Registration Document

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

dated 6 October 2014

by

Hal Mann Vella Group p.l.c.

(a public limited liability company registered under the laws of Malta

with registration number C 5067)

Registrar	Security Trustee	Sponsor	Legal Counsel
Malta Stock Exchange plc	FJV Fiduciary Ltd	CHARTS WEALTH MANAGEMENT • CORPORATE BROKING	ÆQUITAS LEGAL

APPROVED BY THE DIRECTORS

Vincent Vella	Joseph Vella	Mark Vella	Martin Vella	Arthur Galea Salomone	William Van Buren

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

IMPORTANT INFORMATION

THIS REGISTRATION DOCUMENT CONTAINS INFORMATION ON HAL MANN VELLA GROUP P.L.C. IN ACCORDANCE WITH THE REQUIREMENTS OF THE LISTING RULES OF THE LISTING AUTHORITY, THE COMPANIES ACT (CAP. 386 OF THE LAWS OF MALTA) AND COMMISSION REGULATION (EC) NO. 809/2004 OF 29 APRIL 2004 IMPLEMENTING DIRECTIVE 2003/71/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL AS REGARDS INFORMATION CONTAINED IN PROSPECTUSES AS WELL AS THE FORMAT, INCORPORATION BY REFERENCE AND PUBLICATION OF SUCH PROSPECTUSES AND DISSEMINATION OF ADVERTISEMENTS (AS AMENDED BY COMMISSION DELEGATED REGULATION (EU) NO. 486/2012 OF 30 MARCH 2012, COMMISSION DELEGATED REGULATION (EU) NO. 862/2012 OF 4 JUNE 2012, COMMISSION DELEGATED REGULATION (EU) NO. 759/2013 OF 30 APRIL 2013 AND COMMISSION DELEGATED REGULATION (EU) NO. 382/2014 OF 7 MARCH 2014).

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

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

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

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

A COPY OF THIS DOCUMENT HAS BEEN SUBMITTED TO THE LISTING AUTHORITY IN SATISFACTION OF THE LISTING RULES, THE MALTA STOCK EXCHANGE IN SATISFACTION OF THE MALTA STOCK EXCHANGE BYE-LAWS AND HAS BEEN DULY FILED WITH THE REGISTRAR OF COMPANIES, IN ACCORDANCE WITH THE ACT.

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

ALL THE ADVISORS TO THE ISSUER NAMED IN THE REGISTRATION DOCUMENT UNDER THE HEADING "ADVISORS" IN SECTION 3.2 OF THIS REGISTRATION DOCUMENT HAVE ACTED AND ARE ACTING EXCLUSIVELY FOR THE ISSUER IN RELATION TO THIS PUBLIC OFFER AND HAVE NO CONTRACTUAL, FIDUCIARY OR OTHER OBLIGATION TOWARDS ANY OTHER PERSON AND WILL ACCORDINGLY NOT BE RESPONSIBLE TO ANY INVESTOR OR ANY OTHER PERSON WHOMSOEVER IN RELATION TO THE TRANSACTIONS PROPOSED IN THE PROSPECTUS.

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1 DEFINITIONS

In this Registration Document the following words and expressions shall bear the following meanings except where the context otherwise requires:

Act	the Companies Act (Cap. 386 of the Laws of Malta);
Bond(s) or **Secured Bond(s)**	the €30 million secured bonds due 2024 of a face value of €100 per bond, redeemable at their nominal value on the Redemption Date, bearing interest at the rate of 5% per annum, as detailed in the Securities Note;
Bond Offer or **Offer**	the issue of Bonds;
Collateral or **Security Interests**	**(i)** the first-ranking general hypothec to be constituted by the Company in favour of the Trustee, over all its assets present and future, for the amount of €30,000,000 (thirty million Euro), interest thereon and any other amounts due under the Bonds; **(ii)** the first-ranking special hypothec to be constituted by the Company in favour of the Trustee over the Hal Mann factory, showroom and adjacent land, measuring *circa* 22,300m^2 and situated in Hal Mann Road, Lija, for the amount of €30,000,000 (thirty million Euro), interest thereon and any other amounts due under the Bonds; **(iii)** the first-ranking general hypothec to be constituted by the Guarantor in favour of the Trustee, over all its assets present and future, for the amount of €30,000,000 (thirty million Euro), interest thereon and any other amounts due under the Bonds; **(iv)** the first-ranking special hypothec to be constituted by the Guarantor in favour of the Trustee: **(a)** over a plot of land measuring *circa* 5,200m^2 forming part of Hal Mann and situated in Pantar Road, Lija; and **(b)** over 50% (being the portion owned by the Guarantor) of a warehouse complex (known as 'Il-Binja il-Gdida') consisting of a two-storey development with an underlying two storey parking area, having a footprint of *circa* 1,200m^2 and situated in Pantar Road, Lija; for the amount of €30,000,000 (thirty million Euro), interest thereon and any other amounts due under the Bonds**;**
Deed of Hypothec	a deed to be entered into by and between the Trustee and the Issuer in the acts of Notary Anthony Abela whereby the Issuer constitutes the Collateral in favour of the Trustee;
Directors or **Board**	the directors of the Issuer whose names are set out under the heading "Identity of Directors, Advisors and Auditors;
Euro or **€**	the lawful currency of the Republic of Malta;
Guarantee	the joint and several suretyship granted by the Guarantor as security for the punctual performance of the Issuer's payment obligations under the Bonds, subject to the terms and conditions contained in the Security Trust Deed and as the same is held on trust for the benefit of the Bondholders by the Security Trustee. A copy of the Guarantee and a description of the nature, scope and terms of the Guarantee are appended to the Securities Note as Annex III thereof;
Guarantor	Sudvel Limited, a Subsidiary of the Issuer and a private company registered under the laws of Malta with company registration number C 35806 and having its registered office at St Mary House, St Philip Street, Mgarr MGR 1373, Malta;
Hal Mann Vella Group or **Group**	the Issuer and its Subsidiaries and the Jointly Controlled Entities;

