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Prospectus

TRISTONE HEALTHCARE BOND DAC

(incorporated in Ireland with registered number 600107)

£20,000,000

8.5% Secured Notes due 2027

Tristone Healthcare Bond DAC (the “**Issuer**”) has authorised the issue of up to £20,000,000 **8.5%** secured notes due 2027.

This Prospectus, has been approved by the Cyprus Securities and Exchange Commission (“**CySEC**”) as the competent authority in Cyprus which the Issuer has elected as its Home Member State for the said securities. CySEC only approves the Prospectus as meeting the requirements imposed under the Public Offer and Prospectus Law of 2005, L.114(I)/2005, as amended, (the “**Prospectus Law**”). The approval only relates to the Notes which will be admitted to trading on the regulated market of the Cyprus Stock Exchange (the “**CSE**”) within 12 months from the date hereof.

The Notes will be issued to the wholesale market, to qualified investors as defined in the Investment Services and Activities and Regulated Market Law, Law 144 (I)/2007 (as amended) and Markets in Financial Investments Directive (2004/39/EC) (“**MiFiD**”). No Notes will be issued or offered or sold to the retail market.

Unless previously redeemed or cancelled, the Notes will be redeemed at their principal amount on the Maturity Date. The Notes are subject to redemption, in whole but not in part, at their principal amount, plus interest, if any, to the date fixed for redemption at the option of the Issuer at any time at an amount calculated on a “*make-whole*” basis.

The Notes will bear interest from the issue date of each Tranche (the “**Issue Date**”) at the rate of 8.5 per cent. per annum. Interest on the Notes will be payable annually in arrears on 31 December in each year starting on 31 December 2017. Payments on the Notes will be made in £GBP (British Pounds Sterling) without deduction for or on account of any taxes. The issue price of the £20,000,000 8.5% secured notes of the Issuer due 2027 (the “**Notes**”) is 100 per cent of their principal amount although the issue of the Notes is to be effected in tranches, of which the Notes being placed in tranches are as follows:

The issue price of the £20,000,000 8.5% Secured Notes due 2027 (the “**Notes**”) of **Tristone Healthcare Bond DAC** (the “**Issuer**” or the “**Company**”) is 100 per cent. of their principal amount. The Notes will be placed with qualified investors, on a reasonable endeavours basis, commencing with the initial tranche (the “**Initial Tranche**”) of up to £2,000,000 on approval

of the CSE for Admission. Subsequent tranches of up to £2,000,000 each will follow approximately every three months thereafter. The placing of the Notes is not underwritten.

The Notes will constitute secured obligations of the Issuer which will at all times rank *pari passu* among themselves and ahead of all other present and future secured obligations of the Issuer, save for certain mandatory exceptions of applicable law.

Neither the Trustee nor the Receiving Agent has separately verified or takes responsibility for the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Receiving Agent or the Trustee as to the accuracy or completeness of the financial information contained herein, or any other financial statements or any further information supplied in connection with the issue of the Notes or their distribution. The statements made in this paragraph are without prejudice to the respective responsibilities of the Issuer in relation to the Notes.

No person is or has been authorised to give any information or to make any representation not contained in or not consistent with this document or any other financial statements or further information supplied pursuant to the terms of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by any of the Issuer, the directors of the Issuer, the Receiving Agent or the Trustee.

This document and any further information supplied pursuant to the terms of the Notes should not be considered as a recommendation or as constituting an invitation or offer by or on behalf of any of the Issuer, the Trustee or the Receiving Agent that any recipient of this document or any further information supplied pursuant to the terms of the Notes should subscribe for or purchase any of the Notes. This document does not constitute an offer of, or an invitation by, or on behalf of, the Issuer, the Trustee or the Receiving Agent to subscribe for or purchase any Notes and this document should not be used for or in connection with an offer to, or solicitation by, any person in any jurisdiction or in any circumstances in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation.

Accordingly, the Notes may not be offered or sold, directly or indirectly, and this Prospectus nor any other prospectus, form of application, advertisement, other offering material or other information may be issued, distributed or published in any country or jurisdiction (including the United Kingdom and the Republic of Ireland), except in circumstances that will result in compliance with all applicable laws, orders, rules and regulations of that country or jurisdiction.

The Notes have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”) and are not subject to United States tax law requirements. The Notes may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

Investors should take account of and fully consider, when making a decision as to whether or not to invest in the Notes, that all payments under the Notes are wholly dependent upon the performance of the Issuer and (on the occurrence of an Event of Default) the effectiveness of the value and efficacy of the Security.

Investing in the Notes involves a number of other risks. Prospective investors should carefully consider the factors described in the section of this document headed “RISK FACTORS” in connection with an investment in the Notes.

Application has been made to the Cyprus Stock Exchange (the “CSE”) to admit the Notes to listing on the Corporate Bond Market of the Regulated Market of the CSE. The Prospectus will constitute a prospectus for the purposes of the Prospectus Directive and the Public Offer and Prospectus Law of the Republic of Cyprus of 2005 (as amended). The Corporate Bond Market of the Regulated Market of the CSE is a regulated market of the purpose of Directive 2004/39/EC.

The Issuer confirms that all third party sourced information contained in the document has been accurately reproduced and that as far as the Issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

The Company and all of the Directors signing the Prospectus by virtue of section 20 of the Prospectus Law, assume full responsibility, both jointly and severally, for the contents and information set out in the Prospectus and responsibly declare that, having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is, to the best of their knowledge, in accordance with the facts and contains no omissions likely to affect its import.

Global Capital Securities and Financial Services Limited, in its capacity as Underwriter (hereinafter referred to as the “**Underwriter**”) responsible for the drawing up of this Prospectus, by virtue of section 23 of the Prospectus Law, responsibly declares that, having taken all reasonable care to ensure that such is the case, the information contained in the Prospectus is, to the best of its knowledge, in accordance with the facts and contains no omissions likely to affect its import.

The date of this Prospectus is 8 January, 2018.

IMPORTANT NOTICES

In this Prospectus, except where otherwise specified or the context otherwise requires, all references to “**we**”, “**us**”, “**our**” or “**ourselves**” are references to Tristone Healthcare Bond DAC except where otherwise specified or the context otherwise requires. The “**Issuer**” or “**Company**” also refers to **Tristone Healthcare plc**, or any successor thereof.

Words defined in the Terms and Conditions and set out in the Prospectus under the section headed “**TERMS AND CONDITIONS OF THE NOTES**” shall have the same meaning when issued in this Prospectus unless otherwise defined

The Issuer and the Issuer’s directors signing the Prospectus accept full responsibility for the information contained in this Prospectus. To the best knowledge 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 does not omit anything likely to affect the import of such information. This Prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, any of the Notes offered hereby by any person in any jurisdiction in which it is unlawful for such person to make an offer or solicitation. The distribution of this Prospectus and the offering of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus come are required by the Issuer, the Trustee or the Receiving Agent to inform themselves about and to observe any such restrictions.

You should rely only on the information contained in this Prospectus. No person is authorised to give any information or to make any representation not contained in this Prospectus and any information or representation not so contained must not be relied upon as having been authorised by or on behalf of the Issuer, the Trustee or, the Receiving Agent. The information contained in this Prospectus is accurate only as of the date of this Prospectus. The delivery of this Prospectus at any time does not imply that the information contained in it is correct as at any time subsequent to its date, regardless of such time of delivery of this Prospectus or of any sale of Notes, however pursuant to Article 14 of the Law, should there arise any significant new factor, material mistake or material inaccuracy relating to information included in the Prospectus subsequent to its approval by CySEC and before admission the Company shall have an obligation to prepare and publish a supplementary prospectus detailing such changes which shall be subject to prior approval by CySEC in line with procedures followed for approval of this Prospectus. This Prospectus contains summaries intended to be accurate with respect to certain terms of certain documents, but reference is made to the actual document, all of which will be made available to you upon request to the Issuer when available, for complete information with respect thereto, and all such summaries are qualified in their entirety by such reference. In receiving this Prospectus and any supplement you hereby acknowledge that (i) you have been afforded an opportunity to request from the Issuer and to review, and have received, all additional public information considered by you to be necessary to verify the accuracy of, or to supplement, the information contained herein, (ii) you have had the opportunity to review all of the documents described herein, (iii) you have not relied on the Trustee or the Receiving Agent or any person affiliated with the Trustee or the Receiving Agent in connection with any investigation of the accuracy of such information or the investment decision and (iv) no person has been authorised to give any information or to make any representation concerning the Issuer or the Notes (other than as contained herein) and, if given or made, you should not rely upon any such other information or representation as having been authorised by the Issuer, the Trustee or the Receiving Agent.

Each prospective purchaser of the Notes must comply with all applicable laws and regulations in force in any jurisdiction in which it purchases, offers or sells the Notes and must obtain any consent, approval or permission required by it for the purchase, offer or sale by it of the Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers or sales, and the Issuer shall not have any responsibility therefor.

See the section of this Prospectus headed “**RISK FACTORS**” for a description of certain factors relating to an investment in the Notes, including information about the Issuer’s business. Neither the Issuer nor the Trustee or the Receiving Agent is making any representation to you regarding the legality of an investment by you under applicable legal investment or similar laws. You should consult with your own advisers as to legal, tax, business, financial and related aspects of a purchase of the Notes.

FORWARD-LOOKING STATEMENTS

The Prospectus contains statements that constitute forward-looking statements. These forward-looking statements are based principally on the Issuer’s current expectations and on projections of future events and financial trends that currently affect or might affect the Issuer’s business.

The words “*believe,*” “*expect,*” “*continue,*” “*understand,*” “*estimate,*” “*will,*” “*may,*” “*anticipate,*” “*should,*” “*intend*” and other similar expressions are intended to identify forward-looking statements. Such statements refer only to the date on which they were expressed and the Issuer assumes no obligation to publicly update or revise any forward-looking statements as a result of new information or any other events. In light of these risks and uncertainties, the forward-looking statements, events and circumstances discussed in this Prospectus may not be accurate and the Issuer’s actual results and performance could differ materially from those anticipated in the Issuer’s forward-looking statements. Investors should not make an investment decision based solely on the forward-looking statements in this Prospectus.

RESPONSIBILITY STATEMENTS

This document comprises a Prospectus in the form of a single document and is prepared in accordance with Part IV of the Prospectus Law (as amended) and the Prospectus Regulation (as amended) This document is a prospectus for the purpose of giving information with regard to the Issuer and the Notes, which is necessary to enable investors to make an informed assessment as to the Issuer and the Notes.

The Issuer and the Underwriter accept responsibility for the information contained in the Prospectus. To the best of the knowledge and belief of the Issuer and the Underwriter (having taken all reasonable care to ensure that such is the case), the information contained herein is in accordance with the facts and contains no omission likely to affect the import of such information or the content of this document. This document contains the necessary and required disclosures set forth in the Prospectus Regulation.

Neither the Trustee nor the Receiving Agent (notwithstanding that one entity may be performing multiple roles) has separately verified or takes responsibility for the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Receiving Agent or the Trustee as to the accuracy or completeness of the financial information contained herein, or any other financial statements or any further information supplied in connection with the issue of the Notes or their distribution. The statements made in this paragraph are without prejudice to the respective responsibilities of the Issuer in relation to the Notes.

No person is or has been authorised to give any information or to make any representation not contained in or not consistent with the Prospectus or any other financial statements or further information supplied pursuant to the terms of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by any of the Issuer, the directors of the Issuer, the Receiving Agent or the Trustee.

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PROSPECTUS SUMMARY

This prospectus summary is made up of disclosure requirements known as “**Elements**”. These elements are enumerated in sections A-E. This summary contains all Elements required to be included in a prospectus summary for securities of the nature sought to be admitted to listing on the Cyprus Stock Exchange. Some Elements are not required to be addressed depending on the Annexes of the Prospectus Regulation that are applicable. Further whilst certain Elements may be required to be included in the summary because of the type of securities involved, it is possible that there is no disclosure to be made against those Elements in which case the Element will be stated as “not applicable”.

Section A –Introduction and warnings

Element	Disclosure Requirement	Disclosure
A.1.	Warning	<p>This summary (the “Summary”) should be read as an introduction to the Prospectus. Any decision to invest in the Notes should be based on consideration of the Prospectus as a whole by the investor.</p> <p>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.</p> <p>Civil liability attaches only to those persons who have tabled the summary, including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with other parts of the Prospectus or it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in such securities.</p>

A.2.	Subsequent resale of securities or final placement of securities through financial intermediaries	Not Applicable

Section B – Issuer

Element	Disclosure Requirement	Disclosure
B.1.	Legal and commercial name of the Issuer	Tristone Healthcare Bond DAC.
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 newly incorporated special purpose vehicle incorporated in Ireland on 9 March 2017 as a limited company. The principal legislation under which the Issuer operates is the Irish Companies Act, 2014.
B.5.	If Issuer is part of a group, a description of the Group and the Issuer's position within the Group.	The Issuer is part of a Group whose major shareholder is Yannis Loucopoulos. The issued share capital of the Issuer is wholly owned by Yannis Loucopoulos who also is the majority shareholder of THC Plc to whom the proceeds of the corporate bonds will be lent and will then be utilised for investment in Healthcare projects in the UK and Ireland which meet the applicable Eligibility Criteria.
B.9.	Profit forecast	Not Applicable
B.10.	Description of the nature of any qualifications in the audit report on the historical financial information	Not Applicable. The Issuer is newly incorporated SPV and as such has not yet started its operations.

B.12.	Historical Key Financial Information	Not Applicable. The Issuer is newly incorporated SPV and as such has not yet started its operations.
B.13.	Recent Events Material to Issuer's solvency	Not Applicable as SPV is newly incorporated and has not yet started its operations.
B.14.	Issuer Dependent on Group Companies	<p>The Issuer will lend the proceeds of the issue of the Notes to THC Plc, a related company, who in turn will grant collateral as security for such loan to the Issuer. The Issuer's ability to meet interest payments and/or principal repayments is dependent on THC Plc meeting its obligations under the Loan Agreement. Should THC Plc default, for example by failing to make an interest payment or to repay the Loan, then the Issuer may be unable to make interest payments or to repay any principal to the Noteholders the Notes. The Issuer is not dependant on any other entities in the Group whose major shareholder is Yannis Loucopoulos.</p> <p>THC Plc's investment policy is to invest in certain healthcare business or companies, principally based in the UK and Ireland, where the management team has previous experience within the sector. It is the intention of the THC Plc Directors that the Company will source investments that have the potential to generate strong cash flows, profits and investment growth. It is intended that the cash flows generated from these investments will be used to</p>

		pay the interest and repay the principal on the Loan.
B.15.	Issuers Principal Activities	The Issuer is a special purpose vehicle incorporated solely to act as Issuer of the Notes.
B.16.	Ownership and Control	The Issuer is wholly owned by Yannis Loucopoulos, who is also a director of the Issuer.
B.17.	Credit Ratings	Not Applicable

Section C - Securities

Element	Disclosure Requirement	Disclosure
C.1.	Type and class of securities to be admitted for trading including any identification numbers	<p>The securities are secured Notes to be issued up to a maximum of £20,000,000 by the Issuer with an entitlement to interest at the rate of 8.5% from the date of issue over the term of the Notes. The form of the Notes is registered represented by a Global Registered Certificate which will be held by the Registrar. The register of the Notes shall be maintained by the Registrar. Settlement of the Notes will be cleared through CREST. The Notes have been assigned:</p> <p>ISIN: GB00BZ3TBX81 SEDOL: BZ3TBX8</p>
C.2.	Currency denomination of securities	The currency denomination is sterling and each Note is denominated in Stg £100,000 or integral multiples thereof.
C.5.	Restrictions on the free transferability of the securities	There are no restrictions on transferability.

C.8.	Rights Attached to Securities	<p>The securities are 8.5% secured Notes which rank <i>pari passu</i> amongst themselves and in priority to any subsequent unsecured creditors. The interest is payable from date of issue until the maturity of the Notes. The interest rate is fixed and can only be changed with a vote of 75% of the holders of the Notes. Payment of interest and principal sums on maturity has priority and ranks only subject to payment of Exceptional Expenses which are defined as being costs and expenses relating to fees, out-of-pocket expenses, liabilities (inclusive of VAT), which are not operating expenses owed to any operating creditors (being trustee, auditors, legal advisers or any delegate or person appointed by the trustee). The representative for the holders of the Notes is the Trustee (Templar Steele, Trust and Custody) Limited.</p>
C.9.	Additional to C.8. above	<p>The interest rate of 8.5% is fixed and commences from date of issue of the Notes. Interest is payable annually on 31 December in each year, on the basis of a 360 day year. The maturity date of the Notes is 31 December, 2027. Interest payments will be made directly to the noteholders and the Issuer will only be able to vary the 8.5% interest rate and frequency of the annual interest with the prior consent of 75% of the noteholders.</p>

C.21.	Market where Notes will be traded	Corporate Bond Market of the Regulated Market of the Cyprus Stock Exchange.

Section D - Risks

Element	Disclosure Requirement	Disclosure
D.2.	Key information on the key risks that are specific to the Issuer	<p>The risks associated with the structure of the transaction are:</p> <ul style="list-style-type: none"> • Investment in a security of this nature, being an illiquid investment, is speculative in nature, involving a degree of risk resulting in the Noteholders receiving less than the original amount invested and it may not be possible to redeem the note prior to the redemption date. • The Issuer has no operating history and there can be no assurance that it will achieve its investment objectives. <p>The Issuer's future success is substantially dependent on the continued services of its Directors. Loss of service of any of the Issuer's executive and non-executive officers could have a material adverse effect on the Issuer's business.</p> <ul style="list-style-type: none"> • Although the Issuer intends to diversify the risk to the Issuer

		<p>of any one investment by making a number of investments, the Issuer will be participating in a limited number of investments and as a consequence the overall performance of the Issuer may be adversely affected by the unfavourable performance of even a single investment.</p> <p>The following are the material factors for assessing the market risks associated with the Notes:</p> <ul style="list-style-type: none"> • The Notes may not be a suitable investment for all investors. Each potential investor should have sufficient knowledge and experience as well as access to the appropriate analytical tools in order to determine the merits and risks of investing in the Notes. Additionally should also have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes and should understand the terms of the Notes and be familiar with the behavior of any
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		<p>relevant financial market.</p> <ul style="list-style-type: none"> • The Notes are complex financial instruments not to be purchased as a stand-alone investment but as a way to reduce or enhance yield with an understood and measured addition of risk to the overall portfolio. • The investment opportunity described in the Prospectus may not be suitable for all recipients. Investors are recommended to consult an investment advisor. • The Prospectus has been prepared having regard to and taking account of current Irish tax legislation, practice and interpretation. Any change in the Company's tax status or in taxation legislation could affect the Company's ability to provide returns to the Noteholders. The Issuer in accordance with Irish tax legislation, is tax resident in Ireland and thus will act in accordance with and
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		<p>follow Irish tax practices and interpretation. All relevant agreements in connection with the issue of the Notes are governed by English law.</p> <ul style="list-style-type: none"> • The Issuer may invest in projects in the UK and Ireland and there can be no assurances that the regime or landscape in these jurisdictions will not change over the term of the Notes and that any such change will not have a material adverse affect on the value of the Notes and the ability of the Issuer to make repayments thereunder to the Noteholders. • The triggering of Article 50 and consequential changes in the laws of England and Wales as a result of leaving the EU may have an adverse affect on the market and as such may affect the Issuer's abilities to fulfill its obligations under the Notes. • The Issuer's business is dependent upon the availability of
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		<p>adequate funding. There can be no assurance that sufficient or continuing funding will be available to the Company in the future.</p> <ul style="list-style-type: none"> • The Issuer’s business operations, information systems and processes and those of companies in which the Issuer invests are vulnerable to loss of business continuity. • Legal proceedings may arise from time to time in the course of the Issuer’s businesses. Such litigation could have a material adverse effect on the financial condition, results or operations of the Issuer. • The Notes have no established trading market when issued and one may never develop. If a market does develop it may not be liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed
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		<p>secondary market. The Notes are designed for specific investment objectives or strategies. As such the Notes generally will have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a severely adverse effect on the market value of the Notes.</p> <ul style="list-style-type: none"> • The Issuer will pay principal and interest on the Notes in British Pounds Sterling (“Sterling”). This presents certain risks relating to currency conversions if an investor’s financial activities are denominated principally in a currency or currency unit other than Sterling. These include the risk that exchange rates may significantly change (including changes due to devaluation of Sterling or revaluation of the investor’s currency) and the risk that authorities with jurisdiction over the investor’s currency may impose or modify exchange controls.
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		<ul style="list-style-type: none"> • An appreciation in the value of the investor's currency relative to Sterling would decrease (i) the investor's currency-equivalent yield on the Notes, (ii) the investor's currency-equivalent value of the principal payable on the Notes and (iii) the investor's currency-equivalent market value of the Notes. Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal. • Investment in the Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of them. • The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain
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		<p>authorities. Each potential investor should consult his or her legal advisers to determine whether and to what extent (i) the Notes are legal investments for it, him or her, (ii) the Notes can be used as collateral for various types of borrowing and (iii) other restrictions apply to its, his or her purchase or pledge of the Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of the Notes under any applicable risk-based capital or similar rules.</p> <ul style="list-style-type: none"> • The Notes will not have the status of bank deposits under English law and are not within the scope of the Financial Services Compensation Scheme operated by the FCA. <p>The key risks specific to the Issuer are:</p>
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		<ul style="list-style-type: none"> • The Issuer is a newly incorporated SPV with no track record and no previous activity in the bridging loan sector of UK property market; • The Issuer will provide a loan facility to its associated company THC Plc who in turn will make investment in projects in UK and Ireland. The Issuer's ability to make interest and/or principal payments under the Notes is dependent on THC Plc performing its obligations under the loan agreement with the Issuer. If THC Plc defaults, the Issuer may be unable to make interest and/or principal payments under the Notes; • The success of the Issuer is dependent on the continued services and contributions of its directors. The loss of the services of its directors may have a material adverse
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		effect on the Issuer's business.
D.3.	Key information on the key risks that are specific to the Securities	<p>The risks specific to the securities are:</p> <ul style="list-style-type: none"> • investment in the Notes is of a speculative nature and an investor may receive less than the amount invested; • the investment is an illiquid investment; • the Notes are complex financial instruments and an investor should not invest in the Notes unless it has the expertise (either alone or together with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact of the investment on the investors overall portfolio; • The Issuer intends to raise up to £20,000,000 in several tranches over the next 12 months. In the event that less money is raised, the fees (which are

		<p>mainly fixed), will represent a higher proportion of the funds raised. Thus the Issuer will need to generate a higher return on its capital to offset the cost of Admission.</p> <ul style="list-style-type: none"> • Social Care Services can be the subject of various scandals that can subsequently impact their success and ability to attract further placements. THC Plc will invest in businesses that have robust and comprehensive procedures in place relating directly to safeguarding, welfare and protection. The need to safeguard and protect is unequivocal and no compromises will be made in this respect, but it cannot be guaranteed that a scandal will not occur. THC Plc will undertake full and robust commercial due diligence taking particular note of the investment's recruitment and vetting processes including the Enhanced Disclosure and Barring Service (DBS) checks on all
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		<p>staff. Good quality training should be implemented throughout the target acquisition.</p> <ul style="list-style-type: none"> • The investments made are reliant on the sad truth that certain members of the population are unable to provide suitable care for their family. The number of looked after children and adults in the care system is increasing year after year. This trend could reverse leading to adverse trading conditions for the investments. • If property prices rapidly increase it would increase set up costs on new facilities as well as the acquisition price of businesses with property portfolios. • The loss of registration and/or poor regulatory ratings could result in the underlying businesses missing occupancy targets. The Issuer mitigates this risk by investing in businesses with proven and exceptional management and
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		<p>regulatory ratings that are above the industry average.</p> <ul style="list-style-type: none"> • THC Plc may not be able to source or acquire suitable investments in the timescales envisaged by the directors or even at all. Costs such as legal and accountancy fees and survey fees may be incurred by THC Plc in carrying out due diligence despite the fact that a target has not been invested in.
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Section E - Offer

Element	Disclosure Requirement	Disclosure
E.4.	Material interests	There are no such material interests in connection with the Issue.
E.7.	Estimated expenses charged to the investor by the Issuer	There are no expenses charged to the investors.

