM registered a decrease in its fee income, the impact of which was more than offset by the reduction in GCFM's cost base. Further action has been taken during 2015 in relation to the divestment of the Group's local property portfolio. In due course this will further reduce the overall property exposure to bring it in line with the Board's target.

Trends in the Insurance Business

According to the Malta Insurance Association, in its Annual Report 2014-2015 (the "MIA Annual Report"), insurance penetration in Malta grew by 5.09% in 2014. Furthermore, insurance premium per capita in Malta grew from €783 in 2013 to €910 in 2014. In 2013, the EU average stood at €1,883 per capita.

In 2014 an average of €346 per capita was spent in Malta on non-life insurance business compared to €326 in 2013. The insurance density in long-term insurance business increased in 2014 during which period an average of €563 per capita was spent compared to the 2013 average of €458.

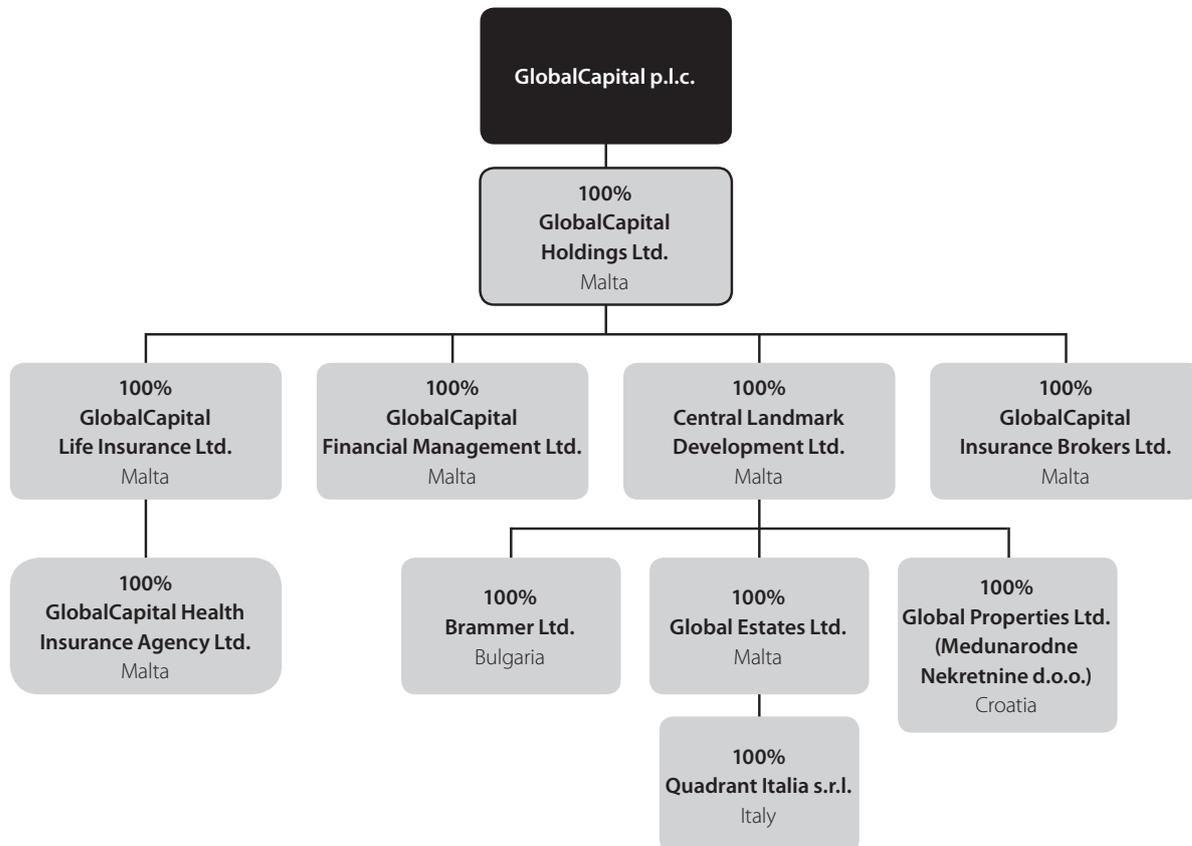
2014 witnessed an increase of 16.92% in total insurance premiums, with premiums reaching €385.8 million compared to €330 million generated in 2013. The latter figure reflected, in turn, an increase of 8.41% on 2012 figures, which stood at €304.4 million.

The increase in total insurance premium witnessed in 2014 was principally owed to a substantial growth in life insurance by 23.97%. Following the decrease of 18.90% over 2011 figures in 2012, life insurance recovered and increased by 13.53% in 2013.

Moreover, health insurance increased by 6.13% in 2014, following an increase of 3.96% in 2013.

B.5 Group description

The Issuer is the parent company of the Group. The diagram below summarises the Issuer's group structure:



GlobalCapital Insurance Brokers Ltd ceased operations in 2013 and is in the process of being amalgamated into GlobalCapital Holdings Ltd. Furthermore, Brammer Ltd does not carry out any business activities and will be placed in liquidation in 2016.

SUMMARY NOTE

B.6 Major shareholders

As at the Record Date, the Issuer had been notified that the following persons held directly or indirectly 5% or more of the voting rights of the Company:

Name	Number of Shares	%
BAI Co. (Mtius) Ltd	6,399,092	48.45
Christopher J. Pace	2,013,032	15.25
Investar p.l.c.	1,180,000	8.93
Provident Real Estate Fund Ltd	750,534	5.68

None of the Shareholders referred to above has different voting rights from any other holder of Ordinary Shares.

B.7 Key financial information and narrative description of significant changes to financial condition and operating results of the Group during or subsequent to the period covered by the historical financial information

The following information is extracted from the statement of comprehensive income and the technical account – long term business of insurance in the Company's consolidated annual report and audited financial statements for the financial years ended 31 December 2012, 2013 and 2014, and the unaudited consolidated interim financial statements of the Group for the six-month periods ended 30 June 2014 and 2015.

	FY2012	FY2013	FY2014	Jan-Jun 2014	Jan-Jun 2015
	€'000s	€'000s	€'000s	€'000s	€'000s
Commission and fees receivable	3,165	2,932	2,724	1,332	1,358
Commission payable and direct marketing costs	(177)	(172)	(145)	(70)	(88)
Balance on long term business insurance technical account	(1,040)	(1,063)	1,317	248	416
Increment / (Decline) in value of in-force business	626	735	611	178	535
Administrative expenses	(3,208)	(3,256)	(3,079)	(2,034)	(1,281)
Net investment (charges)/ return net of allocation to the insurance technical account	(1,041)	(3,001)	(341)	(644)	198
Impairment of goodwill	(108)	-	-	-	-
Other (provisions) / operating income	(446)	(358)	(276)	23	38
(Loss)/Profit before tax	(2,228)	(4,183)	811	(967)	1,176
Tax (expense) / income	(179)	522	(588)	(62)	(701)
(Loss)/Profit for the financial year	(2,407)	(3,661)	223	(1,029)	475
Earnings per share	(0.18)	(0.28)	0.02	(0.08)	0.04

The following information is extracted from the statement of financial position in the Company's consolidated annual report and audited financial statements as at 31 December 2012, 2013 and 2014 and the unaudited consolidated interim financial statements of the Group as at 30 June 2014 and 2015.

	FY2012	FY2013	FY2014	30 June 2014	30 June 2015
	€'000s	€'000s	€'000s	€'000s	€'000s
Investments	49,658	48,329	51,937	51,105	52,276
Investment property	23,833	20,320	20,395	20,361	19,491
Total assets	91,707	90,582	89,496	89,127	92,218
Technical provisions	61,974	65,349	66,065	65,333	68,250
Interest bearing borrowings	17,186	16,888	14,028	16,491	13,823
Total Liabilities	85,257	87,503	86,334	87,163	88,569
Share capital	3,846	3,846	3,846	3,846	3,846
Total equity	6,450	3,079	3,163	1,964	3,649
Net Asset value per share	0.49	0.23	0.24	0.24	0.28

Annual Results 2012 - 2014

The Issuer registered a loss after taxation for the year ended 31 December 2012 of €2,406,685 (2011: loss of €4,193,670). The improvement in operational performance was due to better quality revenues, reduced operating costs and more favourable financial markets. However, certain investment holdings underperformed the market and the results were also impacted by non-recurring provisions. The Group registered net unrealised fair value gains on its investment portfolio of €285,079 compared to net unrealised fair value losses of €780,893 in the prior year. The Group also registered impairment charges on its property holdings of €352,680 (2011: €736,070). The 2012 reported loss is also inclusive of other non-cash items, including goodwill impairment and depreciation and amortisation charges, totalling €602,483 (2011: €703,268). Although the life insurance business registered sustained growth in new regular premium, overall life insurance premium income was lower than in 2011 due to reduced levels of single premium business. The health insurance income grew by 10% over the prior year in a very competitive market while revenues from other lines of business were flat. During the period the Group achieved operational cost savings of some €0.8 million. Within the Group's core segments of activity, GCLI registered a loss for 2012 of €276,272 (2011: loss of €1,146,135), with the bottom line being impacted by new business strain as GCLI continued to build its life portfolio. The net increment in the value of in-force business in 2012 was €626,154 (2011: €15,385). During the same period the Group's investment and advisory services segment registered a profit of €90,596 (2011: loss of €449,981) while the Group's agency and brokerage segment generated a combined profit of €735,199 (2011: €320,494).

In the financial year ended 31 December 2013, the Issuer registered a loss for the year, before impairment charges and fair value movements on investment properties, of €679,378 (2012: loss of €1,365,200). During this period the Group registered an improvement in operational performance which was driven, primarily, by a reduction in operating costs and favourable financial markets. The Group also achieved additional operational cost savings of €500,000 (2012: €800,000). The Group registered net unrealised fair value gains on its investment portfolio of €1,210,507 (2012: €285,079). In 2013 GCLI's life insurance business continued registering growth in unit linked business whilst retaining a level of periodic premium comparable to the previous year. Overall life insurance premium income was marginally lower than in 2012 due to a decrease in the single premium business. GCLI registered a loss for 2013 of €505,614 (2012: loss of €662,261). GCLI's bottom line continued to be impacted by new business strain as it continued to build up its life portfolio. GCLI's net increment in the value of in-force business was €735,186 (2012: €626,154), an increase of €109,032, which was the net contribution of new profitable business and the reduction in the operational cost base of running the business. During the same period GCHIA registered a 4% decrease in its health insurance agency income over the previous year due to increased competition and price sensitivity in the market. The Group's agency and brokerage segment generated a combined profit of €999,736 (2012: €735,199). During this period GCIB divested of its insurance brokerage activity in keeping with the Company's strategy to focus on the Group's core life and health insurance businesses. Overall the results for 2013 were negatively impacted by fair value movements on the Group's property portfolio of €3,174,376 (2012: €352,680) resulting in a total loss for the year after taxation of €3,661,194 (2012: loss of €2,406,685).

During the financial year ending 31 December 2014, the Issuer registered a profit after taxation of €222,671 (2013: loss of €3,661,194). The turnaround in the Group's operational performance was the result of the execution of an aggressive transformation strategy that started to take material effect in early June 2014. This included the generation of a sustainable level of revenue growth together with a reduction in overall operational costs to ensure long-term financial stability and profitability. The transformation helped improve the results of all the regulated businesses forming part of the Group.

GCLI's life insurance business registered significant growth in both the interest sensitive and unit linked business, while retaining the prior year's levels of conventional business. The continued efforts to enhance the profitable product suite offered by GCLI facilitated improved competitiveness and marketability, generating positive results. During this period GCLI reported profits after taxation of €2,047,024 (2013: loss of €505,614). The increment in the value of in-force business for the year under review amounted to €610,968 (2013: €735,186), this being the contribution of the new business volumes generated by GCLI. GCHIA's profit after taxation for 2014 amounted to €581,329 (2013: €930,974). The reduction in profitability in 2014 was the result of an increase in the tax charge between the two financial years totalling €139,098 coupled with the increase in the level of claims and reduction in premiums which adversely impacted the profit commission recognised by GCHIA. During the same period GCFM reported a loss for the year of €464,218 (2013: loss of €1,110,700). GCFM's revenue year on year improved by 14% which was in part offset by an increase in costs, mostly one-offs incurred to reduce the operational cost base going forward. Moreover, GCFM recognised an increase in other provisions and no impairment of intercompany receivables. The Group's property portfolio registered substantially smaller impairments in 2014 amounting to €323,090 (2013: €3,174,376) arising on properties that were sold after year end and which adversely impacted profitability for 2014.

Interim Financial Performance 2015

The Issuer registered a profit before taxation of €1,176,197 for the first six months of 2015 compared to a loss of €966,897 for the same period in 2014.

GCLI registered a profit before taxation of €1,000,961 compared to a profit of €651,624 for the same period in 2014. The improved results are reflective of the increase in premium income between the two reporting periods, the cost cutting measures implemented in the latter part of 2014 which are fully manifested in the 2015 interim financials and fair value gains which in part were offset by the investment write-down of the equity value of GCLI's investment in Bramer Banking Corporation Limited following the revocation of the latter's banking licence by the Financial Services Commission in Mauritius. The net impairment amounted to €940,976.

GCFM registered marginal growth in revenue compared to the first six months of 2014. This coupled with the significant reduction in its cost base resulted in GCFM returning to profit territory with a profit before taxation of €128,760 compared to the loss reported for the period ended 30 June 2014 amounting to €460,969.

Revenues from GCHIA also registered marginal growth. The profit before taxation for the first six months of 2015 remained consistent with the prior period's profit totalling €477,777 compared to €476,117.

The Group's rental property portfolio experienced an increase in revenue which is the net result of full occupancy and higher rental rates.

The financial statements of the Group for the periods referred to above have been prepared on a going concern basis.

Reference is also made to section B. 11 hereunder on the shortfall in working capital available to the Issuer for it to meet its present requirements, that is, for at least the next 12 months from the date of this Prospectus.

B.8 Key pro-forma financial information

Not applicable: No key pro-forma financial information has been published in this Prospectus.

B.9 Profit forecast or estimate

Not applicable: The issuer has chosen not to include a profit forecast or estimate.

B.10 Description of the nature of any qualifications in the audit report on the historical financial information

The independent auditor's reports on the historical financial information of the Issuer for each of the financial years ended 31 December 2012, 31 December 2013 and 31 December 2014 do not contain qualifications and disclaimers. The independent auditor's report on the Issuer's financial statements for the year ended 31 December 2015 however include an emphasis of matter, which draws attention to note 1 to the said financial statements, which details the Company's financing plans, in particular those relating to the payment of the Company's Bond obligations.

B.11 Issuer's working capital

The Group does not have sufficient working capital available to it for its present requirements, that is, for at least the next 12 months from the date of this Prospectus.

The Issuer envisages a shortfall in working capital of €14,597,300 in view of the €13,823,200 Bond redemption obligation together with the payment of interest at 5.6% falling due on the outstanding Bonds on 2 June 2016 (the "Maturity Date").

In view of the Group's working capital deficiency set out above, the Issuer intends to rectify the current shortfall by virtue of a two-phase action plan which is to be implemented during the course of 2016. Firstly, the Rights Issue contemplated by this Prospectus is to take place, during the first half of 2016, whereby the New Ordinary Shares are to be issued up to the authorised share capital of the Company ("**Phase I Funding**"). The Rights Issue is expected to raise net proceeds of €4,880,000.

Following the Phase I Funding, it is intended that the Company raises further funding of up to €9,717,300 to fulfil its payment obligations in relation to the Bonds by the Maturity Date ("**Phase II Funding**"). It is envisaged that the Phase II Funding to address the outstanding shortfall in the working capital will be raised by the Company issuing a debt instrument on the capital market during the first half of 2016. The Phase II Funding is likely to comprise the issuance of debt securities to particular investor groups or a combination thereof. The Issuer considers that borrowing from institutional and, or professional investors would provide the optimum funding base for the Group to meet its Phase II Funding requirement and consequently is exploring the possibility of a private placement of debt securities to one or more institutional and, or professional investors. The Issuer may also consider supplementing such proposed institutional and, or professional funding with a public offering of debt securities to investors meeting the relevant criteria under the terms of any offer that may eventually be made by the Issuer. Any securities offering in respect of which the Issuer proposed to apply for authorisation for admissibility to listing on a regulated market in terms of the Financial Markets Act will also require the prior approval of the MFSA. The Issuer does not exclude seeking bridging credit facilities to address any shortfall that results from the Phase II Funding. Following the successful conclusion of the Phase II Funding, the Issuer may conduct a further rights issue. In the event of such a further rights issue, the Issuer will also be required to seek the necessary shareholder approvals in general meeting by means of an extraordinary resolution in order to increase the authorised share capital of the Company, for the Issuer to be able to increase its issued share capital.

While there can be no guarantee that the support of Eligible Shareholders and, or Intermediaries to raise the Phase I Funding will be forthcoming, the Issuer is reasonably confident that in view of the declared intent of Investar to participate in the Rights Issue, as set out in section E.4 of this Summary Note, the Issuer will receive subscriptions, at least, for the minimum number of New Ordinary Shares required to be subscribed in the Rights Issue in terms of section E.3 of this Summary Note.

Nor can there be any assurance that the prevailing market and economic conditions will be conducive to the Phase II Funding being raised successfully, in part or at all. The Issuer is cautiously confident, however, that in the event that the Phase I Funding is successful the Issuer will be in a position to meet its Phase II Funding requirement through one, or a combination of, the proposed actions described above to raise the Phase II Funding.

Failure to obtain the Phase I Funding and the Phase II Funding, or any of them, may result in the Company being unable to meet its Bond obligations by the Maturity Date. Consequently, this could have a material adverse effect on the business, prospects, financial condition, results and operations of the Group. Failure to obtain such funding could, ultimately, lead to the Company being unable to meet its obligations as these fall due thereby triggering one or more events of default under the Bonds and the insolvency of the Company.

Section C- SECURITIES

C.1 Type and class of securities

The New Ordinary Shares are ordinary shares in the Company having a nominal value of €0.291172 each. The Shares form part of one class of ordinary Shares in the Company and shall accordingly have the same rights and entitlements. When admitted to trading on the Official List of the MSE, the New Ordinary Shares will be registered with the Issuer's existing ISIN number being MT0000170101.

C.2 Currency

Euro €

C.3 Number of shares issued

On the Record Date, the Company had thirteen million two hundred and seven thousand five hundred and forty eight (13,207,548) Ordinary Shares of €0.291172 each (fully paid) amounting to three million eight hundred and forty-five thousand six hundred and sixty-eight Euro (€3,845,668).

C.4 Description of the rights attached to the shares

The New Ordinary Shares will, when issued and fully paid, rank equally in all respects with the Existing Ordinary Shares, including the right to receive all dividends and other distributions made, paid or declared after the date of issue of the New Ordinary Shares.

C.5 Description of any restrictions on the free transferability of the securities

There are no restrictions on the free transferability of the Ordinary Shares.

C.6 Admission

Application will be made to the MSE for the New Ordinary Shares issued as a result of the exercise of any Rights under the Rights Issue to be listed and traded on the Official List of the Malta Stock Exchange and for dealings to commence once the New Ordinary Shares are authorised as Admissible to Listing by the Listing Authority, which is anticipated to be on or around the 14 April 2016.

C.7 Dividend policy

Dividends may be declared by the Company in General Meeting. The amount declared shall not exceed the amount recommended by the Directors. All dividends or other sums payable that remain unclaimed for one (1) year after having been declared may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed. All dividends unclaimed for a period of twelve (12) years after having been declared shall be forfeited and shall revert to the Company. The M&As of the Issuer do not provide for any dividend restrictions and procedures vis-à-vis non-resident holders of New Ordinary Shares

As at 31 December 2014 the Company did not have any distributable reserves. No dividend was paid in the financial years 2007 to date. As at 31 December 2014 the Company had accumulated losses of €27,502,395 (Group accumulated losses: €20,997,931). Under the Act a distribution of dividends may only be made out of profits available for the purpose.

Section D- RISKS

D.1 Key information on the key risks that are specific to the issuer

The Issuer is subject to a number of risks which could have an adverse effect on its business, the value of its assets and results of operations. These risks include but are not limited to those risks identified below:

- i. **Market risk:** The businesses of the Group are materially affected by conditions in the financial markets and economic conditions generally, in Malta and globally. In addition, the Issuer is exposed to certain business-specific market risks, namely insurance business risk, investment services business risk, stock market risk, and real estate market risk.
- ii. **Interest rate risk:** The Group is exposed to movements in interest rates. The risk impacts the earnings of the Group as a result of changes in the economic value of its assets, liability and off-balance sheet instruments.
- iii. **Price risk:** The Group and the Company are exposed to market price risk arising from the uncertainty about the future prices of investments held at fair value through profit or loss or as available for sale.
- iv. **Currency risk:** The Group's and the Company's exposure to foreign exchange risk arises primarily from investments that are denominated in currencies other than the Euro.
- v. **Liquidity risk:** The Issuer is exposed to the risk of decrease in profits or capital, and an inability of the Group to meet its immediate obligations, without incurring additional costs. In addition, the Issuer is also exposed to significant liquidity risk in relation to interest and capital payment obligations arising on the Bonds.
- vi. **Credit risk:** The Group is exposed to the risk of loss if any of its reinsurers, and trading counterparties fails to fulfil its contractual obligations.
- vii. **Regulatory matters:** The Group operates in a highly regulated environment. In particular, GCLI has had to comply with the Solvency II Directive as from 01 January 2016 ("Solvency II"). In the event that GCLI should, at any time, have inadequate capital resources to meet the applicable regulatory capital requirements, GCLI could be subjected to regulatory sanctions or the suspension or termination of its insurance business activity. In view of the Group's activities and revenues the Issuer constitutes a mixed activity insurance holding company and is therefore not required to meet a group minimum capital requirement ("Group MCR") and a group solvency requirement ("Group SCR") under the Solvency II regime. However, in the event that the Issuer were to constitute, at any time after the 01 January 2016, an insurance holding company as a result of a change in the nature of its activities and revenues, the Issuer will be required to meet a group minimum capital requirement ("Group MCR") and a group solvency capital requirement ("Group SCR") under Solvency II which would in turn entail significantly more onerous capital requirements, increased operational costs, and the potential exposure of the Issuer to various detrimental effects.
- viii. **Operational risk:** The Group's activities are exposed to the potential that inadequate information systems, operations problems, breaches in internal controls, fraud, or unforeseen catastrophes will result in unexpected losses. The Group

is exposed to risks which may arise from inadequate information technology and processing, inappropriate IT strategy and policy or inadequate use of the Group's IT.

- ix. **Reputational risk:** Reputational risk could materially and adversely affect the Group's ability to retain or attract customers, particularly institutional and retail customers, whose loss could adversely affect the Group's operations, financial condition and prospects. More specifically, reputational harm may result in the loss of market share and revenue, increased compliance costs and higher financing costs, reflecting the perceived risks related to the Group.
- x. The dependence of GCHIA on its business arrangement with BUPA Insurance Limited exposes the Issuer to risk, as the termination or modification of this or any other material arrangements for any reason whatsoever could have a significant and adverse effect on the business of GCHIA and consequently on the Issuer. In particular, any change of control in the Issuer resulting as a consequence of the Rights Issue may trigger any "change of control" or other termination provisions in the Subsidiaries' business agreements thereby having a significant adverse effect on the business of the Subsidiaries and consequently of the Group.
- xi. **Strategic and business risk:** Improper strategic choices or the actual implementation of strategic decisions can have a serious and significant impact on the Group's prospective profit and capital results.
- xii. **Legal and compliance risk:** Future changes to the existing regulatory framework for the financial services industry may be significant with negative impacts on the Group. The direct and indirect costs of regulatory breaches can be significant. Judicial and regulatory decisions that are unfavourable to other regulated companies operating in the same sectors as the Group may also have implications for the Issuer's regulated operating Subsidiaries, even in cases in which the Subsidiary in question is not a party to the proceedings. Certain Group companies are themselves subject to on-going legal proceedings and regulatory investigations in respect of their financial services business and consumer claims for mis-selling of financial products, which could have a material adverse effect on the Group. Accounting provisions for legal proceedings and regulatory matters typically require a higher degree of judgement than other types of provisions as it is often not practicable to quantify a range of possible outcomes for individual matters, as well as to meaningfully quantify ranges of potential outcomes in aggregate for these types of provisions because of the diverse nature and circumstances of such matters and the wide range of uncertainties involved.
- xiii. **Competition risk:** the financial services sector within which the Group operates is highly competitive, thereby facing substantial competitive pressures which could adversely affect the Issuer's results of operations and profitability.
- xiv. **External factors:** the Group is exposed to economic conditions, political factors, business cycles and market risks including volatility in financial markets.
- xv. **Solvency risk:** In the case of insolvency of the Issuer, the Shareholders may suffer direct and materially adverse consequences, including loss of their entire investment.
- xvi. **Future funding risk:** In addition to the net proceeds from the Rights Issue, further funding of circa €10,100,000 will be required by the Issuer to satisfy its working capital shortfall of €14,597,300 which includes its Bond obligation of €13,823,200 together with one year of interest thereon at 5.6% and its working capital requirements. In this regard, there is no guarantee that the prevailing market conditions will be conducive to such financing, or that shareholder support to raise any additional funding will be forthcoming.

D.3 Key information on the key risks that are specific to the securities

The Ordinary Shares may be subject to a number of risks, which include but are not limited to the risks discussed below:

- i. **Trading and liquidity:** Stock markets may from time to time experienced substantial fluctuations, which could adversely affect the market price of the Ordinary Shares of the Issuer.
- ii. **Ranking on winding-up:** The Shares represent equity interests in the Company that entitle the holder to rank *pari passu* with all other holders of Ordinary Shares upon any distribution of assets in a winding up. The Ordinary Shares are subordinated to any preference shares that may be issued by the Company from time to time and the Bonds and other debt instruments that may be issued from time to time in the Company's capital structure.
- iii. **Dividend risk:** the Issuer's ability to pay dividends and its ability to receive distributions from its investments in other entities is subject to applicable local laws. In addition, other restrictions, including regulatory requirements, capital and leverage requirements, statutory reserves, financial and operating performance and applicable tax laws may restrict its ability to pay dividends.
- iv. **Share price fluctuation risk:** The market price of the Ordinary Shares could be subject to significant fluctuations due to a change in sentiment in the market regarding the Ordinary Shares and/or securities of other financial institutions.
- v. **Dilution risk:** Eligible Shareholders who do not (or who are not permitted to) subscribe for their full entitlement to New Ordinary Shares in the Rights Issue will experience dilution in their ownership of the Issuer.

- vi. **Risks relating to voting majorities:** The Company's Memorandum and Articles of Association provisions permit defined majorities to bind all Shareholders including Shareholders who did not attend and vote at the relevant meeting and Shareholders who voted in a manner contrary to the majority.
- vii. **Legal risk:** The terms and conditions of the admission to trading of the Shares 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.
- viii. **Securities law risk:** Securities laws of certain jurisdictions may restrict Shareholders in exercising the rights attaching to their Ordinary Shares and participating in the Rights Issue.
- ix. **Requirement of further funding:** In addition to the net proceeds from the Rights Issue, further funding of circa €10,100,000 will be required by the Issuer to satisfy its working capital shortfall of €14,597,300 which includes its Bond obligation of €13,823,200 together with one year's accrued interest thereon at 5.6% and its working capital requirements. In this regard, there is no guarantee that the prevailing market conditions will be conducive to such financing, or that shareholder support to raise any additional funding will be forthcoming.
- x. **Subscription risk:** There is no assurance that the New Ordinary Shares on offer will be subscribed to any extent, if at all.
- xi. **Shares in public hands:** In terms of the Listing Rules, the Issuer must have at least twenty-five per centum (25%) of its listed share capital in the hands of the public. Should the number of shares in public hands following the Rights Issue fall below this threshold, the Issuer would no longer be meeting the relevant requirement under the Listing Rules and this may in turn lead to the delisting of the Company from the Official List of the MSE, which would have adverse effects on the marketability and transferability of the Shares and on the fiscal impacts on Share transfers.

Section E- OFFER

E.1 Total net proceeds and an estimate of total expenses of the issue

The net proceeds from the Rights Issuer will amount to €4,740,000. The expenses of the Rights Issue are estimated not to exceed approximately €150,000, which amount shall be deducted from the proceeds of the Rights Issue.

E.2a Reasons for the offer, use of proceeds, estimated net amount of proceeds

The net proceeds from the Issue of New Ordinary Shares of approximately €4,740,000 will be used by the Issuer to partly finance the redemption of the Bonds.

E.3 Terms and conditions of the Offer

The following is a synopsis of the general terms and conditions applicable to the Offer.

• General

The Company is proposing to raise capital by way of a Rights Issue of 16,792,452 New Ordinary Shares and in the event of any Lapsed Rights, an Intermediaries Offer, of 16,792,452 New Ordinary Shares in aggregate.

The New Ordinary Shares will be offered to Eligible Shareholder by way of nil-paid rights on the basis of 1.27 New Ordinary Shares for every 1 existing Ordinary Share held on the Record Date on the terms and conditions as set out in the Securities Note and the PALs in direct proportion to their existing shareholding as at the Record Date.

The New Ordinary Shares will, when issued and fully-paid, rank equally in all respects with the existing Ordinary Shares, including the right to receive all dividends or other distributions made, paid or declared after the date of this Prospectus.

The allotment of New Ordinary Shares pursuant to this Issue is conditional upon a minimum of ten million (10,000,000) New Ordinary Shares being subscribed for.

Eligible Shareholders have the option to

- accept in full by submitting PAL A;
- accept in part and transfer or lapse the remaining Rights by submitting PAL B;
- transfer part or all of the Rights by submitting PAL C.

i. Lapsed Rights – Excess Shares Application

Eligible Shareholders accepting their proportionate entitlement of New Ordinary Shares in full, shall be entitled to apply for New Ordinary Shares in excess of their proportionate entitlement (the "Excess Shares"), on a pre-emptive basis, by indicating their interest in PAL A for Lapsed Rights.

An Excess Shares application form (the "**Excess Shares Application Form**") is to be submitted to an Intermediary in sealed format, indicating the number of Excess Shares the Eligible Shareholders are willing to acquire and the price for each Excess Share, which should not be lower than the Share Offer Price.

ii. Lapsed Rights Intermediaries Offer

In the event that any New Ordinary Shares remain unallocated following the close of the Offer Period and, if applicable, after the allotment of Excess Shares provided for in (i) has been made, the Lapsed Rights will be offered to Intermediaries via an Intermediaries Offer.

Offers will be accepted by the Issuer on behalf and for account of the Lapsed Rights Holders strictly on the basis of best price, which price cannot be lower than the Share Offer Price, and Lapsed Rights will be allocated accordingly. The Issuer, however, reserves the right not to accept any offer if, in its sole discretion, it considers such offer not to be in the interest of Lapsed Rights Holders. In the event that there are offers at the same price for more than there are Lapsed Rights available, these will be allocated pro rata to the respective Financial Intermediary, as the case may be. In respect of the Intermediaries Offer, a determination by the Registrar as to the acceptance or otherwise by the Issuer of an offer shall be conclusive and binding on all Intermediaries.