Hypothecated Property	(i) the officially unnumbered immovable property known as the Halmann Factory and Showroom which together with adjacent land covers a global area of *circa* 27,500m^2. Part of the aforesaid property which has a footprint of *circa* 22,300m^2 is owned by the Company. An adjacent parcel of land is the property of the Guarantor and measures *circa* 5,200m^2. Both properties, forming a combined property, are located at a corner formed between Pantar Road, Lija, and the junction between Valletta Road, Mosta, and Mosta Road, Lija, and are hence variably referred to as in the Limits of Lija or the Limits of Mosta. The combined property is bounded on the north by property of the Government of Malta, held on encroachment by the Group from the Government of Malta, which property is then bounded on the north by Valletta Road, Mosta. On the East and North East, the combined property is bounded by Hal-Mann Road and on the West by Pantar Road; and (ii) 50% (being the portion owned by the Guarantor) of the warehouse complex situated in Pantar Road, Lija, having a footprint of approximately 1,200m^2 which consists of a large parking/storage area at lower basement level, warehouses at ground floor level and offices at first floor level;
Issuer or **Company**	Hal Mann Vella Group p.l.c. (formerly Hal Mann Velsud Group Ltd), a public company registered under the laws of Malta with company registration number C 5067 and having its registered office at The Factory, Mosta Road, Lija LJA 9016, Malta;
Jointly Controlled Entities	each of: a) Madliena Ridge Limited (a limited liability company registered under the laws of Malta with company registration number C 44281) – 50% ownership b) Hal Mann Holdings Ltd (a limited liability company registered under the laws of Malta with company registration number C 2215) – 50% ownership; c) HMK International Ltd (a limited liability company registered under the laws of Malta with company registration number C 46978) – 50% ownership; d) Hal Mann Solar Limited (a limited liability company registered under the laws of Malta with company registration number C 61110) – 50% ownership; e) MAC Investments Limited (a limited liability company registered under the laws of Malta with company registration number C 55957) – 33.3% ownership;
Listing Authority	the MFSA, appointed as Listing Authority for the purposes of the Financial Markets Act (Cap. 345 of the Laws of Malta) by virtue of Legal Notice 1 of 2003;
Malta Stock Exchange or **MSE**	Malta Stock Exchange p.l.c., as originally constituted in terms of the Financial Markets Act (Cap. 345 of the Laws of Malta) with company registration number C 42525 and having its registered office at Garrison Chapel, Castille Place, Valletta VLT 1063, Malta;
Memorandum and Articles of Association	the memorandum and articles of association in force at the time of publication of the Prospectus;
MFSA	Malta Financial Services Authority, established in terms of the Malta Financial Services Authority Act (Cap. 330 of the Laws of Malta);
Offer Period	the period between 27 October 2014 to 31 October 2014 during which the Bonds are on offer;
Prospectus	collectively, the Registration Document, the Securities Note and the Summary Note;

Redemption Date	shall have the meaning set out in the Securities Note;
Registration Document	this document in its entirety;
Regulation	Commission Regulation (EC) No. 809/2004 of 29 April 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council as regards information contained in prospectuses as well as the format, incorporation by reference and publication of such prospectuses and dissemination of advertisements, as amended by Commission Delegated Regulation (EU) No. 486/2012 of 30 March 2012 amending Regulation (EC) No. 809/2004 as regards the format and the content of the prospectus, the base prospectus, the summary and the final terms and as regards the disclosure requirements; Commission Delegated Regulation (EU) No. 862/2012 of 4 June 2012 amending Regulation (EC) No. 809/2004 as regards information on the consent to use of the prospectus, information on underlying indexes and the requirement for a report prepared by independent accountants or auditors; Commission Delegated Regulation (EU) No. 759/2013 of 30 April 2013 amending Regulation (EC) No. 809/2004 as regards the disclosure requirements for convertible and exchangeable debt securities; and Commission Delegated Regulation (EU) No. 382/2014 of 7 March 2014 as regards to regulatory technical standards for publication of supplements to the prospectus;
Securities Note	the securities note issued by the Issuer dated 6 October 2014, forming part of the Prospectus;
Security Trustee or **Trustee**	FJV Fiduciary Ltd having its registered office at FJVA Business Centre, Industry Street, Qormi QRM 3000, Malta;
Subsidiary	each of: a) Mavina Holiday Complex Ltd (a limited liability company registered under the laws of Malta with company registration number C 1728). The company is the parent company of SMG Mode Ltd (a limited liability company registered under the laws of Malta with company registration number C 35517); b) Sudvel Limited (a limited liability company registered under the laws of Malta with company registration number C 35806); c) Hal Mann International Ltd (a limited liability company registered under the laws of Malta with company registration number C 21050). The company is the parent company of Hal Mann Vella Ltd (a limited liability company registered under the laws of Malta with company registration number C 28088); d) Hal Mann Properties Ltd (a limited liability company registered under the laws of Malta with company registration number C 39013); e) Vinmar Limited (a limited liability company registered under the laws of Malta with company registration number C 51195); f) Hal Mann Industries Ltd (a limited liability company registered under the laws of Malta with company registration number C 8028); g) Hal Mann (Letting) Ltd (a limited liability company registered under the laws of Malta with company registration number C 53109); h) Hal Mann Services Limited (a limited liability company registered under the laws of Malta with company registration number C 51196); and the term **'Subsidiaries'** shall collectively refer to the said companies;
Summary Note	the summary note issued by the Issuer dated 6 October 2014, forming part of the Prospectus.