RISK FACTORS

In addition to the other relevant information set out in this Prospectus, the following specific factors should be considered carefully by potential investors in evaluating whether to make an investment in the Notes. An investment in the Notes may not be suitable for all potential investors. If you are in any doubt about the action you should take, or the contents of this Prospectus, you should seek your own independent financial advice, including as to any tax consequences from your stockbroker, solicitor, accountant, bank manager or other independent financial advisor authorised to conduct investment business and who specialises in advising on investments in such securities.

Factors that may affect the Company's ability to fulfil its obligations under the Notes include the following:

1. Risks associated with the structure of the Transaction

1.1. Speculative nature of the investment

Noteholders may receive less than the original amount invested. Investment in a security of this nature, being an illiquid investment, is speculative, involving a degree of risk. It may not be possible to redeem the note prior to the redemption date. There may not be buyers willing to purchase the Note(s) in the market.

1.2. The Company has no operating history and there can be no assurance that it will achieve its investment objectives.

Although the Company expects to benefit from the combined industry experience of the Directors and any management team that is put in place, the Company is a newly formed entity and therefore has no operating history upon which to evaluate the likely performance of the Company. There is no guarantee that the Company's investment objectives will be achieved. The prior experience Directors does not represent the prospective performance of the business to be pursued by the Company. As with all performance data, past performance can provide no assurance of future results. A prospective investor should be aware that the value of an investment in the Company is subject to normal market fluctuations and other risks inherent in investing in securities. The results of the Company's operations will depend on many factors, including, but not limited to, the availability of opportunities for the acquisition of assets, the level and volatility of interest rates, readily accessible funding alternatives, conditions in the financial markets and general economic conditions.

1.3. The Company is subject to concentration risk in its portfolio investments

Although the Company intends to diversify the risk to the Company of any one investment by making a number of investments, the Company will be participating in a limited number of investments and, as a consequence, the overall performance of the Company may be adversely affected by the unfavourable performance of even a single investment.

1.4. Dependence on the expertise of the Directors and attraction/ retention of key personnel

The Company's future success is substantially dependent on the continued services and continuing contributions of its Directors. The loss of the services of any of the Company's executive and non-executive officers could have a material adverse effect on the Company's business.

The Company's future success will also depend on its ability to attract and retain additional suitably qualified and experienced employees. There can be no guarantee that the Company will be able to attract and retain such employees, and failure to do so could have a material adverse effect on the financial condition, results or operations of the Company. As the Note has a term expiring ten years after Admission, it is possible that the identity of the Directors may change during the term of the Note and, therefore, the ability of the Company to continue to be able to meet its obligations to Noteholders will also depend, *inter alia*, on its future directors and management team. The recruitment of suitably skilled directors and retention of their services or the services of any future management team cannot be guaranteed.

In addition, the future success of the Company may be dependent on the Company's ability to integrate new teams or professionals. There can be no guarantee that the Company will be able to recruit such teams or effect such integration. Failure to do so could have a material adverse effect on the financial condition, results or operations of the Company.

1.5 Issuer Dependent on Related Companies

The Issuer will lend the proceeds of the issue of the Notes to THC Plc, a related company, who in turn will grant collateral as security for such loan to the Issuer. The Issuer's ability to meet interest payments and/or principal repayments is dependent on THC Plc meeting its obligations under the Loan Agreement. Should THC Plc default, for example by failing to make an interest payment or to repay the Loan, then the Issuer may be unable to make interest payments or to repay any principal to the Noteholders the Notes. The Issuer is not dependant on any other entities in the Group whose major shareholder is Yannis Loucopoulos.

THC Plc's investment policy is to invest in certain healthcare businesses or companies, principally based in the UK and Ireland, where the management team has previous experience within the sector. It is the intention of the THC Plc Directors that the Company will source investments that have the potential to generate strong cash flows, profits and investment growth. It is intended that the cash flows generated from these investments will be used to pay the interest and repay the principal on the Loan.

2. Change of law

2.1. The Terms and Conditions are governed by laws of England and Wales and are based on English 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 to English law or administrative practice after the date of this Prospectus.

2.2. The Company may invest in projects in the United Kingdom and Ireland and there can be no assurances that the legal regime or landscape in these jurisdictions will not change over the term of the Notes and that any such change will not have a material adverse effect on the value of the Notes and the ability of the Company to make repayments thereunder to Noteholders.

2.3. The triggering of Article 50 and consequent withdrawal of the UK from the EU together with any resultant changes in the laws of England and Wales which is the governing jurisdiction for, amongst other documents, the Security and may have an adverse effect on the market and/or the underlying transactional documents governing the Notes and as such may affect the Company's abilities to fulfil its obligations under the Notes.

3. Risks related to the Notes generally

3.1. Modification, waivers and substitution

The Terms and Conditions provide that the Company may without the consent of Noteholders agree to any modification of the Note Instrument which is (in the opinion of the Company) of a formal, minor or technical nature or which is made to correct a manifest error.

4. Risks related to the market generally

Set out below is a brief description of the principal market risks of the Notes:

4.1. The secondary market generally

The Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. The Notes are designed for specific investment objectives or strategies. As such, the Notes generally will have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a severely adverse effect on the market value of the Notes.

4.2. Realisation from sale of the Notes may be less than original investments

Noteholders who choose to sell their Notes at any time prior to their maturity, may receive a price from such sale which is less than the original investment made. Factors that will influence the price may include, but are not limited to, market appetite, inflation, and the time of redemption, interest rates and the current financial position and an assessment of the future prospects of the Company.

4.3. Exchange rate risks and exchange controls

The Company will pay principal and interest on the Notes in British Pounds Sterling (“**Sterling**”). This presents certain risks relating to currency conversions if an investor’s financial activities are denominated principally in a currency or currency unit other than Sterling. These include the risk that exchange rates may significantly change (including changes due to devaluation of Sterling or revaluation of the investor’s currency) and the risk that authorities with jurisdiction over the investor’s currency may impose or modify exchange controls.

An appreciation in the value of the investor’s currency relative to Sterling would decrease (i) the investor’s currency-equivalent yield on the Notes, (ii) the investor’s currency-equivalent value of the principal payable on the Notes and (iii) the investor’s currency-equivalent market value of the Notes. Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

4.4. Interest rate risks

Investment in the Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of them.

4.5. Legal investment considerations may restrict certain investments

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult his or her legal advisers to determine whether and to what extent (i) the Notes are legal investments for it, him or her, (ii) the Notes can be used as collateral for various types of borrowing and (iii) other restrictions apply to its, his or her purchase or pledge of the Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of the Notes under any applicable risk-based capital or similar rules.

4.6. Financial Services Compensation Scheme

The Notes will not have the status of bank deposits under English law and are not within the scope of the Financial Services Compensation Scheme operated by the FCA.

5. Business specific risks

5.1. Taxation

This Prospectus has been prepared having regard to current Irish tax legislation, practice and concession and interpretation thereof. Any change in the Company’s tax status or in taxation legislation could affect the Company’s ability to provide returns to Noteholders or alter post tax returns to Noteholders. Statements in this Prospectus concerning the taxation of Noteholders are based on current tax law and practice which is subject to change. The taxation of an investment in the Company depends on the individual circumstances of investors.

5.2. Dependence on availability of capital

The Company's business is dependent upon the availability of adequate funding. Although the Company expects to have sufficient capital to satisfy all of its capital requirements, there can be no assurance that any, or sufficient, funding will continue to be available to the Company in the future on terms that are acceptable to it.

5.3. Risk of loss of business continuity

The Company's business operations, information systems and processes, and those of companies in which the Company invests, are vulnerable to damage or interruption from, fires, power loss, bomb threats, explosions or other forms of terrorist activity and other natural and man-made disasters. These systems may also be subject to sabotage, vandalism, theft and other similar or general misconduct.

5.4. Litigation

Legal proceedings may arise from time to time in the course of the Company's businesses. The Directors cannot preclude that litigation, whether with merit or not, may be brought against the Company, or any company in which the Company invests, and that such litigation could have a material adverse effect on the financial condition, results or operations of the Company.

5.5. Illustrative investments and forward looking statements

There is no assurance that any illustrative investments or forward looking statements used will prove to be accurate. The illustrative investments and other financial projections and forecasts referred to herein are based on Company assumptions and subject to the risks described in this Prospectus including, but not limited to, delays in completion of acquisitions or inability to obtain timely financing. Such projections and forecasts are inherently subject to significant economic and other uncertainties in a competitive market, all of which are difficult to predict and many of which are beyond the control of the Company. While the Company believes that it was conservative in formulating the assumptions on which the illustrative investments and forecasts are based, there is no assurance they will be correct. Industry experts may disagree with these assumptions and with the Company's views of the market and the prospects for the Company. If the assumptions prove to be materially incorrect, the illustrative investments and other financial projections may be materially inaccurate. In addition, these statements are based upon the Company's present plans and may change upon unforeseen circumstances or if management believes such change is in the best interests of the Company. Under no circumstances should the inclusion of the illustrative investments and other financial projections and forecasts referred to herein be regarded as a representation, warranty or prediction with respect to the likelihood of their achievement, or of the underlying assumptions being, or proving to be, correct or that the Company will achieve, or is likely to achieve, any particular result.

6. Factors which are material for the purpose of assessing the market risks associated with the Notes

6.1. The Notes may not be a suitable investment for all investors

Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Prospectus or any applicable supplement;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including where the currency for principal and interest payments is different from the potential investor's currency;
- (iv) understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant financial markets; and
- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

The Notes are complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in the Notes unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the potential investor's overall investment portfolio.

6.2. Tranched Subscriptions

The Company intends to raise up to £20,000,000 in several tranches over the next 12 months. In the event that less money is raised, the fees (which are mainly fixed), will represent a higher proportion of the funds raised. Thus the Company will need to generate a higher return on its capital to offset the cost of Admission.

6.3. Investment Performance

The investment opportunity described in this Prospectus may not be suitable for all recipients of this Prospectus. Investors are strongly recommended to consult an investment adviser authorised under the Financial Services and Markets Act 2000 who specialises in investments of this nature before making a decision to invest.

6.4. Economic and political conditions

The Company does not have control over political, legal or regulatory changes within the business environment in which it operates. Any of these three factors could occur in any territory in which the Company operates.

6.5. Scandal

Social care services can be the subject of various scandals that can subsequently impact their success and ability to attract further placements. THC Plc will invest in businesses that have robust and comprehensive procedures in place relating directly to safeguarding, welfare and protection. The need to safeguard and protect is unequivocal and no compromises will be made in this respect, but it cannot be guaranteed that a scandal will not occur. THC Plc will undertake full and robust commercial due diligence taking particular note of the investment's recruitment and vetting processes including the "Enhanced Disclosure" and "Barring Service (DBS)" checks on all staff. Good quality training should be implemented throughout the target acquisition.

6.6. Society Risk

The investments made are reliant on the sad truth that certain members of the population are unable to provide suitable care for their family. The number of looked after children and adults in the care system is increasing year after year. This trend could reverse leading to adverse trading conditions for the investments.

6.7. Property Boom

If property prices rapidly increase it would increase set up costs on new facilities as well as the acquisition price of businesses with property portfolios.

6.8. Poor Management

The loss of registration and/or poor regulatory ratings could result in the underlying businesses missing occupancy targets. The Company mitigates this risk by investing in businesses with proven and exceptional management and regulatory ratings that are above the industry average.

6.9. Lack of Investment Targets

THC Plc may not be able to source, or acquire suitable investments in the timescales envisaged by the Directors, or even at all. Costs such as legal and accountancy fees and survey fees may be incurred by THC Plc in carrying out due diligence despite the fact that a target has not been invested into.

6.10. Operational Threats

The Company is affected by legislative changes from the European Union. These changes are outside of the control of THC Plc and can considerably impact and alter its financial performance.

PERSONS RESPONSIBLE

The Prospectus has been prepared in accordance with the relevant legislation and has been approved by CySEC acting as the competent authority under the Prospectus Directive. This Prospectus contains all information concerning the Company/Issuer required to be published by the Prospectus Law and the Prospectus Regulation which concerns the Company/Issuer and the Notes. Thus, this Prospectus enables the investors to evaluate the assets, liabilities, financial position, performance and prospects of the Company as well as the rights attached to the Notes.

Company and Directors responsible for the content of the Prospectus

The Issuer assumes full responsibility for the information contained in this Prospectus and declares that the information contained in this Prospectus is in accordance with the facts and contains no omission likely to affect its import. The Directors of the Issuer signing this Prospectus, are also responsible jointly and severally for the information contained in this Prospectus and declare that: (i) having taken all reasonable care to ensure that such is the case, the information contained in it are, to the best of their knowledge, in accordance with the facts, complete and true; (ii) contains no omission of which is likely to affect its import; and (iii) no legal actions or claims of material importance are pending or threatened against the Issuer that could materially affect the Issuer's financial position. In accordance with section 20 of the Prospectus Law, this Prospectus has been signed by all of the directors of the Issuer, whose names appear below, which persons are responsible for the completeness, clarity, accuracy and update of the information contained herein:

- Mr Yannis Loucopoulos;
- Mr Simon Sacerdoti;
- Mr Andrew Williamson; and
- Mr Ivano Cafolla,

all being directors of the Issuer.

Underwriter responsible for drawing up of the Prospectus

Global Capital Securities & Financial Services Limited whose registered address is at 50 Arch. Makarios III Avenue, Alpha House, 1st Floor, 1065, Nicosia, Cyprus, in its capacity as Underwriter responsible for the drawing up of this Prospectus by virtue of section 23 of the Cyprus Prospectus Law, responsibly declares that, having taken all reasonable care to ensure that that is the case, the information contained in the Prospectus is, to the best of its knowledge in complete accordance with the facts and contains no omissions likely to affect its import.

No responsibility of Trustee or Receiving Agent

Neither the Trustee nor the Receiving Agent (notwithstanding that one entity may be performing multiple roles) has separately verified or takes responsibility for the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Receiving Agent or the Trustee as to the accuracy or completeness of the financial information contained herein, or any other financial statements or any further information supplied in connection with the issue of the Notes or their distribution. The statements made in this paragraph are without prejudice to the respective responsibilities of the Issuer in relation to the Notes.

No person is or has been authorised to give any information or to make any representation not contained in or not consistent with the Prospectus or any other financial statements or further information supplied pursuant to the terms of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by any of the Issuer, the directors of the Issuer, the Receiving Agent or the Trustee.

DEFINITIONS

For the avoidance of doubt definitions and rules of interpretation used in the Terms and Conditions of the Notes (as attached to the Prospectus) shall have the same meaning where used in the Prospectus unless otherwise defined.

“Act”	means the Companies Act 2014 of Ireland as the same may be varied from time to time;
“Account Bank”	means Allied Irish Bank Plc as at the date of the Prospectus together with any permitted successor thereto;
“Articles”	means the constitution of the Company in place as at the date of the prospectus and which will be in place upon Admission as more particularly described in the section of the Prospectus headed “INFORMATION ON THE ISSUER” ;
“Article 50”	means article 50 of the Treaty of Lisbon;
“Assets”	the Loan together with any other assets of the Issuer (howsoever comprised) from time to time;
“Admission”	means the admission to listing and trading of the Notes on the Corporate Bond Market of the Regulated Market of the CSE;
“Board”	means the board of directors of the Company;
“Company” or “Issuer”	means Tristone Healthcare Bond DAC;

“Corporate Bond Market”	means the Corporate Bond Market of the Regulated market of the Cyprus Stock Exchange;
“CREST”	means the Relevant System (as defined in the Crest Regulations) for paperless settlement of share transfers and the holding of shares in uncertified form which is administered by Euroclear;
“Crest Regulations”	means the Uncertified Securities Regulations 2001 (SI 2001/3755) as amended from time to time;
“CSE”	means the Cyprus Stock Exchange;
“Directors”	means the directors of the Company as the same may be comprised from time to time;
“Directors Service Agreements”	means the service agreements entered into between the Company and those persons who are Directors as at the date of the Prospectus as more particularly described in the section of the Prospectus headed “INFORMATION ON THE ISSUER” ;
EBITDA	net income before interest expense, net, income tax expense, and depreciation and amortization.
“Eligibility Criteria”	means the eligibility criteria more particularly set out in the section of this Prospectus headed “BUSINESS OF THC PLC” ;
“FCA”	means the Financial Conduct Authority of the United Kingdom;
“Initial Loan Amount”	means the Net Proceeds of the Initial Tranche less the Initial Running Costs and an amount sufficient to meet the first six monthly payment due on the Notes
“Initial Running Costs”	means the anticipated running costs of the Issuer for the first six months following Admission, plus the first interest payment due from the Issuer; which together are expected to amount to approximately £30,000;
“Initial Tranche”	means the initial tranche of £900,000 of Notes;
“Issue Date”	means the date of issue of each Tranche;
“LA”	means a local authority in the United Kingdom;
“Loan”	means the loan to be advanced by the Issuer to THC Plc under the terms of the Loan Agreement;

<i>“Loan Agreement”</i>	means the loan agreement to be entered into between the Issuer and THC Plc as more particularly described in the section of the Prospectus headed “INFORMATION OF THE ISSUER” ;
<i>“Maturity Date”</i>	means the maturity date of the Notes being 31 December, 2027;
<i>“Member States”</i>	means the 28 member states of the European Union as the same is comprised as at the date of this document;
<i>“Net Proceeds”</i>	means the proceeds received from all investors subscribing for the Notes after deducting the costs of issuing the Notes (which are expected to amount to approximately £150,000);
<i>“Ordinary Shares”</i>	means the ordinary shares of €1.00 each in the share capital of the Issuer;
<i>“Prospectus”</i>	means the Prospectus prepared by the Issuer in relation to the admission of the Notes to listing and trading on the Corporate Bond Market.
<i>“Prospectus Directive”</i>	means EU Directive 2003/71/EEC (as amended)
<i>“Prospectus Law”</i>	means the Public Offer and Prospectus Law, Law 114(I)/2005 (as amended).
<i>“Prospectus Regulation”</i>	means Commission Regulation (EC) 809/2004 (as amended).
<i>“Receiving Agent”</i>	means Marriott Harrison LLP of UK.
<i>“Registrar”</i>	means as at the date hereof, Avenir Registrars Limited of the UK or any permitted successor thereto.
<i>“Registrar Agreement”</i>	means the registrar agreement in place between the Registrar and the Company in relation to, amongst other things, the provision of registrar and settlement services as more particularly described in the section of the Prospectus headed “BUSINESS OF THE ISSUER” under the paragraph “Material Contracts” ; and
<i>the “Security”</i>	means a debenture granted by the Issuer to the Trustee pursuant to the terms of the Trust Deed for the benefit of Noteholders as more particularly described in the section of the Prospectus headed “BUSINESS OF THE ISSUER” under the paragraph “Material Contracts” ;

<i>“SPV”</i>	means special purpose vehicle which the Issuer is being established for the purposes of issuing the Notes.
<i>“Terms and Conditions”</i>	means the terms and conditions of the Notes as set out in full in this section of the Prospectus headed “TERMS & CONDITIONS” .
<i>“THC Plc”</i>	means Tristone Healthcare Plc a company incorporated in England (company number 9826810) and having its registered office at 5 th Floor, 196 Deansgate, Manchester M3 3WF;
<i>“THC Plc Directors”</i>	means the directors of THC Plc as at the date of this Prospectus;
<i>“Tranche”</i>	mean a tranche of Notes issued under the Prospectus.
<i>“Trustee”</i>	means Templar Steele (Trust and Custody) Limited
<i>“Underwriter”</i>	means Global Capital Securities & Financial Services Limited, acting as underwriter responsible for drawing up the Prospectus in accordance with Article 23 of the Prospectus Law.