The minimum number of Lapsed Rights for which the Intermediary may submit one or more offers shall be 20,000 New Ordinary Shares in the aggregate.

The minimum price for which an offer may be submitted shall be the Share Offer Price of €0.291172 per share.

Acceptance and allocation of offers will be communicated to the Intermediaries as soon as practicable but in any event not later than 8 April 2016.

• **Overseas Shareholders And Excluded Territories**

The offer of New Ordinary Shares to persons resident in, or who are citizens of, or who have a registered address in, countries other than Malta may be affected by the law of the relevant jurisdiction. Those persons should consult their professional advisers (including tax consultants) as to whether they require any governmental or other consents or need to observe any other formalities to enable them to take up the New Ordinary Shares.

The offer of New Ordinary Shares will not be made in the Excluded Territories, that is any jurisdiction which is not a Member State of the European Union (as defined in the European Union Act, Cap. 460 of the laws of Malta), including for the avoidance of doubt the United States of America and Canada, and any other jurisdiction where the extension into or availability of the Rights Issue would breach any applicable law.

E.4 Conflicts of interest

• **The interest of members of the Board of Directors of the Issuer and that of senior management:**

Prof. Paolo Catalfamo is a Director and holds a 100% shareholding interest in Investar p.l.c., which as at the date of this Prospectus is a shareholder in the Issuer holding eight point ninety-three per centum (8.93%) of the Ordinary Shares. In addition, Mr Christopher Pace is also a Director and holds fifteen point twenty-four per centum (15.24%) of the Ordinary Shares in the Issuer.

With the exception of Prof. Paolo Catalfamo and Mr. Christopher J. Pace, none of the Directors and members of executive management, directly or indirectly, traded any Ordinary Shares of the Issuer.

• **The interest of the Shareholders of the Issuer:**

Investar p.l.c. which holds an 8.93% equity interest in the Company has issued a prospectus dated 12 January 2016 wherein it has declared that it intends to acquire a majority and controlling interest in the Issuer as a result of its participation in the Rights Issue.

E.5 Name of the person or entity offering to sell the security

Not applicable. The Rights Issue comprises an offer of New Ordinary Shares to be issued by the Company.

E.6 Dilution

Subject to Admission, pursuant to the Rights Issue and the Intermediaries Offer, 16,792,452 New Ordinary Shares will be issued at the Share Offer Price. This will result in the issued share capital of the Company increasing by approximately 127%. Eligible Shareholders who take up their pro rata entitlement in full will suffer no dilution to their interests in the Company. Eligible Shareholders who do not take up any of their rights to subscribe for the New Ordinary Shares will suffer an immediate dilution of up to 56% in their interests in the Company.

E.7 Estimated expenses charged to the investor by the Issuer

Not applicable. No expenses will be charged to the investor by the Issuer.

REGISTRATION DOCUMENT

This document is dated 4 March 2016

This Registration Document is issued in accordance with the provisions of Chapter 4 of the Listing Rules issued by the Listing Authority and 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.

Issued by

GlobalCapital plc

a public limited liability company registered under the laws of Malta with company registration number C19526 and having its registered office at GlobalCapital p.l.c., Testaferrata Street, Ta' Xbiex XBX 1403, Malta

A Rights Issue of 16,792,452 New Ordinary Shares of a nominal value of €0.291172 per New Ordinary Share, at par, on the basis of 1.27 New Ordinary Shares for every 1 Ordinary Share

And in the event of Lapsed Rights: 1) an offer to Eligible Shareholders for Excess Shares and 2) an Intermediaries Offer, in this order of preference.

THE LISTING AUTHORITY HAS AUTHORISED THE ADMISSIBILITY OF THESE SECURITIES AS A LISTED FINANCIAL INSTRUMENT. 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 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 ADVISER.

ISIN: MT0000170101

Sponsor, Manager & Registrar



Legal Counsel

**Refalo &
Zammit Pace**
ADVOCATES

TABLE OF CONTENTS

1	IMPORTANT INFORMATION.....	3
2	DEFINITIONS.....	5
3	RISK FACTORS	8
4	PERSONS RESPONSIBLE	15
5	ADVISERS AND STATUTORY AUDITORS.....	15
6	INFORMATION ABOUT THE ISSUER.....	16
7	PROPERTY, PLANT AND EQUIPMENT	22
8	OPERATING AND FINANCIAL REVIEW.....	24
9	CAPITAL RESOURCES	26
10	FORECAST AND TREND INFORMATION.....	28
11	ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES.....	32
12	BOARD PRACTICES	36
13	MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS	38
14	FINANCIAL INFORMATION	39
15	LITIGATION.....	40
16	MATERIAL CONTRACTS.....	40
17	ADDITIONAL INFORMATION	40
18	THIRD PARTY INFORMATION AND STATEMENT BY EXPERTS.....	42
19	DOCUMENTS ON DISPLAY	42

1 IMPORTANT INFORMATION

THIS REGISTRATION DOCUMENT CONTAINS INFORMATION IN RELATION TO GLOBALCAPITAL P.L.C. (“ISSUER” OR “COMPANY”) AND ITS BUSINESS. THIS REGISTRATION DOCUMENT INCLUDES INFORMATION GIVEN IN COMPLIANCE WITH: THE LISTING RULES OF THE LISTING AUTHORITY, THE COMPANIES ACT, CAP. 386 OF THE LAWS OF MALTA AND THE 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), THE REQUIREMENTS OF THE LISTING RULES OF THE MALTA FINANCIAL SERVICES AUTHORITY (“MFSA”) AND THE RULES AND REGULATIONS APPLICABLE TO THE ADMISSION OF SECURITIES ON THE OFFICIAL LIST OF THE MALTA STOCK EXCHANGE (“MSE”).

NO BROKER, DEALER, SALESMAN OR OTHER PERSON HAS BEEN AUTHORISED BY THE ISSUER OR ITS DIRECTORS TO ISSUE ANY ADVERTISEMENT OR TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS IN CONNECTION WITH THE ISSUER 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 ISSUER, ITS DIRECTORS, OR ADVISERS. THE ADVISERS ENGAGED BY THE ISSUER FOR THE PURPOSE OF THIS COMBINED OFFERING ARE ACTING EXCLUSIVELY FOR THE ISSUER.

THE LISTING AUTHORITY ACCEPTS NO RESPONSIBILITY FOR AND MAKES NO REPRESENTATIONS AS TO THE CONTENTS, ACCURACY OR COMPLETENESS OF THE PROSPECTUS 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.

IT IS THE RESPONSIBILITY OF ANY PERSON IN POSSESSION OF THIS DOCUMENT TO INFORM THEMSELVES OF AND TO OBSERVE AND COMPLY WITH, ALL APPLICABLE LAWS AND REGULATIONS OF ANY RELEVANT JURISDICTION. PROSPECTIVE APPLICANTS FOR ANY SECURITIES THAT MAY BE ISSUED BY THE ISSUER OR OFFERED BY THE OFFERORS 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.

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.

ALL THE ADVISERS TO THE ISSUER HAVE ACTED AND ARE ACTING EXCLUSIVELY FOR THE ISSUER 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 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.

THE RIGHTS WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED. SUBJECT TO CERTAIN EXCEPTIONS, THE RIGHTS MAY NOT BE OFFERED, SOLD OR DELIVERED WITHIN THE UNITED STATES OR TO U.S. PERSONS. FURTHERMORE, IN RELATION TO EACH MEMBER STATE OF THE EUROPEAN ECONOMIC AREA (OTHER THAN MALTA), THE RIGHTS MAY ONLY BE OFFERED, SOLD OR DELIVERED TO, SUBJECT TO CERTAIN EXCEPTIONS AND ACCEPTED BY “QUALIFIED INVESTORS” (AS DEFINED IN THE PROSPECTUS DIRECTIVE) OR IN OTHER CIRCUMSTANCES FALLING WITHIN ARTICLE 3(2) OF THE PROSPECTUS DIRECTIVE. IN ALL CASES THE MAKING OF THE OFFER OF RIGHTS IN SUCH CIRCUMSTANCES SHALL NOT REQUIRE THE PUBLICATION BY THE ISSUER OR ANY OTHER PERSON OF A PROSPECTUS PURSUANT TO ARTICLE 3 OF THE PROSPECTUS DIRECTIVE. THE SHARES ISSUED AS A RESULT OF THE EXERCISE OF THE RIGHTS UNDER THIS RIGHTS ISSUE MAY BE LISTED AND TRADED ON THE REGULATED MARKET OF THE MSE. THE MSE'S REGULATED MARKET IS A REGULATED MARKET FOR THE PURPOSES OF DIRECTIVE 2004/39/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL OF 21 APRIL 2004 ON MARKETS IN FINANCIAL INSTRUMENTS AMENDING COUNCIL DIRECTIVES 85/611/EEC AND 93/6/EEC AND DIRECTIVE 2000/12/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL AND REPEALING COUNCIL DIRECTIVE 93/22/EEC.

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

REGISTRATION DOCUMENT

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 ORDINARY SHARES 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 ORDINARY SHARES, OR AGREEMENT, ACCEPTANCE OR CONTRACT RESULTING HEREFROM, OR THE PROSPECTUS AS A WHOLE.

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 MSE AND HAS BEEN DULY FILED WITH THE REGISTRAR OF COMPANIES. APPLICATION HAS BEEN MADE TO THE LISTING AUTHORITY FOR THE APPROVAL OF THE PROSPECTUS AND FOR THE ADMISSION OF THE ISSUER'S ORDINARY SHARES ON A REGULATED MARKET. APPLICATION HAS ALSO BEEN MADE TO THE MSE, FOR THE ORDINARY SHARES TO BE ADMITTED TO THE OFFICIAL LIST OF THE MSE.

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;
Bonds	issued by the Company;
CSD	the central registration system for dematerialised financial instruments operated by the MSE and authorised in terms of the Financial Markets Act;
Directors or Board	the directors of the Issuer whose names are set out in section 11 of this Registration Document;
Eligible Shareholders	the Issuer's Shareholders on the register of the CSD as at close of trading on the Record Date and their transferee(s);
Euro or €	the lawful currency of the Republic of Malta;
Financial Institutions Act	Financial Institutions Act, Cap. 376 of the laws of Malta;
Financial Intermediaries	the licenced members of the MSE authorised to conduct investment services business by the MFSA, as listed in Annex A of the Securities Note;
GCFM	GlobalCapital Financial Management Limited, a private limited liability company registered in Malta with registration number C 30053;
GCHIA	GlobalCapital Health Insurance Agency Limited, a private limited liability company registered in Malta with registration number C 6393;
GCLI	GlobalCapital Life Insurance Limited, a private limited company registered in Malta with registration number C 29086;
Group	the Issuer (as parent company) and its Subsidiaries;
Income Tax Act	the Income Tax Act, Cap. 123 of the laws of Malta;
Insurance Business Act	Insurance Business Act, Cap. 403 of the laws of Malta;
Insurance Intermediaries Act	Insurance Intermediaries Act, Cap. 487 of the laws of Malta;
Intermediaries Offer	in the event of Lapsed Rights, and where the Eligible Shareholders have not taken up the Excess Shares, the invitation to offer made by the Issuer to Financial Intermediaries to make an offer for such Lapsed Rights for their own account or for the account of their clients, provided that such offers may only be made through and by Financial Intermediaries during the Intermediaries Offer Period;
Intermediaries Offer Period	the period between 08:30 on 6 April 2016 and 10:00 on 8 April 2016;
Investment Services Act	the Investment Services Act, Cap. 370 of the laws of Malta;
Issuer or Company	GlobalCapital p.l.c., a public limited liability company registered in Malta with company registration number C 19526;
Investar	Investar p.l.c., a public limited company registered in Malta with registration number C 65310 (formerly EIP p.l.c.);
Lapsed Rights	rights to New Ordinary Shares not validly taken up by the Shareholders by the expiry of the Offer Period;
Listing Authority	the Board of Governors of the MFSA, appointed as Listing Authority for the purposes of the Financial Markets Act, Cap. 345 of the laws of Malta by virtue of the Malta Financial Services Authority Act, Cap. 330 of the laws of Malta;
Listing Rules	the listing rules of the Listing Authority;

REGISTRATION DOCUMENT

Malta Stock Exchange or MSE	Malta Stock Exchange p.l.c., a public limited liability company having its registered office at Garrison Chapel, Castille Place, Valletta VLT 1063, Malta, and bearing company registration number C 42525, which continued in the personality of the Malta Stock Exchange established under Part IV of the Financial Markets Act, Cap. 345 of the laws of Malta prior to the repeal of that Part by the Various Financial Services Laws (Amendment) Act, 2007 (Act XX of 2007), with effect from 01 November 2007;
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;
MFSA	the Malta Financial Services Authority, established in terms of the Malta Financial Services Authority Act, Cap. 330 of the laws of Malta;
New Ordinary Shares	16,792,452 New Ordinary Shares to be issued pursuant to the Rights Issue;
Offer	the invitation to subscribe for rights to the New Ordinary Shares as contained in the Securities Note;
Offer Period	the period between 08:30 on 16 March 2016 and 12:00 on 30 March 2016 (both dates inclusive) during which the rights to the New Ordinary Shares are on offer for subscription;
Ordinary Shares	the ordinary shares of a nominal value of €0.291172 each of the Issuer;
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 amended by Directive 2008/11/EC of the European Parliament and of the Council of 11 March 2008, Directive 2010/73/EU of the European Parliament and of the Council of 24 November 2010 and Directive 2010/78/EU of the European Parliament and of the Council of 24 November 2010, and as supplemented by Commission Delegated Regulation (EU) No 1392/2014 of 2014;
Prospectus Regulation	Commission Regulation (EC) No 809/2004 of 29 April 2004 implementing the Prospectus Directive 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) 382/2014 of 7 March 2014, and as may be further amended from time to time;
Record Date	the 4 March 2016, meaning trading up to and including 2 March 2016;
Reference Documents	the documents listed in section 19 under the heading " <i>Documents on Display</i> ";
Registration Document	this document in its entirety;
Rights Issue or Issue	the proposed issue by way of New Ordinary Shares to Eligible Shareholders as described in this Registration Document;
Securities Note	the securities note issued by the Issuer dated 4 March 2016, forming part of the Prospectus;
Solvency II Directive	Directive 2009/138/EC of the European Parliament and of the Council of 25 November 2009 on The Taking-Up and Pursuit of the Business of Insurance and Reinsurance (Solvency II) (Recast) as amended by Directive 2011/89/EU of the European Parliament and of the Council of 16 November 2011, Directive 2012/23/EU of the European Parliament and of the Council of 12 September 2012, Council Directive 2013/23/EU of 13 May 2013, Directive 2013/58/EU of the European Parliament and of the Council of 11 December 2013 and Directive 2014/51/EU of the European Parliament and of the Council of 16 April 2014, and as may be further amended from time to time;
Solvency II Regulation	Commission Delegated Regulation 2015/35 of 10 October 2014 supplementing Directive 2009/138/EC of the European Parliament and of the Council on the taking-up and pursuit of the business of Insurance and Reinsurance;
Shareholders or Ordinary Shareholders	holders of Ordinary Shares of the Issuer;

<p>Subsidiaries</p>	<p>any company the ultimate holding company of which, as at the date of this Registration Document is the Company, including without limitation each of the following companies:</p> <ul style="list-style-type: none"> a. GlobalCapital Holdings Ltd, a private limited liability company registered in Malta with company registration number C 29873; b. GlobalCapital Financial Management Ltd, a private limited liability company registered in Malta with company registration number C 30053; c. GlobalCapital Insurance Brokers Ltd, a private limited liability company registered in Malta with company registration number C 32451; d. GlobalCapital Life Insurance Ltd, a private limited liability company registered in Malta with company registration number C 29086; e. Central Landmark Development Ltd, a private limited liability company registered in Malta with company registration number C 34858; f. GlobalCapital Health Insurance Agency Ltd, a private limited liability company registered in Malta with company registration number C 6393; g. Global Properties Ltd. (Medunardodue Nekretnine d.o.o.) a private limited liability company registered in Croatia with company registration number 97381210793; h. Global Estates Ltd, a private limited liability company registered in Malta with company registration number C 37544; i. Brammer Ltd, a private limited liability company registered in Bulgaria with company registration number 131292817; and j. Quadrant Italia s.r.l, a limited liability company (società a responsabilità limitata) registered in Italy with company registration number 1102926;
<p>Summary Note</p>	<p>the summary note issued by the Issuer dated 4 March 2016, forming part of the Prospectus.</p>

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; and
- c) the word “may” shall be construed as permissive and the word “shall” shall be construed as imperative.

3 RISK FACTORS

3.1 FORWARD-LOOKING STATEMENTS

The Prospectus and the documents incorporated therein by reference or annexed thereto contain “forward-looking statements” that include, among others, statements concerning the Company’s strategies and plans relating to the attainment of its objectives, capital requirements and other statements of expectations, beliefs, future plans and strategies, anticipated developments and other matters that are not historical facts and which may involve predictions of future circumstances. Investors can generally identify forward-looking statements by the use of terminology such as “may”, “will”, “expect”, “intend”, “plan”, “estimate”, “anticipate”, “believe”, or similar phrases. These forward-looking statements are inherently subject to a number of risks, uncertainties and assumptions. Important factors that could cause actual results to differ materially from the expectations of the Directors include those risks identified under the heading “Risk Factors” and elsewhere in the Prospectus.

If any of the risks described were to materialise, they could have a serious effect on the Company’s financial results, trading prospects and the ability of the Company to fulfil its obligations under the securities to be issued. Accordingly, the Company cautions the reader that these forward-looking statements are subject to risks and uncertainties that could cause actual events or results to differ from those expressed or implied by such statements and no assurance is given that the future results or expectations will be achieved.

3.2 RISKS RELATED TO THE ISSUER AND THE ISSUER’S BUSINESS

The Issuer is a holding company with Subsidiaries engaged primarily in life assurance business, health insurance agency activities, investment and advisory services and property holding and management. Consequently, by reason of the Issuer’s broad business profile, the Issuer is exposed to various risks, as detailed below.

3.2.1 Financial Risk

The Issuer and the Group are exposed to financial risk, principally through GCLI’s financial assets and liabilities, reinsurance assets, and insurance liabilities. In particular, a key financial risk is that the proceeds from GCLI’s financial assets may not be sufficient to fund the obligations arising from its insurance and investment contracts with a discretionary participation feature (DPF). The most important components of financial risk are market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk, all of which are highlighted below. These risks partly arise from open positions in interest rate, currency, and equity products, all of which are exposed to general and specific market movements.

3.2.1.1 Market risk

a. General

The businesses of the Group are materially affected by conditions in the financial markets and economic conditions generally, both in Malta and elsewhere around the world. Therefore, all of the Group’s business segments are affected by market conditions which can cause results to fluctuate from year to year as well as on a long-term basis.

Risk can arise, *inter alia*, from adverse changes in interest rates, credit spreads, foreign exchange rates, equity prices and other relevant parameters, such as market volatility. For example, the current global economic and financial crisis led to a re-evaluation of risks, particularly credit risks. Similarly, the Eurozone sovereign debt crisis and concerns over the viability of the European Monetary Union have further increased uncertainties in the financial markets. The probability of default increased across many asset classes, including sovereign debt, resulting in a multitude of credit rating downgrades and widening credit spreads. In addition, price volatility of many financial assets such as equities, credit and structured products increased significantly. Simultaneously therewith, liquidity in the markets for these assets decreased substantially, making it difficult to sell certain assets at reasonable prices.

Demographics, inflation, interest rates, consumer and business spending, recession, unemployment and other such factors which are beyond the Issuer’s control, including general economic conditions, may also influence the Group’s overall performance and results.

b. Business-specific market risks*Insurance Business Risk*

One of the principal Subsidiaries of the Issuer, GCLI is engaged in Class I (life and annuity) and Class III (linked long term) insurance activities, which are subject to insurance risk, as further highlighted below. If any of the risks hereunder is not adequately managed, then this could have a material adverse effect on the assets, financial condition and results of the operations of GCLI, thereby impacting the Issuer.

The risk under any one insurance contract is the possibility that the insured event occurs and the uncertainty of the amount and timing of the resulting claim. By the very nature of an insurance contract, this risk is random and therefore unpredictable.

Depending on the insurance product, this risk is influenced by macroeconomic changes, changes in customer behaviour, changes in public health, pandemics and catastrophic events such as earthquakes, industrial disasters, fires, riots or terrorism.

Factors that aggravate insurance risk include lack of risk diversification in terms of type and amount of risk and geographical location.

For a portfolio of insurance contracts where the theory of probability is applied to pricing and provisioning, the principal risk that GCLI faces under its insurance contracts is that the actual claims and benefit payments exceed the carrying amount of the insurance liabilities. This could take place because the frequency or severity of claims and benefits are greater than estimated. Insurance events are random and the actual number and amount of claims and benefits will vary from year to year from the estimate established using statistical techniques.

i. Frequency and severity of claims

For contracts where death is the insured risk, the most significant factor that could increase the overall frequency of claims are epidemics or widespread changes in lifestyle resulting in earlier or more claims than expected. In this regard, undue concentration by amounts could have an impact on the severity of benefit payments on a portfolio basis.

For contracts with fixed and guaranteed benefits and fixed future premiums there are no mitigating terms and conditions that reduce the insurance risk accepted.

ii. Sources of uncertainty in the estimation of future benefit payments and premium receipts

Uncertainty in the estimation of future benefit payments and premium receipts for long term insurance contracts arises from the unpredictability of long term changes in overall levels of mortality and the variability in contract holder behaviour.

GCLI may be liable for certain insured events that occur during the term of a contract, even if the loss is discovered after the end of the contract term. As a result, the estimation of claims incurred but not reported ('IBNR') is generally subject to a greater degree of uncertainty than the estimation of the cost of settling claims already notified to GCLI where information about the claim event is generally available. Certain classes of business, most notably those exposed to liability, can take several years to develop and are therefore subject to a greater degree of uncertainty than other classes of business which are typically settled in a shorter period of time.

The assumptions used in conventional statistical or actuarial models used in the estimation of claims reserves may differ from actual future results.

The estimated cost of claims includes direct expenses to be incurred in settling claims, value and recoveries. Given the uncertainty in establishing claims provisions, it is possible that the final outcome will prove to be different from the original liability established.

iii. Actual results could deviate from the actuarial and other assumptions made in calculating the actuarial reserves in life insurance business and in computing the value of in-force business

The assumptions used in calculating actuarial reserves and the value of in-force business may differ from actual future results. Actuarial reserves are calculated and the associated value of in-force business is based on recognised actuarial methods and assumptions. These assumptions include estimates of long-term developments in interest rates, financial investment yields, the allocation of financial investments between shares, interest-bearing securities and other categories, participations in profits, mortality and morbidity rates, lapse rates as well as future costs. Changes in these assumptions or incorrect assumptions may lead to an increase of the actuarial reserves for the life insurance business and to changes in the value of in-force business.

iv. Reinsurance

The lack of available reinsurance protection or the availability of reinsurance protection at increased costs and/or the inability to pay/untimely payment by reinsurers, could have a material adverse effect on the earnings of GCLI and consequently of the Issuer.

Reinsurance does not discharge GCLI's liability as primary insurer. If a reinsurer fails to pay a claim for any reason, GCLI remains liable for payment to the policyholder.

Various factors applying to the global reinsurance market may from time to time result in higher premiums sought by reinsurers for the acceptance of risk on their part. This will inevitably have a negative impact on the assets, financial position and earnings for GCLI and consequently for the Group. Such negative impacts may also occur should GCLI be unable to cede certain risks to reinsurance companies at an economical cost, retaining larger proportions of risks for its' own account thus increasing its' exposure to uncertainty on the probability of occurrence.

v. Distribution channels

GCLI distributes its insurance products through a combination of direct sales and of third party distributors that include tied insurance intermediaries and insurance brokers. GCLI may accordingly be exposed to the risk of distributors seeking to terminate their business relationship, which could lead to a loss of business. GCLI also may also be exposed to the risk of its own employees and third party distributors mis-selling policies.

vi. Dependence on insurance business

The diversification of the Company's Subsidiaries across different business sectors does not eliminate the Issuer's dependence on GCLI and there can be no guarantee as to the level of success that will be achieved by GCLI, its results of operations or financial condition generally. Nor can there be any guarantee that the measures which may be implemented by the Company across its Group to mitigate its investment risk will be effective in any given economic or market circumstances or at all.

Investment Services Business Risk

GCFM's income and profits or losses from its investment and advisory business, may vary significantly from year to year as a result of market cycles, including volatile movements on the financial markets, in equity and bond prices, interest rates and exchange rates which may reduce investment and demand for investment products promoted or distributed by GCFM. A decline in the financial markets could also have an adverse effect on GCFM's ability to earn advisory and other fees.

GCLI's and GCFM's performance is also influenced by returns dependent to a significant extent on the health of the financial markets, both locally and overseas.

Stock Market Risk

GCLI and GCFM's local stock market investments may be affected by the relatively low liquidity of the local market as a whole. Protracted market declines, both locally and internationally, can also reduce the liquidity of the assets of GCLI and GCFM which can in turn have an adverse effect on the Issuer. If GCLI and GCFM require significant amounts of cash on short notice in excess of anticipated cash requirements at a time when some or any of their respective assets have low liquidity they may have difficulty selling these investments in a timely manner at the fair values at which these investments are reflected in their respective financial statements. This potential constraint may be more marked in the case of securities listed on the local stock market.

Real Estate Market Risk

The Issuer's real estate Subsidiaries will be influenced by the health of the property market, both locally and overseas, and fluctuations in property prices. An increase in supply and/or a reduction in demand in the property markets in which the Company's real estate Subsidiaries are active could impact negatively upon the capital value, income streams and investment strategy of those Subsidiaries and consequently of the Issuer.

c. Interest rate fluctuations

The Issuer and its Subsidiaries are exposed to the risk of fluctuating market interest rates. Assets/liabilities with variable rates expose the Group and the Company to cash flow interest risk. Assets/liabilities with fixed rates expose the Group and the Company to fair value interest rate risk to the extent that they are measured at fair value.

Interest rate fluctuations in the Eurozone significantly influence the value of the Group's financial assets. Interest rate fluctuations result in the following risks:

- Write-downs: Book value depends on changes in the interest rate level; if interest rates rise, the market value of these securities falls.
- Attractiveness of products: The sales success of fund and index linked products also depends on the volatility of capital markets. Fluctuations in the capital markets, in particular in interest rates, influence the attractiveness of these products.
- Reinvestment: Upon the maturity of higher-interest securities, a lower interest level at the time of reinvestment in interest-bearing securities will lead to a decline in net earnings.

Interest rate fluctuations may have a material adverse effect on the financial and earnings position of the Group.

d. Price risk

The Group and the Company are exposed to market price risk arising from the uncertainty about the future prices of investments held at fair value through profit or loss or as available for sale.

e. Currency risk

The Group's and the Company's exposure to foreign exchange risk arises primarily from investments that are denominated in currencies other than the Euro. The Group's exposure to foreign currency investments (principally comprising a mix of US Dollar and UK Pound) represented seven per centum (7%) of the Group's total investments as at 31 December 2014 and four point zero nine per centum (4.09%) as at 30 June 2015. Six per centum (6%) of the Group's cash equivalents, at 31 December 2014 and eight point forty-eight per centum (8.48%) as at 30 June 2015, are denominated in foreign currency (principally comprising a mix of US Dollar and UK Pound).

3.2.1.2 *Liquidity risk*

Liquidity risk is the risk of decrease in profits or capital, arising from an inability of the Group to meet its immediate obligations, without incurring additional costs. This risk can arise from mismatches in the timing of cash flows relating to assets, liabilities and off-balance sheet instruments. The Group is also exposed to significant liquidity risk in relation to interest and capital payment obligations arising on the Bonds. Accordingly, the Group is exposed to increased risk of default vis-à-vis its capital requirement obligations, consequently running the risk of impeding its ability to continue as a going concern.

3.2.1.3 *Credit Risk*

The Group and the Company have exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. These include issuers of securities held by the Group, reinsurers, customers and trading counterparties. Due to insolvency, a lack of liquidity, an economic downturn or a decline in real estate values, business management errors or other reasons, these parties may no longer be in a position to satisfy their obligations towards the Company and/or its Subsidiaries. Financial assets that potentially subject the Group to concentrations of credit risk consist principally of:

- Investments (including counterparty risk);
- Reinsurers' share of technical provisions;
- Trade and other receivables; and
- Cash and cash equivalents.

3.2.2 Regulatory matters

The Group is subject to a broad regulatory framework, relating, in particular, to the insurance and investment services activities of its Subsidiaries. As a result, the Group operates in a highly regulated environment. GCLI and GCHIA are licensed by the MFSA under the Insurance Business Act and the Insurance Intermediaries Act respectively. GCFM is licenced by the MFSA under the Investment Services Act and the Financial Institutions Act. Furthermore, GCFM is licenced as an Alternative Investment Fund Manager - De Minimis AIFM and as a Recognised Fund Administrator.

In particular, the Solvency II Directive, as supplemented by the Solvency II Regulation, encompasses requirements on own funds, the calculation of technical provisions, valuation of assets and liabilities, governance structure, regulatory reporting and disclosure as well as governance of insurance companies ("Solvency II"). GCLI has had to comply with the Solvency II regime as from 01 January 2016 in accordance with its statutory obligations. Solvency II provides for more risk-sensitive standards in relation to capital requirements, aims to align capital requirements for insurance companies with those applicable to banks and investment firms in order to avoid regulatory arbitrage, as well as to align regulatory capital with economic capital and bring about an enhanced degree of public disclosure. The Solvency II regime has created a stricter and more comprehensive regulatory framework (compared to the supervisory and solvency rules existing pre-2016 ("Solvency I")) for insurance and re-insurance within the EU. As a result, solvency and capital ratio requirements for insurance and reinsurance have become more onerous compared to the previous Solvency I regime and also result in capital ratios becoming more volatile.

In the event that GCLI should, at any time, have inadequate capital resources to meet the applicable regulatory capital requirements, GCLI could be subjected to regulatory sanctions which may have a detrimental effect on the ongoing insurance business activity of GCLI, and in the most extreme case could lead to the suspension or termination of GCLI's insurance business activity. In addition, the imposition of fines could have a material adverse effect on the assets, financial position and earnings of GCLI and consequently of the Group. Moreover, the violation of regulatory requirements could lead to intensified supervision of GCLI and, accordingly, to an increase in operational expenses.