2 RISK FACTORS

PROSPECTIVE INVESTORS SHOULD CAREFULLY CONSIDER WITH THEIR OWN INDEPENDENT FINANCIAL AND OTHER PROFESSIONAL ADVISORS THE FOLLOWING RISK FACTORS AND OTHER INVESTMENT CONSIDERATIONS AS WELL AS ALL THE OTHER INFORMATION CONTAINED IN THIS PROSPECTUS, BEFORE MAKING ANY INVESTMENT DECISION WITH RESPECT TO THE ISSUER. SOME OF THESE RISKS ARE SUBJECT TO CONTINGENCIES WHICH MAY OR MAY NOT OCCUR AND THE ISSUER IS NOT IN A POSITION TO EXPRESS A VIEW ON THE LIKELIHOOD OF ANY SUCH CONTINGENCIES OCCURRING.THE SEQUENCE IN WHICH THE RISKS BELOW ARE LISTED IS NOT INTENDED TO BE INDICATIVE OF ANY ORDER OF PRIORITY OR OF THE EXTENT OF THEIR CONSEQUENCES.

IF ANY OF THE RISKS DESCRIBED BELOW WERE TO MATERIALISE, THEY COULD HAVE A SERIOUS EFFECT ON THE ISSUER'S FINANCIAL RESULTS AND TRADING PROSPECTS AND THE ABILITY OF THE ISSUER TO FULFIL ITS OBLIGATIONS UNDER THE SECURITIES ISSUED BY IT FROM TIME TO TIME. THE RISKS AND UNCERTAINTIES DISCUSSED BELOW ARE THOSE IDENTIFIED AS SUCH BY THE DIRECTORS, BUT THESE RISKS AND UNCERTAINTIES MAY NOT BE THE ONLY ONES THAT THE ISSUER FACES. ADDITIONAL RISKS AND UNCERTAINTIES, INCLUDING THOSE WHICH THE ISSUER'S DIRECTORS ARE NOT CURRENTLY AWARE OF, MAY WELL RESULT IN A MATERIAL IMPACT ON THE FINANCIAL CONDITION AND OPERATIONAL PERFORMANCE OF THE ISSUER.

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

2.1 Forward-looking statements

The Prospectus and the documents incorporated therein by reference or annexed thereto contain forward-looking statements that include, among others, statements concerning the Issuer's strategies and plans relating to the attainment of its objectives, capital requirements and other statements of expectations, beliefs, future plans and strategies, anticipated developments and other matters that are not historical facts and which may involve predictions of future circumstances. Investors can generally identify forward-looking statements by the use of terminology such as "may", "will", "expect", "intend", "plan", "estimate", "anticipate", "believe", or similar phrases. These forward-looking statements are inherently subject to a number of risks, uncertainties and assumptions. Important factors that could cause actual results to differ materially from the expectations of the Issuer's Directors include those risks identified under the heading "Risk Factors" and elsewhere in the Prospectus. If any of the risks described were to materialise, they could have a serious effect on the Issuer's financial results, trading prospects and the ability of the Issuer to fulfill its obligations under the securities to be issued. Accordingly, the Issuer cautions the reader that these forward-looking statements are subject to risks and uncertainties that could cause actual events or results to differ from those expressed or implied by such statements and no assurance is given that the future results or expectations will be achieved.

2.2 Risks relating specifically to the Issuer

Issuer's dependence on payments due by Group companies may be affected by factors beyond the Issuer's control

The Issuer's business is that of a holding company and as such, its assets include immovable property and loans issued to Group companies. Consequently, the Issuer is largely dependent on income derived from the lease of its immovable property to Group companies and receipt of interest and loan repayments from Group companies to service interest payments on the securities described in the Securities Note and repay the principal on maturity date. In this respect, the operating results of the other companies forming part of the Group have a direct effect on the Issuer's financial position and therefore, the risks intrinsic in the business and operations of such other Group companies shall have a direct effect on the ability of the Issuer to meet its obligations in respect of the repayment of principal and interest under the said securities when due.

The lease and interest payments, and loan repayments to be effected by the Group companies are subject to certain risks. More specifically, the ability of the Group companies to effect payments to the Issuer will depend on the cash flows and earnings of each of the Group companies, which may be restricted by changes in applicable laws and regulations, by the terms of agreements to which they are or may become party, including the indenture governing their existing indebtedness, if any, or by other factors beyond the control of the Issuer. The occurrence of any such factor could in turn negatively affect the ability of the Issuer to meet its obligations in respect of the payment of interest and repayment of principal under the securities described in the Securities Note when due.

2.3 Risks relating specifically to the Guarantor

Real estate investments are illiquid

The Guarantor is a property holding company. As property is a relatively illiquid asset, such illiquidity may affect the Guarantor's ability to vary its portfolio or dispose of or liquidate part of its portfolio in a timely fashion and at satisfactory prices in response to changes in economic, real estate market or other conditions or the exercise by tenants of their contractual rights such as those which enable them to vacate properties occupied by them prior to, or at, the expiration of the lease term. These factors could have an adverse effect on the Guarantor's financial condition and results.

Project risk

The Guarantor plans to initiate construction of a mixed-use commercial property in 2015. In this respect, the Guarantor will be subject to a number of specific risks normally encountered in similar developments, including: the risk of delays in obtaining the necessary planning permissions; the risk of cost overruns; and the risk of insufficiency of resources to complete. Upon completion of construction works, the specific risks relating to the project will include: the risk of rental transactions not being effected at the prices and within the timeframe as projected, and the inability to renew leases or re-let vacant space upon expiration of lease terms.

Exposure to economic conditions

The Guarantor is susceptible to adverse economic developments and trends. Negative economic factors and trends could have a material impact on the business of the Guarantor generally, and may adversely affect rental revenues, property values and results of operations. In addition, the Guarantor may be impacted by increased competition from other similar developments and rising operating costs.

Dependence on tenants

The Guarantor is dependent on tenants fulfilling their obligations under their lease agreements. The business, revenue and projected profits of the Guarantor would be negatively impacted if tenants fail to honour their respective lease obligations.