DETAILS OF THE NOTES

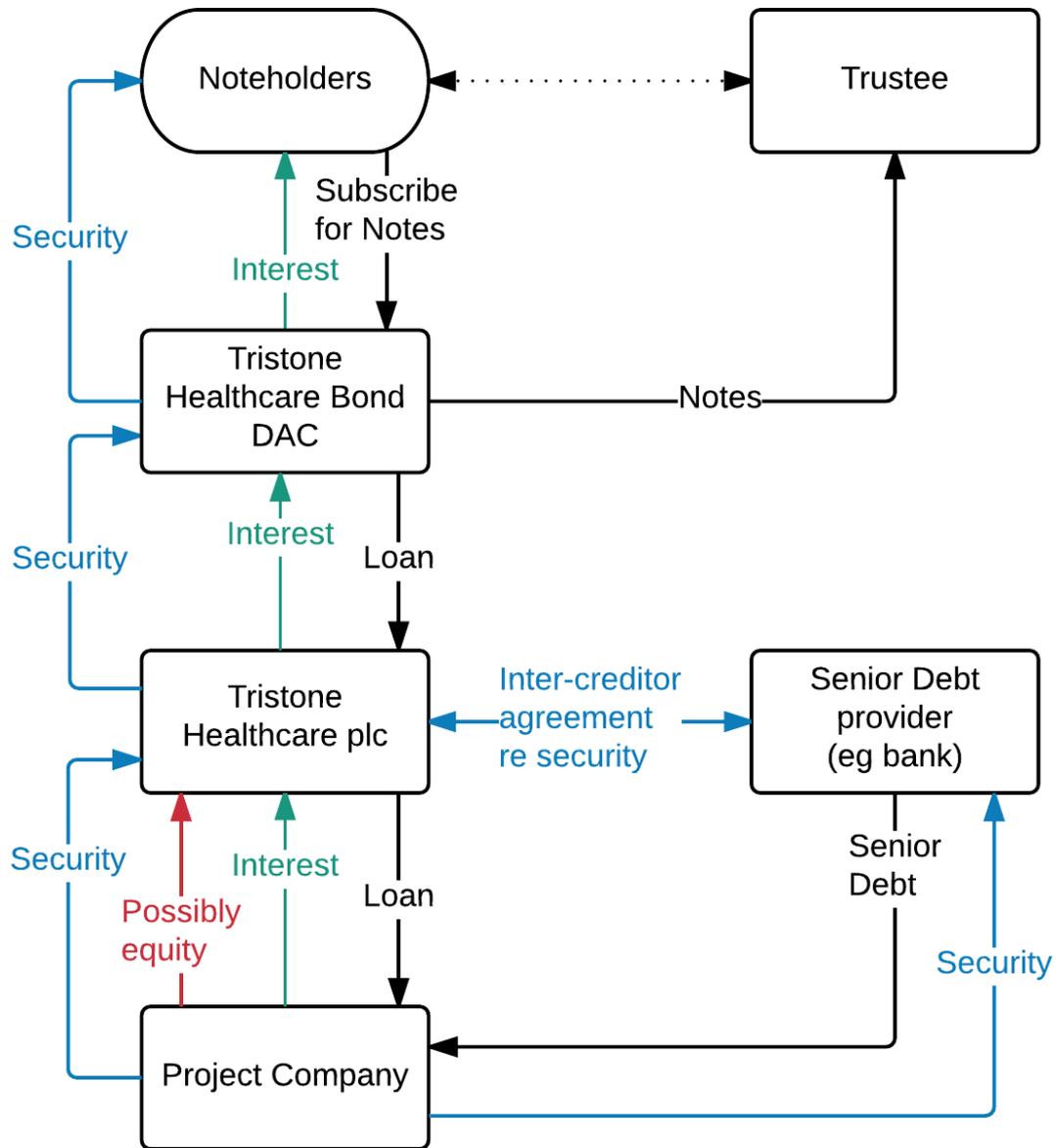
ISSUE DETAILS	
Issuer:	Tristone Healthcare Bond DAC.
Specified Currency	British Pounds Sterling (" GBP " or " £ ").
Principal Amount and Tranches	Up to £20,000,000 to be raised in tranches of up to £2,000,000 approximately every 3 months.
Governing law	The Notes (together with the Trust Deed and the Security) shall be governed by laws of the England & Wales being also the law by which the Notes are created.
Minimum denomination	£100,000
Minimum Initial Tranche Subscription	£900,000
Initial Tranche	The amount of Stg £900,000
Subsequent Tranches	Amounts up to Stg £2000,000 every 3 months.
Issue Date	Issue of the Initial tranche and following approval for admission.
Issue Price	Par.
Account Bank	Allied Irish Bank Plc
Assets	The Loan together with all other assets of the Issuer howsoever comprised from time to time.
Security	A debenture to be granted over the assets of the Issuer.
Ranking of Security	First ranking (in priority of any other creditors)
Status	Limited recourse obligation of the Issuer.
Trustee	Templar Steele (Trust and Custody) Limited.
Receiving Agent	Marriott Harrison LLP.
PROVISIONS RELATING TO THE FORM OF THE NOTES	
Form of Notes (Condition 2)	Registered Notes, represented by a Global Registered Certificate which will be held by the Registrar.
PROVISIONS RELATING TO INTEREST AND PAYMENTS	
Interest	8.5% per annum from the date of issue of the Notes over the term of the Notes. The Issuer will be entitled to vary the amount and frequency of the annual interest payments with the prior consent of the holders of 75% of the

	Principal Amount of the Notes for the time being outstanding, obtained at a duly convened general meeting of the Noteholders.
Interest Payment Date	31 December in each year until Maturity.
Interest provisions	Payment of interest to Noteholders in accordance with the Order of Priority of payments noted below (after payment in full of items ranking senior to the Noteholders) shall constitute full and final settlement of all of the Issuer's obligations to pay interest.
Payment Date	Payment of interest and repayment of the Principal Amount shall be made respectively on the Interest Payment Dates and the Maturity Date.
Business Day Convention:	Following Business Day Convention.
Cities required for definition of "Business Day"	London, Dublin and Nicosia.
Manner in which the Interest Amount is to be determined	360 day year.
PROVISIONS RELATING TO INTEREST AND REDEMPTION	
Maturity Date	31 December, 2027 subject to adjustment in accordance with the Business Day Convention, or at the discretion of the Issuer, such earlier date upon which the Issuer makes payment to the Noteholders of the Principal Amount and all interest which has not been paid but would have been due and payable to the Noteholders up to the Maturity Date.
Redemption Amount	The Principal Amount of the Notes.
Priority of Payments	<p>1) Priority of Payments (General):</p> <p>On receipt of any sums from the Assets, (and also upon enforcement and realisation in full of the Security) the Issuer shall apply those sums in making or providing for payment towards satisfaction of the following amounts (to the extent they have not already been satisfied) in the following order of priority:</p> <ol style="list-style-type: none"> 1 to pay in full any Exceptional Expenses attributable and payable to the Trustee or any attorney, manager, agent, delegate or other person appointed by the Trustee; 2 to pay in full, on a <i>pro rata</i> and <i>pari passu</i> basis, any Exceptional Expenses due and

	<p>payable to the Operating Creditors (other than those paid to the Trustee, or any attorney, manager, receiver, agent, delegate or other person appointed by the Trustee) and any taxes and statutory fees due and payable by the Issuer;</p> <p>3 sums remaining after the applications in 1 and 2 shall be accrued and applied on each Interest Payment date on a <i>pro rata</i> and <i>pari passu</i> basis to the Noteholders in satisfaction of the Issuer's interest obligations under the Notes;</p> <p>4 in no order of priority per se, but <i>pro rata</i> to the respective amounts then due to pay <i>pari passu</i> the sums (if any) remaining after the applications in 1, 2 and 3 above shall be accrued by the Issuer and repaid to the Noteholders on the Maturity Date in satisfaction of the Issuer's Principal repayment obligations under the Notes at the Maturity Date until the Notes are fully redeemed; and</p> <p>5 after the Maturity Date to release the balance (if any) to the Issuer.</p> <p>If all monies received by the Issuer between the Closing Date and the Maturity Date in respect of the Assets, and at any time on enforcement of the Security, would otherwise be insufficient to pay all amounts due in accordance with the Order of Priority, such obligations shall be deemed to be reduced or extinguished in inverse order of the Order of Priority.</p> <p>2) Priority of Payments (upon the occurrence of a Suspension Event):</p> <p>On receipt of any sums from the Assets, the Issuer shall apply those sums in making or providing for payment towards satisfaction of the following amounts (to the extent they have not already been satisfied) in the following order of priority:</p> <p>1 to pay in full any Exceptional Expenses attributable and payable to the Trustee or any attorney, manager, agent, delegate or other person appointed by the Trustee;</p>
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	<p>2 to pay in full, pro rata and on a <i>pari passu</i> basis, any Exceptional Expenses due and payable to the Operating Creditors (other than the Trustee, or any attorney, manager, receiver, agent, delegate or other person appointed by the Trustee) and any taxes and statutory fees due and payable by the Issuer; and</p> <p>3 sums remaining after the applications in 1 and 2 above, shall be accrued and applied on each Interest Payment date on a pro rata and <i>pari passu</i> basis to the Noteholders in satisfaction of the Issuer's interest obligations under the Notes.</p>
Events of Default	Condition 10 of the Terms and Conditions details the events which shall trigger an Event of Default.
DISTRIBUTION	
United States:	Not Regulation S or Rule 144A is eligible and the Notes will not be issued by the Issuer to subscribers in the United States of America.
Others:	European Union, United Kingdom, Republic of Ireland, Germany, Hong Kong, Japan and France (as more particularly described in the Terms and Conditions).
OPERATIONAL INFORMATION	
ISIN:	GB00BZ3TBX81
SEDOL:	BZ3TBX8
Settlement Procedures:	Settlement will be via CREST only.
LISTING	
Listing of the Debt	An application has been made to admit the Notes to the Corporate Bond Market of the Cyprus Stock Exchange and the Notes will be issued on approval for admission.

DIAGRAM OF THE TRANSACTION STRUCTURE ON CLOSING AND CASHFLOW



The Issuer is a newly incorporated entity whose purpose is to issue the Notes. The Net Proceeds will be loaned by the Issuer to THC Plc under the terms of the Loan Agreement. The Loan Agreement also contains an obligation on the Issuer to advance any sums received by it through the issue of the Notes, less the reasonable costs associated with the Admission of those subsequent tranches of Notes, to THC Plc. THC Plc shall, pursuant to the terms of the Loan Agreement, be contractually obliged to use the Loan to make investments into projects in the healthcare sector within the UK and Republic of Ireland that meet the Eligibility Criteria.

As security for its obligations under the Loan Agreement, THC Plc grants in favour of the Issuer a first ranking debenture over all its assets and undertaking. In turn, the Issuer grants in favour of the Trustee a first ranking debenture over all its assets and undertaking.

The Issuer is an Irish incorporated designated activity company, registered on 9 March 2017 with registration number 600107. It has its registered office at 17 Upper Pembroke, Dublin 2, Ireland (Tel. No: +35317755600; Fax No: +35317755601).

On approval of CSE for Admission, the cash flows from the Noteholders to the Issuer. The Issuer will then lend the Net Proceeds to THC Plc under the terms of the Loan Agreement.

THC Plc will then use the proceeds of the Loan to invest in healthcare projects within the UK and Ireland that meet the Eligibility Criteria. Every 6 months THC Plc will pay the interest due on the Loan Agreement (at the rate of 8.5% above the base rate for the time being of the Bank of England) to the Issuer thus enabling the Issuer to pay the annual interest payments due to Noteholders on the Interest Payment Date in accordance with the Terms and Conditions. THC Plc will repay the principal amount advanced under the Loan Agreement prior to the Maturity Date to allow the Issuer to repay the Principal to Noteholders under the Terms and Conditions.

During the periods between the dates when interest payments are due on the Notes, the Issuer may invest the reserve in one month or three month cash deposits which generate rates of c 0.5% AER with main stream banks.

Payments due to the Issuer will be made by THC Plc to the Account Bank or into such account as the Issuer may nominate for this purpose.

FINANCIAL INFORMATION ON THE ISSUER

Since the date of its incorporation the Issuer has not commenced trading and no financial statements have been made up as at the date of this Prospectus nor has the Issuer appointed any statutory auditors.

FINANCIAL INFORMATION ON THC PLC

The financial information in respect of THC Plc as provided by the directors of THC Plc (Yannis Loucopoulos and Simon Sacerdoti, who are also directors of the Issuer) for the financial year ending 31 December 2016 is set out below. This financial information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from information published by the THC Plc, no facts have been omitted which would render the reproduced information inaccurate or misleading.

The financial information is NOT prepared in accordance with international accounting standards adopted pursuant to Article 3 of Regulation (EC) 1606/2002. The said Financial Information does not relate to the Issuer as the Issuer is a newly incorporated Company which has not started its operations. The reason the said Financial Information has been included in this Prospectus is by virtue of the fact that THC Plc is the borrower under the Loan Agreement.

Company Registration No. 09826810 (England and Wales)

TRISTONE HEALTHCARE PLC
PREVIOUSLY KNOWN AS ETHIQO HEALTHCARE PLC
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2016



**TRISTONE HEALTHCARE PLC
PREVIOUSLY KNOWN AS ETHIQO HEALTHCARE PLC
COMPANY INFORMATION**

Directors	Y A Loucopoulos S E Sacerdoti
Secretary	S E Sacerdoti
Company number	09826810
Registered office	5th Floor 196 Deansgate Deansgate Manchester M3 3WF England
Auditor	H W Fisher & Company Acre House 11-15 William Road London NW1 3ER United Kingdom

**TRISTONE HEALTHCARE PLC
PREVIOUSLY KNOWN AS ETHIQO HEALTHCARE PLC
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TRISTONE HEALTHCARE PLC
PREVIOUSLY KNOWN AS ETHIQO HEALTHCARE PLC
STRATEGIC REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2016

The directors present the strategic report for the period ended 31 December 2016.

Fair review of the business

The company has been set up to invest, by way of corporate loans, in projects and businesses in the social healthcare sector. It is envisaged that the funds to invest will be raised by the issuance of corporate bonds.

The principal activity in 2016 was the continued set up of the business and the bond structure. Although the bonds were not admitted to trading on any exchange during the year, investors subscribed for £400,000 nominal of bonds in the year.

Principal risks and uncertainties

The principal risk faced by the company is that it will not be able to identify sufficient, high-quality lending opportunities to deploy the capital raised through bond issuance and thereby will not be able to meet its obligations to bondholders.

Development and performance

The business was being set up during the period, and the structures and mechanisms being established to move forward with the business. The process of listing the bonds proved to be more difficult than originally anticipated, and has not yet been successfully achieved.

The directors have formulated a plan whereby a new sister company, Tristone Healthcare Bond DAC, has been incorporated in the Republic of Ireland, and will issue bonds listed on a recognised stock exchange. The proceeds of such bond issues will be loaned to the company to enable the implementation of the business plan. At the date of approval of this report, substantial progress has been made towards this plan.

The coupon on the bonds issued in the year was paid on time.

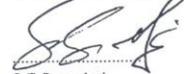
Key performance indicators

The key performance indicator of the business is the proportion of funds deployed and earning interest, which ultimately governs the company's ability to service the bond interest. As the company had not yet begun lending activities at the year-end, no funds were deployed as yet.

Other performance indicators

Other performance indicators will include performance of the loans against their terms, for example the timely payment of interest by borrowers, the performance of borrowers to enable their ultimate repayment of loans, etc. As no loans had been made in the period, there was no measurement of their performance.

On behalf of the board



S E Sacerdoti

Director 30 JUNE 2017

**TRISTONE HEALTHCARE PLC
PREVIOUSLY KNOWN AS ETHIQO HEALTHCARE PLC
DIRECTORS' REPORT**

FOR THE PERIOD ENDED 31 DECEMBER 2016

The directors present their annual report and financial statements for the period ended 31 December 2016.

Principal activities

The principal activity of the company continued to be that of providing equity finance to third parties.

Directors

The directors who held office during the period and up to the date of signature of the financial statements were as follows:

Y A Loucopoulos

S E Sacerdoti

J B Carson

(Resigned 28 February 2017)

Results and dividends

The results for the period are set out on page 6.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Auditor

H W Fisher & Company were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board



S E Sacerdoti

Director

30 JUNE 2017

TRISTONE HEALTHCARE PLC
PREVIOUSLY KNOWN AS ETHIQO HEALTHCARE PLC
DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE PERIOD ENDED 31 DECEMBER 2016

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**TRISTONE HEALTHCARE PLC
PREVIOUSLY KNOWN AS ETHIQO HEALTHCARE PLC
INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF TRISTONE HEALTHCARE PLC**

We have audited the financial statements of Tristone Healthcare plc for the period ended 31 December 2016 which comprise the Profit And Loss Account, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Emphasis of Matter - going concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1.2 to the financial statements concerning the company's ability to continue as a going concern, which is dependent on the ability of the company to raise further funds via a separate company. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit, the information given in the Strategic Report and the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements, and the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Strategic Report and the Directors' Report.

**TRISTONE HEALTHCARE PLC
PREVIOUSLY KNOWN AS ETHIQO HEALTHCARE PLC
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF TRISTONE HEALTHCARE PLC**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Simon Mott-Cowan (Senior Statutory Auditor)
for and on behalf of H W Fisher & Company

Chartered Accountants
Statutory Auditor
Acre House
11-15 William Road
London
NW1 3ER
United Kingdom

30 June 2017

TRISTONE HEALTHCARE PLC
PREVIOUSLY KNOWN AS ETHIQO HEALTHCARE PLC
PROFIT AND LOSS ACCOUNT

FOR THE PERIOD ENDED 31 DECEMBER 2016

	Notes	Year ended 31 December 2016 £	Period ended 31 December 2015 £
Administrative expenses		(321,175)	(41,200)
Interest payable and similar charges	4	(5,775)	-
Loss before taxation		(326,950)	(41,200)
Taxation	5	-	-
Loss for the financial period		(326,950)	(41,200)

The profit and loss account has been prepared on the basis that all operations are continuing operations.

TRISTONE HEALTHCARE PLC
PREVIOUSLY KNOWN AS ETHIQO HEALTHCARE PLC
STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 DECEMBER 2016

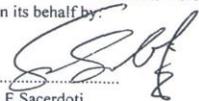
	Year ended 31 December 2016 £	Period ended 31 December 2015 £
Loss for the period	(326,950)	(41,200)
Other comprehensive income	-	-
Total comprehensive income for the period	<u>(326,950)</u>	<u>(41,200)</u>

TRISTONE HEALTHCARE PLC
PREVIOUSLY KNOWN AS ETHIQO HEALTHCARE PLC
BALANCE SHEET

AS AT 31 DECEMBER 2016

	Notes	2016		2015	
		£	£	£	£
Current assets					
Debtors	7	64,395		42,500	
Cash at bank and in hand		75,005		-	
		<u>139,400</u>		<u>42,500</u>	
Creditors: amounts falling due within one year	8	<u>(57,550)</u>		<u>(33,700)</u>	
Net current assets			81,850		8,800
Creditors: amounts falling due after more than one year	9		(400,000)		-
Net (liabilities)/assets			<u>(318,150)</u>		<u>8,800</u>
Capital and reserves					
Called up share capital	10		50,000		50,000
Profit and loss reserves			(368,150)		(41,200)
Total equity			<u>(318,150)</u>		<u>8,800</u>

The financial statements were approved by the board of directors and authorised for issue on ^{30 June 2017} and are signed on its behalf by:



 S E Sacerdoti
 Director

Company Registration No. 09826810

TRISTONE HEALTHCARE PLC
PREVIOUSLY KNOWN AS ETHIQO HEALTHCARE PLC
STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2016

	Share capital	Profit and loss reserves	Total
Notes	£	£	£
Balance at 15 October 2015	-	-	-
Period ended 31 December 2015:			
Loss and total comprehensive income for the period	-	(41,200)	(41,200)
Issue of share capital	10 50,000	-	50,000
Balance at 31 December 2015	50,000	(41,200)	8,800
Period ended 31 December 2016:			
Loss and total comprehensive income for the period	-	(326,950)	(326,950)
Balance at 31 December 2016	50,000	(368,150)	(318,150)

TRISTONE HEALTHCARE PLC
PREVIOUSLY KNOWN AS ETHIQO HEALTHCARE PLC
STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 DECEMBER 2016

	Notes	2016		2015	
		£	£	£	£
Cash flows from operating activities					
Cash absorbed by operations	13	(319,220)		(12,500)	
Interest paid		(5,775)		-	
Net cash outflow from operating activities		(324,995)		(12,500)	
Net cash used in investing activities					
Financing activities					
Proceeds from issue of shares		-		12,500	
Issue of loan notes		400,000		-	
Net cash generated from financing activities		400,000		12,500	
Net increase in cash and cash equivalents		75,005		-	
Cash and cash equivalents at beginning of period		-		-	
Cash and cash equivalents at end of period		75,005		-	

TRISTONE HEALTHCARE PLC
PREVIOUSLY KNOWN AS ETHIQO HEALTHCARE PLC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2016

1 Accounting policies

Company information

Tristone Healthcare plc is a company limited by shares incorporated in England and Wales. The registered office is 5th Floor 196 Deansgate, Deansgate, Manchester, M3 3WF, England.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

The Directors believe that the use of the going concern basis of accounting is appropriate, although they recognise that there are uncertainties related to events or conditions that cast doubts on the company's ability to continue as a going concern.

The principal uncertainty concerns the company's ability to raise further funding to enable it to continue to implement its business plan. The company's capital base, raised through the issue of bonds, has been eroded by the failure to achieve a listing for its bonds, and as a result, the company does not currently have sufficient capital to redeem the bonds on maturity in 2026.

The directors have formulated, and substantially implemented, a plan to promote the issue, by a separate company, Tristone Healthcare Bond DAC, of listed bonds on a recognised stock exchange. The proceeds of this issue will be lent to the company to finance its activities. The company is also in discussions with the bondholder which would lead to the bonds being redeemed from part of the proceeds of the Tristone Healthcare Bond DAC bond issue.

In addition, equity funding may be sought by the company.

1.3 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.4 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

TRISTONE HEALTHCARE PLC
PREVIOUSLY KNOWN AS ETHIQO HEALTHCARE PLC
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2016

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

TRISTONE HEALTHCARE PLC
PREVIOUSLY KNOWN AS ETHIQO HEALTHCARE PLC
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2016

1 Accounting policies **(Continued)**

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.5 Compound instruments

The component parts of compound instruments issued by the company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangement. At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for a similar non-convertible instrument. This amount is recorded as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date. The equity component is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity net of income tax effects and is not subsequently remeasured.