In view of the Group's activities and revenues the Issuer constitutes a mixed activity insurance holding company and is therefore not required to meet a group minimum capital requirement ("Group MCR") and a group solvency requirement ("Group SCR") under the Solvency II regime. However, in the event that the Issuer were to constitute, at any time after the 01 January 2016, an insurance holding company as a result of a change in the nature of its activities and revenues, the Issuer will be required to meet a group minimum capital requirement ("Group MCR") and a group solvency capital requirement ("Group SCR") under Solvency II which would in turn entail significantly more onerous capital requirements, increased operational costs, and the potential exposure of the Issuer to the detrimental effects referred to in the preceding paragraph of this clause 3.2.2.

3.2.3 Operational risks

The Group is exposed to a number of operational risks, as detailed hereunder:

i. Key succession planning

The loss of specialised employees occupying key positions within the different business units making up the Group could result in a loss of know-how.

The financial results of the Group are to a significant degree dependent on the existing market and industry knowledge of its management. The loss of executives or of employees in key positions could materially adversely affect the assets, financial position and earnings of the Group if it is not possible to fill the vacant positions with equally qualified executives within an appropriate time period.

ii. Fraud risk

The Group is exposed to the risk of damages arising as a result of illicit manipulation. Such manipulation, if not countered by effective control, could lead to financial losses.

iii. The Group relies on complex IT systems, which could be considerably impaired by internal and external factors (The Group is dependent on the functioning of an efficient IT system (hardware and software). IT systems are susceptible to a number of risks, such as computer viruses, hackers, or damage to critical IT hardware. The partial or complete failure of the Group's IT systems, accompanied by a breakdown in back-up resources, could lead to a significant disruption of business processes, a temporary shutdown of business operations, claims for damages and/ or a loss of customers. Should such events or similar events occur and lead to damages or lost revenues, there could be a material adverse effect on the Group's assets, financial position and earnings.

3.2.4 Reputational risk

Reputational risk is usually associated with conflicts of interest, regulatory compliance, remuneration systems, professional behaviour of the human resources, reputation and financial soundness of major shareholders, corporate culture, leadership and corporate strategy and its implementation. Reputational risk could materially and adversely affect the Group's ability to retain or attract customers, particularly institutional and retail customers, whose loss could adversely affect the Group's operations, financial condition and prospects. More specifically, reputational harm may result in the loss of market share and revenue, increased compliance costs and higher financing costs, reflecting the perceived increased risks.

3.2.5 Other Business Arrangements

GCHIA is dependent on its business arrangement with BUPA Insurance Limited, a company incorporated in England and Wales, with registration number 3956433. The termination or modification of this or any other material arrangements for any reason whatsoever could have a significant and adverse effect on the business of GCHIA and consequently on the Issuer, particularly if GCHIA is not able to renew or replace these arrangements with alternative arrangements on similar or equally favourable terms. In particular, any change of control in the Issuer resulting as a consequence of the Rights Issue may trigger any "change of control" or other termination provisions in the Subsidiaries' business agreements thereby having a significant adverse effect on the business of the Subsidiaries and consequently of the Group. Any adverse economic, market or other circumstances which may impact negatively on GCHIA's operations may be accentuated in their impact on the Group as they may in turn necessitate the impairment of goodwill carried on the Issuer's balance sheet.

3.2.6 Business Strategy Risk

Strategic risk is the risk associated with the future business plans and strategies of the Group. Improper strategic choices or the actual implementation of strategic decisions, as well as lack of responsiveness to changes in the economic environment, can have a serious and significant impact on prospective financial results. Closely linked with the above, business risk is the risk associated with the particular business and operating circumstances of the Group, and is more within the control of decisions taken by management but which nevertheless can have a significant impact on operating and business results.

3.2.7 Legal and compliance risk

The Group is exposed to various forms of legal and compliance risk due to the extent and complexity of its operations and the wide range of its regulatory obligations.

Governmental and other regulatory authorities continue to introduce proposals to strengthen the regulatory and supervisory framework for the financial services industry which include, *inter alia*, stricter own funds requirements, liquidity standards, the regulation of types of business considered as potentially high risk, expansion of the powers of competent authorities, and new or additional forms of redress for consumers of financial services. Such future changes to the existing regulatory framework for the financial services industry may be significant with negative impacts on the Group, such as increased cost of capital due to stricter own funds requirements and additional administrative cost incurred in the implementation and compliance with such new rules. In particular, the implementation of Solvency II is causing a substantial increase in the regulation applicable to insurance companies, including increased (quantitative and qualitative) capital and disclosure requirements, as well as restrictions on certain types of transactions, as set out in more detail under section 3.2.2 "Regulatory Matters" above.

Financial service firms are also at risk of regulatory sanctions or fines related to conduct of business and financial crime. The incidence of regulatory proceedings against financial service firms is increasing, with a consequent increase also in civil litigation arising from or relating to matters which are subject to regulatory investigation, sanction or fine.

In recent years, the regulated operating Subsidiaries of the Issuer have experienced increasing levels of compliance risk as regulators pursued investigations into historical and existing activities, and the Group remains in regular communication with the MFSA in relation to possible breaches of regulations. The direct and indirect costs of regulatory breaches can be significant. Given the increased levels of regulatory scrutiny experienced in recent years across the financial services industry and the substantial rise in the volume of new legislation and regulation the level of inherent legal and compliance risk faced by the Group will continue to remain high for the foreseeable future.

The volume and amount of damages claimed in legal and other adversarial proceedings against financial services firms are increasing for many reasons, including legislative and regulatory developments and changes in regulatory policy, increased media attention and higher expectations from the government, regulators and the public.

Judicial and regulatory decisions that are unfavourable to other regulated companies operating in the same sectors as the Group may also have implications for the Issuer's regulated operating Subsidiaries, even in cases in which the Subsidiary in question is not a party to the proceedings. This could occur in cases where certain business practices or contractual provisions are interpreted against third party service providers in circumstances where the same or similar business practices or contractual provisions have historically also been adopted by any of the Issuer's regulated operating Subsidiaries. For instance, decisions that have an impact on life insurance policies or terms of investment services business could affect the whole of the insurance and investment services industries respectively. As a result, such judicial and/or regulatory decisions may have a material adverse impact on the Group's results, business, financial condition and prospects.

Certain Group companies are themselves subject to on-going legal proceedings and regulatory investigations in respect of their financial services business and consumer claims for mis-selling of financial products. It is inherently difficult to predict the outcome of such legal proceedings, regulatory investigations and other adversarial proceedings involving Group companies particularly in those cases in which the liquidation of damages is being sought, or in which matters are brought on behalf of classes of claimants, or which otherwise involve novel legal claims.

Such proceedings and/or investigations could result in the Group incurring significant expense, substantial financial loss, fines, penalties and reputational damage and could have a material adverse effect on the Group's results, business, financial condition and prospects, including the potential loss of key licences, potential regulatory restrictions and/or the requirement to exit certain businesses and payments of compensation to customers. Moreover, the Group may face additional legal proceedings and regulatory investigations in the future with respect to matters similar or different to the existing proceedings and investigations. As a result the Group faces significant legal and compliance risks in its business.

In addition, accounting provisions for legal proceedings and regulatory matters typically require a higher degree of judgement than other types of provisions. Accounting judgements and estimates can be difficult because of the high degree of uncertainty associated with determining whether a present obligation exists, and estimating the probability, timing and amount of any outflows that may arise. As such legal proceedings and/or regulatory matters progress previous accounting judgements and estimates may need to be revised, however, any amount provisioned is likely to remain very sensitive to the assumptions used. There could be a wide range of possible outcomes for any pending legal proceedings, investigations or inquiries. As a result, it is often not practicable to quantify a range of possible outcomes for individual matters. It is also not practicable to meaningfully quantify ranges of potential outcomes in aggregate for these types of provisions because of the diverse nature and circumstances of such matters and the wide range of uncertainties involved.

3.2.8 Competition

The insurance and investment services markets are highly competitive, with several factors affecting the Group's insurance and investment services Subsidiaries' ability to sell their products, including price and yields offered, financial strength, range of product lines and product quality, brand strength and name recognition, investment management performance and historical bonus levels. In some of its markets the Group faces competitors that are larger, have greater financial resources or a greater market share, offer a broader range of products or have higher bonus rates, claims-paying ratios, or products delivering superior returns.

In addition to the above, the financial services industry is also very competitive and the Group faces substantial competitive pressures which could adversely affect the Issuer's results of operations and profitability.

Competition in the financial services industry is affected by the high level of consolidation, both at national and an international level, in the markets in which the Issuer's regulated Subsidiaries operate. The Group competes with other insurance and investment services providers, including the subsidiaries and/or associated companies of national and multi-national banking, insurance, and other investment services firms which are authorised in Malta and/or which have established a branch and/or provide their services in Malta on a cross border basis under the EU freedoms of establishment and services on a cross border basis.

Competitive pressures could result in a reduction in margins on a number of the Group's products and services and may affect the Issuer's ability to maintain or increase profitability. Competition is also expected to result in increased pressures on the availability of technical and qualified human resources and this in turn may pose a challenge to the retention by the Group of its key personnel.

3.2.9 External Factors

The Group's overall performance and results may also be adversely affected by external factors beyond the Issuer's control. These include changes in economic conditions, political factors, business cycles, volatility in financial markets and increased competitive pressure in the financial services sector.

3.2.10 Solvency Risk

The Shareholders assume the credit risk of the Company as the Issuer of the Shares. In the case of insolvency of the Issuer, the Shareholders may suffer direct and materially adverse consequences, including loss of their entire investment.

3.2.11 Future Funding Risk

In addition to the net proceeds from the Rights Issue, the Company requires additional funding of circa €10,100,000 to meet its working capital shortfall of €14,597,300 which includes its Bond obligation of €13,823,200 together with one year's accrued interest thereon at 5.6%. In this regard, there is no guarantee that the prevailing market conditions will be conducive to such further financing, or that Shareholder support to raise any additional funding would be forthcoming.

4 PERSONS RESPONSIBLE

Each and all of the Directors whose names appear in section 11 of this Registration Document, 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 taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is in accordance with the facts and contains no omission likely to affect its import. The Directors accept responsibility accordingly.

5 ADVISERS AND STATUTORY AUDITORS

5.1 ADVISERS

Legal Counsel:

Refalo & Zammit Pace Advocates, 61, St. Paul Street, Valletta VLT 1212, Malta

Sponsor, Manager and Registrar:

Rizzo, Farrugia & Co. (Stockbrokers) Ltd. Airways House, Third Floor High Street, Sliema SLM 1549, Malta

Rizzo, Farrugia & Co. (Stockbrokers) Ltd. holds a Category 3 license issued by the Malta Financial Services Authority and is a member of the Malta Stock Exchange.

5.2 STATUTORY AUDITORS

Deloitte Audit Ltd, Deloitte Place, Mriehel Bypass, Birkirkara BKR 3000, Malta

Deloitte is a firm of certified public accountants, holding a warrant to practice the profession of accountant and a practising certificate to act as auditors in terms of the Accountancy Profession Act, Cap. 281 of the laws of Malta.

6 INFORMATION ABOUT THE ISSUER

6.1 HISTORY AND DEVELOPMENT OF THE ISSUER

6.1.1 Introduction

Legal Name of the Company	GlobalCapital p.l.c.
Registered Address	GlobalCapital p.l.c., Testaferrata Street, Ta' Xbiex XBX 1403, Malta
Place of Registration and Domicile	Malta
Registration Number	C 19526
Date of Registration	21 December 1995
Legal Form	The Company is lawfully existing and registered as a public limited company in terms of the Act
Telephone No.	+356 21 342 342
Fax No.	+356 21 333 100
Email Address	info@globalcapital.com.mt
Website	www.globalcapital.com.mt

6.1.2 Important Events in the Development of the Company

The Company was registered in Malta on the 21 December 1995 as a private limited liability company under registration number C 19526 and is domiciled in Malta.

The status of the Company was changed to that of a public limited liability company on 27 July 2000 and its ordinary shares were listed on the Official List of the Malta Stock Exchange on 6 March 2001.

On 12 June 2002 the Company changed its name from "Globe Financial Management p.l.c." to "GloBAI Financial Services Group p.l.c." and completed the acquisition of the local operations of British American Insurance Co. (Mtius) Ltd. on 16 January 2003 (the "**Merger**"). As a result of the Merger British American Insurance Co. (Mtius) Ltd came to hold approximately 48% shareholding interest in the Company, while the Company acquired a 100% interest in GCLI, formerly British American Insurance Co. (Malta) Ltd, which carries on life assurance business and GCHIA, formerly BUPA Agencies Limited, which acts as an insurance agent.

In May 2006, the Company issued €17,000,000, 5.6% Bonds maturing on 2 June 2016, subject to an early redemption at the option of the Company on 2 June 2014 and 2 June 2015. The proceeds from the Bonds were used in part to finance group operations and in part to acquire investment property.

On 30 June 2006, the Company changed its name from "GloBAI Financial Services Group p.l.c." to "GlobalCapital p.l.c."

In the period between 01 January 2008 and 31 December 2013, the Group registered a loss after taxation of €26,159,730. During 2010, the Company announced a change in strategy to significantly reduce its exposure to the real estate sector and appointed a new chief executive officer to remodel and refocus the senior management team.

As part of the Company's change in operational strategy, in early 2011 the Group moved into its present head office premises at Testaferrata Street, Ta' Xbiex Malta, providing a centralised operational base from which to carry out its core activities. Since 2013, the Issuer's attention has been increasingly focused on the Group's insurance business activities and the reduction of the Group's expense base.

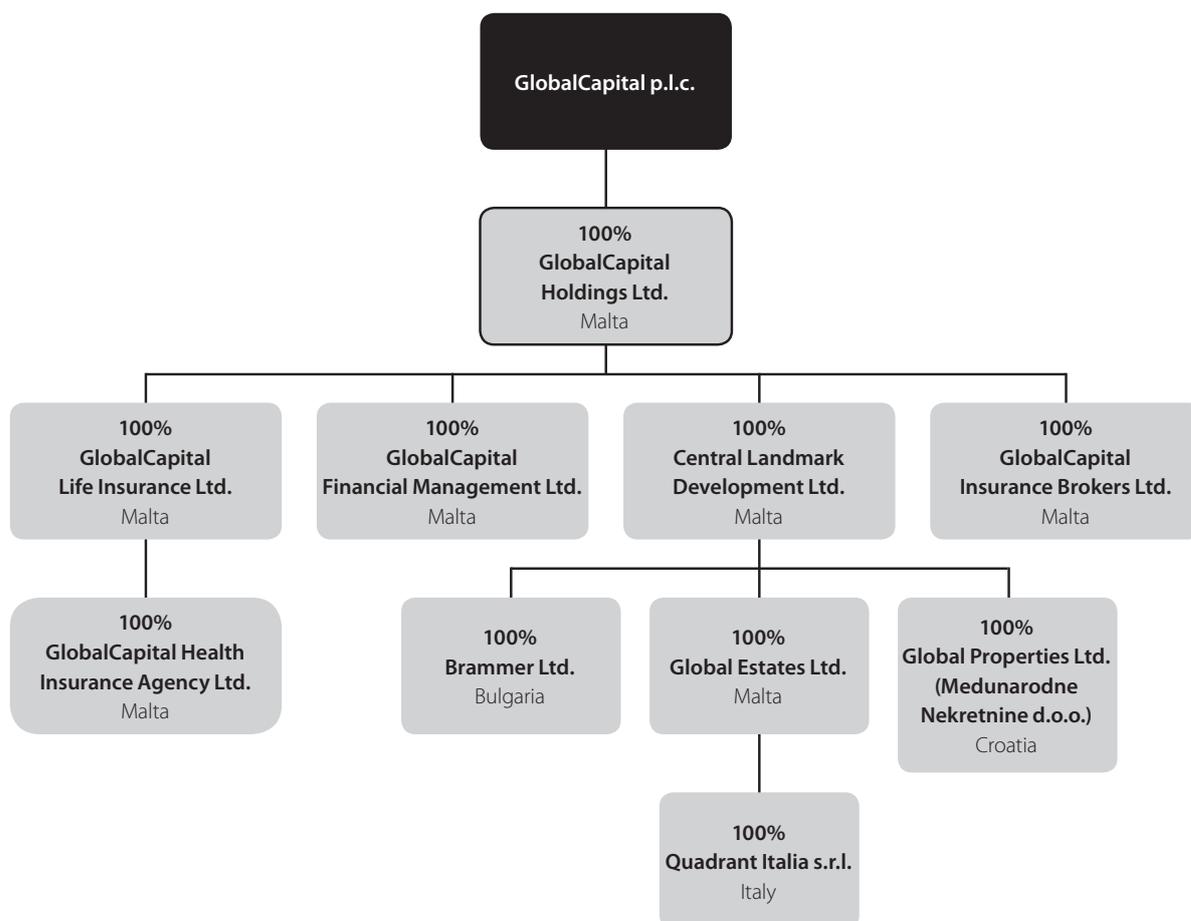
In June 2014 the Company appointed Mr. Reuben Zammit, formerly the Company's chief financial officer, as the Group's chief executive officer. For the financial year ended 31 December 2014, the Issuer reported a profit after taxation of €222,671 compared to a loss after taxation in the prior financial year of €3,661,194. On 03 April 2015, the Financial Services Commission ("FSC") of Mauritius, in exercise of its powers pursuant to section 106 of the Insurance Act 2005 of Mauritius, appointed conservators for BAI Co (Mtius) Ltd, formerly British American Insurance Co. (Mtius) Ltd, ("BAI") which holds approximately 48% of the Ordinary Shares of the Company. Subsequently on 30 April 2015 the FSC appointed special administrators in BAI and any of its related companies under section 110A(2) of the Insurance Act 2005 of Mauritius.

On 16 September 2015 the Company resolved in general meeting to issue up to a maximum amount of new Ordinary Shares not exceeding the authorised share capital of the Company and that such authorisation be valid for a maximum period of 12 months from the date of approval of the said resolution. The approval of the increase in issued share capital of the Company pursuant to the aforementioned resolution serves to facilitate the Rights Issue contemplated by this Prospectus.

On 15 October 2015, Investar acquired 1,180,000 Ordinary Shares from Aberdeen Asset Management p.l.c, which represents 8.93% of the issued Ordinary Shares of the Company.

6.2 ORGANISATIONAL STRUCTURE

The diagram below summarises the Issuer's group structure as at the date of this Registration Document.



As can be seen from the above diagram, the Issuer is the parent company of the Group. GlobalCapital Insurance Brokers Ltd ceased operations in 2013 and is in the process of being amalgamated into GlobalCapital Holdings Ltd. Furthermore, Brammer Ltd does not carry out any business activities and will be placed in liquidation in 2016.

6.3 BUSINESS OVERVIEW

6.3.1 Principal Activities

The principal object of the Issuer is to carry on the business of a holding and investment company. The Issuer does not itself undertake any trading activities. Accordingly, the Issuer is economically dependent on the financial and operating performance of the business of its Subsidiaries. The Issuer operates exclusively in and from Malta. The Subsidiaries operate primarily in the following business sectors:

- Business of insurance;
- Investment and advisory services;
- Insurance intermediation activities; and
- Property holding and management

The table below sets out the analysis of Group consolidated revenue from external customers by business segment as presented in the consolidated annual report and audited financial statements for each of the financial years ended 31 December 2012, 2013 and 2014 and for the six-month period ended 30 June 2015.

	FY 2012	FY 2013	FY 2014	Jan - Jun 2015
	€'000s	€'000s	€'000s	€'000s
Business of insurance	7,142	6,794	8,219	4,891
Investment and advisory services	962	799	886	439
Agency and brokerage services	2,144	2,000	1,551	919
Property services	228	112	95	–
Total revenue from external customers	10,476	9,705	10,751	6,249

i. Business of insurance

GCLI (formerly, British American Insurance Co. (Malta) Ltd) was incorporated on 21 December 2001, with registration number C 29086. It has an issued and fully paid up share capital of €9,969,870. Its registered office is situated at Testaferrata Street, Ta' Xbiex Malta.

The following table represents the total equity of GCLI:

GCLI			
as at 31 December	2012	2013	2014
	€'000s	€'000s	€'000s
Share capital	9,970	9,970	9,970
Other reserves	3,552	4,320	4,644
Retained earnings	(1,793)	(2,299)	781
Total equity	11,729	11,991	15,395

GCLI was authorised by the MFSA on 15 January 2003 to carry on long-term business of insurance in Malta as principal under Class I (Life and Annuity) and on 6 July 2007 under Class III (Linked Long Term), in terms of the Insurance Business Act, 1998, Cap. 403, laws of Malta. In January 2003, GCLI took over the Maltese insurance business portfolio of BAI which had been carrying on life assurance business in Malta since 1965.

GCLI is engaged principally in ordinary life assurance business (interest sensitive and term) and industrial life assurance business (home service). It provides both single premium and regular premium saving products and a range of life assurance products, including term, interest-sensitive endowment, life assurance and group life policies.

ii. Investment and advisory services

GCFM (formerly, Globe Financial Management Limited) was incorporated on 1 August 2002 with registration number C 30053 and was authorised by the MFSA on 23 March 2006. It has a subscribed and fully paid up share capital of €6,171,673.76. Its registered office is situated at Testaferrata Street, Ta' Xbiex, Malta.

The following table represents the total equity of GCFM:

GCFM			
as at 31 December	2012	2013	2014
	€'000s	€'000s	€'000s
Share capital	6,172	6,172	6,172
Share premium account	506	506	506
Other reserves	8	8	8
Retained earnings	(3,822)	(4,931)	(5,395)
Total equity	2,864	1,755	1,291

GCFM is licensed to provide investment services under a Category 2 licence issued by the MFSA in terms of the Investment Services Act. It is also licensed to provide money broking and trading in foreign exchange in terms of the Financial Institutions Act.

GCFM provides a range of investment services including dealing as agent, arranging deals, the provision of investment advice, nominee services, foreign exchange and stockbroking services. GCFM promotes a diversified range of investment products, including retail and professional investment funds. It also provides local and international stockbroking services on recognised investment exchanges and investment advice to clients.

iii. Insurance intermediation activities

GCHIA, (formerly BUPA Agencies Limited) was incorporated on 7 June 1983 with registration number C 6393 and was authorised by the MFSA on 4 August 2000 in terms of the Insurance Intermediaries Act. GCHIA was previously authorised in terms of the Insurance Business Act, 1981 (repealed by the Insurance Business Act). GCHIA was acquired by British American Insurance Co. (Mtius) Ltd on 7 January 1998 and later acquired by the Group by virtue of the Merger referred to in section 6.1 above. GCHIA has a fully paid up share capital of €174,703 divided into 70,000 ordinary "A" shares of €2.329373 each held by GCLI and 5,000 non-profit participating "B" shares of €2.329373 each held by BUPA Investments Limited of BUPA House, 15 – 19 Bloomsbury Way, London WC1A 2BA, United Kingdom. The "A" ordinary shares are designated as profit participating shares while the "B" ordinary shares are designated as non-profit participating shares. All of the ordinary shares carry voting rights. GCHIA's registered office is situated at Testaferrata Street, Ta' Xbiex, Malta.

The following table represents the total equity of GCHIA:

GCHIA			
as at 31 December	2012	2013	2014
	€'000s	€'000s	€'000s
Share capital	175	175	175
Other reserves	163	163	163
Retained earnings	1,692	2,623	2,197
Total equity	2,030	2,961	2,535

GCHIA is the exclusive agent in Malta for BUPA Insurance Limited ("**BUPA**") and is duly licensed by the MFSA to act as insurance agent for Sickness Insurance (General Business). Statistics published by the Malta Insurance Association, in its Annual Report 2014-2015 (the "**MIA Annual Report**"), indicate that BUPA maintains a strong position within the ambit of private medical insurance in Malta. GCHIA acts as a branch of BUPA which has passported its services under the EU provisions of Freedom of Establishment. GCHIA is registered as an insurance agent and is regulated by the MFSA. BUPA is a leading international health insurance service provider established in 1971.

The agency activity conducted in Malta by GCHIA constituted the first BUPA agency of its sort outside the United Kingdom. As the exclusive agent in Malta for BUPA, GCHIA is engaged in the promotion, administration and provision of health insurance cover for individuals and groups in Malta. GCHIA also provides BUPA with client and back office support services in respect of its local business in Malta. Accordingly, the economic viability of GCHIA depends on its business arrangement with BUPA, the termination or modification of which could have a significant and adverse effect on the business of GCHIA and consequently on the Issuer. The risks associated with this arrangement are set out in section 3.2.5 of this Registration Document under the heading "Business Arrangements".

Until 2013 one of the Issuer's Subsidiaries, GlobalCapital Insurance Brokers Limited ("**GCIB**") (formerly, MY Insurance Brokers Limited) was enrolled in the Brokers List and was authorised to carry on the business of insurance broker by the MFSA in terms of the Insurance Intermediaries Act, on 25 November 2003. GCIB was incorporated on 14 November 2003 with registration number C 32451. GCIB has a subscribed and fully paid up share capital of €487,759. Its registered office is situated at Testaferrata Street, Ta' Xbiex, Malta. In view of the Issuer's objective to focus on the life and health insurance business segments of the Group, the business activities of GCIB were discontinued in October 2013. GlobalCapital Insurance Brokers Ltd ceased operations in 2013 and is in the process of being amalgamated into GlobalCapital Holdings Ltd.

The following table represents the total equity of GCIB:

GCIB			
as at 31 December	2012	2013	2014
	€'000s	€'000s	€'000s
Share capital	488	488	n/a
Accumulated losses	(385)	(331)	n/a
Total equity	103	157	n/a

iv. Property holding and management

The Group holds immovable property both locally and overseas through its Subsidiaries as set out in section 7 of this Registration Document. The immovable property interests of the Group are managed through its wholly owned subsidiary Central Landmark Development Limited ("**CLD**"). CLD was incorporated on 25 October 2004, with registration number C 34858. It has a subscribed and fully paid up share capital of €1,164 and its registered address is located at Testaferrata Street, Ta' Xbiex, Malta.

Details of the Group's property holdings are set out in section 7. As stated in 6.3.3 below, the Issuer's investment strategy is to divest of a significant portion of the Group's investment property, with a targeted reduction of up to ten per centum (10%) of the overall investment portfolio. As at 30 June 2015, total property assets comprised approximately 31% of the Group's total investment portfolio.

CLD continues to provide property management services to tenants of immovable property owned by the Group.

6.3.2 Principal Markets

The Group's turnover as at the date of this Registration Document is generated primarily in and from Malta.

6.3.3 Investments

The Issuer's principal investments comprise investment property (discussed in section 7.2) and other investments as outlined below. The table below, as well as the table in section 7.2, illustrate the balances at 30 June 2015 being the date of the latest available public financial information. There has been no significant adverse change in the composition of the Issuer's investments between 30 June 2015 and the date of this Registration Document.

The table below sets out the analysis of the Group's consolidated Investments as presented in the consolidated annual report and audited financial statements of the Issuer for each of the financial years ended 31 December 2012, 2013 and 2014, and as at 30 June 2015.

	FY 2012	FY 2013	FY 2014	30 June 2015
	€'000s	€'000s	€'000s	€'000s
Other investments				
Investments at fair value through profit and loss				
Listed shares	8,227	9,021	10,669	11,179
Collective investment schemes	3,276	3,347	4,648	5,152
Debt securities	25,877	24,448	26,100	27,398
Held-to-maturity investments				
Government bonds	5,326	5,317	5,307	5,302
Listed corporate bonds	2,783	2,774	2,764	2,122
Available-for-sale investments				
Listed shares	1,398	1,688	1,303	988
Loans secured on policies	144	134	146	135
Term deposits held for investment purposes	2,627	1,600	1,000	Nil
Total other investments	49,658	48,329	51,937	52,276

The Group's financial investments in the table referred to above comprise primarily investments held in relation to the life fund of GCLI, a fully owned subsidiary of the Issuer. The portfolio of investments supporting GCLI's life fund is, at present, determined by GCLI with reference to actuarial advice, with a view to securing an income yielding portfolio which is consistent, in terms of performance and risk, with the normal market expectations of policyholders. The precise components of this portfolio may be expected to vary from time to time, subject to the investment parameters established by GCLI.

The Issuer aims to balance the other investments of the Group between income generating instruments and growth assets. The Group's income-generating portfolio comprises cash instruments and fixed-interest securities whereas growth assets comprise equities and investment property. The current strategy is to target a reduction in the investment property assets to approximately ten per centum (10%) of the overall Group investment portfolio.

The Issuer attempts to mitigate investment risk through investment policies designed to minimise the risk associated with holdings in particular equities and bonds. As with any activity of this nature, however, there can be no guarantee that any of these measures will be effective to mitigate the Group's investment risk in any given economic and market circumstance.

7 PROPERTY, PLANT AND EQUIPMENT

7.1 THE GROUP HEADQUARTERS

The Group's main office building in Testaferrata Street Ta' Xbiex comprises land and the building erected thereon with a carrying value of €2,396,060 as at 30 June 2015 and office furniture, fittings and equipment with a carrying value of €194,281 as at 30 June 2015. These assets are stated at cost less accumulated depreciation.

Further details are included in note 13 to the audited consolidated financial statements of the Issuer for the year ended 31 December 2014.

7.2 INVESTMENT PROPERTY

7.2.1 Investment Property held by Subsidiaries

As at 30 June 2015 the Subsidiaries set out below held the following investment property portfolio assets:

Investment Property	30 June 2015
	€'000s
GlobalCapital Life Insurance Limited	13,241
Global Properties Limited	750
Quadrant Srl	5,500
Net Book Value	19,491

The following is a list of the immovable properties owned by the various Subsidiaries of the Issuer together with relevant details:

i. GlobalCapital Life Insurance Limited

- Levels two, four and five of an eight storey corner block of buildings which is located centrally along The Strand, Gzira, Malta. The building is built on a site of approximately 460 square metres having a frontage of around 11.5 metres overlooking The Strand and a depth of approximately 38 metres, abutting onto Triq Henry F. Bouverie. Each of the respective units occupies an entire floor within the said block of buildings. The building is approximately 20 years old.
- An eight-storey building which is centrally located along The Strand, Gzira, Malta. The building has an approximate area of 408 square metres with a frontage of around 12 metres and an average depth of approximately 34 metres. The respective built up levels consist of seven full office floors with an overlying additional recessed penthouse office level together with the respective overlying airspace. GCLI owns the entire block of building with the exception of part of the first floor and the back yard of the building, which are owned by third parties. GCLI has entered into a conditional promise of sale agreement with a third party for the sale of the property by no later than 31 December 2016.
- A six-storey building situated in Constitution Street Mosta, Malta. The premises are built on a site of approximately 87 square metres having a main width/frontage of around 6.3 metres narrowing to around 4 metres at the rear. The respective built-up levels consist of a basement level storage area with overlying duplex ground / intermediate, first, second and penthouse level offices. The entire building is currently leased out to a bank.
- A residential housing unit with an area of approximately 56.8 square metres located at C/Santa Monica, Barcelona, Spain. The property is a collective housing unit, within a block of five floors above ground level.
- A property comprising two overlying three-bedroom apartments situated at first and second floor levels together with a two-car lock-up garage situated in the underlying basement level in Swieqi, Malta. The gross internal floor area of each individual apartment is of approximately 110 square metres.
- A two-storey building situated in Zabbar Road, Fgura, Malta. The property is built on a site of approximately 156 square metres with a width/frontage of around 6.4 metres and an overall depth of around 24.5 metres. The total internal gross floor area of the said premises over the various levels is approximately 206 square metres. The ground level is approximately 93 square metres, the first floor is approximately 89 square metres and the roof level is approximately 24 square metres.