2.4 Risks relating to the manufacturing, products and general contracting services segment of the Group

Risks relating to the cyclical nature of the construction industry

The Group's products are used mainly in the construction sector. This sector tends to be cyclical and depends on various factors such as the level of infrastructure spending, the level of residential and commercial construction activity, interest rates, and, more generally, the level of economic activity in the market. The cyclicality of the construction sector together with its dependence on economic activity could have a negative impact on the Group's financial results and the profitability of its operations.

Supplier failure and increase in supply costs

The Group is reliant on its supply chain, in particular, in relation to the supply of high performance cements, marble and granite aggregates, and natural stones. The failure of one or more suppliers to deliver high quality materials on a timely basis could damage the reputation of the Group in its market, increase the cost of manufacturing, products and general contracting services, thereby causing the Group to delay delivery requirements on contractual commitments with customers. Such supplier failure and additional costs could have a material adverse effect on the Group's business and results of operations.

Risks relating to the award and execution of projects

The Group relies on strategic relationships with other entities, such as contractors, joint venture arrangements, suppliers and business partners, for its involvement in third party projects. Such business alliances are set up to enhance the likelihood that contracts are adjudicated in favour of the purposely formed consortium, thereby benefiting the Group indirectly. Any failure by the Group and/or the Group's business partners to perform their obligations may lead to a delay in the execution of assigned projects. It is also possible that disputes with such partners may arise or that the interests of the Group and its joint venture partners may not be aligned. There can be no guarantee that such issues will not have adverse consequences for the Group. Furthermore, failure to maintain these relationships may have a material and adverse effect on the Group's financial condition and operations.

Risks relating to the supply of finished products

The Group is associated with high product quality and is an important reason why customers buy products from the Group. In certain projects, the Group undertakes to source directly third party finished products. Although the Group requires its suppliers to satisfy certain standards regarding the quality and specification of their products, there is a risk that on delivery such supplies are of a lower quality standard. In the event of a product, whether of a third party supplier or of the Group, being defective or inferior, there is a risk that relationships with customers could be affected. The inadvertent supply of defective or inferior products by the Group to their customers could have a material adverse effect on the Group's business, results of operations and overall financial position.

Risks relating to a disruption in the manufacturing cycle

The Group's production is currently concentrated in one location. If the manufacturing facilities are critically damaged or impaired this could severely reduce or suspend the Group's production capacity for an extended time period. Moreover, the inability to fully and timely utilise the Group's facility could result in increased costs or significant delays and could also result in breaches of customer agreements and have an impact on the Group's products and reputation.

The production of the Group's products is an industrial process that requires specialised equipment and which may be subject to break-downs and other problems. Any disruption in production equipment and capacity could have a material adverse effect on the Group's business, financial condition and operating results.

2.5 Risks relating to the property development segment of the Group

Risks relating to the Group's properties and operations

The Group is involved in the acquisition, development, management and letting of real estate projects and properties in Malta. Property development projects are subject to a number of specific risks inherent in this field – the risk of cost overruns; the risk of insufficiency of resources to complete; the risk of rental transactions not being effected at the prices and within the timeframe envisaged; inability to renew leases or re-let vacant space upon expiration of lease terms; higher interest costs; and the erosion of revenue generation. If these risks were to materialise, they would have an adverse impact on the Group's revenue generation, cash flows and financial performance.

Property values are affected by and may fluctuate, *inter alia*, as a result of changing demand, changes in general economic conditions, changing supply within a particular area of competing space and attractiveness of real estate relative to other investment choices. The value of the Group's property portfolio may also fluctuate as a result of other factors outside the Group's control, such as changes in regulatory requirements and applicable laws (including in relation to taxation and planning), political conditions, the condition of financial markets, potentially adverse tax consequences, interest and inflation rate fluctuations and higher accounting and control expenses. The Group's operating performance could be adversely affected by a downturn in the property market in terms of capital values.

The valuation of property and property-related assets is inherently subjective. Moreover all property valuations are made on the basis of assumptions which may not prove to reflect the true position. There is no assurance that the valuations of the properties and property-related assets will reflect actual market process.

Counter-party risks

The Group is subject to various counter-party risks, such as contractors and subcontractors engaged for the demolition, excavation, construction and finishing of developments in which the Group may be involved from time to time, and prospective lessors and/or purchasers defaulting on their obligations with the Group. Such parties may fail to perform or default on their obligations to the Group due to insolvency, lack of liquidity, market or economic downturns, operational failure or other reasons which are beyond the Group's control. If such risks were to materialise, they could have an adverse impact on the Group's revenue generation, cash flows and financial performance.

Real estate investments are illiquid

Property is a relatively illiquid asset and therefore such illiquidity may affect the Group's ability to vary its portfolio or dispose of or liquidate part of its portfolio in a timely fashion and at satisfactory prices in response to changes in economic, real estate market or other conditions. These factors could have an adverse effect on the Group's financial condition and results.

2.6 Risks relating to the hospitality segment of the Group

The Group is subject to certain risks common to the hotel industry, certain of which are beyond its control

The Group owns the Mavina Hotel and the Huli Hotel, both of which are located in Bugibba, Malta. As such, the Group's hotel operations and the results thereof are subject to a number of external factors that could adversely affect the Group's business, many of which are common to the hotel industry and beyond the Group's control, including the following:

- changes in travel patterns, any increase in, or the imposition of new taxes on air travel and fuel, and cutbacks and stoppages on Malta-bound airline routes;
- changes in governmental laws and regulations, employment, the preparation and sale of food and beverages, smoking, health and alcohol licensing laws and environmental concerns, fiscal policies and zoning and development regulations and the related costs of compliance;
- the impact of increased threats of terrorism or actual terrorist events, impediments to means of transportation (including airline strikes and border closures), extreme weather conditions, natural disasters, travel-related accidents, outbreaks of diseases and health concerns, or other factors that may affect travel patterns and reduce the number of business and leisure travellers;
- the termination, non-renewal and/or the renewal on less favourable terms of material contracts, as well as agreements entered into with tour operators.