1.6 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.7 Comparative period

The comparative period is from 15 October 2015 to 31 December 2015

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Operating loss

	2016	2015
	£	£
Operating loss for the period is stated after charging/(crediting):		
Fees payable to the company's auditor for the audit of the company's financial statements	9,300	2,700
	<u> </u>	<u> </u>

TRISTONE HEALTHCARE PLC
PREVIOUSLY KNOWN AS ETHIQO HEALTHCARE PLC
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2016

4	Interest payable and similar charges		
		2016	2015
		£	£
	Interest on financial liabilities measured at amortised cost:		
	Other interest on financial liabilities	5,775	-
		<u> </u>	<u> </u>
5	Taxation		
	The actual charge for the period can be reconciled to the expected charge based on the profit or loss and the standard rate of tax as follows:		
		2016	2015
		£	£
	Loss before taxation	(326,950)	(41,200)
		<u> </u>	<u> </u>
	Expected tax charge based on the standard rate of corporation tax in the UK of 20.00% (2015: 18.00%)	(65,390)	(7,416)
	Tax effect of expenses that are not deductible in determining taxable profit	168	-
	Unutilised tax losses carried forward	65,222	7,416
	Tax expense for the period	<u> </u>	<u> </u>
6	Financial instruments		
		2016	2015
		£	£
	Carrying amount of financial assets		
	Debt instruments measured at amortised cost	64,395	37,500
		<u> </u>	<u> </u>
	Carrying amount of financial liabilities		
	Measured at amortised cost	457,550	33,700
		<u> </u>	<u> </u>

TRISTONE HEALTHCARE PLC
PREVIOUSLY KNOWN AS ETHIQO HEALTHCARE PLC
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2016

7	Debtors	2016	2015
		£	£
	Amounts falling due within one year:		
	Unpaid share capital	37,500	37,500
	Other debtors	12,280	-
	Prepayments and accrued income	-	5,000
		<u>49,780</u>	<u>42,500</u>
	Amounts falling due after one year:		
	Other debtors	14,615	-
		<u>14,615</u>	<u>-</u>
	Total debtors	<u>64,395</u>	<u>42,500</u>
8	Creditors: amounts falling due within one year	2016	2015
		£	£
	Trade creditors	45,550	-
	Other creditors	-	4,500
	Accruals and deferred income	12,000	29,200
		<u>57,550</u>	<u>33,700</u>
9	Creditors: amounts falling due after more than one year	2016	2015
		£	£
	Notes		
	Non convertible loans	400,000	-
		<u>400,000</u>	<u>-</u>

The proceeds received from issue of bonds bear interest at the rate of 7% payable annually in arrears. These are 10 year fixed term bonds repayable on 31 December 2026. These bonds are secured against fixed and floating charges on all of the company's assets.

10	Share capital	2016	2015
		£	£
	Ordinary share capital		
	Issued		
	50,000 Ordinary of £1 each	50,000	50,000
		<u>50,000</u>	<u>50,000</u>

The company was incorporated on 20 October 2015 and issued 50,000 shares at £1 each. At the balance sheet date £37,500 of the share capital was unpaid and included in debtors.

TRISTONE HEALTHCARE PLC
PREVIOUSLY KNOWN AS ETHIQO HEALTHCARE PLC
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2016

11 Related party transactions

No guarantees have been given or received.

During the period, the company was charged fees totalling £146,999 (2015: £26,500) by companies with common directors. As at 31 December 2016, £40,739 (2015: £26,500) remain unpaid.

During this period, £nil (2015: £12,500) of the share capital was paid on behalf of the shareholder, by a company controlled by a director.

During the period a company under common control lent Tristone Healthcare plc £nil (2015: £5,000). During the period this company charged fees of £5,000 (2015: £nil). At the balance sheet date £nil (2015: £4,500) remained unpaid.

During the year, the company provided a loan of £12,280 (2015: £nil) to a company under common control. As at the year end this remained unpaid. No interest has been charged on this loan and this loan is repayable on demand.

12 Controlling party

The company is controlled by Y A Loucopoulos due to his majority shareholdings of the company.

13 Cash generated from operations

	2016	2015
	£	£
Loss for the year after tax	(326,950)	(41,200)
Adjustments for:		
Finance costs	5,775	-
Movements in working capital:		
(Increase) in debtors	(21,895)	(5,000)
Increase in creditors	23,850	33,700
Cash absorbed by operations	<u>(319,220)</u>	<u>(12,500)</u>

PARTIES TO THE TRANSACTION

The following table details the parties to the Transaction and their role and responsibilities in the Transaction. For further details on the role and responsibilities to be performed by each of the below listed parties more information can be found in the section of this Prospectus headed “BUSINESS OF THE ISSUER”:

Name	Role/ responsibility within the Transaction	Regulatory status (if applicable)
Marriott Harrison LLP	Solicitor to the Issuer in relation to the Admission as to English law and Receiving Agent.	Regulated by the Solicitors Regulatory Authority of England and Wales
Templar Steele (Trust and Custody) Limited	Trustee	n/a
Avenir Registrars Limited	Registrar	n/a
Keane Vgenopoulou & Associates LLC	Lawyers to the Issuer as to Cyprus Law	Regulated by the Cyprus Bar Association
OHM Partners	Solicitor to the Issuer in relation to the Trust Deed	Regulated by the Law Society of Ireland

As noted in the table above Marriott Harrison LLP has been engaged to perform two roles in the Transaction, UK acting as solicitors to the Issuer and as Receiving Agent. The primary role of the Receiving Agent is to receive and hold investors funds until the Notes are admitted and settled. Neither Marriott Harrison LLP nor the Issuer, believe that this will create a situation in which a conflict of interest will arise.

In addition, the directors of Templar Steele (Trust and Custody) Limited are members of Marriott Harrison LLP. Neither the Issuer, Templar Steele (Trust and Custody) Limited or Marriott Harrison LLP believe that this will create a situation in which a conflict of interest will arise and independent legal advice in respect of the Trust Deed has been provided to the Issuer by OHM Partners.

Other than as disclosed in this Prospectus there are no conflicts of interest among the above listed parties to the transaction, or their related parties.

USE OF NET PROCEEDS

The majority of the Net Proceeds will be advanced to THC Plc pursuant to the terms of the Loan Agreement and will then be utilised by THC Plc to invest into the healthcare sector in the UK and the Republic of Ireland as more specifically described in the section of this Prospectus headed “**BUSINESS OF THC Plc**”.

It is the Directors of THC Plc intention that THC Plc will be looking to invest the majority of Net Proceeds within 3 years with the intention of making in excess of 10 investments over this period, building a diversified portfolio investing into healthcare projects.

THC Plc will look at investing in both the debt and equity of projects, but will ensure that sufficient capital is deployed in debt or debt-type securities in order to generate appropriate income and cash flows to meet its repayment obligations under the Loan Agreement.

BUSINESS OF THE ISSUER

The Issuer is a newly incorporated entity whose sole purpose is to issue the Notes and enter into the Loan Agreement with THC Plc. The Notes are secured by all of the assets of the Issuer under the terms of the Security. Further information on THC Plc can be found in the sections of the Prospectus headed “**BUSINESS OF THC Plc**” and “**INFORMATION ON THC Plc**”. The business of the Issuer will be managed by the Directors.

1. Loan Agreement

The Issuer has entered into a loan agreement (the “**Loan Agreement**”) with THC Plc, conditional only upon Admission, pursuant to which the Issuer will initially advance the Initial Loan Amount to THC Plc. The Loan Agreement also contains an obligation on the Company to advance any further sums realised by it from additional subscription options from the Notes (less any reasonable costs associated with the Admission of the same) to THC Plc. The Loan Agreement is for ten (10) years with THC Plc due to repay all sums advanced prior to the maturity of the Notes. All sums advanced under the Loan Agreement may only be used by THC Plc for the purpose of investing in healthcare projects in the UK and Ireland that meet its Eligibility Criteria (as more particularly described in the section of the Prospectus headed “**BUSINESS OF THC Plc**”).

The Loan Agreement is governed by the laws of England and Wales.

The Loan Agreement includes various stringent covenant and obligations on THC Plc which restricts the purpose for which the loan can be used to investing in healthcare projects in UK and Ireland that satisfy the Eligibility Criteria.

If the Issuer raises money in addition to the Initial Loan Amount through the sale of Notes it agrees to advance any such funds as it may raise from this sale (less costs incurred through the sale and admission to trading of any such additional Notes) to THC Plc upon the same terms as set out in the Loan Agreement.

The Initial Loan Amount shall be advanced under the Loan Agreement as soon as reasonably practicable following Admission in accordance with the terms of that document and to the extent funds are held by the Issuer following Admission and pending advance they shall be held in escrow for the benefit of the Noteholders under the control of the Trustee.

The Loan Agreement also includes a number of warranties and indemnities granted by THC Plc to the Issuer together with a series of events of default pursuant to which all sums advanced and interest would be immediately repayable.

All words and expressions defined in the Loan Agreement shall bear the same meaning when used in this Prospectus.

Under the Loan Agreement THC Plc warrants and represents to the Issuer, the following:

1.1 It:

1.1.1 is a duly incorporated limited liability company validly existing under the laws of its jurisdiction of incorporation; and

1.1.2 has the power to own its assets and carry on its business as it is being conducted.

- 1.2 It has the power to enter into, deliver and perform, and has taken all necessary action to authorise its entry into, delivery and performance of, the Finance Documents and the transactions contemplated by them.
 - 1.2.1 No limit on its powers will be exceeded as a result of the borrowing or grant of security contemplated by the Finance Documents.
- 1.3 The entry into and performance by it of, and the transactions contemplated by, the Finance Documents, do not and will not contravene or conflict with:
 - 1.3.1 its constitutional documents;
 - 1.3.2 any agreement or instrument binding on it or its assets or constitute a default or termination event (however described) under any such agreement or instrument; or
 - 1.3.3 any law or regulation or judicial or official order, applicable to it.
- 1.4 It has obtained all required or desirable authorisations to enable it to enter into, exercise its rights and comply with its obligations in the Finance Documents and to make them admissible in evidence in its jurisdiction of incorporation. All such authorisations are in full force and effect.
- 1.5 It has obtained all required or desirable authorisations to enable it to enter into, exercise its rights and comply with its obligations in the Finance Documents and to make them admissible in evidence in its jurisdiction of incorporation. All such authorisations are in full force and effect.
- 1.5 Its obligations under the Finance Documents are legal, valid, binding and enforceable in accordance with their terms.
- 1.6 It is not necessary to file, record or enrol any Finance Document (other than the registration of the Security Document under the Companies Act 2006 and in the case of real property registration at HM Land Registry) with any court or other authority or pay any stamp, registration or similar taxes relating to any Finance Document or the transactions contemplated by any Finance Document.
- 1.7 No event of default or potential event of default has occurred or is continuing, or is reasonably likely to result from making the Loan or the entry into, the performance of, or any transaction contemplated by the Finance Documents.
- 1.8 No other event or circumstance is outstanding which constitutes (or, with the expiry of a grace period, the giving of notice, the making of any determination or any combination thereof, would constitute) a default or termination event (howsoever described) under any other agreement or instrument which is binding on THC Plc or to which any of its assets is subject which has or is likely to have a material adverse effect on its business, assets or condition or ability to perform its obligations under the Finance Documents.
- 1.9 No litigation, arbitration or administrative proceedings are taking place, pending or, to THC Plc's knowledge, threatened against it, any of its directors or any of its assets, which might reasonably be expected to have a material adverse effect on its business,

assets or condition, or its ability to perform its obligations under the Finance Documents.

1.10 The information, in written or electronic format, supplied by, or on its behalf, to the Issuer in connection with the Facility and the Finance Documents was, at the time it was supplied or at the date it was stated to be given (as the case may be), to the best of its knowledge and belief having made all due enquiry:

1.10.1 if it was factual information, complete, true and accurate in all material respects;

1.10.2 if it was a financial projection or forecast, prepared on the basis of recent historical information and on the basis of reasonable assumptions and was fair and made on reasonable grounds; and

1.10.3 if it was an opinion or intention, made after careful consideration and was fair and made on reasonable grounds; and

1.10.4 not misleading in any material respect, nor rendered misleading by a failure to disclose other information,

except to the extent that it was amended, superseded or updated by more recent information supplied by, or on behalf of, THC Plc to the Issuer.

1.11 The Security Documents create (or once entered into, will create):

1.11.1 valid, legally binding and enforceable Security for the obligations expressed to be secured by it; and

1.11.2 subject to registration under section 859A of the Companies Act 2006 and in the case of real property registration at HM Land Registry, perfected Security over the assets expressed to be subject to security in it,

in favour of the Issuer, having the priority and ranking expressed to be created in the Security Document and ranking ahead of all (if any) securities and rights of third parties except those preferred by law.

Each of the representations and warranties given by THC Plc is deemed to be repeated by THC Plc on:

- the date of the request to draw down the Loan;
- the date that the Loan is actually drawn down; and
- each date immediately succeeding the date on which interest is paid under the Loan Agreement,

by reference to the facts and circumstances existing on each such date.

As security for all and any sums advanced pursuant to the Loan Agreement, THC Plc will grant to the Issuer a debenture, and the Issuer will grant a debenture over its entire assets and undertaking as security for all sums advanced by the Issuer to THC Plc under the Loan Agreement.

Under the terms of the Loan Agreement, THC Plc will also covenant with the Issuer that, as from the date of Loan Agreement until all its liabilities under the various Finance Documents have been discharged:

- 1.12 It will deliver to the Issuer:
 - 1.12.1 within 180 days after the end of each of its financial years, its audited accounts;
 - 1.12.2 within 30 days after the end of each month, its monthly management accounts;
 - 1.12.3 promptly all notices or other documents dispatched by the THC Plc to its shareholders (or any class of them) or to its creditors generally; and
 - 1.12.4 promptly such financial or other information as the Issuer may, from time to time, reasonably request relating to THC Plc or its business.
- 1.13 It will promptly, after becoming aware of them, notify the Issuer of any litigation, arbitration or administrative proceedings or claim.
- 1.14 It will immediately upon becoming aware, notify the Issuer of any default or potential event of default that occurs (or which it becomes aware) under any agreement (of whatever nature and in any form) which it enters into with any Investee.
- 1.14
- 1.15 It will procure that any of its unsecured and unsubordinated obligations and liabilities under the Finance Documents rank, and will rank, at least pari passu in right and priority of payments with all its other unsecured and unsubordinated obligations and liabilities, present or future, actual or contingent, except for those obligations and liabilities mandatorily preferred by law of general application to companies.
- 1.16 It will comply, in all respect, with all laws, if failure to do so has or is reasonably likely to have a material adverse effect on its business, assets or condition, or its ability to perform its obligations under this agreement.
- 1.17 It will notify the Issuer of any Potential Event of Default or Event of Default (and the steps, if any, being taken to remedy it) promptly on becoming aware of its occurrence.
- 1.18 If the Issuer is obliged for any reason to comply with "know your customer" or similar identification procedures in circumstances where the necessary information is not already available to it, THC Plc will, promptly on the request of the Issuer, supply (or procure the supply of) such documentation and other evidence as is reasonably requested in order for the Issuer to be able to carry out, and be satisfied that it has complied with, all necessary "know your customer" or other similar checks under all applicable laws and regulations pursuant to the transactions contemplated in the Finance Documents.
- 1.19 It will carry on and conduct its business in a proper and efficient manner and will not make any change to the general nature or scope of its business as carried on at the date of this agreement.
- 1.20 Furthermore, THC Plc will not:

- 1.20.1 create, or permit to subsist, any Security on or over any of its assets other than security created pursuant to the Security Documents;
- 1.20.2 sell, transfer or otherwise dispose of any of its assets on terms whereby such assets are or may be leased to or re-acquired or acquired by it; or
- 1.20.3 sell, transfer or otherwise dispose of any of its receivables on recourse terms; or
- 1.20.4 enter into any arrangement under which money or the benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts; or
- 1.20.5 enter into any other preferential arrangement having a similar effect,

in circumstances where the arrangement or transaction is entered into primarily as a method of raising Borrowed Money or of financing the acquisition of an asset.
- 1.21 It will not sell, assign, lease, transfer or otherwise dispose of in any manner (or purport to do so) all or any part of, or any interest in, its assets other than:
 - 1.21.1 trading stock in the ordinary course of its business; and
 - 1.21.2 assets exchanged for other assets comparable or superior as to type, value and quality.
- 1.22 It will not incur or permit to subsist, any obligation for Borrowed Money.
- 1.23 It will ensure, after the Moratorium Period (of 6 months) that no more than 25% of the Facility Amount invested at any time during the Availability Period be invested in any simple Investee will at any time be invested with any single Investee without the prior written consent of the Issuer.
- 1.24 It will ensure that in respect of all Investments it will receive a Prescribed Security from that Investee securing all monies advanced to it by THC Plc. For the avoidance of doubt it is acknowledged that any Investment that is constituted by a subscription by THC Plc for equity securities in an investee will not require to be secured by way of a Prescribed Security (given the nature of that type of Investment and the ability to so secure).

2. Material Contracts

In addition to the Loan Agreement, the Issuer has entered into the following material contracts each of which are governed by English Law, the result of which could be that the Issuer is under an obligation or entitlement that is material to the Issuer's ability to meet its obligation to Noteholders in respect of the Notes:

2.1. Trust Deed

Upon the unconditional Admission of the Notes to trading on the Corporate Bond Market of the Regulated Market of the Cyprus Stock Exchange, the Issuer has entered into a deed of trust with Trustee ("**Trust Deed**").

This Trust Deed, inter alia:

- constitutes the Notes and confirms that the Notes will pay an annual coupon of 8.5%;
- creates a covenant to redeem and to pay interest on the Notes by the Issuer to the Trustee, for the benefit of the Noteholders;
- provides for the Trustees powers and responsibilities to Noteholders;
- constitutes the Trustee as the security trustee of the Security for the benefit of the Noteholders and details enforcement provisions in relation to the same should an Event of Default occur;
- sets out the form and issue of the Notes;
- imposes an obligation to ensure that the Registrar keeps a register of Noteholders which shall be kept in the jurisdiction of incorporation of the Issuer or otherwise where the Trustee shall determine;
- provides that the Trustee will pursue any and all remedies available to Noteholders with respect to the Notes;
- application of any monies received by the Trustee with respect to the Notes;
- provides that the obligations of the Issuer are limited recourse limited to the lesser of the nominal value of the Notes and the actual amount received or recovered by the Issuer in respect of the security;
- sets out the remuneration and indemnification of the Trustee;
- lays out the circumstance under which the Trustee may resign or be removed and the procedures for so doing; and
- sets out the procedure for the governance of meetings of the Noteholders.

2.2. The Security to the Issuer with respect to the Loan Agreement

As security for all and any sums advanced pursuant to the Loan Agreement, THC Plc has granted to the Issuer (conditional only upon Admission taking place) a debenture over all of its assets as security for all sums that may be advanced by the Issuer to THC Plc under the Loan Agreement. Furthermore, THC Plc has agreed to execute and deliver any additional security document that the Issuer requires (acting in its sole discretion) by way of security for the Loan over THC Plc's assets.

BUSINESS OF THC PLC

The information appearing under “**BUSINESS OF THC PLC**” has been provided to the Issuer by the directors of THC Plc (Yannis Loucopoulos and Simon Sacerdoti) who are also directors of the Issuer. The information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from information published by THC Plc, no facts have been omitted which would render the reproduced information inaccurate or misleading.

1. Introduction

THC Plc will use the proceeds of the Loan to invest in healthcare projects in the United Kingdom and Ireland that meet the Eligibility Criteria.

2. Investment Policy

It is the intention of the Directors that, for so long as it remains prudent to do so, THC Plc’s investment policy will be to invest in certain healthcare businesses or companies, principally based in the UK and the Ireland, where the management team has previous experience within the sector. It is the intention of the THC Plc Directors that THC Plc will source investments that have the potential to generate strong cash flows, profits and investment growth. It is intended that the cash flows generated from these investments will be used to pay the interest and repay the principal on the Loan.

3. Corporate Structure

The issued share capital of THC Plc comprises 50,000 ordinary shares of £1.00 par value which are owned by Yannis Loucopoulos a director and sole shareholder of the Issuer. It is envisaged that each investment made by THC Plc will be made directly into a separate project company, although this may not always be the case.

4. Business Strategy

The primary investment strategy of THC Plc is to focus on sourcing investments in businesses in the UK and the Republic of Ireland that have the potential to generate strong cash flows, profits and investment growth.

The THC Plc Directors believe that there is an opportunity to consolidate elements of the social care market, focusing on acquiring and investing in businesses with EBITDA in the £1m to £2m range that compliment the service range and geographical strategy.

Through the application of sector specific expertise the THC Plc Directors intend to create a group of care businesses that provide an integrated and holistic solution to Local Authorities, offering ‘joined- up’ services in a bespoke manner based on each individual circumstances and needs.

The THC Plc Directors aim to be active and supportive investors, backing experienced management teams in the purchase or expansion of their businesses.

THC Plc Strategy:-

1. To acquire and invest in successful social care companies with existing quality management teams in place who, where possible, can continue to run the businesses.

2. To help unlock business potential with expert management support and financing.
3. To increase return for all stakeholders.

All investment proposals will be submitted for consideration by the Board, who will undertake a process of evaluation and review each investment proposal and business plan, and appropriate levels of due diligence will then be carried out on each investment, including on the projected financial forecasts, to ensure the project’s ability to service an investment by THC Plc satisfactorily. If the Board decides to proceed with a proposed investment, financial forecasts will be prepared by the project team, and reviewed by the Board, to demonstrate the investment’s ability to meet THC Plc’s Eligibility Criteria which includes an ability to make repayments on any loans advanced. Each investment will be structured in the most appropriate commercial and tax efficient manner, which may be by debt and interest, equity and dividend financial investment, or a mixture of all. For each investment decision external taxation advice will be sought where appropriate.

THC Plc will allocate the proceeds of the Notes to its investments according to the business proposals put forward and agreed by the THC Plc Directors. The funds will be allocated on the basis that the target investments will provide a return that enables THC Plc to fund the interest and principal payments under the Loan, as well as covering its running costs.

The THC Plc Directors have significant experience in the provision of healthcare services to UK and European businesses. THC Plc is dependent upon the success of its investment strategies to generate revenue, cash flow, profits and/or increase capital value in order to fund the interest and principal payments on the Loan.

The strategies to control and mitigate the investment and operational risks include:

- a requirement for an independent assessment and evaluation of the target project/acquisition to ensure that its profits and/or capital value can support the repayment of the note coupon and principal;
- targeting companies and/or project management teams with strong historical trading records;
- a security package comprising of asset specific security, share capital and/or floating charges;
- a requirement for the project to have planning permission in place (if required); and
- a requirement for the project to use existing well established contractors who have a proven track record in their area of expertise.