- Level four and five of an eight-storey building in Testaferrata Street Ta' Xbiex, Malta with an approximate floor area of 490 square metres and garage parking spaces having an approximate floor area of 540 square metres. These investment properties are situated within the same block of buildings which houses the Group's head office.

ii. Global Properties Limited

A plot of land having an area of approximately 5,000 square metres situated in Sumartin, Croatia.

iii. Quadrant Srl

A baronial castle situated in Collalto - Sabino in the Province of Rieti in the Region of Lazio, Italy. The property comprises a medieval castle with six private suites and nine bathrooms, landscaped green areas including a tennis court and swimming pool, collectively measuring approximately 8,600 square metres. The property includes other amenities and green areas measuring approximately 1,804 square metres and surrounding land measuring approximately 10,300 square metres. The entire property, therefore, has an approximate total area of 20,893 square metres.

7.2.2 Non-current assets held for sale

The Group's non-current assets held for sale as at 30 June 2015 comprise immovable property held by CLD amounting to €950,000 as follows:

- A vacant site having an overall frontage of around 24.5 metres and a depth that varies between 20 and 28 metres with an approximate area of around 570 square metres (excluding the ground floor which has an approximate area of 385 square metres) situated in Testaferrata Street Ta' Xbiex, Malta. CLD has entered into a conditional promise of sale agreement with a third party for the sale of this property by no later than 31 March 2016.
- A building occupying a rectangular site having a frontage of around 4.3 metres and a depth of around 21.3 metres with an approximate area of around 92 square metres located in Testaferrata Street Ta' Xbiex, Malta. CLD has currently entered into a conditional promise of sale agreement with a third party for the sale of this property by no later than 31 March 2016.

8 OPERATING AND FINANCIAL REVIEW

The financial information of the Issuer is included in the consolidated annual report and audited financial statements for each of the financial years ended 31 December 2012, 2013 and 2014 and in the unaudited consolidated interim financial statements of the Group for the period ended 30 June 2015. The said statements have been published and are available at the Issuer's registered office.

8.1 SELECTED FINANCIAL INFORMATION

The following information is extracted from the statement of comprehensive income and the technical account – long term business of insurance in the Company's consolidated annual report and audited financial statements for the financial year ended 31 December 2014 and the unaudited consolidated interim financial statements of the Group for the six-month periods ended 30 June 2014 and 2015.

	FY 2012	FY 2013	FY 2014	Jan-Jun 2014	Jan-Jun 2015
	€'000s	€'000s	€'000s	€'000s	€'000s
Commission and fees receivable	3,165	2,932	2,724	1,332	1,358
Commission payable and direct marketing costs	(177)	(172)	(145)	(70)	(88)
Balance on long term business insurance technical account	(1,040)	(1,063)	1,317	248	416
Increment / (Decline) in value of in-force business	626	735	611	178	535
Administrative expenses	(3,208)	(3,256)	(3,079)	(2,034)	(1,281)
Net investment (charges)/ return net of allocation to the insurance technical account	(1,040)	(3,001)	(341)	(644)	198
Impairment of goodwill	(108)	–	–	–	–
Other (provisions) / operating income	(446)	(358)	(276)	23	38
(Loss)/Profit before tax	(2,228)	(4,183)	811	(967)	1,176
Tax (expense) / income	(179)	522	(588)	(62)	(701)
(Loss)/Profit for the financial year	(2,407)	(3,661)	223	(1,029)	475
<i>Earnings per share</i>	<i>(0.18)</i>	<i>(0.28)</i>	<i>0.02</i>	<i>(0.08)</i>	<i>0.04</i>

The following information is extracted from the statement of financial position in the Company's consolidated annual report and audited financial statements as at 31 December 2012, 2013 and 2014 and the unaudited consolidated interim financial statements of the Group as at 30 June 2014 and 2015.

	FY 2012	FY 2013	FY 2014	30 June 2014	30 June 2015
	€'000s	€'000s	€'000s	€'000s	€'000s
Investments	49,658	48,329	51,937	51,105	52,276
Investment property	23,833	20,320	20,395	20,361	19,491
Total assets	91,707	90,582	89,496	89,127	92,218
Technical provisions	61,974	65,349	66,065	65,333	68,250
Interest bearing borrowings	17,186	16,888	14,028	16,491	13,823
Total Liabilities	85,257	87,503	86,334	87,163	88,569
Share capital	3,846	3,846	3,846	3,846	3,846
Total equity	6,450	3,079	3,163	1,964	3,649
<i>Net Asset value per share</i>	<i>0.49</i>	<i>0.23</i>	<i>0.24</i>	<i>0.24</i>	<i>0.28</i>

8.1.1 Annual Results 2012 - 2014

The Issuer registered a loss after taxation for the year ended 31 December 2012 of €2,406,685 (2011: loss of €4,193,670). The improvement in operational performance was due to better quality revenues, reduced operating costs and more favourable financial markets. However, certain investment holdings underperformed the market and the results were also impacted by non-recurring provisions. The Group registered net unrealised fair value gains on its investment portfolio of €285,079 compared to net unrealised fair value losses of €780,893 in the prior year. The Group also registered impairment charges on its property holdings of €352,680 (2011: €736,070). The 2012 reported loss is also inclusive of other non-cash items, including goodwill impairment and depreciation and amortisation charges, totalling €602,483 (2011: €703,268). The life insurance business registered sustained growth in new regular premium, the mainstay line of long-term business of GCLI. Overall life insurance premium income was lower than in 2011 due to reduced levels of single premium business. The health insurance income grew by 10% over the prior year in a very competitive market while revenues from other lines of business were flat. During the period the Group achieved operational cost savings of some €0.8 million. Within the Group's core segments of activity, GCLI registered a loss for 2012 of €276,272 (2011: loss of €1,146,135), with the bottom line being impacted by new business strain as GCLI continued to build its life portfolio. The net increment in the value of in-force business in 2012 was €626,154 (2011: €15,385). During the same period the Group's investment and advisory services segment registered a profit of €90,596 (2011: loss of €449,981) while the Group's agency and brokerage segment generated a combined profit of €735,199 (2011: €320,494).

In the financial year ended 31 December 2013, the Issuer registered a loss for the year, before impairment charges and fair value movements on investment properties, of €679,378 (2012: loss of €1,365,200). During this period the Group registered an improvement in operational performance which was driven, primarily, by a reduction in operating costs and favourable financial markets. The Group also achieved additional operational cost savings of €500,000 (2012: €800,000). The Group registered net unrealised fair value gains on its investment portfolio of €1,210,507 (2012: €285,079). In 2013 GCLI's life insurance business continued registering growth in unit linked business whilst retaining a level of periodic premium comparable to the previous year. Overall life insurance premium income was marginally lower than in 2012 due to a decrease in the single premium business. GCLI registered a loss for 2013 of €505,614 (2012: loss of €662,261). GCLI's bottom line continued to be impacted by new business strain as it continued to build up its life portfolio. GCLI's net increment in the value of in-force business was €735,186 (2012: €626,154), an increase of €109,032, which was the net contribution of new profitable business and the reduction in the operational cost base of running the business. During the same period GCHIA registered a 4% decrease in its health insurance agency income over the previous year due to increased competition and price sensitivity in the market. The Group's agency and brokerage segment generated a combined profit of €999,736 (2012: €735,199). During this period GCIB divested of its insurance brokerage activity in keeping with the Company's strategy to focus on the Group's core life and health insurance businesses. Overall the results for 2013 were negatively impacted by fair value movements on the Group's property portfolio of €3,174,376 (2012: €352,680) resulting in a total loss for the year after taxation of €3,661,194 (2012: loss of €2,406,685).

During the financial year ending 31 December 2014, the Issuer registered a profit after taxation of €222,671 (2013: loss of €3,661,194). The turnaround in the Group's operational performance was the result of the execution of an aggressive transformation strategy that started to take material effect in early June 2014. This included the generation of a sustainable level of revenue growth together with a reduction in overall operational costs to ensure long-term financial stability and profitability. The transformation helped improve the results of all the regulated businesses forming part of the Group. GCLI's life insurance business registered significant growth in both the interest sensitive and unit linked business, while retaining the prior year's levels of conventional business. The continued efforts to enhance the profitable product suite offered by GCLI facilitated improved competitiveness and marketability, generating positive results. During this period GCLI reported profits after taxation of €2,047,024 (2013: loss of €505,614). The increment in the value of in-force business for the year under review amounted to €610,968 (2013: €735,186), this being the contribution of the new business volumes generated by GCLI. GCHIA's profit after taxation for 2014 amounted to €581,329 (2013: €930,974). The reduction in profitability in 2014 was the result of an increase in the tax charge between the two financial years totalling €139,098 coupled with the increase in the level of claims and reduction in premiums which adversely impacted the profit commission recognised by GCHIA. During the same period GCFM reported a loss for the year of €464,218 (2013: loss of €1,110,700). GCFM's revenue year on year improved by 14% which was in part offset by an increase in costs, mostly one-offs incurred to reduce the operational cost base going forward. Moreover, GCFM recognised an increase in other provisions and no impairment of intercompany receivables. The Group's property portfolio registered substantially smaller impairments in 2014 amounting to €323,090 (2013: €3,174,376) arising on properties that were sold after year end and which adversely impacted profitability for 2014.

8.1.2 Interim Financial Performance 2015

The Issuer registered a profit before taxation of €1,176,197 for the first six months of 2015 compared to a loss of €966,897 for the same period in 2014.

GCLI registered a profit before taxation of €1,000,961 compared to a profit of €651,624 for the same period in 2014. The improved results are reflective of the increase in premium income between the two reporting periods, the cost cutting measures implemented in the latter part of 2014 which are fully manifested in the 2015 interim financials and fair value gains which in part were offset by the investment write-down of the equity value of GCLI's investment in Bramer Banking Corporation Limited following the revocation of the latter's banking licence by the Financial Services Commission in Mauritius. The net impairment amounted to €940,976.

GCFM registered marginal growth in revenue compared to the first six months of 2014. This coupled with the significant reduction in its cost base resulted in GCFM returning to profit territory with a profit before taxation of €128,760 compared to the loss reported for the period ended 30 June 2014 amounting to €460,969.

Revenues from GCHIA also registered marginal growth. The profit before taxation for the first six months of 2015 remained consistent with the prior period's profit totalling €477,777 compared to €476,117.

The Group's rental property portfolio experienced an increase in revenue which is the net result of full occupancy and higher rental rates.

The financial statements of the Group for the periods referred to in this section 8.1.2 and in section 8.1.1 above have been prepared on a going concern basis.

As at the date of this Prospectus the Group does not have sufficient working capital available to it for its present requirements, that is, for at least the next 12 months from the date of this Prospectus, as set out in section 3.2.11 above and as further detailed in section 5 of the Securities Note.

9 CAPITAL RESOURCES

9.1 OVERVIEW

The Group's cashflows are generated primarily through the activities of its Subsidiaries which operate predominantly in the insurance sector and also in the investment services sector.

These operations generate cash flow as a result of the receipt of premiums in advance of the time when claim payments are required. Operating cash flow, together with other available sources of liquidity (including investment returns), have historically enabled the Group to meet its short-term liquidity requirements.

9.2 CAPITAL RESOURCES AND LIQUIDITY

The Issuer finances its operations through a mixture of debt and equity as outlined in the table hereunder:

	FY 2012	FY 2013	FY 2014	30 June 2015
	€'000s	€'000s	€'000s	€'000s
Interest bearing debt	17,186	16,888	14,028	13,823
Share capital and reserves	23,135	23,902	24,160	24,519
Profit and loss account	(16,684)	(20,823)	(20,998)	(20,870)
Shareholders' equity	6,450	3,079	3,163	3,649
Total capital¹	23,636	19,967	17,190	17,482
<i>Debt-to-capital</i>	<i>72.7%</i>	<i>84.6%</i>	<i>81.6%</i>	<i>79.1%</i>
<i>Debt-to-equity</i>	<i>2.7x</i>	<i>5.5x</i>	<i>4.4x</i>	<i>3.8x</i>

¹ Total capital represents interest bearing debt and shareholders' equity.

Interest bearing debt consists of the Bonds due for redemption by not later than 02 June 2016. The Group debt-to-capital ratio increased to 84.6% in 2013 from 72.7% in 2012 as a result of losses reported in 2013 and decreased to 81.6% in 2014 as a result of the profits generated and the repurchase by the Group of €2.4 million of its own Bonds. In June 2015 the debt-to-capital ratio decreased further to 79.1%.

	FY 2012	FY 2013	FY 2014	Jan-Jun 2015
	€'000s	€'000s	€'000s	€'000s
Earnings before interest and tax (A) ²	(1,276)	(3,249)	1,710	1,561
Interest on interest bearing borrowings (B)	952	934	898	384
Interest cover (A÷B)	(1.3x)	(3.5x)	1.9x	4.1x

² The figure was derived from earnings before tax as reported in the Issuer's consolidated and audited financial statements plus the interest expense on the bond as shown in the table above.

The table above presents a calculation of interest cover showing the ability of the Issuer to cover interest obligations (arising from the Bonds) from available earnings before payment of interest and tax.

Following the return to profitability in 2014, the Group reported an interest cover of 1.9x.

9.3 CASH INFLOWS AND OUTFLOWS

The principal cash inflows and outflows of the Group are summarised in the table below:

	FY 2012	FY 2013	FY 2014	Jan-Jun 2015
	€'000s	€'000s	€'000s	€'000s
Net cash (used in)/generated from operating activities	(1,118)	1,593	(586)	444
Net cash (used in)/generated from investing activities	1,951	2,150	(1,600)	2,772
Net cash (used in)/generated from financing activities	(1,523)	(375)	(2,387)	(276)
Movement in cash and cash equivalents	(690)	3,368	(4,572)	2,940
Cash and cash equivalents at the beginning of the year	4,465	3,775	7,143	2,571
Cash and cash equivalents at the end of the year	3,775	7,143	2,571	5,511

Fair value movements on investments and movements on technical provisions form a significant portion of the Group's operating results. Fair value movements on investments are converted into cash on disposal. Gains or losses on disposal of investments are reflected in the statement of cash flows under investing activities. Furthermore, movements in technical provisions do not impact the Group cash flows. Accordingly, operating cash flows may vary significantly from operating profits depending on the extent of fair value movements on investments and movements in technical provisions.

During 2014, the net cash outflow from investment in financial assets less proceeds from disposals amounted to €0.9 million compared to a net inflow of €2.7 million in 2013 and €1.4 million in 2012. Furthermore, in 2014 the Group repurchased €2.4 million of its own debt securities further depleting Group cash resources.

9.4 FUNDING AND TREASURY POLICIES

Further information on the Group's funding and treasury policies is provided in note 2 "Management of insurance and financial risk" and note 16 "Other investments" of the audited financial statements of the Issuer for the financial year ended 31 December 2014.

9.5 LIQUIDITY REQUIREMENTS AND USE OF PROCEEDS

The Issuer foresees a liquidity shortfall in 2016 as a result of the redemption of the Bonds which are due for redemption by not later than 2 June 2016. Accordingly, the Issuer is seeking to raise funding of €15 million, in the aggregate, in order to finance the repayment of the Bonds together with an amount of approximately €0.8 million equivalent to the payment of one year's interest on the Bonds which also falls due on 2 June 2016. Any remaining proceeds following the repayment of the Bonds and the payment of accrued interest will provide additional working capital to finance the Group's growth strategy.

The Board is of the view, having made due and careful enquiry and assuming receipt of the net proceeds of the Rights Issue together with additional funding of €10 million, that the working capital available to the Company will be sufficient for its present requirements, that is, for at least twelve months from the date of the Prospectus.

9.6 REGULATORY CAPITAL REQUIREMENTS

Under Solvency II which came into force on 1 January 2016, GCLI is required to meet a minimum capital requirement and a solvency capital requirement. Based on GCLI's unaudited balance sheet as at 31 December 2015 GCLI was compliant with its minimum capital requirement and solvency capital requirement under Solvency II as of 1 January 2016. The Issuer has determined that in view of the Group's activities and revenues the Issuer constitutes a mixed activity insurance holding company and is therefore not required to meet a group minimum capital requirement and a group solvency capital requirement under Solvency II.

The risks relating to Solvency II are further set out in section 3.2.2 '*Regulatory Matters*' of the Registration Document.

10 FORECAST AND TREND INFORMATION

10.1 FORECAST FOR THE CURRENT FINANCIAL YEAR

As at the date of this Registration Document, the Group had not published any forecast or projected financial information.

10.2 GROUP STRATEGY AND TREND INFORMATION

10.2.1 Trend Information

i. Trends in Group performance

Since the publication of its unaudited interim financial report for the period from 1 January to 30 June 2015, no material events or transactions have taken place that would have an impact on the financial position of the Company, such that would require specific mention, disclosure or announcement pursuant to the applicable Listing Rules. Furthermore, the Issuer is not aware of any trends or uncertainties that are likely to affect the Group's prospects for the current financial year, except for the working capital deficiency referred to in section 8.1.2 above..

The Issuer's strategy (described in section 8.1.1 and 10.2.2) which is aimed at generating revenue growth, reducing operational costs and ensuring long-term financial stability is generating the desired results for the Group and this has allowed its positive financial performance to continue throughout the first half of 2015.

GCLI's life insurance business registered growth during the first nine months of 2015 when compared to the business registered during the same reporting period in 2014. New policies written continued to increase by 28% in 2013, 44% in 2014 and 16% in 2015 showing that GCLI has registered sustained growth over the past three years. Total number of active policies increased by 4% in 2015 following a decline by 2% in 2013 and no change in 2014. During 2015 GCHIA's results remained in positive territory, with both revenues and costs in line with the previous year. GCFM registered a decrease in its fee income, the impact of which was more than offset by the reduction in GCFM's cost base. Further action has been taken during 2015 in relation to the divestment of the Group's local property portfolio. In due course this will further reduce the overall property exposure to bring it in line with the Board's target.

ii. Trends in the insurance industry

According to the MIA Report, insurance penetration in Malta, and hence the level of development of the Maltese insurance sector, grew by 5.09% in 2014 compared to growth of 4.59% in the previous year and as compared to the 2013 EU average growth of 7.68%. Furthermore, insurance premium per capita in Malta grew from €783 in 2013 to €910 in 2014. In 2013, the EU average stood at €1,883 per capita.

In 2014 an average of €346 per capita was spent in Malta on non-life insurance business compared to €326 in 2013. The insurance density in long-term insurance business increased in 2014 during which period an average of €563 per capita was spent compared to the 2013 average of €458.

2014 witnessed an increase of 16.92% in total insurance premiums, with premiums reaching €385.8 million compared to €330 million generated in 2013. The latter figure reflected, in turn, an increase of 8.41% on 2012 figures, which stood at €304.4 million.

The increase in total insurance premium witnessed in 2014 was principally owed to a substantial growth in life insurance by 23.97%. Following the decrease of 18.9% over 2011 figures in 2012, life insurance recovered and increased by 13.53% in 2013.

Moreover, health insurance increased by 6.13% in 2014, following an increase of 3.96% in 2013.

iii. Trends in the life insurance industry

According to the MIA Report in the domestic market life insurance business is carried out by five local insurance companies, with demand for life insurance products having gradually increased from a premium of €75 million in 2001 to €228 million in 2007.

In the wake of the financial crisis, a 20.5% drop in growth brought premium down to a low of €181 million in 2008. Notwithstanding this, business gradually started to recover since 2009, with premiums growing from €193 million in 2009 to €224 million in 2010.

In 2011, premium decreased to €209 million and declined further to €169.8 million in 2012. Nevertheless, there was an increase in life insurance premium once again in 2013 to €193 million and further in 2014 to €238.98 million. In terms of market share, life premium for 2014 grew substantially by 23.97% in comparison with the previous year, representing 61.94% of the total life and non-life premium.

There was an increase of 8.4% over 2013 in the number of single premium policies in 2014, after experiencing a drop of 1.8% in the preceding year. The amount of periodic premium policies experienced a 1.5% decrease in 2013 but rose significantly in 2014 by 68.3%.

In 2013, benefits paid under life policies grew by 12.5% from €139.8 million in 2013 to €157.3 million in 2014. In 2014, the proportion of policy surrenders dropped by 42.3% of all benefits. In 2013, policy surrenders had represented 46.8% of all benefits. Maturity payments, which represented 48.7% of all benefits, amounted to €76.6 million in 2014 when compared with €59.8 million in 2013. In 2014 a slight decrease in death benefits was experienced, from €14.6 million in 2013 to €14.1 million in 2014. In 2014, the proportion of death benefits stood at 9% of all benefits paid out.

In 2013, 79% of the distribution channels used by insurance undertakings were financial institutions, whereas 17% were other insurance intermediaries, 3% were brokers and direct sales represented a mere 1%.

iv. Trends in the health insurance industry

With reference to the MIA Report, the gross written premium in the private health insurance sector reached €22.1 million in 2013 compared to €21.3 million in 2012, and €20.6 million in 2011.

Claims incurred in 2014 amounted to €14.8 million, compared to €12.8 million in the previous year. The loss ratio in 2014 increased to 64.55% from 58.8% in 2013.

There was an increase in the number of individuals covered by private health insurance, from 91,156 in 2012 to 97,491 in 2013. The number of lives insured under individual contracts in 2013 stood at 12,847, whereas 84,644 lives were insured under group policies.

The proportion of this class to total non-life written gross premiums decreased to 15.95% in 2014 when compared to 16.08% in 2013.

10.2.2 Business Strategy

In June 2014 the Group embarked on the implementation of a transformation strategy aimed at generating revenue growth, reducing operational costs and ensuring long-term financial stability. This transformation strategy, which has already resulted in a significant impact on the Issuer's financial results in 2014 and 2015 is based on the following key objectives:

i. Strengthen operational efficiency

- *Investment in IT systems* – Back in 2012 the Group invested in a new operational IT system (approximately €1.8 million). The purpose of this investment was to automate various process and procedures, provide management with the ability to monitor performance of policies, allow Tied Insurance Intermediaries to better manage their workflow and monitor their key performance indicators. Furthermore, the system is intended to act as a platform for brokers through which they will be able to access and manage their accounts directly. The system was launched on 1 January 2016.
- *Process re-engineering* – during 2014 and 2015 the Group's management team carried out a comprehensive review of the business processes across all departments. The aim of this review was to identify and eliminate processes which are duplicated or do not add value. The initiative resulted in reduction in resources, more efficient operations and improved performance in back office functions. In 2015, the Group's management team set up a Project Management and Business Process Improvement function in order to maintain the focus on continuous business process improvement.

ii. Enhance the business model

- *Product rationalisation* – during 2014 and 2015, the Group's management team revisited its product mix with the aim of discontinuing or decreasing less profitable products and introducing more attractive, innovative and capital efficient solutions. During the same period the Group registered improved performance in the life company with particular increase in unit-linked and other protection products. The Group's management team will remain focused on delivering flexible solutions to clients in order to sustain the growth from recent years and therefore increase local market share.
- *Entering new markets outside Malta* – the Group's management team intends to make use of the right to passport its products in other EU jurisdictions which will bring further growth opportunities and diversify the dependence on the Maltese market.
- *Effective management of the life fund* – the Group's management team intends to appoint an asset manager whose responsibility would also include the handling of the life fund. The objective is to implement the investment strategy of the company and evaluate the investment mix to ensure an appropriate matching between the assets and liabilities of the company.

iii. Revive the asset management business

- The Issuer is seeking to re-dimension the Group's investment advisory business by offering asset management services and developing new investment products. It is envisaged that new services will be provided in relation to discretionary portfolio management and unit-linked products issued by GCLI, thereby leveraging the relationship between the Group's investment services and life insurance business units. The Issuer has already carried out a study of the investment services business and identified both the operational and capital gaps. The Issuer is now in the process of evaluating candidates with a view to recruiting and thus enhancing the current operational structure. Thereafter, it is the intention to focus on the investment services capital needs including the IT platform and infrastructure.
- It is anticipated that in due course the Group will also seek to offer its investment services overseas with the primary focus being the Italian and potentially other European markets where the Group can avail itself of EU passporting rights to establish itself or provide services on a cross-border basis.

iv. Strengthen the Group's brand and reputation

- Traditionally, the Issuer has been perceived as an investment services company, however, today the Group is a mixed activity organisation which provides various financial services including life insurance, agency services and investment products. The Group's management team has taken steps to reposition the brand of the issuer on the local market by participating in various trade shows and launching various campaigns (such as the Life Insurance Awareness Month campaign) which increase awareness of the Group's objectives and mission.
- Furthermore, the Group's management team has put significant effort in raising awareness and improving the image of the Group through social media websites.

v. Invest in human capital

- During 2014 and 2015 the number of employees across the Group decreased as a result of the rationalisation and streamlining of business processes. The Group's management team revised the existing structures and put in place new hierarchy and a new compensation scheme which was linked more closely to the objectives of the Company. As much as possible, employees which resigned or were made redundant during that period were not replaced and their responsibilities were allocated to existing personnel. This effort resulted in staff being more motivated and staff turnover decreased significantly. The Group's management team is now increasingly focusing on continuous training and development and retention of staff.
- The cost cutting strategy from a human resources perspective was substantially complete by the end of 2015. With the new structures in place, the Group's management team decided to bring key functions such as risk management and internal audit in-house rather than keep on outsourcing to third parties. In this respect, management is in the process of hiring new employees to staff these departments.
- The decision to revive the asset management arm of the Group resulted in new individuals being recruited. The Asset management line of the business will be further enhanced by the addition of the risk management and compliance functions.

vi. Provide customers with security and peace of mind in both their insurance and investment needs

- As noted above, the Group's management team has put a lot of emphasis on risk management and compliance and is currently transferring these functions in-house.
- During 2014 and 2015 management implemented a Business Continuity Plan which aimed to ensure that the Issuer is prepared to take necessary measures to safeguard the interests of all stakeholders in the event of a disruption due to unforeseen circumstances.

While retaining its primary focus on its existing insurance business, the Issuer's growth strategy for the future includes a renewed focus on asset management and unit-linked life insurance business. The Group will continue its efforts to divest itself of its portfolio of investment properties and focus on these areas.

The Issuer is confident of the Group's prospects to continue increasing profits whilst capitalising on the opportunities that present themselves across a range of its operations.

11 ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

11.1 GENERAL

The Directors are appointed by election at the annual general meeting of the Issuer. In accordance with the Issuer's articles of association ("**Articles**"), a Shareholder holding 14% or more of the voting rights, or a number of Shareholders who between them hold 14% or more, of the issued share capital of the Issuer are entitled to appoint one Director for every such 14% holding by letter addressed to the Issuer. All shares not utilised to make appointments as aforesaid are entitled to vote in the election of Directors at the annual general meeting of the Issuer.

The Chairman of the Board of Directors, is, in terms of the Articles of the Issuer, appointed from amongst the appointed Directors by any Shareholder holding in the aggregate at least 40% of all voting rights of the Issuer. In the absence of any Shareholder having the required holding of voting rights, the Chairman will be appointed by the Board of Directors.

The Directors are responsible for the general governance of the Issuer, its proper administration and management and for the general supervision of its affairs. The day-to-day management of the Issuer is delegated by the Directors to an executive committee (the "**Executive Committee**") consisting of the Issuer's senior executives.

A list of all current and past directorships of Board members and Group executive management is set out in Annex C of this Prospectus.

11.2 BOARD OF DIRECTORS

11.2.1 The Board

As at the date of this Registration Document, the Board of Directors of the Issuer is composed of the following persons:

Name	Designation	Date of Appointment
Prof. Paolo Catalfamo	Non-Executive Director and Chairman	16.09.2015
Prof. Andrea Gemma	Non-Executive Director	16.09.2015
Dr. Joseph Del Raso	Non-Executive Director	16.09.2015
Mr. Reuben Zammit	Executive Director	16.09.2015
Mr. Joseph Schembri	Non-Executive Director	16.09.2015
Mr. Christopher J. Pace	Non-Executive Director	16.09.2015

The current term of office of the Directors listed above has commenced on 16 September 2015 and shall end at the closure of the next AGM in accordance with the provisions of the Articles of the Issuer.

11.2.2 Curriculum Vitae of the Directors

Prof. Paolo Catalfamo

Prof. Catalfamo is the founder and chairman of the merchant banking group 'Investar', based in Italy, US and India and Professor at the Villanova School of Business in Philadelphia. He serves as managing director of IKF Spa, a holding company listed on the Italian Stock Exchange, as managing director and CEO of Milliora Finanzia Spa, a corporate lending company regulated by the Banca d'Italia, as managing director of Investar Plc, a financial services group in Malta and as an advisor to Equinox Partners, a private equity fund in Luxembourg. He was deputy chairman and CEO of the investment management group Franklin Templeton in Italy. Prof. Catalfamo serves as chairman of the Company and sits on the Investment, the Remuneration, the Nominations and the Risk Committees of the Board of Directors of the Company.

Prof. Andrea Gemma

Prof. Gemma was admitted to the Supreme Court of Italy and is partner of the legal and tax consultancy firm Gemma & Partners. He is a member of the Arbitro Bancario Finanziario (ABF) appointed by Banca d'Italia. Prof. Gemma is director of Eni S.p.A. He is also a member of the Board of Cinecitta' Centro Commercial SRL (Rome), deputy chairman of the Board of Serenissima SGR S.p.A. (Verona), chairman of the Board of Directors of Immobiliare Strasburgo S.r.L, member of the Board of Vega Management S.p.A. (Torino), an extraordinary commissioner of Valtur S.p.A., an extraordinary commissioner of Novit Assicurazioni S.p.A. and Sequoia Partecipazioni S.p.A., an extraordinary commissioner of Suditalia Compagnia di Assicurazioni and Riassicurazione S.p.A., President of the Supervisory Body of Sorgente S.p.A. and Extraordinary Commissioner of Alpi Assicurazioni S.p.A. Prof. Gemma also serves as legal counsel to leading insurance companies (Società Cattolica di Ass.ne coop. a r.l., Carige Assicurazioni S.p.A., Faro Ass.ni in A.S.). Prof. Gemma sits on the Audit, the Risk and the Ethics Committees of the Board of Directors of the Company.