The impact of any of these factors (or a combination of them) may adversely affect room rates and occupancy levels at the Group's hotels, or otherwise cause a reduction in the Group's income, which would have a material adverse effect on the Group's business, financial condition and results of operations.

2.7 Risks relating to the apparel segment of the Group

The apparel segment of the Group is dependent on the brands 'Guess' and 'Brooks Brothers'

The Group's apparel business is presently focused on the Guess brand which has been marketed in Malta for the past nine years. In addition the Group has, as from the current financial year, introduced to the local market the brand 'Brooks Brothers'. Guess is a relatively new brand in Malta and therefore requires a few more years of operation to establish a more stable market presence locally. As to Brooks Brothers, the Group commenced selling products of this franchise in the third quarter of 2014 and as a result, its success or otherwise is yet to be determined. There can be no assurance that projected sales will be achieved and any shortfall in sales would have an adverse impact on the Group's revenue generation, cash flows and financial performance Furthermore, the Group is dependent on maintaining a good relationship with each of the franchise owners to ensure continuation and renewal of the respective franchise agreements. A termination of either the Guess franchise or the Brooks Brothers franchise would have an adverse effect on the Group's operations and income.

The Group's success in the apparel business depends on the ability of Guess and Brooks Brothers to anticipate trends and respond to changing consumer preferences

The apparel industry is subject to rapidly evolving fashion trends and shifting consumer demands. Accordingly, the success of both brands, and in turn the success of the Group's outlets in Malta, is dependent upon both the priority customers place on fashion and the franchisors' ability to anticipate, identify and capitalise upon emerging fashion trends. If either or both of the franchisors fails to anticipate, identify or react appropriately, or in a timely manner, to fashion trends, the Group's outlets could experience reduced customer acceptance of Guess and Brooks Brothers products. These factors could result in decreased sales volume and lower product margins, and could have a material adverse effect on the Group's results of operations.

2.8 Other risks

The Group's key personnel and management have been and remain material to its growth

If one or more of the members of its Directors, management team and other skilled and/or qualified personnel were unable or unwilling to continue in their present position, the Group might not be able to replace the individual within a reasonable period of time, which could have a material adverse effect on the Group's business, financial condition and results of operations.

The Group's level of debt

The Group's ability to implement its business strategies is dependent upon, amongst other things, its ability to generate sufficient funds internally and to access continued financing at acceptable costs. The Group's current debt to equity ratio may hinder the Group's ability to procure additional financing for any new investments.

Project risk

Pursuant to the Bond Offer, the Group will undertake the modernisation of the factory and the construction of a mixed-use commercial property. In executing the project relating to the factory, the Group will be subject to a number of specific risks including: the risk of cost overruns; the risk in delays in the procurement and/or delivery of new machinery and equipment; and the risk that the planned efficiencies in production and cost savings, and anticipated additional sales due to increased capacity, are not achieved.

Risks relating to the development of the mixed-use commercial property are included in section 2.3 above.

Furthermore, the Group will be closing down the Mavina Hotel in the last quarter of 2014 for renovation purposes. Specific risks related to this project include: the risk of delays in obtaining the necessary planning permissions, delays in securing bank financing to cover project costs, delays in the execution of the renovation programme, cost overruns and delays in re-commencement of hotel operations.

If any of the above risks were to materialise, they would have an adverse impact on the Group's revenue generation, cash flows and financial performance.

A portion of the Group's operating expenses are fixed, which allow for limited reaction to changes in its revenue

A portion of the Group's costs are fixed and the Group's operating results are vulnerable to short-term changes in its revenues. The Group's fixed operating expenses are not easily reduced to react to changes in its revenue by reducing its operating expenses, which could have a material adverse effect on its business, financial condition and results of operations.

Environmental and/or health and safety compliance costs and liabilities may have a material adverse effect on the Group's financial condition and operations

The Group is involved in manufacturing, suppliers to the construction industry, property development and hotel operations, and as such is subject to a variety of European Union, national and local laws and regulations concerning environmental and/or health and safety (''EHS'') matters. While the Directors believe that the Group is in compliance in all material respects with EHS laws and regulations currently applicable to it, there can be no assurance that the Group will not be found to be in breach of EHS laws and regulations. The failure to comply with present or future EHS laws and regulations could result in regulatory action, the imposition of fines or third party claims which could in turn have a material adverse effect on the Group's results of operation, its financial condition and/or its reputation. In addition, compliance with new EHS laws and regulations could require the Group to incur significant expenditure that could have a material adverse effect on the Group's results of operation, financial condition or operations.

The Group's insurance policies

Historically, the Group has maintained insurance at levels determined by the Group to be appropriate in the light of the cost of cover and the risk profiles of the business in which the Group operates. With respect to losses for which the Group is covered by its policies, it may be difficult and may take time to recover such losses from insurers. In addition, the Group may not be able to recover the full amount from the insurer. No assurance can be given that the Group's current insurance coverage would be sufficient to cover all potential losses, regardless of the cause, nor can any assurance be given that an appropriate coverage would always be available at acceptable commercial rates.

Increased competition

The Group is involved in industries that are characterised by strong and increasing competition. Some of the Group's current and potential competitors may have longer operating histories, greater name recognition, larger customer bases and greater financial and other resources than the Group. Significant competition and changes in economic and market conditions could adversely affect the Group's business and operating results. There can be no assurance that the Group will successfully maintain its market share in each of its businesses in the future.

Foreign exchange risk

The Group is exposed, in the case of certain transactions not denominated in Euro, to foreign currency risk. Exchange gains and losses may arise in relation to the importation of raw materials from non-Euro countries and income generated at the hotels not denominated in Euro. Fluctuations in foreign currency exchange rates could negatively affect the results of the Group and have a material adverse effect on its business, results of operations, financial condition or prospects.