5. Investment Process

Step 1. Origination	<ul style="list-style-type: none"> • Identification of healthcare investment opportunities, by THC Plc Directors, that meet the Eligibility Criteria.
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Step 2. Initial Screening	<ul style="list-style-type: none"> • Eliminate assets/projects unlikely to pass investment approval (too much leverage, overly structured, under-performing, lack of experience in management team, no planning permission, risky technology). • Identify strong opportunities for inclusion in shortlist for credit analysis.
Step 3. Detailed analysis	<ul style="list-style-type: none"> • High level financial and commercial due diligence undertaken by commercial consultants. • Site visits and meetings with management as appropriate. • Run internal analysis models if applicable. • Determine risk characteristics, expected loss given default, risk factors and mitigating factors. • Ensure no diversification, concentration or other limits are broken.
Step 4. Investment Committee	<ul style="list-style-type: none"> • Presentation to THC Plc investment committee which shall comprise the THC Plc Directors together with any external advisers as the THC Plc Directors may deem necessary from time to time, extensive Q&A. Full analysis reviewed. • Credit characteristics combined with valuation/yield analysis. • Investment decision made.
Step 5. Offer & Due Diligence	<ul style="list-style-type: none"> • Submit formal offer including: how the acquisition/financing is intended to be funded, diligence requirements, target timetable to completion. • Perform financial, commercial, legal and tax due diligence.
Step 6. Investment	<ul style="list-style-type: none"> • Final presentation to investment committee for formal approval. • Finalise of due diligence.

- | | |
|--|------------------------------------------------------------------------------------------------------------|
| | <ul style="list-style-type: none">• Finalise legal documentation.• Investment made. |
|--|------------------------------------------------------------------------------------------------------------|

Social Care Market

The social care market continues to attract serious interest from investors of all hues, including private equity and venture capitalists¹. As the statistics below show there still remains scope for private companies to assist and work in partnership with local authorities, where providers can deliver in line with the objectives of high quality and value for money.

At a time when the public sector is playing its part in paying down the deficit the local authority revenue expenditure and financing 2016 to 2017 budget statistics² show local authorities plan to increase overall spending on:

- children’s and families social care services – up £136 million
- adult social care – up £308 million

As part of the long-term local government finance settlement UK councils have almost £200 billion to spend on services over the lifetime of this Parliament including an extra £3.5 billion available for care of the elderly and vulnerable.

In the recent Budget, Chancellor Philip Hammond announced an extra £2bn of funding for social care. Chancellor Philip Hammond said £1bn of the cash will be released in 2017-18 to allow councils to “act now” and commission more social care packages to “relieve pressures on the NHS”. The remaining funding will be provided in 2018-19 and 2019-20.

With social care budgets rising and the demand for specialised adult and children’s services outstripping supply, the THC Plc Directors believe that the THC Plc presents an opportunity to invest into a growing sector with Local Authority derived revenue streams.

As the statistics below show, this is coupled with an increasing demand for social care services.

1. Children’s Care

Net current expenditure by local authorities in 2015-2016 was £7,698 million within children and families social care services.³

In September 2016 the Department for Education (DfE) of the UK published, its Statistical First Release on ‘Children Looked After in England (including adoption and care leavers) for the year ending 31 March 2016’.

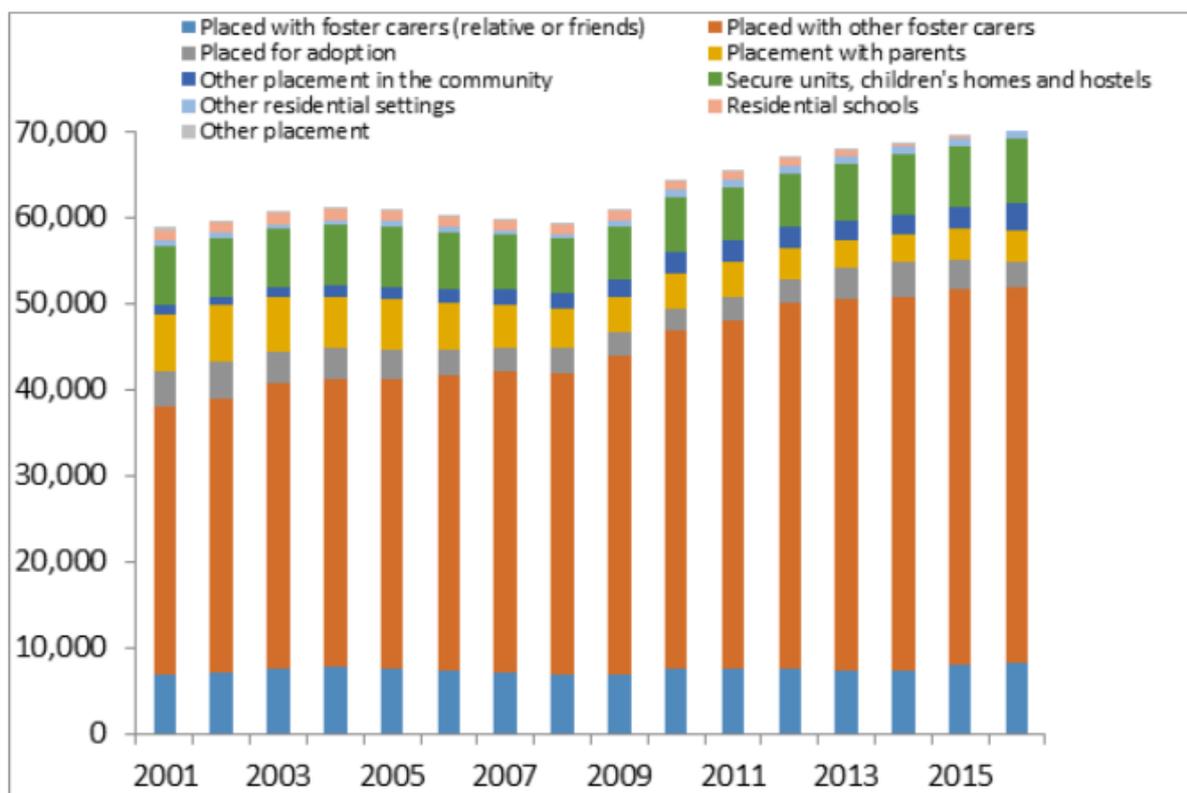
¹ <http://bigissueinvest.com/funds/social-enterprise/>

² <https://www.gov.uk/government/news/new-stats-show-councils-prioritising-adult-social-care>

³ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/532932/RA_Budget_2016-17_Statistical_Release.pdf

The key points included:

- There were 70,440 looked after children on the 31st of March 2016, an increase of 1% compared to the 31st of March 2015 and an increase of 5% compared to the 31st of March 2012.
- The number of children who started to be looked after has been increasing since 2012 and continues to increase again in 2016. The increase appears to be due to a rise in the numbers of unaccompanied asylum seeking children starting to be looked after, given the increases are largely seen amongst males, amongst those aged 16 and over, and amongst those with a primary category of need of 'absent parenting'.
- There were 32,050 children who started to be looked after during the year ending 31 March 2016; an increase of 2% from the previous year's figure of 31,340 and an increase of 13% from 2012.
- The age profile has continued to change over the last four years, with a steady increase in the number and proportion of older children. 62% of children looked after were aged 10 years and over in 2016 compared with 56% in 2012. There has been a reduction in the number and proportion of children aged 1-4 years (from 18% of the looked after population in 2012 to 13% in 2016), and a slight decrease in the number and proportion of children aged under 1 year (from 6% in 2012 to 5% in 2016).
- The number of children in foster care continued to rise. Of children looked after at 31 March 2016, 51,850 were cared for in a foster placement. The percentage of looked after children cared for in foster placements was 73% in 2010, in 2016 it has increased to 74%.
- There were 7,600 looked after children cared for in secure units, children's homes and hostels, representing 11% of all children looked after.



Source:

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/556331/SFR41_2016_Text.pdf

Summary of Placements⁴

- 74% (51,850) of children looked after on 31st March 2016 were living with foster carers.
- 11% (7,600) were living in secure units, children's homes or hostels.
- 5% (3,810) were placed with their parents.
- 4% (2,940) were placed for adoption.
- 4% (3,040) were with another placement in the community.
- 2% (1,200) were placed in residential schools or other residential settings.

⁴ <http://corambaaf.org.uk/res/statengland>

1.1. Children's Homes

Children's homes fulfil a number of purposes and cater for a range of children's needs, from late entrant adolescents with challenging behaviour, who have spent long periods of time out of school and may quickly return to their family, to young people at risk of CSE (child sexual exploitation), children and teenagers with complex mental health problems, and respite provision for disabled children.

The private sector provides the majority of children's homes and places. There are a small number of local authorities (9) with no children's homes in their area. A third of local authorities do not have a local authority run children's home. The market is made up mainly of small, predominantly private providers and the DfE data does not suggest market dominance by any one provider as the top 11 providers (those with more than 15 homes) make up only 24% of the homes.⁵

1.2. Foster Care

Fostering is a way of providing looked after children with a caring and nurturing environment during a period where their own family is unable to look after them. There can be few more rewarding and socially valuable services. As well as being a critical support function for society, fostering also presents a good business opportunity for those organisations that get it right.

Demand

There is clear evidence of an increasing demand. For a range of complex socio-political reasons the number of looked after children in England continues to rise, fostering continues to be the placement type of choice and Local Authorities ("LAs") are purchasing more and more fostering capacity from the wider marketplace outside their own 'in-house' services.⁶

Increasing use of foster care

Many LAs have now become much more explicit about their preference for foster care over the various types of other, mainly residential, placement options. For example, in a report to the Children's Services Overview and Scrutiny Panel on 13 March 2014, Norfolk County Council updated its Social Care Principles as follows:

We recognise that it will not always be possible or desirable for children to stay with their families and where it is appropriate and necessary for a child to enter care, we will ensure that we only accommodate the right children, at the right time for the right duration.

We believe that foster care is the next best alternative to children living with their own families, because this best replicates the home experience.

This clear preference for foster care is evidenced in data collected by Ofsted:

⁵ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/556331/SFR41_2016_Text.pdf

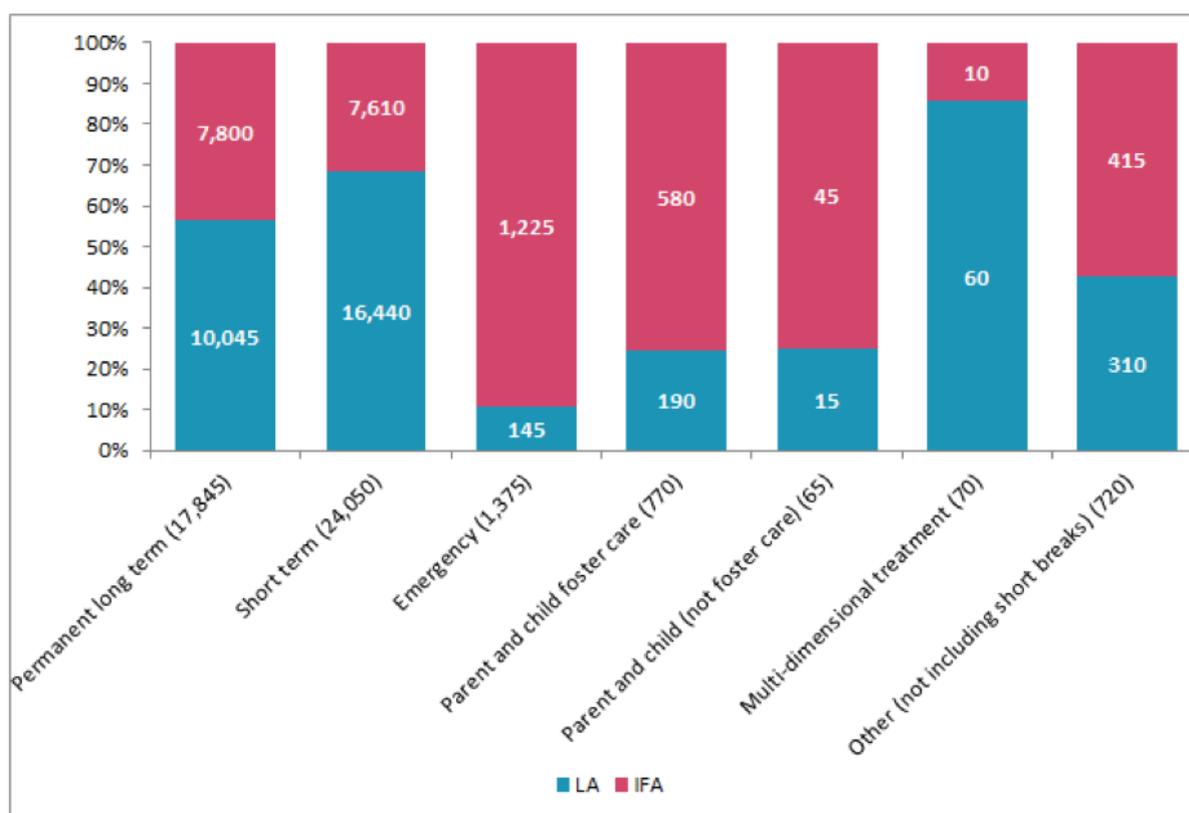
⁶ <http://www.baaf.org.uk/res/statengland>

“In 2015, 52,050 of the 69,540 children looked after at 31 March, were cared for in a foster placement. This represents an increase of 8% since 2011 - a larger increase than the rise in overall numbers of looked after children (6%). The percentage of looked after children cared for in foster placements was 74% in 2011; in 2015 it increased to 75%.”

Increasing use of Independent Fostering Agencies (IFAs)

LAs act as both provider and commissioner of fostering placements. The data is clear that there is a rising demand for fostering placements from the independent sector. The number of children placed in the independent sector continues to increase year on year and now represents about a third of all foster placements. For example, during 2014-15, two thirds of fostered children were in placements with LA fostering agencies (57,195); the remainder were in placements with IFAs (28,695).

The number placed through IFAs increased by three percent from 2013-14, from 27,980 to 28,695 in 2014-15. Over the same period the number in LA fostering agencies increased by one percent, from 56,470 to 57,195; this was a smaller increase than in previous years.⁷



Source:

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/522126/Fostering_in_England_2014-15.pdf

Supply

⁷

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/522126/Fostering_in_England_2014-15.pdf

The vast majority of the 152 LAs have their own in-house Fostering Service.

The number of Independent Fostering Agencies (IFAs) grew rapidly in the 1990's but has remained relatively static during the last few years with 300 IFAs being registered as of 31st March 2015⁸.

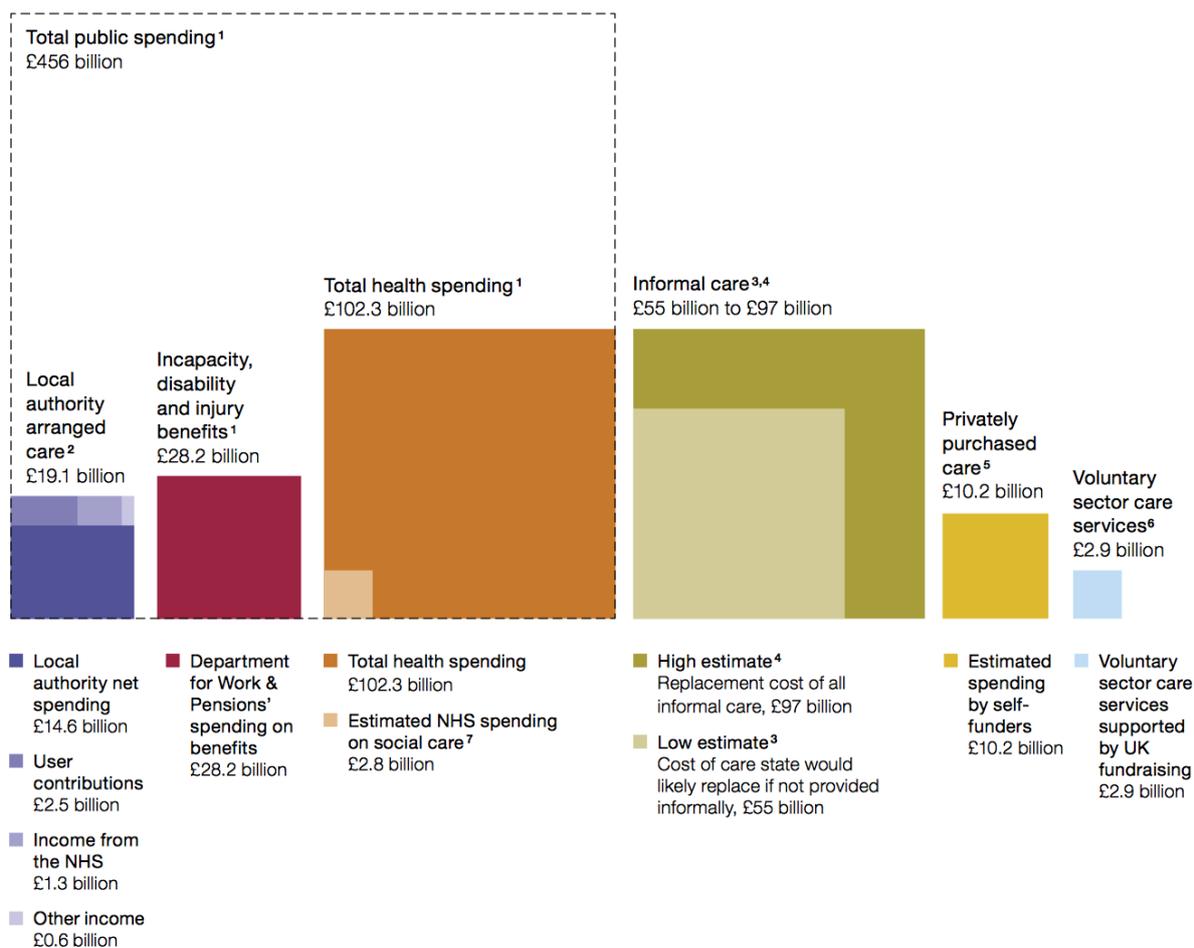
2. Adult Care

Adult social care comprises personal care and practical support for adults with physical disabilities, learning disabilities, or physical or mental illnesses, as well as support for their carers. The government's objectives are to enhance adults' quality of life, delay and reduce the need for care, ensure positive care experiences, and safeguard adults from harm.

Local authorities provide a range of universal and preventative services, many of which are available without assessment of need. LAs typically only pay for individual packages of care for adults assessed as having high needs and limited means. They commission most care from the private and voluntary sectors, with home care and care homes the most common services.

Adults are cared for in two main ways: either informally by family, friends or neighbours without payment, or formally through services they or their local authority pay for. Some voluntary organisations provide free formal services. The diagram below compares these parts of the care system with health and welfare services.

8



Source: 1) HM Treasury, *Country and Regional Analysis 2013*, November 2013; 2) Health and Social Care Information Centre, *Personal Social Services: Expenditure and Unit Costs – England, 2012-13*, December 2013; 3) LaingBuisson, *Domiciliary Care: UK Market Report 2013*, June 2013; 4) Carers UK, *Valuing Carers 2011*, May 2011; 5) Skills for Care, *The economic value of the adult social care sector in England*, February 2013; 6) National Council for Voluntary Organisations, *2010-11 UK estimate for adult and children's social services combined*, UK Civil Society Almanac 2013, accessed at: <http://data.ncvo.org.uk/>; 7) Department of Health, *2011-12 Programme Budgeting Benchmarking*, December 2012

THC Plc will be focused predominantly on the local authority arranged care, recent statistics of which are further detailed below.

For the 2015–16 reporting period the gross current expenditure of all Councils with Adult Social Service Responsibilities (CASSRs) was £16.97 billion, a slight decrease in cash terms from £17.04 billion in 2014-15.⁹

Overall total gross current expenditure in cash terms in 2015-16 is 18 per cent higher than in 2005-06 when the figure was £14.36 billion, but one and a half per cent lower in real terms.

⁹ <http://www.content.digital.nhs.uk/catalogue/PUB22240>

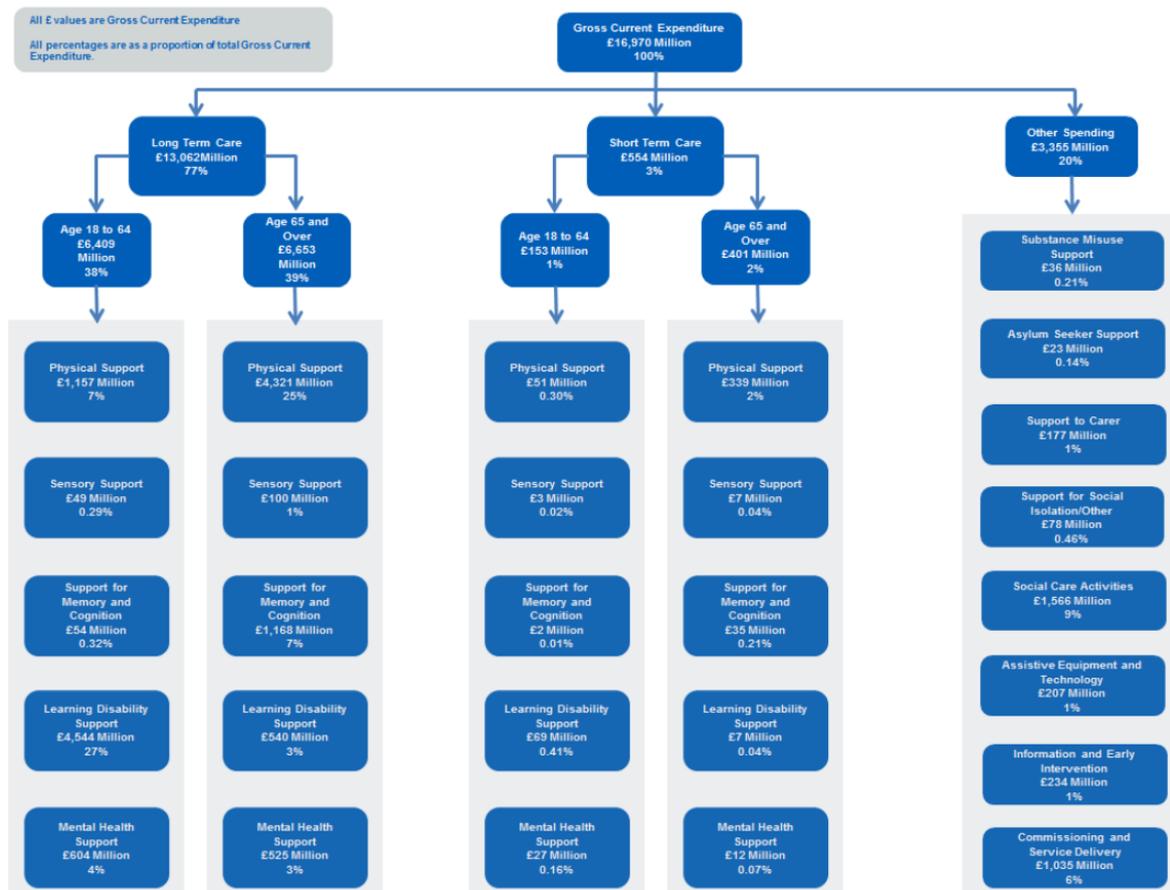
£13.06 billion was spent on Long Term Care (77 per cent of gross current expenditure), £554 million was spent on Short Term Care (three per cent of gross current expenditure) and the remaining £3.36 Billion was Other Social Care expenditure (20 per cent of gross current expenditure)

In 2015-16 the average cost of care per adult, per week was £716 for long term residential care and £596 for long term Nursing Care. The average cost of internally provided Home Care was £30.75 per hour and externally provided Home Care was £14.28 per hour.