Dr. Joseph Del Raso

Dr. Del Raso is a partner in the Commercial Department of Pepper Hamilton LLP. He is experienced in assisting businesses with a variety of international and domestic transactions, and advises on government relations on the federal, state and international level. Dr. Del Raso leads the firm's Investment Management Practice Group and is co-chair of the firm's Italian Desk and a practice leader for mutual funds of the firm's Funds Services Practice Group. He is a past member of Pepper Hamilton's Executive Committee and currently serves as a director of Freeh Group International Solutions, a Pepper Hamilton subsidiary. Dr. Del Raso sits on the Audit, the Nominations and the Ethics Committees of the Board of Directors of the Company.

Mr. Reuben Zammit

Mr. Zammit is the chief executive officer of the Group. Prior to his current role as chief executive officer, Mr Zammit was the chief financial officer of the Group. Mr. Zammit sits on the Investment and the Risk Committees of the Board of Directors of the Company.

Mr. Joseph Schembri

Mr. Schembri is a consultant with Baker Tilly Sant. Mr Schembri is a certified public accountant and auditor. He was an audit partner of Joseph Tabone & Co and Senior Partner of KPMG Malta, as well as a board member of the KPMG regional practice specialising in Financial Services. Mr Schembri has also acted for a three year period as director of EneMalta Corporation and as a member on the Disciplinary Committee of the Accountancy Board and the Malta Institute of Accountants. Mr Schembri was actively involved in the setting up of a KPMG member firm in Libya, acting as risk management principal as well as audit principal for foreign owned oil and gas clients operating in Libya. Mr. Schembri sits on the Audit and the Remuneration Committees of the Board of Directors of the Company.

Mr. Christopher J. Pace

Mr. Pace is the Managing Director of the Malta office of Chesterton, an international real estate agency. Mr Pace founded Globe Financial Investments Limited, the Issuer's predecessor in 1987. He was a founder member of the Malta Stock Exchange which commenced trading operations in 1992. He served as director of the Company until 2011 and was re-appointed director in 2015. Mr Pace also served as chairman of the Company since its inception until 2008. Mr. Pace sits on the Nominations Committee of the Board of Directors of the Company.

11.3 GROUP EXECUTIVE MANAGEMENT

The Executive Committee is vested with responsibility for the Group's day-to-day business and the implementation of the strategy set out by the Directors. The members of the Executive Committee are employed on an indefinite basis with the Company. The Executive Committee is chaired by the Group's CEO and is composed of the executive heads of the Group as follows:

Name	Designation
Mr. Reuben Zammit	Chief Executive Officer
Mr. Shawn Bezzina	Group Financial Controller
Mr. Paul Said	Group Operations Manager

The business address of the members of the Executive Committee is that of the Issuer.

11.3.1 Curriculum Vitae of the Executive Management Team**Mr. Paul Said**

Mr. Said is the Group Operations Manager. Having more than ten years of industry experience, particularly in financial services, Mr. Said previously held the role of Group IT Manager and Group IT Project Manager. Prior to this, Mr. Said was a software developer for GO plc.

Mr. Shawn Bezzina

Mr. Bezzina is the Group Financial Controller. Mr Bezzina is a certified public accountant and auditor. Previously Mr. Bezzina was the Financial Controller and Fund Accountant of the Group. Prior to his employment with the Company, Mr. Bezzina was the financial controller of Citadel Insurance plc as well as the coordinator direct operating costs of Air Malta plc.

11.4 INTERESTS OF DIRECTORS AND EXECUTIVE MANAGEMENT

The number of shares in the Issuer held directly in the name of the current Directors as at the date of this Registration Document is as follows:

Prof. Paolo Catalfamo*	Nil
Prof. Andrea Gemma	Nil
Dr. Joseph Del Raso	Nil
Mr. Reuben Zammit	Nil
Mr. Joseph Schembri	Nil
Mr. Christopher J. Pace	2,013,032

In view of the above roles and position, the above-mentioned Directors may be subject to conflicts of potentially diverging interests between the Shareholders they are associated with and their position as Directors of the Issuer. Save as set out in section 17.2.2 of this Registration Document no Shareholder is entitled to any automatic right to nominate or appoint a director on the Board.

Aside from the direct interests referred to above in the shareholding of the Issuer, the Directors marked above with an * are considered to be associated with companies that hold a beneficial interest in the Issuer's shareholding. The following Directors are considered to be associated with shareholders of the Issuer or with companies that hold a beneficial interest in the Issuer's shareholding:

Prof. Paolo Catalfamo is a director and holds a 100% shareholding interest in Investar, which as at the date of this Registration Document is a Shareholder in the Issuer holding 8.93% of the Ordinary Shares. In view of the above roles and position, the above-mentioned Directors may be subject to conflicts of potentially diverging interests between the Shareholders they are associated with and their position as Directors of the Issuer. Save as set out in section 17.2.2 of this Registration Document no Shareholder is entitled to any automatic right to nominate or appoint a director on the Board.

Investar in which Prof. Paolo Catalfamo has a direct shareholding interest, acquired one million one hundred eight thousand (1,180,000) Ordinary Shares constituting the 8.93% interest in the Issuer referred to above on 5 October 2015.

With the exception of Mr. Christopher J. Pace and Prof. Paolo Catalfamo, none of the Directors and members of executive management, directly or indirectly, traded any Ordinary Shares of the Issuer. In addition, and save as explained hereunder, no material transactions in the Company's Ordinary Shares were effected in which any Director had a beneficial or non-beneficial interest.

The manner in which Directors are appointed is provided in section 17.2.2 hereunder.

Other than the above private interests and conflicts of interest, the Issuer is not aware of any other facts and circumstances which may give rise to conflicts of interest or potential conflicts of interest.

11.5 REMUNERATION OF DIRECTORS AND EXECUTIVE MANAGEMENT

In accordance with the Company's M&As, the total emoluments payable to Directors, whether as fees and/or salaries by virtue of holding employment with the Company, shall be subject to Shareholder approval in General Meetings. For the 2014 financial year the maximum aggregate emoluments of the Directors was €320,930. At the Annual General Meeting held on 16 September 2015 the Shareholders approved the annual aggregate emoluments of the Directors up to a maximum of €310,000.

Executive management remuneration packages consist of basic salary and benefits. The total amount of remuneration paid to the executive management personnel in the last financial year ended 31 December 2014 amounted to €177,085.64.

There are no arrangements in place for the payment of any pension or retirement benefit to any Directors or to the members of the executive management team. None of such persons have a contract of service or employment with the Issuer which provide for benefits upon termination.

11.6 EMPLOYEES

The average number of persons employed by the Group during the years 2012, 2013, 2014 and as at 30 June 2015 are as follows, divided by main category of activity:

Managerial and Supervisory

Number of Employees	FY2012	FY2013	FY2014	30 June 2015
Issuer	1	1	0	0
GCFM	5	4	4	2
GCLI	7	4	4	5
GCHIA	5	4	4	6
Total	18	13	12	13

Sales

Number of Employees	FY2012	FY2013	FY2014	30 June 2015
Issuer	0	0	0	0
GCFM	4	4	4	3
GCLI	1	0	0	0
GCHIA	0	1	0	0
Total	5	5	4	3

Administration

Number of Employees	FY2012	FY2013	FY2014	30 June 2015
Issuer	0	0	0	0
GCFM	13	14	12	8
GCLI	16	18	15	14
GCHIA	32	24	24	19
Total	61	56	51	41

11.7 DECLARATION

On 26 October 2009 the MFSA imposed an administrative penalty amounting to €44,100 on Christopher J. Pace in terms of article 22 of the Prevention of Financial Markets Abuse Act, Cap.476 of the laws of Malta (the "PFMA"). The MFSA decided that Mr. Pace breached article 6 of the PFMA by having traded in the Issuer's shares in the period between the 14 and 27 December 2007 when in possession of inside information. Mr. Pace has submitted an appeal before the Financial Services Tribunal against the MFSA's decision. This appeal is presently pending before the Financial Services Tribunal.

Save for the above, none of the above-mentioned Directors and members of senior management of the Issuer have:

- been convicted in relation to fraudulent offences in the previous five years;
- been involved in any bankruptcies, receiverships, or liquidations for at least the previous five years;
- been the subject of any official public incrimination or sanction by any statutory or regulatory authority (including designated professional bodies) and neither have they ever been disqualified by a court from acting as a member of the administrative, management or supervisory body in the last five years.

12 BOARD PRACTICES

12.1 CORPORATE GOVERNANCE

The Issuer is in compliance with the Code of Principles of Good Corporate Governance as contained in the Listing Rules.

12.2 BOARD COMMITTEES

The Directors have established the following board committees:

12.2.1 Audit Committee

The Audit Committee is composed entirely of non-executive Directors and assists the Board in monitoring and reviewing the Group's financial statements, accounting policies and internal control mechanisms in accordance with the Committee's terms of reference. The responsibilities of the Audit Committee also include the review and approval of related party transactions in accordance with the Listing Rules.

The Audit Committee also approves and reviews the Group's compliance plan and internal audit plan prior to the commencement of every financial year and monitors the implementation of these plans.

The audit committee is composed of:

- Prof. Andrea Gemma
- Mr. Joseph Schembri
- Dr. Joseph Del Raso

12.2.2 Investment Committee

The Investment Committee is responsible for developing overseeing and developing the investment strategies and policies with respect to investments that may be made by the Company. It is also responsible for the formulation, monitoring, and review of the Group's investment processes.

The Investment Committee is composed of:

- Prof. Paolo Catalfamo
- Mr. Reuben Zammit

12.2.3 Remuneration Committee

The Remuneration Committee monitors, reviews, and advises on the Group's remuneration policy as well as approves the remuneration packages of senior executives and management. The main activities of the Remuneration Committee include devising appropriate policies and remuneration packages to attract, retain, and motivate Directors and senior management of a high calibre in order to well position the Group within the financial services market and its areas of business. At the end of every financial year, the Remuneration Committee draws up a report which is included in the Group's Annual Report. A performance management system has been implemented across the Group. This system is intended to:

- Enhance the existing systems used to define key performance indicators; and
- Improve the assessment of performance for all the Group's employees including senior management and members of the Executive Committee.

The Remuneration Committee is composed of:

- Prof. Paolo Catalfamo
- Mr. Joseph Schembri

12.2.4 Nominations Committee

The Nominations Committee is responsible for recommending Directors for election by Shareholders at the AGM, for planning the structure, size, performance, and composition of the Group's Subsidiary boards, for the appointment of senior executives and management and for the development of a succession plan for senior executives and management.

The Nominations Committee is composed of:

- Prof. Paolo Catalfamo
- Dr. Joseph Del Raso
- Mr. Christopher J Pace

12.2.5 Risk Committee

The Risk Committee's function is to oversee policies, practices, procedures, and controls related to risk identification, capital structure, liquidity management, regulatory compliance, and monitoring the annual capital plan.

The Risk Committee is composed of:

- Prof. Paolo Catalfamo
- Mr. Reuben Zammit
- Prof. Andrea Gemma

12.2.6 Ethics Committee

The Ethics Committee reports to each meeting of the Board of Directors on the operation of the Code of Ethics. In addition, it periodically reviews the Code of Ethics and makes recommendations for any amendments thereto to the Board. The Ethics Committee's function is to investigate any suspected breach of the Code of Ethics and report its findings to the Board of Directors with any recommendation that may impinge on the deliberations of the Board of Directors.

The Ethics Committee is composed of:

- Prof. Andrea Gemma
- Dr. Joseph Del Raso

13 MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

13.1 INTEREST OF MAJOR SHAREHOLDERS

The following Shareholders hold in excess of five per cent (5%) of the Issuer's Ordinary Shares at the date of this Prospectus:

Name	Number of Shares
BAI Co. (Mtius) Ltd	6,399,092
Christopher J. Pace	2,013,032
Investar p.l.c.	1,180,000
Provident Real Estate Fund Ltd	750,534

With reference to the table above, as at the date of this Prospectus, BAI Co. (Mtius) Ltd holds forty-eight point forty-five per centum (48.45%) of the total issued share capital of the Issuer. The Issuer adopts measures in line with the Code of Principles of Good Corporate Governance to ensure that the relationship with BAI Co. (Mtius) Ltd is retained at arm's length, including adherence to rules on related party transactions requiring the sanction of the Audit Committee, which is constituted of Non-Executive Directors. Moreover, key decisions affecting the Issuer require the sanction of the general meeting by means of an extraordinary resolution as defined in the articles of association of the Issuer. Matters requiring approval by means of an extraordinary resolution include, *inter alia*, the alteration to the Company's M&As (except for the alteration of the office of the Issuer) and the dissolution of the Issuer. The shares held by the major Shareholders rank '*pari passu*' with all the other Shares in the Issuer.

The shares held by the major Shareholders of the Issuer do not entitle such Shareholders to any different voting rights.

Investar p.l.c. which holds an 8.93% equity interest in the Company has issued a prospectus dated 12 January 2016 (the "**Investar Prospectus**") wherein it has declared that it intends to acquire a majority and controlling interest in the Issuer as a result of its participation in the Rights Issue.

Save for the foregoing declaration made in the Investar Prospectus, the Issuer is not aware of any arrangements the operation of which may at a subsequent date to that of this Prospectus result in a change in control of the Issuer.

13.2 RELATED PARTY TRANSACTIONS

In the normal course of business, the Group enters into various transactions with related parties. Related parties are defined as those that have an ability to control or exercise significant influence over the other party in making financial and operational decisions. These include Directors and Shareholders who hold a substantial amount of votes able to be cast at general meetings. Relevant particulars of related party transactions for the financial year end 2014, all of which have been carried out on an arm's-length basis are as follows:

	FY2012	FY2013	FY2014
	€	€	€
Commission receivable from related parties	71,341	56,097	70,244
Commission receivable on investments made by related funds	3,070	3,235	2,090
Fees receivable in respect of advice provided to related funds	73,410	66,938	70,055

GCFM acts as investment advisor and manager to Global Funds SICAV p.l.c. The advisory fees earned by GCFM from its activity as investment advisor and manager are included in turnover in the consolidated financial statements of the Company, and during the year 2014 amounted to €70,055 (2013: €66,938 and 2012: €73,410). Global Funds SICAV p.l.c. is considered to be a related party by way of key management.

In 2012, the Group recovered expenses amounting to €183,406 in liquidation costs in relation to GlobalCapital Funds SICAV p.l.c. which had been written off in 2010.

In 2011 CLD entered into an agreement with Boutique Properties Limited a private limited liability company registered in Malta with company registration number C 34858 owned and controlled by Christopher J. Pace, a director of the Company, for the provision of real estate brokerage and related consultancy services. This agreement was terminated in 2014. However, a refund of €50,000, representing a pre-payment of commissions which did not eventually become due, remains owing to CLD as of the date of this Prospectus.

In 2015, GlobalCapital Holdings Limited, CLD, GCLI and GCFM entered into a pledge agreement to secure:

- an outstanding balance of seven hundred and eighty-eight thousand and ten Euro (€788,010) due by CLD to GCLI under the terms and conditions contained in a loan agreement dated as of 31 December 2014 and entered into between CLD as borrower, GlobalCapital Holdings Ltd as guarantor and GCLI as lender;
- an outstanding balance of five million, one hundred and seventy-three thousand, four hundred and eighty-two Euro (€5,173,482) due by Quadrant SRL to the GCLI under the terms and conditions contained in a loan agreement dated as of 31 December 2014 and entered into between Quadrant SRL as borrower, GlobalCapital Holdings Ltd as guarantor and GCLI as lender;
- an outstanding balance of nine hundred fifty thousand and two Euro (€950,002) due by CLD to GCFM under the terms and conditions contained in a loan agreement dated as of 31 December 2014 and entered into between CLD as borrower, GlobalCapital Holdings Ltd as guarantor and GCFM as lender; and
- all existing or future credit facilities granted by or to be made by GCLI and, or GCFM and guaranteed by GlobalCapital Holdings Ltd, and/or any existing, contingent or future indebtedness of GlobalCapital Holdings Ltd to GCLI and, or GCFM, or any of them, by virtue of a pledge over 499 ordinary shares in CLD held by GlobalCapital Holdings Ltd in favour of GCLI acting as a trustee holding security for the benefit of GCLI and, or GCFM in terms of article 43(7)(a) of the Trusts and Trustees Act, Cap. 331 of the laws of Malta.

14 FINANCIAL INFORMATION

14.1 HISTORICAL FINANCIAL INFORMATION

Full historical financial information for the three financial years ended 31 December 2014 is set out in the consolidated financial statements of the Group as audited by Deloitte. The latest audited financial information available in respect of the Group related to the financial year ended 31 December 2014 and was approved for issuance by the Board of Directors on 07 August 2015.

The independent auditor's reports on the historical financial information of the Issuer for each of the financial years ended 31 December 2012, 31 December 2013 and 31 December 2014 do not contain qualifications and disclaimers. The independent auditor's report on the Issuer's financial statements for the year ended 31 December 2014, however, includes an emphasis of matter, which draws attention to note 1 to the said financial statements, which details the Company's financing plans, in particular those relating to the payment of the Company's Bond obligations. The independent auditor's report on the Issuer's financial statements for the year ended 31 December 2014 is set out in the audited consolidated financial statements of the Company for the financial period ended 31 December 2014 which are available on display as set out in section 19.

The unaudited interim financial information of the Group for the six (6) months ended 30 June 2015 is available for public inspection.

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

There has been no material change in the Group's financial or trading position since the half yearly report for the six months ended 30 June 2015.

14.3 DIVIDEND POLICY

According to articles 103 to 110 of the M&As, the Company may declare dividends in the general meeting, but no dividend may exceed the amount recommended by the Directors. The Directors may from time to time pay to the Shareholders such interim dividends as appear to the Directors to be justified by the profits of the Company and may pay any fixed dividend which is payable on any shares of the Company half-yearly or otherwise on fixed dates as the Board may determine.

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 requirements, the cash flows for the Issuer, working capital requirements and the requirements of the Act especially with regard to distributable reserves.

As at 31 December 2014 the Company did not have any distributable reserves. No dividend was paid in the financial years 2007 to date. As at 31 December 2014 the Company had accumulated losses of €27,502,395 (Group accumulated losses: €20,997,931). Under the Act a distribution of dividends may only be made out of profits available for the purpose.

15 LITIGATION

Some Group companies are party to legal proceedings and/or regulatory investigations arising out of the historical business activities of certain regulated operating Subsidiaries which could give rise to potential financial loss and significant reputational damage. Provisions for outstanding legal proceedings as at 31 December 2014 totalled €318,542. The recognition of these provisions has been determined in accordance with the accounting policies set out in Note 4 of the Issuer's audited consolidated financial statements for the financial year ended 31 December 2014.

The timing and outcome of legal proceedings and regulatory investigations is inherently uncertain which makes it difficult to determine whether a loss is probable or even reasonably possible. Given the complexity and uncertainties associated with the actual determination of any liability, including the outcome of any appeals, there is a wide range of possible outcomes. The foregoing provisions have been made based on management's best estimate of probable outflows. The Directors anticipate that provisions for outstanding legal proceedings will be increased for the period ended 31 December 2015. However, the fact that a provision has been, or will be, made or recognised does not constitute an admission of wrongdoing or legal liability.

It is not practicable to provide an aggregate estimate of potential liability for judicial letters/protests and other consumer complaints received by certain Group companies, in addition to the legal proceedings referred to above, as a class of contingent liabilities as explained in note 30 of the Issuer's audited consolidated financial statements for the financial year ended 31 December 2014.

16 MATERIAL CONTRACTS

The following Subsidiaries have entered into the following agreements with third parties:

- i. GCLI has entered into a promise of sale agreement with a third party for the sale of the property located at The Strand, Gzira, Malta (further described in section 7.2.1 (i) above, for the sale of the said property by no later than 31 December 2016;
- ii. CLD has entered into a conditional promise of sale agreement with third parties for the sale of the vacant site situated in Testaferrata Street Ta' Xbiex, Malta (further described in section 7.2.2. above) and the building occupying a rectangular site located in Testaferrata Street Ta' Xbiex, Malta (further described in section 7.2.2. above), for the sale of the said properties by no later than 31 March 2016.

With the exception of the above, the Company has not entered into contracts of a material nature which were not in the ordinary course of the Company's business.

17 ADDITIONAL INFORMATION

17.1 SHARE CAPITAL

The current authorised share capital of the Company is eight million seven hundred and thirty-five thousand one hundred and sixty Euro (€8,735,160) divided into thirty million (30,000,000) ordinary shares of a nominal value of €0.291172 each. The current issued share capital of the Company is three million eight hundred and forty-five thousand six hundred and sixty-eight Euro and seventeen cents (€3,845,668.17) divided into thirteen million two hundred and seven thousand five hundred forty-eight (13,207,548) ordinary shares of a nominal value of €0.291172 each, which are all listed on the Official List of the MSE.

17.2 MEMORANDUM AND ARTICLES OF ASSOCIATION

A copy of the M&As of the Company is available for inspection during the lifetime of this Registration Document at the registered office of the Company and at the Registrar of Companies at the Malta Financial Services Authority. The M&As include, *inter alia*, provisions to the following effect:

17.2.1 Objects

The full list of objects of the Company is set out in clause 3 of the Memorandum. The principal object of the Issuer is to carry on the business of a holding company and to acquire by purchase, exchange, subscription or otherwise, and to hold the whole or any part of the securities and interests of and in any companies for the time being engaged, concerned or interested in any industry, trade or business and to promote the beneficial co-operation of any such companies with one another as well as with the Company and to exercise in respect of such investments and holdings all the rights, powers and privileges of ownership including the right to vote thereon. The other objects of the Company are the following:

- i. to employ the funds of the Company in the development and expansion of the business of the Company, of any of its Subsidiaries and of any other company in which this Company has or may at any time have an interest;
- ii. to co-ordinate the administration, policies, management, supervision, control, research, development, marketing, planning, manufacture, trading, services and any and all other activities of, and to act as consultants to, any company or companies or group of companies now or hereafter formed or incorporated or acquired which may be or may become related or associated in any way with the Company or with any company related or associated therewith and either without remuneration or on such terms as to remuneration as may be agreed;
- iii. to carry on any business carried on by any Subsidiary of the Company or any other company in which the Company has or may at any time have an interest;
- iv. to promote or assist in promoting any company or companies in any part of the world and to subscribe shares therein or other securities thereof for the purpose of carrying on any business which the Company is authorised to carry on, or for any other purpose which may seem directly or indirectly calculated to benefit the Company;
- v. to carry on any other activity and do anything of any nature which may seem to the Company capable of being conveniently carried on or done by the Company in connection with the above, or may seem to the Company calculated directly or indirectly to benefit the Company; and
- vi. to do all such things as in the opinion of the Board are or may be incidental or conducive to the above objects or any of them.

17.2.2 Directors

Any Shareholder holding at least fourteen per centum (14%) of all voting rights of the Company shall have the right to appoint a Director for each and every complete fourteen per centum (14%) thereof. Also, any voting rights, or part thereof, remaining unused by such Shareholder in the appointment of a Director, may be aggregated to form the percentage required to appoint a Director directly. Directors, being not more than such number as would, when taken together with any Director/s appointed as aforesaid, make up a total of seven (7) Directors, shall be elected at the Company's Annual General Meeting by those Shareholders entitled to exercise voting rights to elect Directors at the said Annual General Meeting. The process by which a Director may be appointed/elected on the Board is set out in the Articles available for inspection.

17.2.3 Classes of Shares

The Company only has Ordinary Shares in issue.

17.2.4 Variation of Rights

The rights attached to any class of shares shall, unless otherwise expressly provided by the terms of issue of the shares of that class or by the terms upon which such shares are for the time being held, be deemed not be varied by the creation or issue of further shares ranking '*pari passu*' therewith.

17.2.5 Voting Rights and Restrictions

Unless otherwise provided for in the Articles or in the terms of issue of any shares, all shares shall enjoy equal rights irrespective of their class.

Unless otherwise provided for in the terms of issue, on a poll, each share in the Company shall have the right to one vote, irrespective of the class of the said share, which right to vote may be exercised by the holder thereof either personally or by proxy.

The Directors shall not, without the prior sanction of an ordinary resolution of the Company in a general meeting, issue or allot equity securities for the purpose of transferring a controlling interest in the Company or where a controlling interest will result from such issue or allotment.

17.2.6 Annual and Other General Meetings

Article 49 to article 72 of the M&As regulate the annual general meetings ("**AGM**") of the Company. The said articles provide that the Company shall in each year hold a general meeting as its AGM in addition to any other Meetings in that year, and not more than fifteen (15) months shall lapse between the date of one AGM of the Company and that of the next. The Annual General Meetings of the Company shall be held at such time and place as the Directors shall appoint. Furthermore, all general meetings other than AGMs shall be called Extraordinary General Meetings ("**EGM**").

The Directors may convene an EGM whenever they think fit. The Directors shall, on the requisition of a Shareholder holding, at the date of deposit of the requisition, not less than one-tenth of such of the paid up share capital of the Company as at the date of the deposit carried the right to vote at general meetings of the Company, forthwith proceed to duly convene an EGM in accordance with the provisions of section 129 of the Act.

The Articles provide that an AGM of the Company shall be deemed not to have been duly convened unless at least twenty-one (21) days' prior notice has been given in the manner specified in the Articles. Notwithstanding, a general meeting which is not an AGM shall be deemed to have been duly convened if at least fourteen (14) days' prior notice has been given in the manner specified in the Articles and the following conditions are satisfied:

- i. the facility to vote by electronic means is made accessible to all Members; and
- ii. a resolution reducing the period of notice to not less than fourteen (14) days has been duly passed by a majority of not less than two-thirds of the Shareholders having the right to attend and vote and represented at such meeting. Any such resolution shall be valid until the next AGM.

Provided further that in the case of a general meeting duly convened and adjourned in accordance with the M&As due to the lack of a quorum, the adjourned meeting shall be deemed to have been duly convened if held at least ten (10) days after the final convocation is issued and no new item is put on the agenda of such adjourned meeting.

The notice referred to above shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given and, shall be sent to every Shareholder entitled to attend and vote at the meeting by pre-paid mail at the last known residential address of such shareholder, or with the consent of the Shareholder concerned, by the publication of such notice on the Company's website or on the website of the MSE, as the Company may determine. Provided that any notice requesting the consent of a shareholder to the publication of notices convening general meetings of the Company on the website indicated in the notice shall be sent by mail to the Shareholder concerned at the last known address of such Shareholder that do not give his consent shall remain entitled to receive notices convening general meetings of the Issuer by mail at their last known residential address.

18 THIRD PARTY INFORMATION AND STATEMENT BY EXPERTS

Sections 6.3.1(iii) and 10.2.1(ii) of the Registration Document contain information sourced from the MIA Report (as defined in section 6.3.1(iii)). The Issuer confirms that the information extracted from such third party report has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from the information published by such third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

This Registration Document does not contain any statement or report attributed to any person as an expert.

19 DOCUMENTS ON DISPLAY

For the duration period of this Registration Document the following Reference Documents shall be available for inspection at the registered address of the Company at GlobalCapital plc, Testaferrata Street, Ta' Xbiex XBX 1403, Malta:

- M&As
- The audited consolidated financial statements of the Company for the financial periods ended 31 December 2012, 2013 and 2014
- The audited financial statements of each of the Subsidiaries for the financial periods ended 31 December 2012, 2013 and 2014
- The unaudited consolidated interim financial statements of the Group for the periods 30 June 2013, 2014 and 2015.

SECURITIES NOTE

This document is dated 4 March 2016

This Securities Note is issued in accordance with the provisions of Chapter 4 of the Listing Rules issued by the Listing Authority and 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. This Securities Note contains information about the Shares being issued by GlobalCapital p.l.c. Application has been made for the admission to listing and trading of the New Ordinary 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 the Company.

Issued by

GlobalCapital plc

a public limited liability company registered under the laws of Malta with company registration number C19526 and having its registered office at GlobalCapital p.l.c., Testaferrata Street, Ta' Xbiex XBX 1403, Malta

A Rights Issue of 16,792,452 New Ordinary Shares of a nominal value of €0.291172 per New Ordinary Share, at par, on the basis of 1.27 New Ordinary Shares for every 1 Ordinary Share

And in the event of Lapsed Rights:

1) an offer to Eligible Shareholders for Excess Shares and 2) an Intermediaries Offer, in this order of preference.

THE LISTING AUTHORITY HAS AUTHORISED THE ADMISSIBILITY OF THESE SECURITIES AS A LISTED FINANCIAL INSTRUMENT. 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 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 ADVISER.

ISIN: MT0000170101

Sponsor, Manager & Registrar



Legal Counsel

**Refalo &
Zammit Pace**
ADVOCATES

TABLE OF CONTENTS

1	IMPORTANT INFORMATION.....	3
2	DEFINITIONS.....	5
3	RISK FACTORS	8
4	PERSONS RESPONSIBLE	10
5	KEY INFORMATION	10
6	CAPITALISATION AND INDEBTEDNESS	12
7	INFORMATION CONCERNING THE SHARES ADMITTED TO TRADING.....	13
8	TAXATION.....	14
9	TERMS AND CONDITIONS OF THE OFFER.....	16
10	ADMISSION TO TRADING.....	24
11	EXPENSES RELATING TO THE ISSUE/OFFER	24
12	DILUTION.....	24
13	ADDITIONAL INFORMATION	24
	ANNEX A.....	25
	ANNEX B.....	26
	ANNEX C.....	33

1 IMPORTANT INFORMATION

THIS SECURITIES NOTE CONTAINS INFORMATION ON THE SHARES ADMITTED TO TRADING OF GLOBALCAPITAL P.L.C. (“ISSUER” OR “COMPANY”) IN ACCORDANCE WITH ANNEX XXIV OF THE 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); THE REQUIREMENTS OF THE LISTING RULES OF THE MALTA FINANCIAL SERVICES AUTHORITY (“MFSA”) AND THE RULES AND REGULATIONS APPLICABLE TO THE ADMISSION OF SECURITIES ON THE OFFICIAL LIST OF THE MALTA STOCK EXCHANGE (“MSE”), AND SHOULD BE READ IN CONJUNCTION WITH THE REGISTRATION DOCUMENT ISSUED BY THE COMPANY.

NO BROKER, DEALER, SALESMAN OR OTHER PERSON HAS BEEN AUTHORISED BY THE ISSUER OR ITS DIRECTORS TO ISSUE ANY ADVERTISEMENT OR TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS IN CONNECTION WITH THE ISSUER 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 ISSUER, ITS DIRECTORS, OR ADVISERS. THE ADVISERS ENGAGED BY THE ISSUER FOR THE PURPOSE OF THIS COMBINED OFFERING ARE ACTING EXCLUSIVELY FOR THE ISSUER.

THE LISTING AUTHORITY ACCEPTS NO RESPONSIBILITY FOR AND MAKES NO REPRESENTATIONS AS TO THE CONTENTS, ACCURACY OR COMPLETENESS OF THE PROSPECTUS 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.