3 IDENTITY OF DIRECTORS, ADVISORS AND AUDITORS

As at the date of this Registration Document, the Board of Directors of each of the Issuer and the Guarantor are constituted by the following persons:

3.1 Directors

3.1.1 Directors of the Issuer

Vincent Vella	Chairman
Joseph Vella	Executive Director
Mark Vella	Executive Director
Martin Vella	Executive Director
Arthur Galea Salomone	Independent Non-Executive Director
William Van Buren	Independent Non-Executive Director

THE DIRECTORS OF THE ISSUER ARE THE PERSONS RESPONSIBLE FOR THE INFORMATION CONTAINED IN THIS REGISTRATION DOCUMENT. TO THE BEST OF THE KNOWLEDGE AND BELIEF OF THE DIRECTORS OF THE ISSUER (WHO HAVE ALL TAKEN REASONABLE CARE TO ENSURE SUCH IS THE CASE), THE INFORMATION CONTAINED IN THIS REGISTRATION DOCUMENT IS IN ACCORDANCE WITH THE FACTS AND DOES NOT OMIT ANYTHING LIKELY TO AFFECT THE IMPORT OF SUCH INFORMATION. THE DIRECTORS ACCEPT RESPONSIBILITY ACCORDINGLY.

The persons listed under the sub-heading "Advisors" have advised and assisted the Directors in the drafting and compilation of the Prospectus.

3.1.2 Directors of the Guarantor

Vincent Vella	Director
Mary Vella	Director

3.2 Advisors

Legal Counsel

Name:	Aequitas Legal
Address:	Valletta Buildings, South Street Valletta VLT 1103 - MALTA

Sponsor

Name:	Charts Investment Management Service Limited
Address:	Valletta Waterfront, Vault 17, Pinto Wharf, Floriana FRN 1913 – MALTA

Security Trustee

Name:	FJV Fiduciary Ltd
Address:	FJVA Business Centre, Industry Street, Qormi QRM 3000 - MALTA

Registrar

Name:	Malta Stock Exchange plc
Address:	Garrison Chapel, Castille Place, Valletta VLT 1063 - MALTA

3.3 Auditors

Name:	HLB Falzon & Falzon
Address:	Casa Floriani, Pietro Floriani Street Floriana FRN 1060 - MALTA

The annual statutory consolidated financial statements of the Issuer for the financial years ended 31 December 2011, 2012 and 2013 and the audited financial statements of the Guarantor for the financial years ended 31 December 2011, 2012 and 2013 have been audited by HLB Falzon & Falzon. HLB Falzon & Falzon is a firm of certified public accountants holding a warrant to practice the profession of accountant in terms of the Accountancy Profession Act (Cap. 281 of the Laws of Malta).

4 SELECTED FINANCIAL INFORMATION

The financial information about the Issuer is included in the audited consolidated financial statements of the Issuer for each of the financial years ended 31 December 2011, 2012 and 2013. The financial information about the Guarantor is included in the audited financial statements of the Guarantor for each of the financial years ended 31 December 2011, 2012 and 2013. The said statements, together with the audited financial statements of each of the Group companies have been published and are available for inspection at the registered office of the Issuer.

Set out below are highlights taken from the audited consolidated financial statements of the Issuer and from the audited financial statements of the Guarantor for the years ended 31 December 2011, 2012 and 2013.

Hal Mann Vella Group p.l.c.

For the years ended 31 December	**2013**	**2012**	**2011**
	€'000	**€'000**	**€'000**
Revenue	13,156	13,684	12,461
Earnings before interest, tax, depreciation and amortisation (EBITDA)	1,273	1,106	1,090
Profit for the year[1]	5,840	570	480
Total assets	60,550	54,813	51,449
Total shareholders' funds	28,078	22,024	19,583

[1] Profit for the year ended 31 December 2013 includes an uplift in fair value of investment property of €5.23 million (net of deferred taxation on said revaluation).

Sudvel Limited

For the years ended 31 December	**2013**	**2012**	**2011**
	€	**€**	**€**
Profit/(loss) for the year	26,287	(1,672)	(928)
Total assets	9,233,544	9,157,291	9,157,319
Total shareholders' funds	7,504,890	7,478,603	7,480,275

5 INFORMATION ABOUT THE ISSUER AND GUARANTOR

5.1 Historical development of the Issuer

Full legal and commercial name of the Issuer:	Hal Mann Vella Group p.l.c.
Registered address:	The Factory, Mosta Road, Lija LJA 9016, Malta
Place of registration and domicile:	Malta
Registration number:	C 5067
Date of registration:	01 July 1980
Legal form	The Issuer was incorporated as a private limited liability company on 01 July 1980 with the name Velsud Limited. By virtue of a resolution signed by all the shareholders dated 18 December 2007, the Issuer changed its name to Hal Mann Velsud Group Ltd. Pursuant to a resolution dated 12 April 2014, the Issuer was converted into a public limited company in terms of the Act and changed its name to Hal Mann Vella Group p.l.c.
Telephone number:	+356 21 433 636
Fax:	+356 21 412 499
Email:	info@hmvella.com
Website:	www.hmvellagroup.com

The Issuer is the parent company of the Hal Mann Vella Group that is principally engaged in the ownership of a diverse portfolio of business entities involved in: the supply of natural stone, manufacture of terrazzo tiles and pre-cast elements, general contracting services, hotel operations, property development and letting, and fashion retailing.

The Hal Mann Vella Group was established *circa* 60 years ago and at the time was solely involved in the manufacture of terrazzo tiles for the local market. During the six decades the business progressed with the launch of new products to the market, which included the manufacture of other forms of tile, such as resin tiles, and also the supply of marble, granite and natural stone.