Of the £13.62 billion spent on short and long term support (combined); £7.05 billion was spent on people aged 65 and over compared to £6.56 billion on people aged 18 to 64.

Within long term care, there is a relatively even split in age groups, with 51 per cent of long term expenditure spent on those aged 65 and over (£6.65 billion), and 49 per cent £6.41 billion spent on those aged 18 to 64 (6.41 billion). In short term care there is a greater variance, with 72 per cent of short term expenditure spent on those aged 65 and over (£401 million) as opposed to 28 per cent on those aged 18 to 64 (£153 million)

The diagram below shows how expenditure in the UK is divided between different care terms, age groups and support services across the sector.



Source: <http://www.content.digital.nhs.uk/catalogue/PUB22240/pss-exp-eng-15-16-fin-ref.pdf>

Official statistics released in June 2016¹⁰ show that councils are planning to invest an extra £308 million this year on adult social care services and councils are upping their spending by 2.2% to £14.4 billion this year.

ELIGIBILITY CRITERIA

Projects will be originated and/or sourced by the THC Plc Directors out of projects that meet the Eligibility Criteria (which are detailed in Schedule 2 to the Loan Agreement).

The Issuer will only invest in projects that are located within the UK or Ireland and fall into one of the following categories:

- Registered children’s homes.
- Specialist care facilities.
- Specialist education facilities.
- Fostering services.
- Adult care facilities.
- Social care training companies.

In addition, to ensure adequate flow of funds to meet obligations to Noteholders, only investments that are able to generate appropriate levels and timing of returns to the Company will be considered by the Board.

The Company has a number of key investment criteria including but not limited to:

- *Track Record* – the business should have been operating profitably for a number of years
- *Quality* – the business should have over 75% of its facilities rated as “high quality” under its relevant regulatory framework
- *Management Team* – the business should have an experienced management team
- *Property Portfolio* - the business should have a strong asset base
- *Revenue* - over 50% of revenue is generated from government subsidies

Project Security

Security for projects in to which THC Plc will invest (with the exception of subscriptions for equity capital) will consist of a floating charge over the entire assets of the project company and shall be governed by the laws of England and Wales, or of Ireland, as appropriate in each instance. The monies invested by THC Plc may sit alongside institutional debt in effect acting as subordinated debt. This means that any security granted to THC Plc will likely be subject

¹⁰ <https://www.gov.uk/government/news/new-stats-show-councils-prioritising-adult-social-care>

to a prior ranking charge. THC Plc will ensure that appropriate inter creditor agreements are entered into with any senior lender prior to making an investment into a project to ensure that the Issuer has sufficient, and robust, security in place over the funds that it will advance. Given the nature of equity investments it will not be possible to secure them in this way and such investments will be unsecured.

Furthermore, investments will be selected against criteria that indicates that they will be cash generative and be geared/have a capability of repaying any loans advanced by THC Plc. THC Plc will ensure that the terms of monies advance by it to any borrower are such that they will ensure the repayment of interest and principal to Noteholders pursuant to the Terms and Conditions. Revenues of borrowing businesses are derived from Local Authority contracts and private placement contracts.

INFORMATION ON THE ISSUER

1. The Company

- 1.1. The Company was incorporated and registered in Ireland under the Act with registered number 600107 on 9 March 2017 as a public company limited by shares with the name Ethiqo Healthcare Bond DAC. On 9 May 2017 the Company changed its name to Tristone Healthcare Bond DAC. It was incorporated as a single purpose vehicle for the purpose of issuing the Notes.
- 1.2. The principal legislation under which the Company operates is the Act and the regulations made thereunder.
- 1.3. The liability of the members of the Company is limited to the amount unpaid on their Ordinary Shares.
- 1.4. The registered office of the Company is 17 Pembroke Street Upper, Dublin 2, Ireland. The Company's telephone number is +353 1 775 5600.

2. Share Capital of the Company

At the date of incorporation:

- 2.1. the Company's authorised share capital was €1,000,000 divided into 1,000,000 Ordinary Shares of €1.00 each.
- 2.2. the entire issued share capital of the Company is held by Yannis Loucopoulos, one of the Directors, and will therefore not be in public hands. The Issuer considers that control exercised over the Issuer is not abused as the business of the Issuer is managed by the Board of Directors, which is combined of four (4) people, two (2) of which are independent non-executive directors.
- 2.3. no shares of the Company are under option or agreed conditionally or otherwise to be put under option.
- 2.4. the amount paid up on each of the Ordinary Shares in issue was €2.00.

On 1 August, 2017 the sole shareholder of the Company passed a resolution resolving to create and issue the Notes.

The issued share capital of the Company at Admission will be two (2) Ordinary Shares.

The Company has unrestricted corporate capacity and can borrow, guarantee and give security.

3. The Notes

- 3.1. The Notes shall rank *pari passu* in all respects.
- 3.2. The principal terms of the Notes are as follows:

- 3.2.1. The Notes are denominated in amounts of £100,000.
- 3.2.2. The offering of the Notes is subject to a minimum raise of £900,000.
- 3.2.3. The Notes, together with any interest accrued thereon, shall be redeemed on 31 December, 2027.
- 3.2.4. In the event that an Event of Default occurs, the Noteholders may require the Company to redeem the Notes in full.

4. Memorandum and Articles of Association of the Company

The Company on incorporation adopted the Model Articles for Public Companies as set out in Companies Act 2014 (the “Articles”).

5. Directors’ Interests

- 5.1. As at the date of this Prospectus the interests of the Directors and their immediate families and, so far as they are aware, having made due and careful enquiries of persons connected with them (all of which are beneficial, unless otherwise stated) (so far as is known to the Directors, or could with reasonable diligence be ascertained by them) (within the meaning of sections 252 to 254 of the Act) in the Issued Share Capital are and will be as follows:

<i>Name</i>	<i>Number of Ordinary Shares as at the date of this Prospectus</i>	<i>% of Issued Share Capital</i>	<i>Number of Ordinary Shares on Admission</i>
Yannis Loucopoulos	2	100	2

- 5.2. The Company and the Directors are neither aware of any arrangements or operations which may, at a subsequent date, result in a change in control of the Company, nor that the Company is controlled directly or indirectly by any entity.
- 5.3. There are no outstanding loans granted or guarantees provided by the Company to or for the benefit of any of the Directors.
- 5.4. No Director has any interest, whether direct or indirect, in any transaction which is or was unusual in its nature or conditions or significant to the business of the Company taken as a whole and which was effected by the Company during the current or immediately preceding financial year, or during any earlier financial year and which remains in any respect outstanding or unperformed.

6. Significant Shareholders

There are no other shareholders other than those set out at paragraph 5.1 above, and as such, Yannis Loucopoulos is the sole shareholder of the Company therefore there is no shareholders’ agreement in place.

7. The Board

The Directors are of the opinion that they have the experience and expertise from a range of sectors, which is highly beneficial to the Company.

- *Yannis Loucopoulos (age 36), Chief Executive Officer*

Yannis started his career in sales with Red Squared plc, an AIM-quoted IT services business. He has subsequently established and run a number of businesses in the technology, financial services, healthcare and marketing sectors, over the last 10 years.

Yannis currently sits on the board of Juventas Services Ltd, CFS Care Ltd and Premier Care Investments Ltd, all social care companies specialising in the provision of supported living services, fostering services, specialised adult care and residential children homes.

Yannis is currently a director of Clickbiz Limited, an online marketing agency, Adimus Limited, an impact investment company and Premier Care Investments Limited, a social care company. He also acts as a consultant to Premier Children Services Limited, a group which provides services to vulnerable children and Loroton Investments, an investor in growth companies.

Yannis has a BSc in Management and Information Systems from UMIST.

- *Simon Sacerdoti (age 46), Chief Financial Officer*

Simon initially qualified as a chartered accountant in 1996 with Levy Gee (now part of RSM) before moving into the corporate finance team at BDO Stoy Hayward, where he was involved in a wide range of fund-raising and flotations. In 2004, Simon joined the entrepreneurial services transaction support team at Ernst & Young, where he was involved in UK and international transactions (both public and private).

In 2007, Simon joined Dowgate Capital Advisers Limited, a corporate finance boutique, where he acted as Nominated Adviser to a portfolio of AIM companies and in 2009, he was one of the founding partners of Cairn Financial Advisers, a corporate finance advisory boutique, where he remained active until early 2012.

In 2010, Simon was one of the two founders of WeSwap.com Limited, an award-winning peer to peer travel money business, where he was CFO and COO. He was instrumental in creating the product and systems, and raising around £6 million in funding. Simon left WeSwap in March 2015 and is now CFO of a number of companies.

Simon graduated with an MA in Mathematics from Balliol College, Oxford and is a Fellow of the Institute of Chartered Accountants in England and Wales.

- *Andrew Williamson, Director, Age 50*

Andrew qualified as a solicitor in Scotland in 1990 and specialises in corporate, corporate finance and capital markets work. In addition to being a solicitor Andrew worked as a corporate stockbroker for Peel Hunt Limited. Andrew has worked for, and been a partner in, a number of law firms and since September 2015 has been a partner with Marriott Harrison LLP and a senior member of its Capital Markets Group.

- *Ivano Cafolla, Aged 60*

Ivano has been a director of large number of companies across 15 different countries. He has held business interest in circa 10 European countries, the United States, the Caribbean, and the Middle East, operating his own ventures, business in joint ventures with others and Governments and acted as an equity consultant and/or partner. He brings a wealth of commercial experience, including a number of property projects.

8. Directors' Terms of Appointment

- 8.1. Yannis Loucopoulos was appointed as an executive director of the Company on 24 April 2017. This appointment is subject to 3 months notice from either side, for a nominal annual fee of €1.00.
- 8.2. Simon Sacerdoti was appointed as an executive director of the Company on 26 April, 2017. His appointment is through a consultancy agreement entered into between the Company and Sacerdoti Consulting Limited dated 28 March 2017. This appointment is subject to 3 months notice from either side for a nominal annual fee of €1.00.

The Issuer will, upon the unconditional admission of the Notes to trading on Corporate Bond Market of the Regulated Market of the Cyprus Stock Exchange, enter into the following directors service agreements:

- a non-executive directors service agreement for the provision of services with Andrew Williamson, for of an initial period of one year, terminable at will by either party with 3 months' notice, for an annual fee of €9,000 payable monthly in arrears; and
 - a non-executive director's service agreement for the provision of services with Ivano Cafolla, for of an initial period of one year, terminable at will by either party with 3 months' notice, for an annual fee of €9,000 payable monthly in arrears .
- 8.3. The Company has not yet completed its first financial year. Since incorporation, the aggregate amount of remuneration paid and benefits in kind granted to the Directors is £nil.

9. Additional Information on the Directors

- 9.1. In addition to directorships of the Company, the Directors hold or have held the following directorships (including directorships of companies registered outside England and Wales) or have been partners in the following partnerships within the five years prior to the date of this Prospectus:

Director	Current directorships	Previous directorships
Yannis Loucopoulos	Adimus Limited Tristone Green Energy Plc Tristone Healthcare Plc Clickbiz Ltd Premier Care Investments Ltd Acquiro Green Energy Investments Limited	Big Heart Finance Ltd Loroton Investments Ltd Loroton Investments 2 Ltd SoBingo.co.uk Efinancial Ltd Web Global Group Ltd Meva Ltd

	<p>Acquiro Healthcare Investments Limited Acquiro Green Energy Plc Acquiro Healthcare Plc Juventas Services Ltd CFS Care Ltd</p>	<p>Exchange Media LLP Alternative Lead Gen Ltd Zengo Ltd</p>
Simon Sacerdoti	<p>Tristone Green Energy Plc Tristone Healthcare Plc Sacerdoti Consulting Limited Destiny Pharma Holdings Limited Destiny Pharma Limited Elaine Securities plc St. Pauls Investments DAC</p>	<p>WeSwap.com Limited Insetco plc White Panther Capital Limited</p>
Ivano N Cafolla	<p>Leisurecorp International Ltd Palm Holdings Ltd Wilde Whiskey Ltd Ingard Property Bond DAC St. Pauls Investments DAC</p>	<p>VLM Content Ltd VLM Holdings Ltd Glanola Holdings Ltd Glanola Solutions Ltd Glanola UK Ltd</p>
Andrew Williamson	<p>Tempus Care Limited, Templar Steele (Trust And Custody) Limited Lycidas Property Management Company Limited Inverclyde Development Limited Jiating Limited The General Association For The Disabled Limited Queensway Investments DAC Queensway Trust Company Limited Ingard Property Bond DAC Grimaud Investment Advisers Scsp</p>	<p>Crescent Global Partners Limited Mn Nova 59 Limited Lycidas Trustee Company Limited Lycidas Nominees Limited Lycidas Secretaries Limited Lycidas Securities Limited Rmf Health Limited Rosendale Investments Limited Inverclyde Renovation Limited Aberdeen Community Health Care Village Limited Westbay Court Limited 16brands Limited Ennovar Limited Acp: East Central Hub Limited Aspidistra Property Limited Stripe Retail Ltd JADB Limited Mn Nova 52 Limited Mn Nova 51 Limited Tayriver Capital Holdings Limited Tayriver Capital Management Limited Tayriver Capital Limited</p>

		Mn Nova 46 Limited Mn Nova 45 Limited Mn Nova 41 Limited Greenshields Agri Limited Ep Golf Management Limited Notabenii Limited Intelligent Organics Limited Acp: North Hub Limited Craigmillar Development And Enterprise Limited Brellion Holdings Limited Brellion Continuity Limited Brellion Engineering Limited St. Pauls Investments DAC
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- 9.2. Yannis Loucopoulos was a director of Zengo Limited, an online finance lead generation business, which was incorporated on 29 July 2005 and entered into liquidation proceedings on 27 July 2008. The company was dissolved on 31 January 2010 owing an estimated £301,655.00 to unsecured creditors.
- 9.3. Save as disclosed, no Director has:
- 9.3.1. had any previous names;
- 9.3.2. any unspent convictions in relation to indictable offences;
- 9.3.3. had any bankruptcy order made against him or her or entered into any voluntary arrangements;
- 9.3.4. been a director of a company which has been placed in receivership, insolvent liquidation, administration, been subject to a voluntary arrangement or any composition or arrangement with its creditors generally or any class of its creditors whilst he was a director of that company or within the 12 months after he ceased to be a director of that company, save for Yannis Loucopoulos (as mentioned in 9.2 above);
- 9.3.5. been a partner in any partnership which has been placed in insolvent liquidation, administration or been the subject of a partnership voluntary arrangement whilst he was a partner in that partnership or within the 12 months after he ceased to be a partner in that partnership;
- 9.3.6. been the owner of any assets or a partner in any partnership which has been placed in receivership whilst he was a partner in that partnership or within the 12 months after he ceased to be a partner in that partnership;
- 9.3.7. been publicly criticised by any statutory or regulatory authority (including recognised professional bodies); or

- 9.3.8. been disqualified by a court from acting as a director of any company or from acting in the management or conduct of the affairs of a Company.
- 9.4. None of the Directors has, or has had, any conflict of interest between any duties to the Company and their private interests or any duties they owe. The Company does not intend to make investments which involve related parties, but if any such investment is to be proposed, the Company will comply with the requirements related to such transactions under the Listing and Admission to Trading Rules of the Cyprus Stock Exchange.

10. Related Party Transactions

There are no material related party transactions required to be disclosed under the accounting standards applicable to the Company, to which the Company was a party since the date of its incorporation.

11. Litigation

The Company is not involved in any legal, governmental or arbitration proceedings which may have or have had since incorporation a significant effect on the Company's financial position or profitability and, so far as the Directors are aware, there are no such proceedings pending or threatened against the Company.

12. General

- 12.1. The following resolutions of the Issuer in respect of the Transaction have been passed on 27 September, 2017 by the board of directors of the Issuer and on 1st August, 2017, by the shareholders, respectively:

“IT WAS RESOLVED THAT all Transaction Documents (including the Prospectus as tabled at the meeting) be and hereby are approved and THAT the CSE Application be approved;” and

“IT WAS RESOLVED THAT the Company create £20,000,000 8.5% Secured Notes due 2027 (the “Notes”) subject to the terms set out in the terms and conditions of the Notes (the “Terms and Conditions”) and the instrument creating the Notes as contained in a deed of trust between the Company and Templar Steele (Trust and Custody) Limited (copies of which are hereby tabled) and that these be and hereby are approved for issue subject to appropriate buyers for the same being identified.”

- 12.2. The total costs and expenses in relation to Admission payable by the Company are estimated to amount to approximately £25,000 (excluding VAT).
- 12.3. Except as disclosed in this Prospectus and for the advisers named in this Prospectus, no person has received, directly or indirectly, from the Company, during the twelve months preceding the date of this Prospectus or has entered into any contractual arrangements to receive, directly or indirectly, from the Company, on or after the start of trading on the Cyprus Stock Exchange, fees totalling £10,000 or more or securities in the Company with a value of £10,000 or more (calculated by reference to the price) or any other benefit to a value of £10,000 or more.

- 12.4. There are no investments in progress and there are no future investments in respect of which the Directors have already made firm commitments which are significant to the Company.
- 12.5. The Directors are unaware of any trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Company's prospects for the current financial year.
- 12.6. No financial information contained in this Prospectus is intended by the Company to represent nor constitute a forecast of profits by the Company nor constitute publication of accounts by it.

13. Post Issuance Reporting

THC Plc will provide regular reports to the Issuer, sufficient to enable the Issuer to provide updates to the Noteholders on the performance of the underlying investments made by THC Plc. The Issuer also intends to make announcements of the same on a regular basis.

14. Reasons for Admission

The Company is seeking Admission to the Cyprus Stock Exchange in order to access the broad investor base, liquidity and future capital that being listed on the Cyprus Stock Exchange will bring to the Company. Furthermore, as a public company, the Company will have a higher profile to attract potential investment and advisory opportunities.

15. Dissemination of Regulatory News

The Company has arrangements in place to disseminate regulatory information to the market in accordance with all applicable laws and regulation. Regulatory information relating to the Company is also available to the general public through the Cyprus Stock Exchange website <http://www.cse.com.cy>.

16. Admission to Cyprus Stock Exchange ("Admission")

Application has been made to the Cyprus Stock Exchange for the Notes to be admitted to trading on the Corporate Bond Market of the Regulated Market of the Cyprus Stock Exchange. It is expected that Admission will be effective subject to approval for Admission by CSE and that dealings in the Notes will commence shortly thereafter.

In the event that the Company has failed to make an investment within 12 months of the date of Admission, it will seek approval of the Noteholders in respect of each subsequent year for the further pursuit of its investment strategy or return its cash to Noteholders. Such approval will be sought in each subsequent year if it has not made by then a material investment.

17. Corporate Governance

The Directors are committed to maintaining high standards of corporate governance, and propose, so far as is practicable given the Company's size and nature, to comply with the

Code of the Quoted Companies Alliance of the United Kingdom. The Directors have voluntarily adopted this code.

18. CREST

Trades are cleared through CREST, which is a computerised share transfer and settlement system enabling securities to be held in electronic uncertificated form and transferred otherwise than by written instrument. The Articles permit the Company to issue notes in uncertificated form in accordance with the CREST Regulations.

Settlement of transactions in Notes and subsequent trading in the Notes, following Admission will take place within CREST and will be actioned by the Registrar pursuant to the terms of the Registrar Agreement.

INFORMATION ON THC PLC

The information appearing under “**INFORMATION ON THC PLC**” has been provided to the Issuer by the directors of THC Plc (Yannis Loucopoulos and Simon Sacerdoti) who are also directors of the Issuer. The information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from information published by THC Plc, no facts have been omitted which would render the reproduced information inaccurate or misleading.

1. THC Plc

- 1.1. THC Plc was incorporated and registered in England under the Companies Act 2006 with registered number 09826810 on 15 October 2015 as a public company limited by shares with the name Ethiquo Healthcare Plc. Its name was changed on 19 October 2015 to Ethiqo Healthcare Plc and changed again on 2 June 2017 to Tristone Healthcare Plc. It was incorporated as a single purpose vehicle for the purpose of investing in the Healthcare sector.
- 1.2. The principal legislation under which THC Plc operates is the Companies Act 2006 of the United Kingdom and the regulations made thereunder.
- 1.3. The liability of the members of THC Plc is limited to the amount unpaid on their Ordinary Shares.
- 1.4. The registered office of THC Plc is 5th Floor, 196 Deansgate, Deansgate, Manchester M3 3WF.
- 1.5. The accounting reference date of THC Plc is currently 31 December.

2. Share Capital of THC Plc

- 2.1. On Admission THC Plc’s issued share capital will be £50,000 divided into 50,000 Ordinary Shares of £1.00 each of which £12,500 has been paid up.
- 2.2. The issued share capital of THC Plc is held by ClickBiz Limited as to 40,000 ordinary shares and as to 10,000 by Sacerdoti Consulting Limited. It should be noted that ClickBiz and Sacerdoti Consulting are companies in which Yannis Loucopoulos and Simon Sacerdoti, Directors of the Issuer, respectively are interested. The shares of THC plc will therefore not be in public hands.
- 2.3. No shares of THC Plc are under option or agreed conditionally or otherwise to be put under option.
- 2.4. THC Plc has unrestricted corporate capacity and can borrow, guarantee and give security.