IT IS THE RESPONSIBILITY OF ANY PERSON IN POSSESSION OF THIS DOCUMENT TO INFORM THEMSELVES OF AND TO OBSERVE AND COMPLY WITH, ALL APPLICABLE LAWS AND REGULATIONS OF ANY RELEVANT JURISDICTION. PROSPECTIVE APPLICANTS FOR ANY SECURITIES THAT MAY BE ISSUED BY THE ISSUER OR OFFERED BY THE OFFERORS 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.

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.

ALL THE ADVISERS TO THE ISSUER HAVE ACTED AND ARE ACTING EXCLUSIVELY FOR THE ISSUER 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 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.

THE RIGHTS WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED. SUBJECT TO CERTAIN EXCEPTIONS, THE RIGHTS MAY NOT BE OFFERED, SOLD OR DELIVERED WITHIN THE UNITED STATES OR TO U.S. PERSONS. FURTHERMORE, IN RELATION TO EACH MEMBER STATE OF THE EUROPEAN ECONOMIC AREA (OTHER THAN MALTA), THE RIGHTS MAY ONLY BE OFFERED, SOLD OR DELIVERED TO, SUBJECT TO CERTAIN EXCEPTIONS AND ACCEPTED BY “QUALIFIED INVESTORS” (AS DEFINED IN THE PROSPECTUS DIRECTIVE) OR IN OTHER CIRCUMSTANCES FALLING WITHIN ARTICLE 3(2) OF THE PROSPECTUS DIRECTIVE. IN ALL CASES THE MAKING OF THE OFFER OF THE RIGHTS IN SUCH CIRCUMSTANCES SHALL NOT REQUIRE THE PUBLICATION BY THE ISSUER OR ANY OTHER PERSON OF A PROSPECTUS PURSUANT TO ARTICLE 3 OF THE PROSPECTUS DIRECTIVE. THE SHARES ISSUED AS A RESULT OF THE EXERCISE OF THE RIGHTS UNDER THIS RIGHTS ISSUE MAY BE LISTED AND TRADED ON THE REGULATED MARKET OF THE MSE. THE MSE'S REGULATED MARKET IS A REGULATED MARKET FOR THE PURPOSES OF DIRECTIVE 2004/39/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL OF 21 APRIL 2004 ON MARKETS IN FINANCIAL INSTRUMENTS AMENDING COUNCIL DIRECTIVES 85/611/EEC AND 93/6/EEC AND DIRECTIVE 2000/12/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL AND REPEALING COUNCIL DIRECTIVE 93/22/EEC.

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

SECURITIES NOTE

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 ORDINARY SHARES 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 ORDINARY SHARES, OR AGREEMENT, ACCEPTANCE OR CONTRACT RESULTING HEREFROM, OR THE PROSPECTUS AS A WHOLE.

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 MSE AND HAS BEEN DULY FILED WITH THE REGISTRAR OF COMPANIES. APPLICATION HAS BEEN MADE TO THE LISTING AUTHORITY FOR THE APPROVAL OF THE PROSPECTUS AND FOR THE ADMISSION OF THE ISSUER'S ORDINARY SHARES ON A REGULATED MARKET. APPLICATION HAS ALSO BEEN MADE TO THE MSE, FOR THE ORDINARY SHARES TO BE ADMITTED TO THE OFFICIAL LIST OF THE MSE.

2 DEFINITIONS

In this Securities Note 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;
Applicant	an applicant for the subscription of Shares;
Bonds	the outstanding €13,823,200 5.6% bonds due 02 June 2016 of a nominal value of €100 per bond issued by the Company;
CESR Recommendations	the European Securities and Markets Authority (ESMA) update of the Community of European Securities Regulators (CESR) recommendations on the consistent implementation of Commission Regulation (EC) No 809/2004 implementing the Prospectus Directive;
Collecting Agents	the Financial Intermediaries and the Issuer, as listed in Annex A of the Securities Note;
CSD	the central registration system for dematerialised financial instruments operated by the MSE and authorised in terms of the Financial Markets Act;
Directors or Board	the directors of the Issuer whose names are set out in section 11 of the Registration Document;
Eligible Shareholders	the Issuer's Shareholders on the register of the CSD as at close of trading on the Record Date and their transferee(s);
Euro or €	the lawful currency of the Republic of Malta;
Excess Shares	in the event of Lapsed Rights, Eligible Shareholders accepting their proportionate entitlement of New Ordinary Shares in full (meaning those Eligible Shareholders who submit PAL A), shall be entitled to apply for New Ordinary Shares in excess of their proportionate entitlement on a pre-emptive basis;
Excess Shares Application Form	the application form by which Eligible Shareholders who take up their Rights by submitting PAL A can apply for Excess Shares;
Excluded Territories and each an Excluded Territory	any jurisdiction which is not a Member State of the European Union (as defined in the European Union Act, Cap. 460 of the laws of Malta), including for the avoidance of doubt the United States of America and Canada, and any other jurisdiction where the extension into or availability of the Rights Issue would breach any applicable law;
Financial Intermediaries	the licenced members of the MSE authorised to conduct investment services business by the MFSA, as listed in Annex A;
Financial Markets Act	the Financial Markets Act, Cap. 345 of the laws of Malta;
Group	the Issuer (as parent company) and its Subsidiaries;
Income Tax Act	the Income Tax Act, Cap. 123 of the laws of Malta;
Intermediaries Offer	in the event of Lapsed Rights, and where the Eligible Shareholders have not taken up the Excess Shares, the invitation to offer made by the Issuer to Financial Intermediaries to make an offer for such Lapsed Rights for their own account or for the account of their clients, provided that such offers may only be made through and by Financial Intermediaries during the Intermediaries Offer Period;
Intermediaries Offer Period	the period between 08:30 on 6 April 2016 and 10:00 on 8 April 2016;
Issuer or Company	GlobalCapital p.l.c., a public limited liability company registered in Malta with company registration number C 19526;
Lapsed Rights	rights to New Ordinary Shares not validly taken up by the Shareholders by the expiry of the Offer Period;
Listing Authority	the Board of Governors of the MFSA, appointed as Listing Authority for the purposes of the Financial Markets Act by virtue of the Malta Financial Services Authority Act, Cap. 330 of the laws of Malta;
Listing Rules	the listing rules of the Listing Authority;

SECURITIES NOTE

Malta Stock Exchange or MSE	Malta Stock Exchange p.l.c., a public limited liability company having its registered office at Garrison Chapel, Castille Place, Valletta VLT 1063, Malta, and bearing company registration number C 42525, which continued in the personality of the Malta Stock Exchange established under Part IV of the Financial Markets Act (Cap. 345 of the laws of Malta) prior to the repeal of that Part by the Various Financial Services Laws (Amendment) Act, 2007 (Act XX of 2007), with effect from 01 November 2007;
Manager or Registrar	Rizzo, Farrugia & Co. (Stockbrokers) Ltd. Airways House, Third Floor High Street, Sliema SLM 1549, Malta;
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;
MFSA	the Malta Financial Services Authority, established in terms of the Malta Financial Services Authority Act, Cap. 330 of the laws of Malta;
New Ordinary Shares	16,792,452 New Ordinary Shares to be issued pursuant to the Share Issue;
Offer	the invitation to subscribe for Rights to the New Ordinary Shares as contained in this Securities Note;
Offer Period	the period between 08:30 on 16 March 2016 and 12:00 on 30 March 2016 (both dates inclusive) during which the rights to the New Ordinary Shares are on offer for subscription;
Ordinary Shares	the 30,000,000 ordinary shares of a nominal value of €0.291172 each of the Issuer;
Overseas Shareholders	Shareholders with registered address in, or who are citizens in, or residents of, countries other than Malta;
Prospectus	this document together with the Registration Document and the Summary Note, as such documents may be amended, updated, replaced and supplemented from time to time;
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 amended by Directive 2008/11/EC of the European Parliament and of the Council of 11 March 2008, Directive 2010/73/EU of the European Parliament and of the Council of 24 November 2010 and Directive 2010/78/EU of the European Parliament and of the Council of 24 November 2010, and as supplemented by Commission Delegated Regulation (EU) No 1392/2014 of 2014;
Prospectus Regulation	Commission Regulation (EC) No 809/2004 of 29 April 2004 implementing the Prospectus Directive 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) 382/2014 of 7 March 2014, and as may be further amended from time to time;
Provisional Allotment Letter or PAL	the document of title issued to Eligible Shareholders by the Issuer in respect of the Rights to New Ordinary Shares, pursuant to the Rights Issue;
Qualifying Shareholder	as defined in the Insurance Business Act, Cap. 403 of the laws of Malta, the Investment Services Act, Cap. 370 of the laws of Malta and the Insurance Intermediaries Act, Cap. 487 of the laws of Malta.
Record Date	the 4 March, meaning trading up to and including 2 March 2016;
Registration Document	the registration document issued by the Issuer dated 4 March 2016, forming part of the Prospectus;
Regulated Market	the regulated market in terms of Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on markets in financial instruments amending Council Directives 85/611/EEC and 93/6/EEC and Directive 2000/12/EC of the European Parliament and of the Council and repealing Council Directive 93/22/EEC and operated by the MSE;
Regulated Subsidiaries	the Subsidiaries of the Company, which as at the date of this Securities Note are authorised and regulated by the MFSA, including without limitation each of the following companies: <ul style="list-style-type: none"> a. GlobalCapital Financial Management Ltd, a private limited liability company registered in Malta with company registration number C 30053; b. GlobalCapital Insurance Brokers Ltd, a private limited liability company registered in Malta with company registration number C 32451; c. GlobalCapital Life Insurance Ltd, a private limited liability company registered in Malta with company registration number C 29086; d. GlobalCapital Health Insurance Agency Ltd, a private limited liability company registered in Malta with company registration number C 6393;

Rights	the entitlements in nil paid form to acquire the New Ordinary Shares subject to the payment of the Share Offer Price;
Rights Issue or Issue	the proposed issue by way of New Ordinary Shares to Eligible Shareholders as described in this Securities Note;
Securities Note	this document in its entirety;
Share Offer Price	the price of €0.291172 per Share;
Shareholders or Ordinary Shareholders	holders of Ordinary Shares of the Issuer;
Solvency II Directive	Directive 2009/138/EC of the European Parliament and of the Council of 25 November 2009 on The Taking-Up and Pursuit of the Business of Insurance and Reinsurance (Solvency II) (Recast) as amended by Directive 2011/89/EU of the European Parliament and of the Council of 16 November 2011, Directive 2012/23/EU of the European Parliament and of the Council of 12 September 2012, Council Directive 2013/23/EU of 13 May 2013, Directive 2013/58/EU of the European Parliament and of the Council of 11 December 2013 and Directive 2014/51/EU of the European Parliament and of the Council of 16 April 2014, and as may be further amended from time to time;
Solvency II Regulation	Commission Delegated Regulation 2015/35 of 10 October 2014 supplementing Directive 2009/138/EC of the European Parliament and of the Council on the taking-up and pursuit of the business of Insurance and Reinsurance;
Sponsor	Rizzo, Farrugia & Co. (Stockbrokers) Ltd. Airways House, Third Floor High Street, Sliema SLM 1549, Malta;
Subsidiaries	any company the ultimate holding company of which, as at the date of this Registration Document is the Company, including without limitation each of the following companies: <ul style="list-style-type: none"> a. GlobalCapital Holdings Ltd, a private limited liability company registered in Malta with company registration number C 29873; b. GlobalCapital Financial Management Ltd, a private limited liability company registered in Malta with company registration number C 30053; c. GlobalCapital Insurance Brokers Ltd, a private limited liability company registered in Malta with company registration number C 32451; d. GlobalCapital Life Insurance Ltd, a private limited liability company registered in Malta with company registration number C 29086; e. Central Landmark Development Ltd, a private limited liability company registered in Malta with company registration number C 34858; f. GlobalCapital Health Insurance Agency Ltd, a private limited liability company registered in Malta with company registration number C 6393; g. Global Properties Ltd. (Medunardodue Nekretnine d.o.o.) a private limited liability company registered in Croatia with company registration number 97381210793; h. Global Estates Ltd, a private limited liability company registered in Malta with company registration number C 37544; i. Brammer Ltd, a private limited liability company registered in Bulgaria with company registration number 131292817; and j. Quadrant Italia s.r.l., a limited liability company (società a responsabilità limitata) registered in Italy with company registration number 1102926;
Summary Note	the summary note issued by the Issuer dated 4 March 2016, forming part of the Prospectus;
Terms and Conditions	the terms and conditions set out under the heading “ <i>Terms and Conditions of the Rights Issue and the Intermediaries Offer</i> ” in section 8 of 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.

3 RISK FACTORS

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 MAKING ANY INVESTMENT DECISION WITH RESPECT TO 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 AND THE ABILITY OF THE COMPANY TO FULFIL ITS OBLIGATIONS UNDER THE SECURITIES ISSUED BY IT FROM TIME TO TIME. THE RISKS AND UNCERTAINTIES DISCUSSED BELOW ARE THOSE IDENTIFIED AS SUCH BY THE DIRECTORS OF THE COMPANY, BUT THESE RISKS AND UNCERTAINTIES MAY NOT BE THE ONLY ONES THAT THE COMPANY FACES. ADDITIONAL RISKS AND UNCERTAINTIES, INCLUDING THOSE WHICH THE COMPANY'S DIRECTORS ARE NOT CURRENTLY AWARE OF, MAY WELL RESULT IN A MATERIAL IMPACT ON THE FINANCIAL CONDITION AND OPERATIONAL PERFORMANCE OF THE COMPANY.

NEITHER THE PROSPECTUS NOR ANY OTHER INFORMATION SUPPLIED HEREIN IN CONNECTION WITH THE SHARES ISSUED BY THE COMPANY (I) IS INTENDED TO PROVIDE THE BASIS OF ANY CREDIT OR OTHER EVALUATION, NOR (II) SHOULD BE CONSIDERED AS A RECOMMENDATION BY THE COMPANY OR THE SPONSOR OR FINANCIAL INTERMEDIARIES THAT ANY RECIPIENT OF THE PROSPECTUS, OR ANY OTHER INFORMATION SUPPLIED IN CONNECTION THEREWITH, SHOULD PURCHASE ANY SECURITIES ISSUED BY THE COMPANY. PROSPECTIVE INVESTORS SHOULD MAKE THEIR OWN INDEPENDENT EVALUATION OF ALL RISK FACTORS AND SHOULD CONSIDER ALL OTHER SECTIONS OF THIS DOCUMENT.

3.1 FORWARD-LOOKING STATEMENTS

The Prospectus and the documents incorporated therein by reference or annexed thereto contain "forward-looking statements" that include, among others, statements concerning the Company's strategies and plans relating to the attainment of its objectives, capital requirements and other statements of expectations, beliefs, future plans and strategies, anticipated developments and other matters that are not historical facts and which may involve predictions of future circumstances. Investors can generally identify forward-looking statements by the use of terminology such as "may", "will", "expect", "intend", "plan", "estimate", "anticipate", "believe", or similar phrases. These forward-looking statements are inherently subject to a number of risks, uncertainties and assumptions. Important factors that could cause actual results to differ materially from the expectations of the Directors include those risks identified under the heading "Risk Factors" and elsewhere in the Prospectus.

If any of the risks described were to materialise, they could have a serious effect on the Company's financial results, trading prospects and the ability of the Company to fulfil its obligations under the securities to be issued. Accordingly, the Company cautions the reader that these forward-looking statements are subject to risks and uncertainties that could cause actual events or results to differ from those expressed or implied by such statements and no assurance is given that the future results or expectations will be achieved.

3.2 RISKS RELATING TO THE SECURITIES

3.2.1 Trading and liquidity of the securities

The price at which the New Ordinary Shares will trade and the price which the Shareholders may realise for their New Ordinary Shares will be influenced by a large number of factors, some specific to the Issuer, its operations, and some which are peculiar to the business sectors in which the Group operates, the performance of the Group's operations, large purchases or sales of the shares, liquidity (or absence of liquidity) in the Shares, currency fluctuations, legislative or regulatory changes relating to the business of the Group and general economic conditions over which the Company may have no control.

In any event, stock markets (including the Maltese stock market) have from time to time experienced substantial price and volume fluctuations, which in addition to general economic and political conditions, could adversely affect the market price of the Ordinary Shares of the Issuer. A public trading market having the desired characteristics of depth and liquidity depends inter alia upon the presence in the market place of willing buyers and sellers of the shares at any given time, which presence is dependent upon the individual decisions of investors over which the Company has no control.

Historically the Ordinary Shares of the Issuer have suffered and continue to suffer from a lack of trading depth and liquidity on the market and there can be no assurance that an active public market will develop or be sustained after the Rights Issue whether for existing Ordinary Shares or for the New Ordinary Shares, or that if such a market develops investors in the Ordinary Shares will be able to re-sell their Ordinary Shares at or above the Share Offer Price.

3.2.2 Ranking on winding-up

The Shares represent equity interests in the Company that entitle the holder to rank *pari passu* with all other holders of Ordinary Shares upon any distribution of assets in a winding up. The Ordinary Shares are subordinated to any preference shares that may be issued by the Company from time to time and the Bonds and other debt instruments in the Company's capital structure, and will therefore be subject to greater credit risk than preferred shares or debt instruments of the Company.

3.2.3 Dividend risk

As a matter of Maltese law, a company can only pay dividends to the extent that it has distributable reserves and sufficient cash available for this purpose. The Issuer's ability to pay dividends in the future is affected by a number of factors, principally its ability to generate and receive income for such purposes, directly or indirectly, from its operating subsidiaries and associates. The ability of these entities to pay dividends and the Issuer's ability to receive such distributions is subject to applicable local laws and other restrictions, including their respective regulatory, capital and leverage requirements, statutory reserves, financial and operating performance and applicable tax laws. These laws and restrictions could limit the payment of dividends and distributions to the Issuer by its subsidiaries and associates, which could in turn restrict the Issuer's ability to fund other operations or to pay a dividend to holders of the existing Ordinary Shares or the New Ordinary Shares.

Historically, the Company has not paid any dividends since financial year ended 2006. As at 31 December 2014 the Company had accumulated losses of €27,502,395 and therefore did not have any distributable reserves. The availability of profits available for distribution is contingent on the positive results of operations of the Group, while any future losses at Group level will continue to impact negatively the Company's accumulated losses. The Company will not be in a position to pay any dividends before reversing in full any accumulated losses through the generation of sufficient distributable profits and/or the reduction of the Company's issued share capital to offset (in whole or in part) such accumulated losses. Accordingly, the Company is not expected to pay any dividends in the short to medium term and may not, even in the longer term, be in a position pay to any dividends at all.

3.2.4 Share price fluctuation risk

The market price of the New Ordinary Shares and/or the Ordinary Shares could be subject to significant fluctuations due to a change in sentiment in the market regarding the New Ordinary Shares, the Ordinary Shares and/or securities of other financial institutions. The fluctuations could result from national and global economic and financial conditions, the market's response to the Rights Issue, market perceptions of Issuer and various other factors and events.

3.2.5 Dilution risk

If a Shareholder does not take up the offer of New Ordinary Shares in the Rights Issue, his proportionate ownership and voting interests in the Issuer will be reduced and the percentage that the Shares will represent of the total share capital of the Issuer will be reduced accordingly. Even if a Shareholder elects to transfer the unexercised Rights, or such Rights are sold on his behalf, the consideration he receives may not be sufficient to compensate him fully for the dilution of his percentage ownership of the Issuer's share capital that may be caused as a result of the Rights Issue.

3.2.6 Risks relating to voting majorities

In the event that the Company wishes to amend any of the rights of Shareholders it shall call a meeting of Shareholders in accordance with the Company's Memorandum and Articles of Association. These provisions permit defined majorities to bind all Shareholders including Shareholders who did not attend and vote at the relevant meeting and Shareholders who voted in a manner contrary to the majority.

3.2.7 Legal risk

The terms and conditions of the admission to trading of the Shares are based on Maltese law in effect as at the date of this Securities Note. 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 Securities Note.

3.2.8 Securities law risk

Securities laws of certain jurisdictions may restrict the Issuer's ability to allow participation by Shareholders in the Rights Issue. Securities laws of certain other jurisdictions may restrict the Issuer's ability to allow participation by Shareholders in such jurisdictions in any future issue of shares carried out by the Issuer. Shareholders who have a registered address in or who are resident in, or who are citizens of countries other than Malta, should consult their professional advisers as to whether they require any governmental or other consent or need to observe any other formalities to enable them to participate in the Rights Issue.

3.2.9 Requirement of further funding

In addition to the net proceeds from the Rights Issue, further funding of circa €10,100,000 will be required by the Issuer to satisfy its working capital shortfall of €14,597,300 which includes its Bond obligation of €13,823,200 together with one year of interest thereon at 5.6%. In this regard, there is no guarantee that the prevailing market conditions will be conducive to such financing, or that shareholder support to raise any additional funding will be forthcoming.

3.2.10 Subscription risk

There is no assurance that the New Ordinary Shares on offer will be subscribed to any extent, if at all.

3.2.11 Shares in public hands

In terms of the Listing Rules, the Issuer must have at least twenty-five per centum (25%) of its listed share capital in the hands of the public. Should the number of shares in public hands following the Rights Issue fall below this threshold, the Issuer would no longer be meeting the relevant requirement under the Listing Rules and this may in turn lead to the delisting of the Company from the Official List of the Malta Stock Exchange. The delisting of the Company would have adverse effects on the marketability and transferability of the Shares and on the fiscal impacts on Share transfers.

4 PERSONS RESPONSIBLE

Each and all of the Directors whose names appear in section 11 of the Registration Document, are the persons responsible for the information contained in this Securities Note. To the best of the knowledge and belief of the Directors, who have taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is in accordance with the facts and contains no omission likely to affect its import. The Directors accept responsibility accordingly.

5 KEY INFORMATION

5.1 WORKING CAPITAL

5.1.1 Working Capital Statement

The Group does not have sufficient working capital available to it for its present requirements, that is, for at least the next 12 months from the date of this Prospectus.

5.1.2 Shortfall and relative timing

The Issuer envisages a shortfall in working capital of €14,597,300 in view of the €13,823,200 Bond redemption obligation together with the payment of interest at 5.6% falling due on the outstanding Bonds on 2 June 2016 (the "Maturity Date").

5.1.3 Action plan

In view of the Group's working capital deficiency set out above, the Issuer intends to rectify the current shortfall by virtue of a two-phase action plan which is to be implemented during the course of 2016. Firstly, the Rights Issue contemplated by this Prospectus is to take place, during the first half of 2016, whereby the New Ordinary Shares are to be issued up to the authorised share capital of the Company ("**Phase I Funding**"). The Rights Issue is expected to raise net proceeds of €4,880,000.

Following the Phase I Funding, it is intended that the Company raises further funding of up to €9,717,300 to fulfil its payment obligations in relation to the Bonds by the Maturity Date ("**Phase II Funding**"). It is envisaged that the Phase II Funding to address the outstanding shortfall in the working capital will be raised by the Company issuing a debt instrument on the capital market during the first half of 2016. The Phase II Funding is likely to comprise the issuance of debt securities to particular investor groups or a combination thereof. The Issuer considers that borrowing from institutional and, or professional investors would provide the optimum funding base for the Group to meet its Phase II Funding requirement and consequently is exploring the possibility of a private placement of debt securities to one or more institutional and, or professional investors. The Issuer may also consider supplementing such proposed institutional and, or professional funding with a public offering of debt securities to investors meeting the relevant criteria under the terms of any offer that may eventually be made by the Issuer. Any securities offering in respect of which the Issuer proposed to apply for authorisation for admissibility to listing on a regulated market in terms of the Financial Markets Act, 1990 (Cap. 345 of the Laws of Malta) will also require the prior approval of the MFSA. The Issuer does not exclude seeking bridging credit facilities to address any shortfall that results from the Phase II Funding. Following the successful conclusion of the Phase II Funding, the Issuer may conduct a further rights issue. In the event of such a further rights issue, the Issuer will also be required to seek the necessary shareholder approvals in general meeting by means of an extraordinary resolution in order to increase the authorised share capital of the Company, for the Issuer to be able to increase its issued share capital.

While there can be no guarantee that the support of Eligible Shareholders and, or Intermediaries to raise the Phase I Funding will be forthcoming, the Issuer is reasonably confident that in view of the declared intent of Investar to participate in the Rights Issue, as set out in section 13.1 of the Registration Document, the Issuer will receive subscriptions, at least, for the minimum number of New Ordinary Shares required to be subscribed in the Rights Issue in terms of section 9.1.1 below.

Nor can there be any assurance that the prevailing market and economic conditions will be conducive to the Phase II Funding being raised successfully, in part or at all. The Issuer is cautiously confident, however, that in the event that the Phase I Funding is successful the Issuer will be in a position to meet its Phase II Funding requirement through one, or a combination of, the proposed actions described above to raise the Phase II Funding.

5.1.4 Implications

Failure to obtain the Phase I Funding and the Phase II Funding, or any of them, may result in the Company being unable to meet its Bond obligations by the Maturity Date. Consequently, this could have a material adverse effect on the business, prospects, financial condition, results and operations of the Group. Failure to obtain such funding could, ultimately, lead to the Company being unable to meet its obligations as these fall due thereby triggering one or more events of default under the Bonds and the insolvency of the Company.

6 CAPITALISATION AND INDEBTEDNESS

The following table sets forth the capitalisation and indebtedness of the Issuer as at 30 June 2015 derived from the last published consolidated financial information of the Issuer.

Capitalisation & Indebtedness	30 June 2015
	€'000s
Unguaranteed/Unsecured ¹	13,823
Total Current Debt	13,823
Shareholders' Equity	
Share capital	3,846
Share premium	16,971
Other reserves ²	3,703
Total Shareholders' Equity	24,520

¹ 5.6% bonds redeemable at par at the latest on 02 June 2016.

² Other reserves referred to above do not include the profit and loss reserve in accordance with the CESR Recommendation number 127. Group accumulated losses as at 30 June 2015 amount to €20,870,443.

There has been no material change in the capitalisation and indebtedness of the Issuer since the last published financial information. The Issuer does not have any indirect or contingent indebtedness.

The following table sets forth the components of the Group's net debt as of 30 June 2015.

Net Indebtedness	30 June 2015
	€'000s
Cash and cash equivalents ³	5,511
Trading securities ⁴	49,669
Liquidity	55,180
Current portion of non-current debt ⁵	(14,608)
Net current liquidity	40,572
Non-current financial liquidity	-
Net Financial Liquidity	40,572

³ Cash and cash equivalents represent cash at bank and in hand

⁴ Trading securities include debt and equity securities held at fair value and held to maturity designated debt securities with a fair value of €8.9 million and excluding trading securities held to cover linked liabilities.

⁵ 5.6% bonds and coupon of €0.8 million redeemable at par at the latest on 02 June 2016.

6.1 INTEREST OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER

The following interests of natural and legal persons involved in the Issue are being disclosed:

- The interest of members of the Board of Directors of the Issuer and that of senior management:

As further provided in section 11.4 of the Registration Document, Prof. Paolo Catalfamo is a Director and holds a 100% shareholding interest in Investar p.l.c., which as at the date of this Prospectus is a shareholder in the Issuer holding eight point ninety-three per centum (8.93%) of the Ordinary Shares. In addition, Mr Christopher Pace is also a Director and holds fifteen point twenty-four per centum (15.24%) of the Ordinary Shares in the Issuer.

With the exception of Prof. Paolo Catalfamo and Mr. Christopher J. Pace, none of the Directors and members of executive management, directly or indirectly, traded any Ordinary Shares of the Issuer.

- The interest of the Shareholders of the Issuer:

As further provided in section 13.1 of the Registration Document, Investar p.l.c. which holds an 8.93% equity interest in the Company has issued a prospectus dated 12 January 2016 (the “Investar Prospectus”) wherein it has declared that it intends to acquire a majority and controlling interest in the Issuer as a result of its participation in the Rights Issue.

6.2 REASONS FOR THE ISSUE/OFFER AND USE OF PROCEEDS

The net proceeds from the Issue of New Ordinary Shares of approximately €4,740,000 will be used by the Issuer to partly finance the redemption of the Bonds.

6.3 EXPECTED TIME-LINE

Each of the dates (other than the Record Date) in the table below is indicative and may be subject to change.

1. Record Date (meaning trading up to and including 02 March 2016)	04 March 2016
2. Availability of PALs and Excess Shares Application Forms	16 March 2016
3. Opening of Rights Issue Acceptance Period	16 March 2016
4. Closing of Rights Issue Acceptance Period	30 March 2016
5. Announcement of Rights Issue Results	04 April 2016
6. Opening of Excess Shares Application Forms sealed bids	04 April 2016
7. Announcement of Excess Shares Results and of any Lapsed Rights Intermediaries Offer	04 April 2016
8. Opening of Lapsed Rights Intermediaries Offer	06 April 2016
9. Closing of Lapsed Rights Intermediaries Offer	08 April 2016
10. Company Announcement re Results of Lapsed Rights Intermediaries Offer, if any	08 April 2016
11. Allotment, Commencement of the New Ordinary Shares	13 April 2016
12. Expected Commencement of Trading of the New Ordinary Shares	14 April 2016
13. Payment of Premium (if any) made to Lapsed Rights Holders	20 April 2016

7 INFORMATION CONCERNING THE SHARES ADMITTED TO TRADING

7.1 GENERAL

Description and Class	The New Ordinary Shares are ordinary shares in the Company having a nominal value of €0.291172 each Share. The Shares form part of one class of ordinary Shares in the Company and shall accordingly have the same rights and entitlements
Legislation under which the Shares have been created	Companies Act, Cap. 386 of the laws of Malta
Corporate authorisations	On 16 September 2015 the Company resolved in general meeting to issue up to a maximum amount of new Ordinary Shares not exceeding the authorised share capital of the Company and that such authorisation be valid for a maximum period of 12 months from the date of approval of the said resolution. The increase in the issued share capital of the Company in accordance with the Rights Issue contemplated by this Prospectus has been approved pursuant to the aforementioned resolution.
Registered Form	The Issuer will not issue certificates representing the fully paid up New Ordinary Shares as the New Ordinary Shares will be represented in uncertificated form by the appropriate entry in the electronic register of the MSE. There will be entered into such electronic register the names and addresses of the holders of the New Ordinary Shares and the number of New Ordinary Shares held by them. It is expected that the MSE will issue a notice on or around 13 April 2016 and such date shall constitute the date of issue, allotment as well as listing of the New Ordinary Shares. It is also expected that the MSE will issue registration advices to each shareholder immediately thereafter. Any shareholder in whose name the New Ordinary Shares are registered may (to the fullest extent permitted by the applicable laws) be deemed and treated at all times and for all purposes as the owner of the New Ordinary Shares. Title to the New Ordinary Shares is transferred in accordance with the provisions of section 7.2 of this Securities Note.
Currency	Euro (€)
Expected Date of Issue	The Shares are expected to be issued on 13 April 2016
ISIN	MT0000170101

7.2 RIGHTS ATTACHED TO THE SHARES

The New Ordinary Shares form part of one class of ordinary Shares in the Company and shall accordingly have the same rights and entitlements. The following are highlights of the rights attaching to the Shares:

Dividends	the New Ordinary Shares shall carry the right to participate in any distribution of dividends declared by the Company <i>pari passu</i> with all other shares in the same class. Dividends may be declared by the Company in General Meeting. The amount declared shall not exceed the amount recommended by the Directors. All dividends or other sums payable that remain unclaimed for one (1) year after having been declared may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed. All dividends unclaimed for a period of twelve (12) years after having been declared shall be forfeited and shall revert to the Company. The M&As of the Issuer do not provide for any dividend restrictions and procedures vis-à-vis non-resident holders of New Ordinary Shares.
Voting Rights	each New Ordinary Share shall be entitled to one vote at meetings of Shareholders.
Capital Distribution	the New Ordinary Shares shall carry the right for the holders thereof to participate in any distribution of capital made whether on a winding up or otherwise, <i>pari passu</i> with all other Shares of the same class.
Transferability	the New Ordinary Shares are freely transferable in accordance with law, including the rules and regulations of the MSE applicable from time to time and with the articles of association of the Company.
Pre-emption	in accordance with article 88 of the Companies Act, the New Ordinary Shares must be offered on a pre-emptive basis to Shareholders in proportion to the share capital held by them. 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. The right of pre-emption must be exercised in accordance with Article 6.2 of the Articles of Association of the Issuer which states that on a fresh issue of ordinary shares, such shares shall be offered in the first instance to the existing Members of the Company pro-rata to the number of shares held by them respectively. The offer shall be made by notice in writing specifying the number of shares offered, as well as their price and limiting a time, being not less than 14 days, within which the offer if not accepted shall be deemed to have been declined. Any remaining shares may then be offered to non-members.
Redemption/Conversion	the New Ordinary Shares are not redeemable and not convertible into any other form of financial instrument.