Under the management of brothers Martin Vella, Joseph Vella and Mark Vella, with the assistance of the other brothers and sisters, the Group has over the years supplied its products and provided general contracting services to a number of major projects in Malta (including Mater Dei Hospital, Sky Parks at the Malta International Airports, Valletta Waterfront, Hilton Malta and Radisson SAS Golden Sands, amongst others) and abroad (including London City Hall, Manchester Piccadilly Railway Station, Victoria Shopping Centre UK and Corinthia Tripoli, amongst others).

The Group is committed to maintain a strong presence in its target markets, especially in Malta, and is therefore constantly improving its manufacturing processes through investment in the latest machinery and techniques. Moreover, the management team continues to enhance the product range on offer, including the availability of tailor-made solutions, to ensure that the Group meets its customers' demands. The principal contracts currently being concluded by the Hal Mann Vella Group include Smart City, Life Sciences Park and the monumental project by Renzo Piano at City Gate Valletta.

The Hal Mann Vella Group is also involved in hospitality, through the ownership and operation of two hotels, the 66-room Mavina Hotel and the 26-room Huli Hotel, both located in Bugibba, Malta. Due to the close proximity of the two hotels, the facilities of both hotels are available to all residents, and include two restaurants, a pizzeria and two swimming pools.

In 2006, the Group was awarded the franchise for the apparel brand 'Guess' and currently operates three outlets in Malta which are located at: Bay Street Complex, St George's Bay, St Julians; The Point Shopping Mall, Tigne, Sliema; and Bisazza Street, Sliema. The Guess brand was founded in 1981 in the United States and today is represented in *circa* 1,200 outlets worldwide. It offers lifestyle collections of contemporary apparel and accessories for men, women and children.

In the third quarter of 2014, the Group commenced operations of a fourth outlet located in Valletta, Malta under the franchise 'Brooks Brothers'. The brand was founded in 1818 and principally addresses the higher end segment of men's fashion. Through this outlet, the Group plans to additionally offer be-spoke tailoring of men's suits.

The Group is actively engaged in the acquisition and development of properties in Malta. As at the date of this Registration Document, the Group has 4 apartments and a number of garages available for sale situated at Northport Apartments, Xemxija Hill, Xemxija, Malta. One of the aforesaid apartments is subject to a promise of sale agreement. Also included in the property portfolio are 12 apartments situated at Spinola Residence, Spinola Road, St Julians, Malta, which are leased to third parties. Furthermore, the Group has a 50% shareholding in a new development of 20 villas known as Madliena Ridge situated in Madliena Malta, which is nearing completion. Madliena Ridge Limited has, to date, sold 14 villas and a further 2 villas are subject to promise of sale agreements.

5.2 Investments

Subsequent to 31 December 2013, being the date of the latest audited consolidated financial statements, SMG Mode Limited acquired through a lease agreement a prime retail outlet in Republic Street, Valletta, Malta. The Company commenced operations of said store in the third quarter of 2014 under the Brooks Brothers franchise. The total cost of acquisition and refurbishment amounted to *circa* €1.4 million and was funded through bank financing.

The Company plans to undertake a capital expenditure programme to reconfigure the factory floor and acquire new equipment so as to enhance production efficiency and capacity, and quality of finished products. Works will commence shortly after the Bond Offer and will be structured in phases to allow for minimal disruption of production. It is expected that the said project will be completed by the third quarter of 2015 and the estimated cost of €5 million will be funded from Bond proceeds.

Furthermore, the Guarantor intends to construct a mixed use commercial building having a footprint of *circa* 3,600m^2 (gross area: 5,200m^2), which parcel of land forms part of the Hypothecated Property. Construction works on the development are expected to be completed within 21 months from receipt of the necessary permits. It is estimated that the commercial building will cost *circa* €7 million and will be financed from Bond proceeds.

In the fourth quarter of 2014, Mavina Holiday Complex Limited plans to close the Mavina Hotel for renovation. The property is currently made up of three separate blocks of 66 apartments. The initial phase of the project will entail bringing the hotel to shell form, connecting each floor of the three blocks and constructing two additional floors. The next phase will include mechanical, electrical and plumbing works, interior and exterior finishes, floor tiles, bathrooms, external apertures and internal doors, soft furnishings and any other works necessary to complete the hotel. It is envisaged that the renovated hotel will comprise a total of *circa* 105 rooms. The cost of the aforesaid works is estimated at *circa* €2.5 million and will be funded through bank financing. The project is also dependent on the attainment of planning and other permits. Subject to obtaining necessary permits and bank funding, works on the hotel should take *circa* 14 months to complete.

Other than the above, the Group is not party to any principal investments, and has not entered into or committed for any principal investments.

5.3 Historical development of the Guarantor

Full legal and commercial name of the Guarantor:	Sudvel Limited
Registered address:	St Mary House, St Philip Street, Mgarr MGR 1373, Malta
Place of registration and domicile:	Malta
Registration number:	C 35806
Date of registration:	08 March 2005
Legal form	The Issuer was incorporated as a private limited liability company in terms of the Act on 08 March 2005.
Telephone number:	+356 21 433 636
Fax:	+356 21 412 499
Email:	info@hmvella.com
Website:	www.hmvellagroup.com

The Guarantor was incorporated to provide advisory and management services to other companies. As at the date of this Registration Document, the Guarantor has not commenced such activity but has acted principally as a holding company. The Guarantor owns the below mentioned properties:

- A plot of land measuring *circa* 5,200m^2 forming part of the Hypothecated Property. It intends to utilise €7 million of Bond proceeds to construct a mixed use commercial building which will make available for lease *circa* 14,000m^2 of commercial space. Construction works on the development are expected to be completed within 21 months from receipt of the necessary permits. The Guarantor estimates that the building will be available for lease as from 2017 and the annual revenue is projected to amount to approximately €0.9 million;

- Part ownership (50% shareholding) of a warehouse complex (known as 'Il-Binja l-Gdida'), forming part of the Hypothecated Property, consisting of a two-storey development with an underlying two storey parking area having a footprint of *circa* 1,200m^2. The property is situated in Pantar Road, Lija, Malta. During the year ended 31 December 2013, the Guarantor leased out its portion of the property to three tenants for periods ranging between 5 to 10 years. The basement level has been left vacant as it is being utilised by the Group;

- Part ownership (50%) of two parcels of land each located in Naxxar and Lija, which as at 31 December 2013 were valued at €3.43 million.