3. Memorandum and Articles of Association of THC Plc

On incorporation, THC Plc adopted the Model Articles for Public Companies (the “Articles”).

4. THC Plc Directors

The THC Plc Directors are:

- *Yannis Loucopoulos (age 34), Chief Executive Officer*

Yannis started his career in sales with Red Squared plc, an AIM-quoted IT services business. He has subsequently established and run a number of businesses in the technology, financial services, healthcare and marketing sectors, over the last 10 years.

Yannis has a BSc in Management and Information Systems from UMIST.

- *Simon Sacerdoti (age 44), Chief Financial Officer*

Simon initially qualified as a chartered accountant in 1996 with Levy Gee (now part of RSM) before moving into the corporate finance team at BDO Stoy Hayward, where he was involved in a wide range of fund-raising and flotations. In 2004, Simon joined the entrepreneurial services transaction support team at Ernst & Young, where he was involved in UK and international transactions (both public and private).

In 2007, Simon joined Dowgate Capital Advisers Limited, a corporate finance boutique, where he acted as Nominated Adviser to a portfolio of AIM companies and in 2009; he was one of the founding partners of Cairn Financial Advisers, a corporate finance advisory boutique, where he remained active until early 2012.

In 2010, Simon was one of the two founders of WeSwap.com Limited, an award-winning peer to peer travel money business, where he was CFO and COO. He was instrumental in creating the product and systems, and raising around £6 million in funding. Simon left WeSwap in March 2015 and is now CFO of a number of companies.

Simon graduated with an MA in Mathematics from Balliol College, Oxford and is a Fellow of the Institute of Chartered Accountants in England and Wales.

The business address for each of the THC Plc Directors set out above is the registered office of THC Plc.

5. Additional Information on the Directors

In addition to directorships of THC Plc, the THC Plc Directors hold or have held the following directorships (including directorships of companies registered outside England and Wales) or have been partners in the following partnerships within the five years prior to the date of this Prospectus:

Director	Current directorships	Previous directorships
Yannis Loucopoulos	Adimus Limited Tristone Green Energy Plc Clickbiz Ltd Premier Care Investments Ltd Acquiro Green Energy Investments Limited Acquiro Green Energy Plc	Big Heart Finance Ltd Loroton Investments Ltd Loroton Investments 2 Ltd SoBingo.co.uk Efinancial Ltd Web Global Group Ltd Meva Ltd Exchange Media LLP

	Acquiro Healthcare Investments Limited Acquiro Healthcare Plc Tristone Healthcare Plc Juventas Services Ltd CFS Care Ltd	Alternative Lead Gen Ltd Zengo Ltd
Simon Sacerdoti	Tristone Green Energy Plc Tristone Healthcare Plc Sacerdoti Consulting Limited Destiny Pharma Holdings Limited Destiny Pharma Limited Elaine Securities plc St. Pauls Investments DAC	WeSwap.com Limited Insetco plc White Panther Capital Limited

6. Shareholder's Agreements

As at the date of the Prospectus, there are no shareholders agreements in place.

7. Dividend Policy

THC Plc does not pay any dividends, although it is entitled to do so under the terms of its articles of association and reserves the right to do so.

8. THC Plc Director's Powers

The THC Plc Directors may, amongst other things, exercise all of the powers of THC Plc to raise or borrow money and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof. The THC Plc Directors' powers are subject to the terms of THC Plc's constitution and the laws of England and Wales.

9. Arrangements

THC Plc knows of no arrangement in place, the operation of which would result in a change of control of THC Plc.

TERMS AND CONDITIONS OF THE NOTES (see also “**Details of the Notes**” above)

*The following is the text of the terms and conditions of the Notes (the “**Terms and Conditions**”) which (subject to completion and amendment and as the same may be supplemented or varied in accordance with the provisions of the Prospectus) and these Terms and Conditions will be incorporated by reference into each Registered Note. Terms used in the Prospectus and not otherwise defined herein shall have the same meanings as those given to them in the Prospectus.*

The Notes are constituted by the Trust Deed (as amended or supplemented from time to time) by which the Issuer and the Trustee of the Notes (which expression shall include all persons for the time being the trustee or trustees in respect of the Notes under the Trust Deed) are bound. The board of directors of the Issuer have by a resolution dated 27 September, 2017 resolved to issue the Notes on the terms and conditions set out herein and in the Trust Deed. The Notes will be issued on approval of CSE for Admission.

Certain statements in the Prospectus are summaries of the detailed provisions appearing on the face of the Notes (which expression shall include the body thereof) or in these Terms and Conditions.

Copies of the Transaction Documents are available for inspection at the offices of the Receiving Agent as specified in the Prospectus.

The Noteholders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Transaction Documents.

1 Definitions and interpretation

The following words and expressions shall have the following meanings in these Terms and Conditions:

<i>Authorised Denomination</i>	means the denomination or denominations of such currency or currencies specified in the Prospectus;
<i>Bankruptcy</i>	means: (i) a receiver, administrator, administrative receiver, examiner or liquidator or similar officer in respect of the Issuer or the whole or part of the undertakings, assets and/or revenues of the Issuer who is appointed (or application for any such appointment is made) or an encumbrancer who takes or threatens to take possession of the whole or any substantial part of the assets or revenues of the Issuer; or (ii) proceedings are initiated or threatened against the Issuer under any applicable bankruptcy, liquidation, administration,

	<p>insolvency, composition, reorganisation or other similar laws; or</p> <p>(iii) the Issuer takes any action for a readjustment or deferment of any of its obligations or makes a general assignment or an arrangement or composition with or for the benefit of its creditors or is granted by a competent court a moratorium of payments in respect of any of its indebtedness or any guarantee of any indebtedness given by it; or</p> <p>(iv) the Issuer ceases or threatens to cease to carry on all or any substantial part of its business except for purposes of or pursuant to an amalgamation or reconstruction as is referred to in (v) below; or</p> <p>(v) a petition is presented, an order is made or an effective resolution is passed for the winding-up, liquidation, examinership or dissolution of the Issuer; or</p> <p>(vi) the Issuer admits that it is unable to pay its debts; or</p> <p>(vii) the Issuer convenes a meeting of its creditors;</p>
<i>Business Day</i>	means a day (other than a Saturday or Sunday) on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in London and Nicosia;
<i>Business Day Convention</i>	has the meaning ascribed to it in Condition 6(b) of these Terms and Conditions;
<i>Closing Date</i>	means the date of issue of a Note or a series of Notes;
<i>CREST</i>	means the Relevant System (as defined in the CREST Regulations) for paperless settlement as share and other transfers and the holding of shares and other securities in uncertificated form which is administered by Euroclear;
<i>CSE</i>	means the Cyprus Stock Exchange;
<i>CREST Regulations</i>	means the Uncertificated Securities Regulations 2001 (SI 2001/3755) as amended from time to time;

<i>Day Count Convention</i>	means interest payable on the Notes will be calculated on the basis of a 360 day year consisting of twelve 30 day months;
<i>Deliver</i>	means to deliver, novate, transfer, assign, sell or endorse, as appropriate, in the manner customary for the settlement of the applicable securities (which shall include executing all necessary documentation and taking any other necessary actions), in order to convey all right, title and interest in such securities free and clear of any and all liens, charges, claims or encumbrances (including without limitation any counterclaim, defence or right of set-off);
<i>Enforcement Notice</i>	shall have the meaning set out in Clause 10 (Events of Default);
<i>Euroclear</i>	means Euroclear UK and Ireland Limited;
<i>Event of Default</i>	means any of the events set out in Condition 10;
<i>Exceptional Expenses</i>	means any fees, expenses, out-of-pocket expenses, costs, liabilities or indemnity amounts or any other amounts (inclusive of V.A.T) which are not Operating Expenses, which are incurred and claimed by an Operating Creditor and which are due and payable by the Issuer to an Operating Creditor under any document to which it is a party;
<i>Extraordinary Resolution</i>	shall have the meaning set out in Condition 13(a) (Meetings of Noteholders, the Issuer and modification);
<i>Force Majeure Event</i>	means the occurrence to one or more of the Parties to the Transaction Documents of any circumstance not within a party's reasonable control including, without limitation: (a) acts of God, flood, drought, earthquake or other natural disaster; (b) epidemic or pandemic; (c) terrorist attack, civil war, civil commotion or riots, war, threat of or preparation for war, armed conflict, imposition of sanctions, embargo, or breaking off of diplomatic relations; or

	(d) nuclear, chemical or biological contamination or sonic boom.
<i>Illegality</i>	means it becoming unlawful for the Issuer to perform any of its obligations under the Notes or any of the Transaction Documents;
<i>Interest Commencement Date</i>	means the Closing Date or such other date as may be specified as the Interest Commencement Date in the Prospectus;
<i>Interest Determination Date</i>	means the date of calculation of the amount of interest payable on any Interest Payment Date;
<i>Instructing Creditor</i>	shall have the meaning ascribed to it in Condition 4(b);
<i>Interest Payment Date</i>	means 31 December 2017 and each anniversary thereof, until the Maturity Date;
<i>Interest Rate</i>	means the rate of interest payable from time to time in respect of the Notes and which is either specified in, or calculated in accordance with the provisions of, these Conditions and/or the Prospectus;
<i>Issuer</i>	means Tristone Healthcare Bond DAC;
<i>Maturity Date</i>	means the maturity date of the Notes being 31 December, 2027;
<i>Net Proceeds</i>	means the net proceeds received from all Investors subscribing for the Notes;
<i>Noteholder</i>	means the person in whose name a Registered Note is registered, as the case may be. References herein to Notes shall include Registered Notes as specified in the Prospectus;
<i>Notes</i>	means the up to £20,000,000 8.5% Notes due 2027 issued by the Issuer;

<i>Operating Creditor</i>	means any of (i) the Trustee, (ii) the Receiving Agent, (iii) the auditors of the Issuer, (iv) the legal advisors of the Issuer and (v) any attorney, manager, receiver, agent, delegate or other person appointed by the Trustee;
<i>Operating Expenses</i>	means any anticipated fees and expenses (inclusive of V.A.T) due and payable by the Issuer to any Operating Creditor;
<i>Order of Priority</i>	means the order of priority of payments as more particularly set out in Condition 13;
<i>Principal Amount</i>	means in relation to a Note, the original face value thereof less any repayment of principal made to the Noteholder thereof in respect of such Note, and in relation to each series and class of Notes and as of any date of determination, the initial principal amount of such Notes less (in each case) the aggregate amount of all principal payments in respect of the Notes that have been paid since the Closing Date for such Notes on or prior to that date of determination;
<i>Prospectus</i>	means the Prospectus prepared by the Issuer in relation to the admission of the Notes to trading on the regulated market of the CSE;
<i>Record Date</i>	means the Business Day which is 15 Business Days prior to the Interest Payment Date;
<i>Redemption Amount</i>	means unless otherwise specified in the Prospectus, in relation to a Note, the Principal Amount at the Maturity Date;
<i>Registered Note</i>	means a Note appearing on the register of Noteholders maintained by the Registrar;
<i>Secured Creditors</i>	means all other secured creditors of the Issuer other than the Noteholders in their capacity as secured creditors pursuant to the terms of the Trust Deed;
<i>Suspension Event</i>	means the suspension of payments by the Issuer to Noteholders in breach of the Terms and Conditions;

<i>Terms and Conditions</i>	means these terms and conditions;
<i>Title</i>	means full legal and beneficial title;
<i>Transaction</i>	means the transaction contemplated within and more specifically described in the Prospectus;
<i>Transaction Documents</i>	means the Prospectus, the Trust Deed and the Registrar Agreement together with any other agreement that the Issuer enters into with any other party in respect of the Notes during the term of the Notes;
<i>Transferor Noteholder</i>	means any Noteholder wishing to transfer their Notes;
<i>Trust Deed</i>	means the trust deed entered on 3 October, 2017 into between the Trustee and the Issuer.
<i>Trustee</i>	means trustee and custodian, who, as at the date of Admission shall be Templar Steele (Trust and Custody) Limited and any permissible successor thereto; and
<i>Yearly Statement</i>	means a statement of the assets and the liabilities of the Issuer produced by the Issuer for each financial period of the Issuer.

2 Form, Denomination and Title

The Notes will be issued in uncertificated form only in an Authorised Denomination. Clearing and settlement of executed trades shall take place within CREST (or any alternative system on which the Notes may be issued or traded in uncertificated form from time to time).

The holder of any Note will (except as otherwise required by law or ordered by a court of competent jurisdiction or an official public authority) be treated as its absolute owner for all purposes whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it or any express or constructive notice of any claim by any other person of any interest therein and no person will be liable for so treating such Noteholder.

3 Transfers of Registered Notes

(a) Transfer of Registered Notes

Registered Notes shall be capable of transfer through CREST (or any alternative system on which the Notes may be issued or traded in uncertificated form from time to time).

(b) Registration at the expense of Transferor Noteholder

Registration of Registered Notes on transfer will be effected at the expense of the Transferor Noteholder by or on behalf of the Issuer, and upon payment of (or the giving of such indemnity as the Issuer may require in respect of) any tax or other governmental charges which may be imposed in relation to it.

(c) Closed periods

No transfer of a Registered Note to be registered may occur during the period of 15 Business Days ending on the due date for any payment of principal, interest or Redemption Amount (as defined below) on that Note.

4 Status and Instructing Creditor

(a) Status

The Notes are secured limited recourse obligations of the Issuer, secured in the manner described in Condition 5 and recourse in respect of which is limited to the Security and the Assets as described in Condition 11, and will rank pari passu without any preference among themselves.

(b) Instructing Creditor

The Noteholders can request the Trustee to take actions contemplated in these Terms and Conditions by means of a request in writing of the holders of at least 75% in principal amount of the Notes then outstanding, or by means of an Extraordinary Resolution of the Noteholders.

The Noteholders may also appoint a representative to act on their behalf as Instructing Creditor by means of a written resolution of the holders of at least 75% in principal amount of the Notes then outstanding or by means of an Extraordinary Resolution of the Noteholders at a meeting of the Noteholders.

The Security in relation to the Notes will become enforceable upon the Trustee giving an Enforcement Notice to the Issuer following to the occurrence of an Event of Default or as otherwise provided in the Trust Deed.

The Trustee shall not be bound to give any Enforcement Notice in respect of the Notes, to take any steps or institute any proceedings to enforce the Security for the Notes or to enforce payment of any amount due and payable under or pursuant to the Notes unless it shall have been so requested by the Instructing Creditor in relation to the Notes and have been secured and/or indemnified to its satisfaction.

The Trustee will, where the interests of the Instructing Creditor conflict with those of the other Secured Creditors, prefer the interests of the Instructing Creditor over the interests of the other Secured Creditors (and shall not take into account the interests of such other Secured Creditors).

5 Related Agreements and Security

(a) Related Agreements

In connection with the issue of the Notes the Issuer has entered into the Transaction Documents with one or more counterparties. The obligations of a Counterparty may be guaranteed by a guarantor. The Issuer's liability in respect of any of the Transaction Documents will be limited to the Security and Assets subject to the order of priority specified in the Terms and Conditions and the Prospectus.

(b) Security

The Trust Deed will provide that the obligations of the Issuer under the Notes are secured by security interests (governed by English law or the law of any other relevant jurisdiction) over the Assets.

(c) Realisation of the Assets upon enforcement

Subject to the Prospectus, to the full extent permitted under applicable laws, in the event of the Security created becoming enforceable as provided in Condition 10, the Trustee shall have the right to enforce its rights under the Security but in each case without any liability as to the consequence of such action and without having regard to the effect thereof on, or being required to account for such action to, any Secured Creditor, provided that the Trustee shall not be required to take any action that would involve the Trustee in any personal liability or expense unless previously indemnified and/or secured to its satisfaction.

(d) Application of Net Proceeds

All monies received by the Receiving Agent in connection with the issue of the Notes will be held by it as agent of the Trustee on trust to apply the same in accordance with the application of Net Proceeds provisions as is specified in the Prospectus.

(e) Substitution of the Assets

The Issuer may, provided that it has delivered to the Trustee (or the Trustee already holds) a Security in respect thereof and such additional documents as may be required by the Trustee, from time to time substitute alternative assets (of no lesser quality or of a different class) for such of the Assets as the Issuer may deem appropriate. Any such alternative assets will become part of the Assets and will be held subject to the charges in favour of the Trustee set out or contemplated in these presents and/or the Trust Deed. The Issuer may, and will if required by a relevant listing authority or stock exchange, prepare a supplement to the Prospectus setting out details of such substitution and, in any event, shall notify the Noteholders thereof (and the other Secured Creditors) in accordance with Condition 15.

6 Interest and other Calculations

(a) Interest on Notes

Each Note bears interest which shall accrue on its Principal Amount from the Interest Commencement Date at the rate of 8.5% per annum compounded daily and payable annually in arrears on or about 31 December in each year in which interest is payable.

- (b) If any date referred to in the Terms and Conditions is specified to be subject to adjustment in accordance with a Business Day Convention and would otherwise fall on a day which is not a Business Day, the 'Next Business Day Convention' shall apply and such dates shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day.

7 Redemption

Unless previously redeemed, or purchased and cancelled as provided below, each Note will be redeemed at its Redemption Amount on the Maturity Date together with all interest accrued and unpaid thereon.

The Issuer may redeem all (but not some only) of the Notes prior to the Maturity Date upon payment of the Redemption Amount, and all accrued interest, and all interest that would have accrued thereon between the date of such redemption and the Maturity Date.

8 Payments

(a) Payments on Notes

Noteholders require to take no further action in respect of Notes as all Notes shall be held in uncertificated form and all payments will be made in accordance with the provisions of these Terms and Conditions.

(b) Payments subject to fiscal laws; payments on Notes

All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives, but without prejudice to the provisions of Condition 9. No commission or expenses shall be charged to the Noteholders in respect of such payments.

The holder of a Note shall be the only person entitled to receive payments of the Principal Amount (or Redemption Amounts) and interest on such Note and the Issuer will be discharged by payment to, or to the order of, the Noteholder of such Registered Note in respect of each amount paid.

(c) Non-Business Days and interest on the Notes

If any date for payment in respect of any Note is not a Business Day, the Noteholder shall not be entitled to any interest or other sum in respect of such postponed payment.

9 Taxation

(a) Withholding Tax

All payments in respect of the Notes will be made free and clear of, and without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature unless the Issuer or the Trustee (as the case may be) is required by applicable law (in Ireland, Cyprus or elsewhere) to make any payment in respect of the Notes subject to any withholding or deduction for, or on account of, any present or future taxes, duties or assessments or governmental charges of whatsoever nature. In that event, the Issuer or the Trustee (as the case may

be) shall make such payment after such withholding or deduction has been made and shall account to the relevant authorities for the amount so required to be withheld or deducted. Neither the Issuer nor the Trustee will be obliged to make any additional payments to the Noteholders in respect of such withholding or deduction. The Issuer may require the Noteholders to provide such certifications and other documents as required by applicable law in order to qualify for exemptions from applicable tax laws.

The above is a general summary of the withholding tax position with respect to the Notes and does not purport to be a comprehensive description of all tax aspects relating to the Notes. In particular the above does not analyse the tax position of the Issuer and it does not constitute nor should it be construed as, tax or legal advice. Prospective investors in the Notes should consult their tax and other professional advisers as to the specific tax consequences of acquiring, holding and disposing of the Notes and of receiving interest on the Notes.

10 Default Events

(a) Events of Default

Subject to Condition 10 (c), the Trustee at its discretion may, and if so requested by the Noteholders having passed an Extraordinary Resolution to that effect shall, (in each case, provided that the Trustee is secured, indemnified, or both to its satisfaction), give notice (an “**Enforcement Notice**”) to the Issuer that the Notes are, and they shall accordingly immediately become, due and repayable, at their Redemption Amount together with accrued interest to the date of payment upon the occurrence of any of the following Events of Default:

- (i) if default is made for a period of 14 days or more in the case of interest or 7 days or more in the case of Principal Amount in the payment of any sum due in respect of the Notes or any of them; or
- (ii) if the Issuer fails to perform or observe any of its other obligations under the Notes or the Trust Deed and, where the Trustee considers, in its absolute discretion that such default can be remedied, such failure continues for a period of 30 days (or such longer period as the Trustee may permit) next following the service by the Trustee on the Issuer of written notice requiring the same to be remedied; or
- (iii) it is, or will become, illegal for the Issuer to perform or comply with any one or more of its obligations under the Notes; or
- (iv) if any order shall be made by any competent court or any resolution passed for the winding-up or dissolution of the Issuer or an order is made for the Issuer's Bankruptcy (or any analogous proceedings) save for the purposes of amalgamation, merger, consolidation, reorganisation or other similar arrangement on terms approved by the Trustee; or
- (v) if (a) any other proceedings are initiated against the Issuer under any applicable liquidation, Bankruptcy, insolvency, composition, reorganisation, readjustment or other similar laws (but excluding the presentation of any application for an administration order under the Insolvency Act 1986 of the United Kingdom) and

such proceedings are not being disputed in good faith, or (b) an administrative receiver or other receiver, administrator or other similar official (not being an administrative receiver or other receiver or manager appointed by the Trustee pursuant to the Trust Deed) is appointed in relation to the Issuer or in relation to the whole or any substantial part (in the opinion of the Trustee) of the undertaking or assets of the Issuer or (c) an encumbrancer (not being the Trustee or any receiver or manager appointed by the Trustee) shall take possession of the whole or any substantial part (in the opinion of the Trustee) of the undertaking or assets of the Issuer or (d) a distress or execution or other process shall be levied or enforced upon or sued out against the whole or any substantial part (in the opinion of the Trustee) of the undertaking or assets of the Issuer (other than, in any such case, by the Trustee pursuant to any of the Transaction Documents) and in any of the foregoing cases (other than in relation to the circumstances described in (b) where no grace period shall apply) such order, appointment, possession or process (as the case may be) is not discharged or stayed or does not cease to apply within 14 days; or

- (vi) if the Issuer initiates or consents to judicial proceedings relating to itself (except in accordance with paragraph (iv) above) under any applicable liquidation, Bankruptcy, insolvency, composition, reorganisation, readjustment or other similar laws or makes a conveyance or assignment for the benefit of its creditors generally; or
- (vii) if the Issuer becomes insolvent or is adjudicated or found bankrupt.