8 TAXATION

8.1 GENERAL

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 Ordinary 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 Issuer 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, and may vary depending on the jurisdiction of the investor.

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

8.2 TAXATION OF THE COMPANY

The Company, being a company incorporated in Malta, is subject to Maltese income tax on its worldwide profits. The normal Maltese corporate tax rate is of 35% chargeable on the taxable profits, although certain tax exemptions or lower tax rates may apply in respect of certain particular sources of income. Certain capital gains as specified in Maltese tax law are also subject to income tax but the applicable tax rate (and the amount on which such tax is calculated) may vary depending on the particular asset being transferred. Indeed, in the case of transfers of Maltese immovable property, as from 1 January 2015, such transfers should in general (although certain exceptions may apply) be subject to a final withholding tax of 10% where the property was acquired before 1 January 2004 or a final withholding tax of 8% for property acquired on or after 1 January 2004. The said 10% or 8% final withholding tax is calculated on the higher of the market value of the property and the transfer consideration. The Company may be entitled to receive dividend income from its Maltese subsidiaries. Such dividends should, through the operation of the full imputation system, not be subject to further income tax liability at the level of the Company, whether by way of withholding or otherwise. If the Company receives any income from foreign sources (including capital gains, dividends, interest and any other income), such income should also be subject to tax in Malta at the corporate tax rate of 35% but double taxation relief may, where applicable, be claimed by the Company against the respective income tax liability in terms of the provisions of Part X of the Maltese Income Tax Act.

8.3 TAXATION OF SHAREHOLDERS

8.3.1 Income Tax on Dividends Arising from the Holdings of Shares

In general, distributions of dividends from taxed profits by the Company to its shareholders are not subject to any further income tax liability.

However, if the Company were to distribute dividends from untaxed profits (which are not tax exempt in the hands of the shareholders), such dividends may be subject to a 15% withholding tax in the case where the shareholder is any one of the following:

- a. a person, other than a company, resident in Malta in the year in which a dividend is received by him or by any person on his behalf; or
- b. a non-resident person (including a non-resident company) who is owned and controlled by, directly or indirectly, or who acts on behalf of, an individual who is ordinarily resident and domiciled in Malta; or
- c. a trustee of a trust where the beneficiaries of such trust are persons referred to above in (i) and (ii); or
- d. an EU/EEA individual (and his or her spouse where applicable) where the Maltese Commissioner for Revenue is satisfied that the said EU/EEA individual derives at least 90% of his worldwide income from Malta. The application of any relevant double taxation agreements may need to be considered in this regard.

8.3.2 Income Tax on Capital Gains on Transfer of the Shares

Since the New Ordinary Shares are being issued with a view to being listed on the Malta Stock Exchange, in general, capital gains derived from the disposal of such Shares in the Company should be exempt from tax in the hands of the shareholder.

8.3.3 Duty on Documents and Transfers

Transfers of Shares in the Company may be subject to stamp duty under the Duty on Documents and Transfers Act, Cap 364 of the laws of Malta. However, following the listing of the New Ordinary Shares on the Malta Stock Exchange, transfers of Shares in the Company should be exempt from the payment of stamp duty.

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 ISSUER 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 ORDINARY SHARES, AS WELL AS DIVIDEND PAYMENTS MADE BY THE ISSUER. THIS INFORMATION, WHICH DOES NOT CONSTITUTE LEGAL OR TAX ADVICE, REFERS ONLY TO INVESTORS WHO DO NOT DEAL IN ORDINARY SHARES IN THE COURSE OF THEIR NORMAL TRADING ACTIVITY.

9 TERMS AND CONDITIONS OF THE OFFER

9.1 GENERAL

9.1.1 Introduction

The Company is proposing to raise capital by way of a Rights Issue of 16,792,452 New Ordinary Shares and in the event of any Lapsed Rights, an offer to Eligible Shareholders for Excess Shares and an Intermediaries Offer (in this order of preference).

The New Ordinary Shares will be offered to Eligible Shareholder by way of nil-paid rights on the basis of 1.27 New Ordinary Shares for every 1 existing Ordinary Share held on the Record Date on the terms and conditions as set out in this Securities Note in direct proportion to their existing shareholding.

Application has been made to the Listing Authority to authorise the New Ordinary Shares issued pursuant to the Rights Issue to be listed on the Official List of the MSE with dealings expected to commence on or around 14 April 2016.

The New Ordinary Shares will, when issued and fully-paid, rank equally in all respects with the existing Ordinary Shares, including the right to receive all dividends or other distributions made, paid or declared after the date of this Prospectus.

The allotment of New Ordinary Shares pursuant to this Issue is conditional upon a minimum of ten million (10,000,000) New Ordinary Shares being subscribed for.

Any fractional entitlement shall be rounded to the nearest whole share, that is, rounded up from 0.5 upwards and rounded down if below 0.5.

It is the responsibility of Eligible Shareholders wishing to apply for the New Ordinary Shares to ascertain that all applicable legal and regulatory requirements relating to the taking up of Rights and the consequent subscription to New Ordinary Shares are complied with, including any regulatory notification, authorisation and, or consent required to: (i) acquire, indirectly, a Qualifying Shareholding in the Issuer's Regulated Subsidiaries; or (ii) increase, indirectly, an existing shareholding in the Issuer's Regulated Subsidiaries which is not a Qualifying Shareholding so as to cause it to become a Qualifying Shareholding; or (iii) increase, indirectly, a Qualifying Shareholding in the Issuer's Regulated Subsidiaries as a result of which the proportion of the voting rights or of the capital held in such Regulated Subsidiaries would reach or exceed twenty per centum (20%), thirty per centum (30%) or fifty per centum (50%) or so that such Regulated Subsidiaries would become its subsidiaries.

It is also the responsibility of Eligible Shareholders wishing to apply for the New Ordinary Shares to inform themselves as to the legal requirements of so applying in the countries of their nationality, residence or domicile.

The attention of Overseas Shareholders or any person who has a contractual or other legal obligation to forward this Prospectus or other related document into a jurisdiction other than Malta is drawn to section 9.6 below. The offer of New Ordinary Shares will not be made in the Excluded Territories.

9.1.2 Definitions

Save where the context requires otherwise, terms defined in the Prospectus bear the same meaning when used in these Terms and Conditions and/or the Provisional Allotment Letter and/or in any other document issued pursuant to the Prospectus.

9.1.3 Notices and Provisional Allotment Letters ("PAL(s)")

This Prospectus, the Provisional Allotment Letters, and accompanying documentation are expected to be mailed to Eligible Shareholders at their registered addresses as held by the CSD (as at the Record Date) by the 14 March 2016 and shall be deemed to have been served upon all Eligible Shareholders at the expiration of forty-eight (48) hours after such mailing. The Eligible Shareholders shall return the Provisional Allotment Letter to any of the Financial Intermediaries (as listed in Annex A) during the period between 08:30 on the 16 March 2016 and 12:00 on the 30 March 2016 (the "Offer Period").

The Provisional Allotment Letter details the number of New Ordinary Shares to be issued to each Eligible Shareholder. It is then supplemented by instructions as to the possibility that an Eligible Shareholder might want to:

- a. take up all of his Rights (PAL A);
- b. take up all his Rights in full and indicate his interest to subscribe for New Ordinary Shares in excess of his proportionate entitlement (PAL A);
- c. take up only part of the Rights allotted to him (and may in addition also opt to transfer all or part of the remaining balance (PAL B); or
- d. transfer part or all of those Rights to a third party/ies (PAL C).

The Provisional Allotment Letter(s) and (evidence of) payment for the New Ordinary Shares to be subscribed for should be returned to the Collecting Agent during the Offer Period but by no later than 12:00 on 30 March 2016.

The Collecting Agent must submit the Provisional Allotment Letter(s) to the Registrar by 17:00 on 30 March 2016 together with relevant evidence of full payment made to the Registrar's Account for the amount of New Ordinary Shares subscribed for.

It shall be the responsibility of the Collecting Agent to ensure that the Provisional Allotment Letter(s) together with relevant evidence of full payment reach the Registrar on time. It shall also be incumbent on the Collecting Agent to ascertain that all applicable legal and regulatory requirements relating to the taking up of Rights and the consequent New Ordinary Shares by the transferee(s) are complied with, including without limitation the obligation to comply with all applicable anti-money laundering and counter-terrorist financing rules and regulations and including the MFSA rules for Investment Services Providers.

The PAL, once duly completed and executed by an Eligible Shareholder, shall constitute a binding contract between the Company and the Eligible Shareholder whereby the Eligible Shareholder shall be bound to subscribe for and acquire the number of shares forming part of the Rights Issue as are indicated in the PAL and to effect payment therefor and the Company shall be bound to allot to Eligible Shareholders and / or transferee/s their respective proportionate entitlements subscribed for.

9.1.4 Right to Reject

Subject to all other terms and conditions set out in this Securities Note, the Company reserves the right to reject any PAL, Excess Shares Application Form or offers during the Intermediaries Offer (the "**Applications**"). The Company also reserves the right to refuse Applications which, in the opinion of the Company, are not properly completed in all respects in accordance with the instructions, or are not accompanied by the required documents and/or payments, or in respect of which the Applicant fails to provide the Company before the end of the Offer Period or the Intermediaries Offer Period (as the case may be) with evidence, satisfactory to the Company, of any necessary regulatory authorisation and, or consent required to subscribe to New Ordinary Shares. The Applications will be accepted in original form only and photocopies/facsimile copies will not be accepted.

If any Application is not accepted, the payment monies will be returned by means of a cheque in Euro, without interest, and mailed at the Applicants' own risk to the address appearing on the Application. Any expenses or charges connected with such return of monies shall be borne by the respective Applicant.

The Company and the Registrar expressly disclaim any and all responsibility for any remittances that may be lost or otherwise mislaid through the mail.

9.1.5 Right to Revoke the Offer

Subject to all other terms and conditions set out in the Securities Note and the Provisional Allotment Letter, the Company reserves the right to revoke the Offer at any time before the closing of the Offer Period.

The circumstances in which such revocation might occur are expected to be exceptional, for example in the case of extraordinary injection of capital exogenous to this Rights Issue or where a significant change in market conditions occurs.

In the event of a revocation of the Offer, the payment monies will be returned by means of a cheque in Euro, without interest, and mailed at the Applicants' own risk to the address appearing on the Provisional Allotment Letter. The Company and the Registrar expressly disclaim any and all responsibility for any remittances that may be lost or otherwise mislaid through the mail.

9.1.6 Announcement of acceptance of Rights

On 4 April 2016, the Issuer shall announce the results of the Offer by means of a company announcement, indicating also if there are any Lapsed Rights subject to the Intermediaries Offer, which would trigger the process indicated in section 9.5 of this Securities Note.

The Lapsed Rights will not be admitted to trading on a regulated market, however, application will be made to the Malta Stock Exchange for the New Ordinary Shares issued as a result of the exercise of any rights under the Rights Issue (including valid subscriptions for Lapsed Rights) for such New Ordinary Shares to be listed and traded on the regulated market of the MSE and for dealings to commence thereon, which is anticipated to be on or around 14 April 2016.

9.2 ACTION REQUIRED TO SUBSCRIBE TO THE RIGHTS ISSUE

9.2.1 Contents of the Provisional Allotment Letter

Each PAL will set out:

- i. The holding of existing Ordinary Shares on which an Eligible Shareholder's entitlement to the New Ordinary Shares has been based;
- ii. The number of New Ordinary Shares which have been provisionally allotted to each Eligible Shareholder;
- iii. The right of Eligible Shareholders accepting their proportionate entitlement of New Ordinary Shares in full to apply for New Ordinary Shares in excess of their proportionate entitlement as detailed in sections 9.2.7 and 9.5.1(i) below; and
- iv. Instructions regarding acceptances, splitting, transfers and payment.

The maximum number of New Ordinary Shares that an Eligible Shareholder may take up or transfer is that which is set out in the relevant PAL. The minimum number of New Ordinary Shares an Eligible Shareholder may take up is one. The Eligible Shareholder has the option not to take up or transfer any of the New Ordinary Shares, in which case, no action would be required by the Eligible Shareholder.

The contract created by the signing of the PAL shall be subject to all the terms and conditions set out in this Prospectus and the PAL.

9.2.2 Joint Eligible Shareholders

In the case of existing Ordinary Shares held jointly by several persons, the Company shall send a PAL to the person/s entered on the register of the CSD or to the first person of the joint holders entered on the register of the CSD who shall, for all intents and purposes be deemed, vis-a-vis the Company, to be the registered holder of the existing Ordinary Shares.

9.2.3 Legal persons

Where the Eligible Shareholder is a legal person, the PAL must be signed by the person/s authorised to sign and bind such Eligible Shareholder. The Company may seek to verify whether the person/s purporting to bind such an Eligible Shareholder is in fact so authorised. In this regard, the Company may request the signatory to submit the relative power of attorney/resolution or a copy thereof duly certified by a lawyer or notary public authorizing such person/s to sign on behalf of the Eligible Shareholder. Furthermore, the Board may seek such additional verification by means of confirmation from any regulatory or other competent authority in any jurisdiction.

9.2.4 Minors

If the name appearing on the register of the CSD as at the Record Date is that of a minor, and the Eligible Shareholder is still a minor at the date of closure of the Offer Period, the PAL must be signed by both parents or the legal guardian/s and accompanied by a Public Registry birth certificate of the minor or evidence of legal guardianship, as the case may be. Any New Ordinary shares allotted pursuant to the Rights Issue shall be registered by the company in the name of the minor as a shareholder with dividends and any other entitlements payable to the parents/legal guardian/s signing the PAL until such time as the minor attains the age of eighteen (18) years. Upon the minor reaching such age, all dividends shall be payable directly to the registered holder, provided that the Company has been duly notified in writing that the minor has attained the age of eighteen (18) years.

9.2.5 Deceased persons

If the name appearing on the register of the CSD as at close of trading on the Record Date is that of a deceased Eligible Shareholder or if an Eligible Shareholder dies before the expiry of the Offer Period and prior to having completed the PAL, the PAL must be signed by the lawful successors in title of the deceased Eligible Shareholder. For this purpose, the successors in title of the deceased Eligible Shareholder must contact the Company or the Collecting Agent within the Offer Period in order to produce adequate documentary proof to the satisfaction of the Company or the Collecting Agent, in order to enable them to verify their status as lawful successors of the deceased Eligible Shareholder.

9.2.6 Shares subject to Usufruct

In respect of Ordinary Shares held subject to usufruct, the Offer shall be made and the PAL issued in the name of the bare owner, provided that any new Ordinary Shares allotted pursuant to an acceptance by a bare owner shall be subject to the same right of usufruct in favour of the usufructuaries who have such rights with respect to the existing Ordinary Shares held by the said Eligible Shareholder as bare owner as at the Record Date. In this respect, the PAL submitted to the Collecting Agent is to be accompanied by an authorisation of the usufructuary allowing the addition of the new shares, which is to be subsequently forwarded in original to the Registrar.

9.2.7 Procedure for acceptance

i. Eligible Shareholders who wish to accept in full

Eligible Shareholders who wish to take up all of their Rights should complete PAL A and return it to any of the Collecting Agents (listed in Annex A) together with proof of payment.

ii. Eligible Shareholders who wish to accept in part

Eligible Shareholders who wish to take up only some but not all of their Rights, should complete PAL B and return it to any of the Collecting Agents (listed in Annex A) together with proof of payment. The Eligible Shareholder will have the option to transfer the remaining balance (or part thereof) to any third party. Any balance not subscribed for will be automatically renounced and will become as detailed in section 9.5.1 below.

iii. Eligible Shareholders who wish to transfer all or part of their pro-rata New Ordinary Shares allotment

Eligible Shareholders who wish to transfer all or part of their Rights should complete PAL C including details of the transferee(s) and return it to any of the Collecting Agents (listed in Annex A) together with proof of payment.

In the case of existing Ordinary Shares held jointly by several persons who wish to transfer all or part of their Rights, all joint shareholders are to sign the applicable PAL(s).

iv. Eligible Shareholders who wish to accept in full and commit to subscribe for New Ordinary Shares in excess of their proportionate entitlement

Eligible Shareholders accepting their proportionate entitlement of New Ordinary Shares in full by means of PAL A, shall be entitled to apply for Excess Shares, on a pre-emptive basis, by indicating their interest in the said PAL A. These Eligible Shareholders will also be required to submit an Excess Shares Application Form in the format of Annex B, which is to be submitted in a sealed envelope to the Intermediary. On the Excess Shares Application Form, the Eligible Shareholder/s should indicate any number of Excess Shares which they wish to subscribe to and acquire, stipulating the bid price for such Excess Shares, which should not be lower than the Share Offer Price. The submission of the Excess Shares Application Form constitutes a binding contract between the Company and the Eligible Shareholder/s whereby the Eligible Shareholder/s shall be bound to subscribe for and acquire the number of Excess Shares and to effect payment for the Excess Shares to which they may become entitled pursuant to the allocation policy described in section 9.5.1(i) below.

9.3 PAYMENT - RIGHTS ISSUE

9.3.1 Payment by Eligible Shareholders

Delivery of the PAL(s) together with proof of payment (in cleared funds and net of transfer charges) by the Eligible Shareholder to the Collecting Agent must be made as soon as possible, and in any event by not later than 12:00 on 30 March 2016. The amount payable is to be rounded up to the nearest Euro cent.

No interest will be paid on payments made before they are due.

9.3.2 Payment by Collecting Agents

Payment for the New Ordinary Shares by the Collecting Agents must be made in Euro and must reach the Registrar's bank account in cleared funds and net of transfer charges, and may be made by bank account transfer. Coordinates of the payment instructions are available with the Collecting Agent.

No interest will be paid on payments made before they are due.

9.4 COMPANY'S ACCEPTANCE

9.4.1 Issuer's discretion as to the validity of acceptance

If the PAL(s) and proof of payment of cleared funds do not reach the Collecting Agent by 12:00 on 30 March 2016 (and submitted to the Registrar by 17:00 on 30 March 2016), the Offer, will be deemed to have been declined by the Eligible Shareholder and will be treated in accordance with the provisions detailed in section 9.5.1 below. The Company may, with the agreement of the Registrar, but shall not be obliged to, treat as valid PAL(s) accompanied by proof of payment received later than 17:00 on 30 March 2016.

The Company may also, with the agreement of the Registrar, but shall not be obliged to, treat PAL(s) as valid and binding on the person(s) by whom or on whose behalf it/they is/are lodged even if it/they is/are not completed in accordance with the relevant instructions or is/are not accompanied by a valid power of attorney where required.

9.5 PROCEDURE IN RESPECT OF RIGHTS NOT TAKEN UP (LAPSED RIGHTS)

9.5.1 Lapsed Rights

If an entitlement to New Ordinary Shares is not validly taken up by 12:00 on 30 March 2016, in accordance with the procedure laid down in this Prospectus for acceptance and payment of New Ordinary Shares, then that Offer to the particular Eligible Shareholder will be deemed to have been renounced. In such an event, the nil-paid Rights will become "**Lapsed Rights**". The Lapsed Rights will not be admitted to trading on any regulated market in Malta or otherwise.

Any Lapsed Rights not subscribed to by Eligible Shareholders during the Offer Period will be allotted as follows and in accordance with the Allocation Policy set out in section 9.5.3:

i. Allotment of Excess Shares

Lapsed Rights shall be available to Eligible Shareholders accepting their proportionate entitlement of New Ordinary Shares in full and who shall be entitled to apply for such Lapsed Rights, on a pre-emptive basis, by indicating in PAL A their interest and submitting an Excess Shares Application Form on which the Eligible Shareholder/s is/are to indicate any number of Excess Shares he/they wish to subscribe for at the bid price, as detailed in section 9.2.7 above. Excess Shares Application Forms are to be received by the Collecting Agent in original in sealed format by no later than 12:00 on 30 March 2016. Any bids received later than this date or in a non-sealed format will not be accepted by the Registrar.

In the event that the demand for Excess Shares is less than the number of Excess Shares available for allocation, then the Eligible Shareholders applying for such Excess Shares shall be allocated the Excess Shares applied for by them at the bid price indicated in the Excess Share Application Form, which shall not be lower than the Share Offer Price. The remaining unallocated Excess Shares shall be allocated in accordance with section 9.5.1(ii) hereunder.

In the event that the demand for Excess Shares is greater than the number of Excess Shares available for allocation, then the Excess Shares shall be allocated strictly on the basis of the best bid price as indicated in the Excess Shares Application Form by the respective Eligible Shareholders who have applied for Excess Shares based on the following rules:

- a. The Eligible Shareholder who has submitted the best bid price shall be allocated the Excess Shares applied for or, if there are less Excess Shares available for allocation, such Excess Shares as are available for allocation;
- b. In the event that after such allocation there still remain Excess Shares unallocated, the Eligible Shareholder who has submitted the next best bid price shall be allocated the Excess Shares applied for or, if there are less Excess Shares available for allocation, the remaining Excess Shares available for allocation; this process shall be repeated until the number of Excess Shares available has been fully allocated;
- c. In the event that at any of the stages in paragraph (a) or (b) above there is more than one Eligible Shareholder who has submitted a bid equivalent to the best bid price (in the case of paragraph (a) above) or to the next best bid price (in the case of paragraph (b) above) and there are fewer Excess Shares available for allocation, then such Excess Shares shall be allocated to every such Eligible Shareholder on a pro rata basis based on the number of Excess Shares applied for by every such Eligible Shareholder as a percentage of the total Excess Shares applied for by all Eligible Shareholders at that same price.

Any amounts payable are to be rounded up to the nearest Euro cent.

ONLY ELIGIBLE SHAREHOLDERS VALIDLY SUBSCRIBING TO THEIR PROPORTIONATE ENTITLEMENT OF NEW ORDINARY SHARES IN FULL SHALL BE ELIGIBLE TO APPLY FOR EXCESS SHARES.

ii. Intermediaries Offer for Lapsed Rights

In the event that any New Ordinary Shares remain unallocated following the close of the Offer Period and, if applicable, after the allotment of Excess Shares provided for in (i) above has been made, the remaining Lapsed Rights will be offered to Intermediaries via an Intermediaries Offer.

In this regard, the Company intends to make an Intermediaries Offer between 6 April 2016 and 8 April 2016 (the "**Intermediaries Offer Period**"). In such event, the Issuer shall invite Financial Intermediaries to make an offer for such Lapsed Rights for their own account or for the account of their clients, provided that such offers may only be made by the Financial Intermediaries during the Intermediaries Offer Period. Pursuant to such Intermediaries Offer, the Financial Intermediary may place offers to the Issuer to subscribe for such Lapsed Rights.

Offers will be accepted by the Issuer on behalf and for account of the Eligible Shareholders who have allowed their Rights to become lapsed (the "**Lapsed Rights Holders**") strictly on the best price, which price cannot be lower than the Share Offer Price, and Lapsed Rights will be allocated accordingly. The Issuer, however, reserves the right not to accept any offer if, in its sole discretion, it considers such offer not to be in the interest of Lapsed Rights Holders. In the event that there are offers at the same price for more than there are Lapsed Rights available, these will be allocated pro rata to the respective Financial Intermediary, as the case may be. In respect of the Intermediaries Offer, a determination by the Registrar as to the acceptance or otherwise by the Issuer of an offer shall be conclusive and binding on all Financial Intermediaries.

In terms of Appendix 3.1 of the Listing Rules, the Listing Authority may require a list of the names of the Financial Intermediaries to whom securities were allocated and a list of the names and addresses of the underlying clients of each Financial Intermediary to whom the New Ordinary Shares were in turn allocated.

The minimum number of Lapsed Rights for which the Financial Intermediary may submit one or more offers shall be 20,000 New Ordinary Shares in the aggregate.

The minimum price for which an offer for Lapsed Rights during an Intermediaries Offer may be submitted shall be the Share Offer Price of €0.291172 per share.

Acceptance and allocation of offers will be communicated to the Financial Intermediaries as soon as practicable on or around 8 April 2016.

The invitation to Financial Intermediaries during the Intermediaries Offer will be made pursuant to and as subject to the Prospectus and the Terms and Conditions set out herein (together, the "**Relevant Terms**") and any Financial Intermediary applying for Lapsed Rights shall be deemed by so applying to have accepted the Relevant Terms and to be bound thereby.

9.5.2 Payment of premium

Any premium over the Share Offer Price from any of the Excess Shares Offer or the Intermediaries Offer during the Lapsed Rights Offer, and where such premium exceeds five Euro (€ 5) on a per Lapsed Rights Holder basis and net of any expenses which might be incurred by the Company, obtained by the Company from the disposal of the Lapsed Rights whether in the allotment of Excess Shares to Eligible Shareholders or in the Intermediaries Offer described above shall be paid to the Lapsed Rights Holder.

The said premium will be paid by means of a cheque in Euro, without interest, and mailed at the Lapsed Rights Holders' own risk to the address appearing on the register as a Record Date. Any expenses or charges connected with such payment shall be borne by the respective Lapsed Rights Holder. The Company and the Registrar expressly disclaim any and all responsibility for any remittances that may be lost or otherwise mislaid through the mail.

9.5.3 Allocation Policy

The Issuer shall allocate the New Ordinary Shares on the basis of the following policy:

- i. First, it shall satisfy the acceptance of all Eligible Shareholders and their transferees (under section 9.1.4 (b) or (c) above) who apply to take up the Rights in whole or in part;
- ii. In the event that following the allocations made pursuant to paragraph (i) above there still remain unallocated New Ordinary Shares, the Issuer shall allocate such unallocated New Ordinary Shares to those Eligible Shareholders who have successfully subscribed for Excess Shares pursuant to section 9.5.1 (i); and
- iii. In the event that following the allocations made pursuant to paragraphs (i) and (ii) of this section there still remain unallocated New Ordinary Shares, the Issuer shall invite Financial Intermediaries to make an offer for such Lapsed Rights for their own account or for the account of their clients pursuant to the "Intermediaries Offer" contemplated in section 9.5.1(ii) above.

9.6 OVERSEAS SHAREHOLDERS AND EXCLUDED TERRITORIES

9.6.1 General

THE OFFER OF NEW ORDINARY SHARES TO PERSONS RESIDENT IN, OR WHO ARE CITIZENS OF, OR WHO HAVE A REGISTERED ADDRESS IN, COUNTRIES OTHER THAN MALTA MAY BE AFFECTED BY THE LAW OF THE RELEVANT JURISDICTION. THOSE PERSONS SHOULD CONSULT THEIR PROFESSIONAL ADVISERS (INCLUDING TAX CONSULTANTS) AS TO WHETHER THEY REQUIRE ANY GOVERNMENTAL OR OTHER CONSENTS OR NEED TO OBSERVE ANY OTHER FORMALITIES TO ENABLE THEM TO TAKE UP THE NEW ORDINARY SHARES.

This section sets out the restrictions applicable to Eligible Shareholders who have registered addresses and/or who are citizens or residents of Excluded Territories.

Any person (including, without limitation, nominees and trustees) outside Malta wishing to take up the New Ordinary Shares as applicable in relation to his holding of Existing Shares must satisfy himself as to full observance of the applicable laws of any relevant territory including obtaining any requisite governmental or other consents, observing any other requisite formalities and paying any issue, transfer or other taxes due in such territories.

The comments set out in this section are intended as a general guide only and any Eligible Shareholder who is in doubt as to his position should consult his independent professional adviser without delay.

Having considered the circumstances, the Directors have formed the view that it is necessary or expedient to restrict the ability of persons in the Excluded Territories to take up rights to New Ordinary Shares or otherwise participate in the Rights Issue due to the time and costs involved in the registration of this Prospectus and/or compliance with the relevant local legal or regulatory requirements in those jurisdictions.

Application Forms will not be sent to Eligible Shareholders with registered addresses in Excluded Territories, except where in the absolute discretion of the Issuer it is satisfied that such action would not result in a contravention of any applicable legal or regulatory requirement in the relevant jurisdiction. In these circumstances the New Ordinary Shares provisionally allotted to such Eligible Shareholders will be treated as if they were Lapsed Rights, in accordance with the provisions of section 9.5.1 of this Prospectus.

The receipt of this document and/or an Application Form will not constitute an offer in those jurisdictions in which it would be illegal to make an offer and, in those circumstances, this document and/or an Application Form will be sent for information only and should not be copied or redistributed. No person receiving a copy of this document and/or an Application Form in any Excluded Territory, may treat the same as constituting an invitation or offer to him, nor should he in any event deal with the Application Form **unless, in the relevant territory, such an invitation or offer could lawfully be made to him or the Application Form could lawfully be used or dealt with without contravention of any unfulfilled registration or other legal or regulatory requirements.**

The provisions of this section 9.6 will apply generally to Overseas Shareholders who do not or are unable to take up New Ordinary Shares provisionally allotted to them on the basis that such action would result in a contravention of applicable legal or regulatory requirements in the relevant jurisdiction.

New Ordinary Shares which Eligible Shareholders with registered addresses in Excluded Territories would otherwise have been entitled to receive will be considered as renounced and will be treated as such in accordance with section 9.5.1 above.

9.6.2 United States of America and Canada

This document and any Application Form are intended only for use in connection with this Offer outside of the United States of America and Canada and are not to be given or sent, in whole or in part, to any person within the United States of America or Canada.

9.7 REPRESENTATIONS AND WARRANTIES OF ELIGIBLE SHAREHOLDERS

By completing and delivering the Application Form, each of the Eligible Shareholders:

- a. subject to the right of the Company to reject, in whole or in part, an Application Form and subject to the right of the Company to revoke the Offer as is respectively set out in this Prospectus, agrees that it has entered into a contract with the Company as subject to all the terms and conditions set out in this Prospectus;
- b. agrees to have had the opportunity to read the Prospectus and to be deemed to have had notice of all information and representations concerning the Company and the issue of the New Ordinary Shares contained therein;
- c. confirms that in completing the Application Form no reliance was placed on any information or representation in relation to the Company or the issue of the New Ordinary Shares other than those contained in this Prospectus and accordingly agrees that no person responsible solely or jointly for the Prospectus or any part thereof will have any liability for any such other information or representation;
- d. agrees to provide the Registrar, the Collecting Agent and/or the Company, as the case may be, with any documents and/or information which they may request in connection with the Application Form(s);
- e. warrants, in connection with the Application Form(s), to have 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 Form in any territory and that it has not taken any action which will or may result in the Issuer or the Registrar acting in breach of the regulatory or legal requirements of any territory in connection with the issue of the New Ordinary Shares or the Application Form;
- f. warrants that all applicable exchange control or other such regulations have been duly and fully complied with;
- g. represents that the Eligible Shareholder is not a U.S. person (as such term is defined in Regulation S under the Securities Act of 1933 of the United States of America, as amended) as well as not to be accepting the invitation set out in the Prospectus from within the United States of America, its territories or its possessions, or any area subject to its jurisdiction (the “**United States**”) or on behalf or for the account of anyone within the United States or anyone who is a U.S. person;
- h. represents that the Eligible Shareholder does not have his registered address and/or is not a citizen or resident of any Excluded Territory;
- i. agrees that Rizzo, Farrugia & Co. (Stockbrokers) Ltd. in its capacity as Sponsor and Registrar (but not in its capacity as Collecting Agent) will not treat the Eligible Shareholders as its customer by virtue of Eligible Shareholders completing the Application Form to subscribe for the New Ordinary Shares;
- j. agrees that all documents in connection with the issue of the New Ordinary Shares will be mailed at the Eligible Shareholders’ own risk and may be sent at the address (or, in the case of joint Application Forms, the address of the first named Eligible Shareholders) as set out in the Application Form; and

- k. that for the purposes of the Prevention of Money Laundering and Funding of Terrorism Regulations, 2003 as subsequently amended, all appointed Collecting Agents are under a duty to communicate, upon request, all information about clients as is mentioned in Articles 1.2(d) and 2.4 of the “Code of Conduct for Members of the Malta Stock Exchange” appended as Appendix 3.6 to Chapter 3 of the Malta Stock Exchange Bye-Laws. Such information shall be held and controlled by the Malta Stock Exchange in terms of the Data Protection Act, Cap. 440 of the laws of Malta for the purposes and within the terms of the Malta Stock Exchange Data Protection Policy as published from time to time.

9.8 TIMES AND DATES

The Company shall, at its discretion, be entitled to amend the dates set out herein and in such circumstances shall notify the Listing Authority and make a company announcement. **In the event that such a company announcement is made, Eligible Shareholders may not receive any further written communication in respect of such amendment or extension of the dates included in this Prospectus.**

9.9 GOVERNING LAW

The Terms and Conditions as set out in this Prospectus and the Application Form and any non-contractual obligations arising out of, or in relation to, this Offer shall be governed by, and construed in accordance with, Maltese law.

9.10 JURISDICTION

The courts of Malta are to have exclusive jurisdiction to settle any dispute which may arise out of or in connection with this Offer, this Prospectus or the Application Form (including any dispute relating to any non-contractual obligations arising out of or in connection with any of them).

By subscribing for the New Ordinary Shares in accordance with the instructions set out in the Prospectus and the Application Form, Eligible Shareholders irrevocably submit to the jurisdiction of the courts of Malta and waive any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum.

10 ADMISSION TO TRADING

Application will be made to the Malta Stock Exchange for the New Ordinary Shares issued as a result of the Issue to be listed and traded on the Official List of the Malta Stock Exchange and for dealings to commence once the New Ordinary Shares are authorised as Admissible to Listing by the Listing Authority, which is anticipated to be on or around the 14 April 2016.

11 EXPENSES RELATING TO THE ISSUE/OFFER

Professional fees and costs related to publicity, advertising, printing, listing, registration, sponsor, management, and other miscellaneous expenses in connection with the issue of the Shares are estimated to be in the region of €150,000.

12 DILUTION

Subject to Admission, pursuant to the Rights Issue and the Intermediaries Offer, 16,792,452 New Ordinary Shares will be issued at the Share Offer Price. This will result in the issued share capital of the Company increasing by approximately 127%. Eligible Shareholders who take up their pro rata entitlement in full will suffer no dilution to their interests in the Company. Eligible Shareholders who do not take up any of their rights to subscribe for the New Ordinary Shares will suffer an immediate dilution of 56% in their interests in the Company.

13 ADDITIONAL INFORMATION

All the advisors to the Company named in the Registration Document under the heading “Advisors” in section 5 of the Registration Document have acted and are acting exclusively for the Company in relation to this issue/offer and have no contractual, fiduciary or other obligation 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.

ANNEX A**List of Collecting Agents / Financial Intermediaries**

Bank of Valletta p.l.c.	BOV Centre, Cannon Road, St Venera SVR 9030	22751732
Calamatta Cuschieri & Co Ltd	Fifth Floor, Valletta Buildings, South Street, Valletta VLT 1103	25688688
Charts Investment Management Service Ltd	Valletta Waterfront, Vault 17, Pinto Wharf, Floriana FRN 1913	21224106
Financial Planning Services Ltd	4, Marina Court No. 1, G. Cali Street, Ta' Xbiex XBX 1421	21344244
FINCO Treasury Management Ltd	Level 5, The Mall Complex, The Mall, Floriana FRN 1470	21220002
GlobalCapital Financial Management Ltd	Testaferrata Street, Ta' Xbiex XBX 1403	21342342
Jesmond Mizzi Financial Advisors Ltd	67/3, South Street, Valletta VLT 1105	21224410
Michael Grech Financial Investment Services Ltd	The Brokerage, St Marta Street, Victoria, Gozo VCT 2550	21554492
Rizzo, Farrugia & Co (Stockbrokers) Ltd	Airways House, Third Floor, High Street, Sliema SLM 1549	22583000

ANNEX B

Specimen PALs / Application Forms & Instruction Sheet

GlobalCapital plc

PAL A – ALL

**A 1.27 for 1 Rights Issue of 16,792,452 New Ordinary Shares offered at €0.291172 per Share
PROVISIONAL ALLOTMENT LETTER ("PAL") - A**

Your Rights to the New Ordinary Shares of GlobalCapital plc are as follows:

I. Eligible Shareholder/s:	MSE Account Number:
Shareholding as at 4 March 2016: <i>(Record Date)</i>	
Rights to New Ordinary Shares: <i>(Fractional share Rights are rounded to the nearest whole share)</i>	

By completing the relevant boxes, signing this PAL A and returning it to the Collecting Agents on 30 March 2016 by 12:00, you will be confirming your election to take up ALL your Rights to the New Ordinary Shares.

II. I/We accept to purchase and acquire ALL of my/our Rights:

TOTAL NUMBER OF NEW ORDINARY SHARES <i>(in figures)</i>	TOTAL NUMBER OF NEW ORDINARY SHARES <i>(in words)</i>	TOTAL AMOUNT PAYABLE <i>(€0.291172 per New Ordinary Share)</i>

DIVIDEND MANDATE	
Bank	IBAN

III. DECLARATIONS

I/We hereby declare that I/we have fully understood the instructions for the completion of this PAL on the basis of the Prospectus dated 4 March 2016, the terms and conditions of which are hereby incorporated by reference. Furthermore, I/we confirm that I/we have returned this PAL on my/our behalf or the company or entity that I/we represent, and I/we enclose payment for the total amount payable/deposit slip/other documentary evidence as proof that the total applicable amount has been paid.

PRE-EMPTIVE INTEREST IN ANY LAPSED RIGHTS
By ticking this box, the Eligible Shareholder/s is/are showing interest in acquiring Lapsed Rights. <i>Please fill in the form entitled "Excess Shares Application Form" for any application for Lapsed Rights.</i> <input type="checkbox"/>

Signature/s of Eligible Shareholder/s

1. _____ 2. _____ 3. _____

Date: _____

I/We, being usufructuary of the Existing Ordinary Shares, do hereby consent to the above (where applicable).

Intermediary's Stamp

Name & Surname: _____ ID: _____ Signature: _____

GlobalCapital plc

PAL B – PART

**A 1.27 for 1 Rights Issue of 16,792,452 New Ordinary Shares offered at €0.291172 per Share
PROVISIONAL ALLOTMENT LETTER ("PAL") - B**

Your Rights to the New Ordinary Shares of GlobalCapital plc are as follows:

I. Eligible Shareholder/s:	MSE Account Number:
Shareholding as at 4 March 2016: <i>(Record Date)</i>	
Rights to New Ordinary Shares: <i>(Fractional share Rights are rounded to the nearest whole share)</i>	

By completing the relevant boxes, signing this PAL B and returning it to the Collecting Agents by 30 March 2016 by 12:00, you will be confirming your election to take up PART and TRANSFER or LAPSE the remaining part of your Rights to the New Ordinary Shares.

II. I/We accept to purchase and acquire PART of my/our Rights:

PARTIAL TAKE UP		
TOTAL NUMBER OF NEW ORDINARY SHARES <i>(in figures)</i>	TOTAL NUMBER OF NEW ORDINARY SHARES <i>(in words)</i>	TOTAL AMOUNT PAYABLE <i>(€0.291172 per New Ordinary Share)</i>
BALANCE OF NEW ORDINARY SHARES NOT TAKEN UP		
<i>(in figures)</i>	<i>(in words)</i>	

DIVIDEND MANDATE	
Bank	IBAN

I/We hereby declare that I/we have fully understood the instructions for the completion of this PAL on the basis of the Prospectus dated 4 March 2016, the terms and conditions of which are hereby incorporated by reference. Furthermore, I/we confirm that I/we have returned this PAL on my/our behalf or the company on my behalf that I/we represent, and I/we enclose payment for the total amount payable/deposit slip/ other documentary evidence as proof that the total applicable amount has been paid.

Signature/s of Eligible Shareholder/s

1. _____ 2. _____ 3. _____

Declaration by transferee/s

I/We have irrevocably agreed to acquire that portion of Rights of the Eligible Shareholder/s to the New Ordinary Shares as detailed below:

1. DECLARATION OF TRANSFEREE/S			
Title <i>(Mr/Mrs/Ms/...)</i>	Full Name & Surname/Registered Name		
Address <i>(including postcode)</i>			
MSE A/C No: <i>(if applicable)</i>	ID Card/Passport/Co. Reg No.:	Contact No.:	<input type="checkbox"/> Non-Resident <input type="checkbox"/> Minor <input type="checkbox"/> Body Corporate/Body of Persons
TOTAL NUMBER OF NEW ORDINARY SHARES <i>(in figures)</i>	TOTAL NUMBER OF NEW ORDINARY SHARES <i>(in words)</i>	AMOUNT PAYABLE <i>(€0.291172 per New Ordinary Share)</i>	
DIVIDEND MANDATE			
Bank	IBAN		

GlobalCapital plc

PAL B – PART
(continuation)

**A 1.27 for 1 Rights Issue of 16,792,452 New Ordinary Shares offered at €0.291172 per Share
PROVISIONAL ALLOTMENT LETTER ("PAL") - B**

2. DECLARATION OF TRANSFEREE/S			
Title (Mr/Mrs/Ms/...)	Full Name & Surname/Registered Name		
Address (including postcode)			
MSE A/C No: (if applicable)	ID Card/Passport/Co. Reg No.:	Contact No.:	<input type="checkbox"/> Non-Resident <input type="checkbox"/> Minor <input type="checkbox"/> Body Corporate/Body of Persons
TOTAL NUMBER OF NEW ORDINARY SHARES (in figures)	TOTAL NUMBER OF NEW ORDINARY SHARES (in words)	AMOUNT PAYABLE (€0.291172 per New Ordinary Share)	

DIVIDEND MANDATE	
Bank	IBAN

IV. MINOR'S PARENTS/LEGAL GUARDIANS

Title (Mr/Mrs/Ms/...)	Full Name & Surname/Registered Name	ID Card/Passport No.:
Title (Mr/Mrs/Ms/...)	Full Name & Surname/Registered Name	ID Card/Passport No.:

Signature/s of transferee/s (Both parents or legal guardian/s to sign if transferee is a minor. All parties are to sign in the case of a joint transfer.)

I/We hereby declare that I/we have fully understood the instructions for the completion of this PAL on the basis of the Prospectus dated 4 March 2016, the terms and conditions of which are hereby incorporated by reference. Furthermore, I/we confirm that I/we have returned this PAL on my/our behalf or the company's behalf to I/we present, and I/we enclose payment for the total amount payable/deposit slip/other documentary evidence as proof that the total applicable amount has been paid.

1. _____ 2. _____ 3. _____

PRE-EMPTIVE INTEREST IN ANY LAPSED RIGHTS	
(in figures)	(in words)

Date: _____

I/We, being usufructuary of the Existing Ordinary Shares, do hereby consent to the above (where applicable).

Intermediary's Stamp

Name & Surname: _____ ID: _____ Signature: _____

GlobalCapital plc

PAL C – TRANSFER

**A 1.27 for 1 Rights Issue of 16,792,452 New Ordinary Shares offered at €0.291172 per Share
PROVISIONAL ALLOTMENT LETTER ("PAL") - C**

Your Rights to the New Ordinary Shares of GlobalCapital plc are as follows:

I. Eligible Shareholder/s:	MSE Account Number:
Shareholding as at 4 March 2016: <i>(Record Date)</i>	
Rights to New Ordinary Shares: <i>(Fractional share Rights are rounded to the nearest whole share)</i>	

By completing the relevant boxes, signing this PAL C and returning it to the Collecting Agents by 30 March 2016 by 12:00, you will be confirming your TRANSFER ALL of your Rights or TRANSFER PART and LAPSE the remaining part of your Rights to the New Ordinary Shares.

II. I/We accept to transfer ALL or PART of my/our Rights:

TRANSFER		
TOTAL NUMBER OF NEW ORDINARY SHARES <i>(in figures)</i>	TOTAL NUMBER OF NEW ORDINARY SHARES <i>(in words)</i>	TOTAL AMOUNT PAYABLE <i>(€0.291172 per New Ordinary Share)</i>
BALANCE OF LAIENED SHARES		
<i>(in figures)</i>	<i>(in words)</i>	

DIVIDEND MANDATE	
Bank	IBAN

I/We hereby declare that I/we have fully understood the instructions for the completion of this PAL on the basis of the Prospectus dated 4 March 2016, the terms and conditions of which are hereby incorporated by reference. Furthermore, I/we confirm that I/we have returned this PAL on my/our behalf or the company on behalf of the company that I/we represent.

Signature/s of Eligible Shareholder/s

1. _____ 2. _____ 3. _____

Declaration by transferee/s

I/We have irrevocably agreed to acquire that portion of Rights of the Eligible Shareholder/s to the New Ordinary Shares as detailed below:

1. DERLARATION OF TRANSFEREE/S				
Title <i>(Mr/Mrs/Ms/...)</i>	Full Name & Surname/Registered Name			
Address <i>(including postcode)</i>				
MSE A/C No: <i>(if applicable)</i>	ID Card/Passport/Co. Reg No.:	Contact No.:	<input type="checkbox"/> Non-Resident	<input type="checkbox"/> Minor
			<input type="checkbox"/> Body Corporate/Body of Persons	
TOTAL NUMBER OF NEW ORDINARY SHARES <i>(in figures)</i>	TOTAL NUMBER OF NEW ORDINARY SHARES <i>(in words)</i>	AMOUNT PAYABLE <i>(€0.291172 per New Ordinary Share)</i>		
DIVIDEND MANDATE				
Bank	IBAN			

GlobalCapital plc

PAL C – TRANSFER
(continuation)

**A 1.27 for 1 Rights Issue of 16,792,452 New Ordinary Shares offered at €0.291172 per Share
PROVISIONAL ALLOTMENT LETTER (“PAL”) - C**

2. DECLARATION OF TRANSFEREE/S			
Title (Mr/Mrs/Ms/...)	Full Name & Surname/Registered Name		
Address (including postcode)			
MSE A/C No: (if applicable)	ID Card/Passport/Co. Reg No.:	Contact No.:	<input type="checkbox"/> Non-Resident <input type="checkbox"/> Minor <input type="checkbox"/> Body Corporate/Body of Persons
TOTAL NUMBER OF NEW ORDINARY SHARES (in figures)	TOTAL NUMBER OF NEW ORDINARY SHARES (in words)	AMOUNT PAYABLE (€0.291172 per New Ordinary Share)	

DIVIDEND MANDATE	
Bank	IBAN

IV. MINOR'S PARENTS/LEGAL GUARDIANS		
Title (Mr/Mrs/Ms/...)	Full Name & Surname/Registered Name	ID Card/Passport No.:
Title (Mr/Mrs/Ms/...)	Full Name & Surname/Registered Name	ID Card/Passport No.:

Signature/s of transferee/s (Both parents or legal guardian/s to sign if transferee is a minor. All parties are to sign in the case of a joint transfer.)

I/We hereby declare that I/we have fully understood the instructions for the completion of this PAL on the basis of the Prospectus dated 4 March 2016, the terms and conditions of which are hereby incorporated by reference. Furthermore, I/we confirm that I/we have returned this PAL on my/our behalf or the company's behalf to I/we present, and I/we enclose payment for the total amount payable/deposit slip/other documentary evidence as proof that the total applicable amount has been paid.

1. _____ 2. _____ 3. _____

BALANCE OF LAPSED RIGHTS (IF ANY)	
(in figures)	(in words)

Date: _____

I/We, being usufructuary of the Existing Ordinary Shares, do hereby consent to the above (where applicable).

Intermediary's Stamp

Name & Surname: _____ ID: _____ Signature: _____

GlobalCapital plc

EXCESS SHARES APPLICATION FORM

A 1.27 for 1 Rights Issue of 16,792,452 New Ordinary Shares offered at €0.291172 per Share

NON TRANSFERABLE EXCESS SHARES APPLICATION FORM

In respect of any Excess Shares available as Lapsed Rights in connection with a 1.27 for 1 Rights Issue of New Ordinary Shares of a nominal value of €0.291172 each in GlobalCapital p.l.c.

THIS APPLICATION FORM IS TO BE SEALED AND LODGED WITH THE COLLECTING AGENT.

I. Eligible Shareholder/s:	MSE Account Number:
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II. I/We hereby submit my/our offer for Excess Shares as follows:

TOTAL NUMBER OF NEW ORDINARY SHARES <i>(in figures)</i>	TOTAL NUMBER OF NEW ORDINARY SHARES <i>(in words)</i>

BID PRICE <i>(must not be less than the Share Offer Price of €0.291172)</i>
€

DIVIDEND MANDATE	
Bank	IBAN

III. DECLARATIONS

It is hereby declared that:

* The Applicant has read and understood the Prospectus, including the Terms and Conditions of the Issue

* In the event that the offer being made for Excess Shares is accepted by the Company, the Applicant undertakes to settle in cleared funds and net of bank transfer charges the amount due for the allotted Excess Shares in accordance with the instructions as passed on by the Registrar in due course.

Signature/s of Eligible Shareholder/s

1. _____ 2. _____ 3. _____

Date: _____

A 1.27 FOR 1 RIGHTS ISSUE OF 16,792,452 NEW ORDINARY SHARE OFFERED AT € 0.291172 PER SHARE

INSTRUCTIONS FOR COMPLETION

PROVISIONAL ALLOTMENT LETTER ("PAL") and Excess Shares Application Form

IMPORTANT: READ THE FOLLOWING INSTRUCTIONS CAREFULLY
BEFORE COMPLETING THE RELEVANT PAL / EXCESS SHARES APPLICATION FORM

- The following is to be read in conjunction with the Prospectus dated 4 March 2016 (the "Prospectus").
- There are 3 (three) PAL/s:
 - PAL A – ALL** is to be completed by the Eligible Shareholder/s wishing to TAKE UP ALL of his/her entitlement;
 - PAL B – SPLIT** is to be completed by the Eligible Shareholder/s wishing to take up PART of, and TRANSFER or LAPSE the remaining part of his/her rights;
 - PAL C – TRANSFER** is to be completed by the Eligible Shareholder/s wishing to TRANSFER ALL of the Rights or TRANSFER PART and LAPSE the remaining rights.

There is also an **Excess Shares Application Form** which is to be completed by those Eligible Shareholders who take up all their Rights entitlement (by submitting PAL A) and who wish to acquire additional shares in the Lapsed Rights period ("Excess Shares").
- The PAL is to be completed in **BLOCK CHARACTERS**.
- The relevant PAL/s must be accompanied by payment **IN CLEARED FUNDS AND NET OF BANK TRANSFER CHARGES** for the amount in Euro of the New Ordinary Shares subscribed for, rounded up to the nearest Euro cent. Payment may be made by cheque, SWIFT or account transfer and shall be made to the Collecting Agent as per instructions received from them.
- Eligible Shareholder/s and/or transferee/s shall receive any dividends payable to them by the Issuer directly in a bank account held locally in Euro details of which is to be inserted by the Eligible Shareholder/s in Panel II of the respective PAL and/or by the transferee/s in Panel III of PALs B and C.
- The Rights Issue opens on 16 March 2016 at 08.30am and the latest time for acceptance of the PALs will be 30 March 2016 at 12.00am (the "Rights Issue Period"). The Registrar, Collecting Agents and/or the Issuer will accept any PALs:
 - received after the Rights Issue Period closes; and/or
 - for which funds are still unclear after the Rights Issue Period closes; and/or
 - which is in breach of the Terms and Conditions defined and set out in the Prospectus.
- Panel I in each PAL has been pre-printed with the details of the Eligible Shareholder/s appearing on the Issuer's shareholders register of the Record Date as at close of trading on the Record Date.
- For **PAL A**, the Eligible Shareholder/s need only confirm the pre-printed details in Panels I and II by signing and dating the PAL and submit to the Intermediary the PAL A along with proof of payment. **Those Eligible Shareholders taking up their full Rights will also be entitled to take up additional shares in the event of a Lapsed Rights Offer ("Excess Shares"). In this case, the Eligible Shareholders are to send in a sealed envelope the Excess Shares Application Form, indicating the number of Excess Shares they wish to acquire and the Bid Price at which they wish to bid for those Excess Shares, which should not be lower than the Share Offer price of €0.291172.**
- PAL B** is to be used only by the Eligible Shareholder/s wishing to exercise his/her rights partly by completing Panel II and partly transfer their Rights to a third party by completing Panel III and/or lapse the remaining Rights.
- Any transferee wishing to acquire Rights is to insert full personal details in Panel III of **PAL B** or **PAL C** as applicable. In the case of a transfer to more than one transferee, full details of each of the transferees must be provided in the additional fields indicated in Panel III.
- Non-resident transferee/s must indicate their passport number in Panel III of **PAL B** or **PAL C** as applicable and tick the appropriate box accordingly.
- In the case of an Eligible Shareholder or a transferee who is a minor, a Public Registry birth certificate must be provided and the respective PAL should be signed overleaf by the parents or the legal guardian/s as applicable. For transferees in PAL B and PAL C please tick the appropriate box in Panel III and insert details of the parents or legal guardian/s in Panel IV.
- In case the Eligible Shareholder/s and/or transferee/s is a body corporate, the respective PAL must be signed by the duly authorised representatives indicating the capacity in which they are signing. Where a transferee/s under PAL B or PAL C is a body corporate, the name of the entity, exactly as it is registered, and the registration number are to be inserted in Panel III and tick the appropriate box accordingly. A person signing on behalf of that body corporate on any of the PALs shall bind that body corporate.
- TRANSFEREE/S WHO ALREADY HOLD SECURITIES ON THE MSE ARE TO INDICATE THEIR MSE ACCOUNT NUMBER. TRANSFEREES ARE HEREBY NOTIFIED THAT ANY SHARES ALLOTTED TO THEM WILL BE RECORDED IN THE MSE ACCOUNT NUMBER QUOTED ON THE PAL. IF DETAILS OF SUCH MSE ACCOUNT NUMBER, AS HELD BY THE MSE, DIFFER FROM ANY OR ALL OF THE DETAILS QUOTED OVERLEAF, A SEPARATE REQUEST BY THE TRANSFEREE TO CHANGE THE DETAILS AS RECORDED AT THE MSE WILL HAVE TO BE EFFECTED.**
- Where insufficient space for transferee details is available in PALs B and C, an attachment in the form of a blank PAL B or PAL C shall be acceptable only as long as it is signed by the Eligible Shareholder/s and transferee/s (where applicable) and forwarded to the Collecting Agent. Completed forms are to be lodged with any Collecting Agent. Remittance by post is at the risk of the Eligible Shareholder/s and/or transferee/s. The Issuer and the Registrar disclaim all responsibility for any such remittance not received by the closing of the Rights Issue Period. Should any PAL be lost or destroyed or otherwise defaced and/or invalidated, the Eligible Shareholder/s shall inform the Issuer on the details provided hereunder, who will provide a duplicate to be used in such instance.
 - Details of the Issuer:
Dr Clinton Calleja - Company Secretary
Tel: +356 2125 5265
Email: cvcalleja@demarcoassociates.com
- An Eligible Shareholder/s and/or transferee/s wishing to transfer their fully paid entitlement to a third party before the closing of the Rights Issue Period, must apply to do so in writing to the Collecting Agent / Intermediary.
- Eligible Shareholder/s who take validly acquire all their entitlement of New Ordinary Shares can apply for Excess Shares by lodging the Excess Shares Application Form with any of the Collecting Agents in sealed form. Excess Shares Application Forms will only be accepted during the Rights Issue Period. Allotment of the Excess Shares will only be possible if there are any Lapsed Rights and the bid price for each Excess Share cannot be lower than the Share Offer Price of €0.291172. Applicants for Excess Shares will be informed whether their bid was accepted or not via the Collecting Agent with whom the application was lodged.
- By completing and delivering the PAL and Excess Shares Application Forms, each Eligible Shareholders and transferees acknowledges that:
 - the Collecting Agent, Registrar and/or the Issuer may process the personal data in the PAL in accordance with the Data Protection Act 2001 (Cap. 440 of the laws of Malta);
 - the Collecting Agent, Registrar and/or the Issuer may process such personal data for all purposes necessary for and related to the Rights Issue;
 - he/she has the right to request access to and rectification of the personal data relating to him/her, as processed by the Collecting Agent, Registrar and/or the Issuer. Any such request must be signed by the Eligible Shareholder/s and/or transferee/s and made in writing to the Registrar;
 - all terms and conditions of the Prospectus, including but not limited to the undertakings, representations and warranties contained therein, have been read and understood.
- The capitalised terms used in the PAL have the same meaning as that assigned to them in the Prospectus.

The value of investments can go up or down and past performance is not necessarily indicative of future performance. Prior to applying for the purchase of Rights, an investor should consult an independent financial advisor, licensed under the Investment Services Act (Cap. 370 of the laws of Malta), for advice.

ANNEX C

List of Past and Present Directorships

The following table lists the details of the other companies the Directors and Executive Management 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:

Prof. Paolo Catalfamo

Present	Past
Investar US LLC	Templeton Italia SIM S.p.A.
Concordia Sas	Investar SGR S.p.A.
Global Investar Ltd	Invesclub SGR S.p.A.
Sintesi USA, LLC	Integrazione LLC
Milliora Finanzia S.p.A.	Mediafilm Cinema S.r.l.
NIAF Italia Associazione	The American Chamber of Commerce in Italy
The National Italian American Foundation Inc	World Trade Capital Partners Ltd
Cardinal Federico Borromeo Foundation Inc	Templeton Italia SIM S.p.A.
Leonardo and Friends LLC	Investar SGR S.p.A.
	Invesclub SGR S.p.A.
	Invesmart BV
	Sintesi S.p.A.
	IKF S.p.A.

Prof. Andrea Gemma

Present	Past
Banca UBAE	AD Impresa S.p.A.
Cinecittà Centro Commerciale S.r.l.	Vega Management S.p.A.
ENI S.p.A.	Alpi Assicurazioni S.p.A. (Extraordinary Commissioner)
Serenissima SGR S.p.A.	Suditalia Compagnia di Assicurazioni e Riassicurazione S.p.A. (Extraordinary Commissioner)
Valtur S.p.A. (Extraordinary Commissioner)	Immobiliare Strasburgo S.r.l.
Novit Assicurazioni S.p.A. (Extraordinary Commissioner)	
Sequoia Partecipazioni S.p.A (Extraordinary Commissioner)	
Sigrec S.p.A. (Liquidator)	
Corit S.p.A. (Liquidator)	

Dr. Joseph Del Raso

Present	Past
New Square Investment Management (Advisory Board Member)	
Freeh Group International Solutions	

Mr. Reuben Zammit

Present	Past
Procom Limited	

SECURITIES NOTE

ANNEX C – continued

List of Past and Present Directorships

Mr. Joseph Schembri

Present	Past
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SMDL Limited
Dizz Finance Plc

KPMG Advisory Services Limited
KPMG Holding Limited
KPMG Investments Limited
KPMG Property Limited
KPMG Corporate Services Limited
Del Ponte Limited

Mr. Christopher J. Pace

Present	Past
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Pace Investments Limited
Natinia Properties Ltd
Shana Developments Limited
Boutique Properties Ltd

Zaharakaya Limited (formerly Natinia Company Ltd)

Current and Past Directorships of Group Executive Management

Mr. Shawn Bezzina

Present	Past
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Centre Isle Ltd

N/A

Mr. Paul Said

Present	Past
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N/A

ISSUER:

GlobalCapital plc

GlobalCapital p.l.c.,
Testaferrata Street,
Ta' Xbiex XBX 1403, Malta

SPONSOR, REGISTRAR & MANAGER:



Rizzo, Farrugia & Co. (Stockbrokers) Ltd.
Airways House,
Third Floor High Street,
Sliema SLM 1549, Malta

LEGAL COUNSEL:

**Refalo &
Zammit Pace**
ADVOCATES

Refalo & Zammit Pace Advocates
61, St. Paul Street,
Valletta VLT 1212, Malta