(b) Confirmation of no Event of Default

The Issuer shall provide a 'Certificate of No Default' to the Trustee, on each anniversary of the Closing Date, confirming that no Event of Default or other matter which is required to be brought to the Trustee's attention has occurred and is continuing (as the case may be) notifying the Trustee of any Event of Default which has occurred or is continuing.

(c) Enforcement

In the event of the Security becoming enforceable, the Trustee shall, but in each case without any liability as to the consequence of such action and without having regard to the effect of, or being required to account for, such action to the Noteholders, have the right to enforce its rights under the Security, provided that the Trustee shall not be required to take any action that would involve the Trustee in any personal liability or expense unless previously indemnified and/or secured to its satisfaction.

(d) Force Majeure

If an affected Party is unable to fulfil completely or partially its obligations under the relevant Transaction Document(s) as a consequence of one or more of the Force Majeure Events, the time for fulfilment of the respective obligations under the Transaction Documents shall be extended for the period during which such circumstances last.

On the occurrence of a Force Majeure Event, the Party for whom it becomes impossible to meet its obligations under the relevant Transaction Document(s) shall advise all the other Parties affected by such Force Majeure Event within five Business Days as regards commencement and cessation of the circumstances preventing fulfilment of its obligations. A certificate issued respectively by a recognised regulatory body or governmental department in the affected Party or affected Parties countries shall be sufficient proof of the existence of such contingencies and their duration, provided such certificate shall be issued in the English language.

If such circumstances last more than six months, each of the Parties to the relevant Transaction Documents shall have a right to terminate the relevant Transaction Documents and none of the affected Parties shall have a right to claim compensation for losses suffered as a result of such termination from the other Party, unless the Parties to the relevant Transaction Documents otherwise agree.

11 Limited Recourse Enforcement

- (a) If the amounts realised from the Security and the Assets are not sufficient (after meeting the Trustee's and any receiver's expenses, liabilities and remuneration, and any other amounts that rank in priority to the Notes) to make payment of all amounts due in respect of the Notes and all other secured obligations with respect to the Notes, such amounts due and other secured obligations shall be deemed to be reduced or extinguished in the order of priority specified in the Prospectus so that there is no obligation to make any payment in excess of the amounts so realised. Any claim of the Holders remaining after such application shall be extinguished and such Holders will have no further recourse to the Issuer and any failure to make any payment in respect of such shortfall shall in no circumstances constitute an Event of Default under Condition 10.
- (b) Only the Trustee may pursue the remedies available under the Trust Deed, the Terms and Conditions and the Transaction Documents. No Noteholder is entitled to proceed directly against the Issuer or the Assets unless the Trustee, having become bound to proceed in accordance with the terms of the Trust Deed, fails or neglects to do so within a reasonable period and such failure or neglect is continuing. However, the Trustee shall not be bound to take any action to enforce the Security or pursue the remedies available under the Trust Deed, the Terms and Conditions or any of the Transaction Documents unless it is indemnified and/or secured to its satisfaction and has, if so required by the Conditions, been requested to do so by the Holders in respect of the relevant Notes.
- (c) After enforcement of the Security and distribution of the net proceeds thereof in accordance with any priority of payments that may exist under these Terms and Conditions, neither the Trustee nor any Noteholder may take any further steps against the Issuer or any of its assets to recover any sums due but unpaid in respect of the Notes or otherwise and all claims and all rights to claim against the Issuer in respect of each such sum unpaid shall be extinguished.
- (d) No Noteholder, nor the Trustee on its behalf, may institute against or join any person in instituting against the Issuer any Bankruptcy, winding-up, re-organisation, arrangement, insolvency or liquidation proceeding (except for the

appointment of a receiver or a receiver and manager pursuant to the terms of the Trust Deed) or other proceeding under any similar law nor shall any of them have any claim in respect of such sum over or in respect of any of the property or any assets of the Issuer other than the Assets. The Holders accept and agree that the only remedy of the Trustee against the Issuer after any of the Notes have become due and payable pursuant to Condition 10 is to enforce the Security pursuant to the provisions of the Trust Deed or any other security document executed in relation to the Notes.

12 Prescription

Claims against the Issuer for payment in respect of the Notes shall be prescribed and become void unless made within one year (in the case of the Principal Amount from the Maturity Date) or 6 calendar months from the relevant Interest Payment Date (in the case of interest).

13 Meetings of Noteholders, the Issuer and modification

(a) Meetings of Noteholders and modification

The Trust Deed contains provisions for convening meetings of Noteholders to consider matters affecting their interests, including the modification by Extraordinary Resolution of the Conditions or the provisions of the Trust Deed. The quorum at any such meeting for passing an Extraordinary Resolution will be two or more persons holding or representing not less than fifty per cent. (50%) of the Principal Amount of the Notes for the time being outstanding. In addition, a resolution in writing signed by or on behalf of all Noteholders who for the time being are entitled to receive notice of a meeting of Noteholders under the Trust Deed will take effect as if it were an Extraordinary Resolution. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders. An Extraordinary Resolution passed at any meeting of the Noteholders will be binding on all Noteholders whether or not they were present at such meeting. The Trustee may, but without consulting the Noteholders, determine that an event which would otherwise be an Event of Default shall not be so treated but only if and in so far as in its opinion the interests of Noteholders shall not be materially prejudiced thereby.

(b) The Trustee may agree without the consent of the Noteholders to:

- (i)* any modification of any of the provisions of the Trust Deed or the Transaction Documents which is, in the opinion of the Trustee, of a formal, minor or technical nature or is made to correct a manifest error; and
- (ii)* any other modification which, in the opinion of the Trustee, is not materially prejudicial to the interests of the Noteholders.

Any such modification, authorisation or waiver shall be binding on the Noteholders and, unless the Trustee agrees otherwise with the Issuer, such modification shall be notified to the Noteholders as soon as practicable thereafter.

(c) Issuer

The Issuer will not, except as specified in this Prospectus, exercise any rights in its capacity as a holder of, or person beneficially entitled to or participating in the Security, unless directed to do so by the Trustee and, if such direction is given, the Issuer will act only in accordance with such directions. The Trustee may, but need not, vote provided that it will nevertheless vote if requested to do so by the Holders and if the Trustee does vote pursuant to such request, it will bear no liability for doing so. In particular, the Issuer will not attend or vote at any meeting of Holders of, or other persons interested or participating in, or entitled to the rights or benefits (or a part thereof) under the Security or give any consent, waiver, indulgence, time or notification or make any declaration in relation to such Security unless it shall have been so directed by the Trustee in writing.

(d) Entitlement of the Trustee

In connection with the exercise of its powers, trusts, authorities or discretions (including but not limited to those in relation to any proposed modification, waiver, authorisation or substitution as aforesaid) the Trustee shall not have regard to the consequences of such exercise for any individual Holders or of holders of any other notes or bonds, resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory and the Trustee shall not be entitled to require, nor shall any Holders be entitled to claim, from the Issuer any indemnification or payment in respect of any tax consequence of any such exercise upon individual Holders.

14 Priority of payments

The order of the priority of payments made by the Issuer pursuant to these Terms and Conditions shall be as follows:

Priority of Payments (General):

On receipt of any sums from the Assets, (and also upon enforcement and realisation in full of the Security) the Issuer shall apply those sums in making or providing for payment towards satisfaction of the following amounts (to the extent they have not already been satisfied) in the following order of priority:

- 1 to pay in full any Exceptional Expenses attributable and payable to the Trustee or any attorney, manager, agent, delegate or other person appointed by the Trustee;
- 2 to pay in full, on a *pro rata* and *pari passu* basis, any Exceptional Expenses due and payable to the Operating Creditors (other than those paid to the Trustee, or any attorney, manager, receiver, agent, delegate or other person appointed by the Trustee) and any taxes and statutory fees due and payable by the Issuer;
- 3 sums remaining after the applications in 1 and 2 shall be accrued and applied on each Interest Payment date on a *pro rata* and *pari passu* basis to the Noteholders in satisfaction of the Issuer's interest obligations under the Notes;

- 4 in no order of priority per se, but *pro rata* to the respective amounts then due to pay *pari passu* the sums (if any) remaining after the applications in 1, 2 and 3 above shall be accrued by the Issuer and repaid to the Noteholders on the Maturity Date in satisfaction of the Issuer's Principal repayment obligations under the Notes at the Maturity Date until the Notes are fully redeemed; and
 - 5 after the Maturity Date to release the balance (if any) to the Issuer.
- if all monies received by the Issuer between the Closing Date and the Maturity Date in respect of the Assets, and at any time on enforcement of the Security, would otherwise be insufficient to pay all amounts due in accordance with the Order of Priority, such obligations shall be deemed to be reduced or extinguished in inverse order of the Order of Priority.

Priority of Payments (upon the occurrence of a Suspension Event):

On receipt of any sums from the Assets, the Issuer shall apply those sums in making or providing for payment towards satisfaction of the following amounts (to the extent they have not already been satisfied) in the following order of priority:

- 1 to pay in full any Exceptional Expenses attributable and payable to the Trustee or any attorney, manager, agent, delegate or other person appointed by the Trustee;
- 2 to pay in full, *pro rata* and on a *pari passu* basis, any Exceptional Expenses due and payable to the Operating Creditors (other than the Trustee, or any attorney, manager, receiver, agent, delegate or other person appointed by the Trustee) and any taxes and statutory fees due and payable by the Issuer; and
- 3 sums remaining after the applications in 1 and 2 above, shall be accrued and applied on each Interest Payment date on a *pro rata* and *pari passu* basis to the Noteholders in satisfaction of the Issuer's interest obligations under the Notes.

15 Indemnification of the Trustee

The Trust Deed contains provisions for indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking any actions including the giving of an Enforcement Notice and the taking of proceedings to enforce repayment unless indemnified and/or secured to its satisfaction.

The Trustee or any of its affiliates is entitled to enter into business transactions with the Issuer, any issuer or guarantor of (or other obligor in respect of) any of the securities or other assets of the Issuer or any of their respective subsidiaries or associated companies without accounting to the Noteholders for any profit resulting therefrom.

The Trustee, in the absence of gross negligence, wilful default or fraud, is exempted from any liability in respect of any loss or theft of all or any part of the assets of the Issuer (the "Assets"), from any obligation to insure all or any part of the Assets and from any liability arising if all or any part of the Assets are held in an account with Euroclear or any similar clearing system in accordance with that system's rules or otherwise held in safe custody by the bank or other custodian selected by the Trustee.

The Trustee was appointed trustee in respect of Notes. Pursuant to the terms of the Trust Deed, the Trustee may retire at any time on giving not less than three months' prior written notice to the Issuer without assigning any reason and without being responsible for any liabilities occasioned by such retirement.

The Noteholders shall have the power exercisable by Extraordinary Resolution to remove any trustee or trustees for the time being under the Trust Deed. The retirement or removal of any such trustee shall not become effective until a successor trustee being a trust corporation has been appointed. Additional trustees or co-trustees may also be appointed as trustees in respect of the Notes.

16 Governing Law

(a) Governing Law

The Trust Deed, the Notes and all matters arising from or connected therewith are governed by and shall be construed in accordance with the laws of England and Wales.

(b) English Courts

The Issuer has, in the Trust Deed, irrevocably agreed that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute (a "**Dispute**") arising from or connected with the Notes.

(c) Appropriate Forum

The Issuer has, in the Trust Deed, agreed that the courts of England and Wales are the most appropriate and convenient courts to settle any Dispute and, accordingly, that it will not argue to the contrary.

(d) Process Agent

The Issuer has, in the Trust Deed, agreed that the process by which any proceedings in England and Wales are begun may be served on it by being delivered to Marriott Harrison LLP, 11 Staple Inn, London, WC1V 7QH. If such person is not or ceases to be effectively appointed to accept service of process on the Issuer's behalf, the Issuer shall notify the Trustee and appoint a further person in England or Wales to accept service of process on its behalf and, failing such appointment within 15 days, the Trustee shall be entitled to appoint such a person at the expense of the Issuer by written notice to the Issuer. Nothing contained in the Trust Deed shall affect the right of the Trustee or Noteholders to serve process in any other manner permitted by law.

CREDIT, COMMERCIAL, LEGAL AND TAX CONSIDERATIONS

The following is a description of certain additional aspects of the issue of the Notes of which any prospective Noteholder should be aware. It is not intended to be exhaustive and any prospective Noteholder should also read the detailed information set out elsewhere in this document and take its own tax, legal and other relevant advice as to the structure and viability of an investment in the Notes.

Credit Considerations

The Notes are solely the obligation of the Issuer. In particular, the Notes are not the obligation or responsibility of, or guaranteed by, the Trustee, the Receiving Agent, the Registrar or the Account Bank. Apart from the Issuer, none of those persons will accept any liability whatsoever to the Noteholders in respect of any failure by the Issuer to pay any amount due under the Notes.

Commercial and Legal Aspects of the Transaction

No representations or warranties have been given to or are given by the Trustee, the Receiving Agent, the Issuer or any other party in respect of the Notes. Prospective Noteholders should take their own tax, legal, accounting and other relevant advice as to the structure and viability of the Notes and their investment in them.

Tax Considerations

The Issuer is not obliged to pay any additional amount for, or on account of, any payments under the Notes that are the subject of a deduction or withholding for or on account of any tax. Investors should make their own investigations into specific tax implications of holding the Notes and the Issuer takes no responsibility for any adverse tax consequences suffered by any Investor who invests in the Notes.

TRANSFER RESTRICTIONS

United States

The Issuer has not been and will not be registered under the United States Investment Company Act of 1940, as amended (the "Investment Company Act") and the Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"). Consequently, the Notes may not be offered, sold, resold, delivered or transferred within the United States or to, or for the account or benefit of, U.S. persons (as such term is defined in Regulation S under the Securities Act).

SELLING RESTRICTIONS

United States

The Issuer has not been and will not be registered under the United States Investment Company Act of 1940, as amended (the "Investment Company Act") and the Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act"). Consequently, the Notes may not be offered, sold, resold, delivered or transferred within the United States or to, or for the account or benefit of, U.S. persons (as such term is defined in Regulation S under the Securities Act).

European Union

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), the Receiving Agent has represented, warranted and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**") it has not made and will not make an offer of Notes to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of Notes to the public in that Relevant Member State:

- in (or in Ireland, where the offer starts within) the period beginning on the date of publication of a prospectus relating to those Notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive and ending on the date which is 12 months after the date of such publication;
- at any time to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;
- at any time to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than EUR42,000,000 and (3) an annual net turnover of more than EUR20,000,000, as shown in its last annual or consolidated accounts; or

At any time in any other circumstances which do not require the publication by the Issuer of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer of Notes to the public" in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression "Prospectus Directive" means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

United Kingdom

The Issuer warrants that:

- (a) in relation to any Notes having a maturity of less than one year:
 - (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business; and
 - (ii) it has not offered or sold and will not offer or sell any Notes other than to persons:
 - (A) whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses; or
 - (B) who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses, where the issue of the Notes would otherwise constitute a contravention of section 19 of the Financial Services and Markets Act 2000 ("FSMA") by the Issuer;

it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not or would not, if the Issuer was not an authorised person, apply to the Issuer; and it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

Cyprus

The Issuer warrants that:

- (a) it has not offered or sold and will not offer or sell any Notes to person who are resident or domiciled in Cyprus;
- (b) it has not offered or sold and will not offer or sell any Notes, except in conformity with the provisions of the Public Offer and Prospectus Law, Law 114/2005 and the provisions of the Cyprus Companies Law, cap. 113 (as amended);
- (c) it has not and will not offer or sell any Notes other than in compliance with the provisions of the Investment Services and Activities and Regulated Markets Law, Law 144(I)/2007;
- (d) it will not be providing from or within Cyprus any "Investment Services", "Investment Activities" and "Non-Core Services" (as such terms are defined in the Investment Services and Activities and Regulated Markets Law, Law 144 (I)/2007, (the "ISARM") in relation to the Notes or will be otherwise providing Investment Services, Investment Activities and Non-Core Services to residents or persons domiciled in Cyprus. The Receiving Agent has represented, warranted and agreed that it will not be concluding in Cyprus any transaction relating to such Investment Services, Investment Activities and Non-Core Services in contravention of the ISARM and/or applicable regulations adopted pursuant hereto or in relation thereto.

Germany

The Issuer has represented, warranted and undertaken not to offer or sell, whether directly or indirectly, the Notes described in the Prospectus in Germany other than in compliance with the German Securities Sales Prospectus Act (Wertpapier-Verkaufsprospektgesetz) of 9 September 1998, as amended, or any other laws applicable in Germany governing the issue, offering and sale of securities. The Receiving Agent will represent to and agree with the Issuer that, according to § 2 no. 4 of the German Securities Sales Prospectus Act (Wertpapier-Verkaufsprospektgesetz), a sales prospectus for the Notes described in the Prospectus does not have to be deposited or published.

Hong Kong

The Issuer has represented, warranted and undertaken to the Noteholders that:

- they have not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes other than (i) to persons whose ordinary business is to buy or sell shares or debentures (whether as principal or agent) or (ii) in circumstances which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap.32) of Hong Kong; and
- they have not issued, or had in their possession and will not issue, or have in their possession for the purposes of issue, any advertisement, invitation or document relating to the Notes, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors within the meaning of the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made thereunder.

Japan

The Notes have not been, and will not be, registered under the Securities and Exchange Law of Japan (the Securities and Exchange Law). Neither the Notes nor any interest therein shall be offered, sold, resold or otherwise transferred, directly or indirectly, in Japan or to or for the account of any resident of Japan except in circumstances which result in compliance with an exemption from the registration provisions of the Securities and Exchange Law available thereunder and in compliance with the other relevant laws and regulations of Japan. For the purpose of this paragraph, resident of Japan shall mean any person resident in Japan, including any corporation or other entity organised under the laws of Japan, and, with respect to any entity organised under the laws of a jurisdiction other than Japan, its branches or offices located in Japan.

France

The Receiving Agent has represented, warranted and undertaken to the Issuer that (i) they have not offered, marketed, distributed, sold, resold or otherwise transferred and will not offer, market, distribute, sell, resell or otherwise transfer, directly or indirectly, any Notes to the public in the Republic of France and (ii) any offers, marketing, distributions, sales, re-sales or other transfers of Notes in the Republic of France have been and will only be made to qualified investors (investisseurs qualifiés) acting for their own account, all as defined in, and in

accordance with article L.411-2 of the French Code monétaire et financier and décret no. 98-880 dated 1 October, 1998.

The Notes have not been and will not be subject to any approval by or registration (visa) with the French Autorité des Marchés Financiers. The direct or indirect offer, marketing, distribution, sale, re-sale or other transfer of the Notes to the public in the Republic of France must comply with articles L. 411-1, L.411-2, L.412-1 and L.621-8 of the French Code monétaire et financier.

In addition, the Receiving Agent will represent and agree that they have not distributed or caused to be distributed and will not distribute or cause to be distributed in the Republic of France the Prospectus or any other offering material relating to the Notes other than to investors to whom offers, marketing, distributions, sales, re-sales or other transfers of Notes in the Republic of France may be made as described above.

General

Other than the application to list the Notes on the Corporate Bond Market of the Regulated Market of the Cyprus Global Stock and the approval of the Prospectus by the Cyprus Securities and Exchange Commission, no action has been or will be taken to permit a public offering of the Notes or the distribution of the Prospectus in any jurisdiction. Accordingly, the Receiving Agent will agree with the Issuer in the Notes Placement Agreement that it will not, directly or indirectly, offer or sell any Notes in any country or jurisdiction where action for that purpose is required and neither the Prospectus nor any other circular, prospectus, form of application, advertisement or other material will be distributed by it in or from or published in any country or jurisdiction, except under circumstances which will result in compliance with applicable laws and regulations.

GENERAL INFORMATION

In 2004 the European Commission adopted Directive of the European Parliament and of the Council on the harmonisation of transparency requirements with regard to information about issuers whose securities are admitted to trading on a regulated market in the European Union (2003/0045(COD)) (the “**Transparency Directive**”). Following the admission of the Notes on the corporate bond market of the regulated market of the CSE, the Transparency Directive will apply.

Application will be made for the acceptance of the Notes for clearing with the CREST. The International Securities Identification Number (ISIN) and (where applicable) the identification number for any other relevant clearing system for the Notes are set out in this Prospectus. The Common Code will be available once the Notes are accepted for clearing.

Application has been made to the CSE to admit the Notes to listing and trading on the Corporate Bond Market of the Regulated Market of the Cyprus Stock Exchange.

DOCUMENTS AVAILABLE FOR INSPECTION

For so long as any Notes shall be outstanding, physical copies of the following documents (listed at 1 to 8 below) may be inspected during normal business hours at the Issuer's registered office, namely 27 Hatch Street Lower, Dublin 2, Ireland.

Copies of the items listed at 1 to 8 below will be provided free of charge at the registered office of the Issuer upon oral or written request for the duration of Admission.

1. The Issuer's constitution.
2. THC Plc's memorandum and articles of association.
3. The financial information of THC Plc set out in the section of the Prospectus headed **"FINANCIAL INFORMATION ON THC Plc"**.
4. Directors Service Agreements.
5. The Trust Deed.
6. The Loan Agreement.
7. The Security Agreement.
8. The Registrar Agreement.

All of the documents listed above will be signed on or before Admission to listing of the Notes.

Declaration by Issuer and the Directors

This Prospectus of Tristone Healthcare Bond DAC is signed by the following directors of the said company. The Issuer and the Issuer's directors declare that having taken all reasonable care to ensure that such is the case, the information contained herein is to the best of their knowledge in accordance with the facts and contains no omission likely to affect its import:

Yannis Loucopoulos

Simon Sacerdoti

Ivano Cafolla

Andrew Williamson

Declaration of the Underwriter responsible for Drawing up the Prospectus.

This prospectus is also signed by:

Global Capital Securities & Financial Services Limited, as underwriter responsible for the drawing up of this Prospectus, in accordance with the provisions of Prospectus Law, declares that having taken all reasonable care to ensure that such is the case, the information contained herein is to the best of its knowledge in accordance with the facts and contains no omission likely to affect its import.

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Global Capital Securities & Financial Services Limited

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