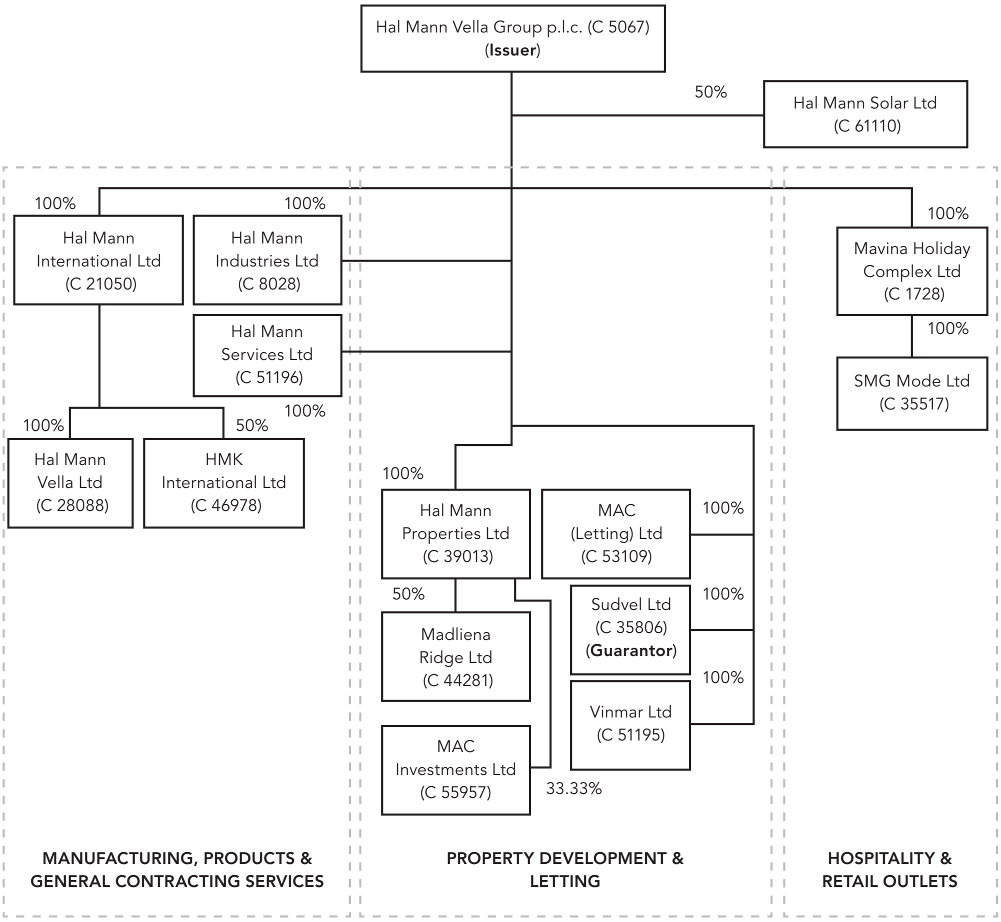
The offering of Bonds by the Issuer pursuant to the Securities Note will be made with the benefit of the joint and several corporate guarantee of the Guarantor. The guarantee is unconditional and shall cover all payments that may be due to holders of the Bonds, including any amount of interest or capital under the Bonds that may have become due under the terms of issue of a Bond. As denoted above, the operations of the Guarantor are limited to that of a holding company and its principal income in the near term will accrue from the lease of commercial space to third party tenants in the new premises.

In this respect, the level of recoverability by the Bondholders of any amounts due under any of the Bonds from the Guarantor will be limited to the extent of its operations and assets as described above.

6 GROUP STRUCTURE

6.1 Organisational structure

The following chart outlines the organisational structure relative to the Hal Mann Vella Group:



Hal Mann Vella Group p.l.c. (formerly Hal Mann Velsud Group Ltd) is the parent company of the Hal Mann Vella Group and is primarily focused on establishing and monitoring strategic direction, and development of the Group.

In addition to the companies highlighted in the above organisational structure, the Issuer has a 50% equity shareholding in Hal Mann Holdings Ltd (C 2215) and a 20% shareholding in Hal Mann Projects Limited (C 11022). The said companies have ceased operations and will be liquidated in due course. As a result, Hal Mann Holdings Ltd and Hal Mann Projects Limited have not been included in the organisational structure.

The Hal Mann Vella Group is organised into four distinct business units as detailed below:

Manufacturing, products & general contracting services

The Group companies forming part of this segment are primarily responsible for: (i) the manufacture of tiles and pre-cast elements; (ii) importation of marble, granite and natural stone; and (iii) tendering for contracts in Malta and internationally.

Property development & letting

Hal Mann Properties Ltd is a company set up to acquire property and engage in property development. Between 2008 and 2011, the company developed the Northport Apartments situated in Xemxija, Malta. Currently, 3 apartments and 6 garages are available for sale and 1 apartment is subject to a promise of sale agreement. The company's portfolio of immovable property also includes a number of garages, a maisonette and a villa sized plot in various areas in Malta.

Hal Mann (Letting) Limited owns a block of 12 apartments and 12 car park spaces, known as Spinola Residence. The property is situated in Spinola Road, St Julians Malta. All apartments are currently leased to third parties.

Sudvel Limited is a holding company and owns two properties forming part of the Hypothecated Property and part ownership of 2 parcels of land.

Vinmar Limited was incorporated as a property company and its assets include an apartment and a lock-up garage at Tas-Sellum, Mellieha Malta.

Madliena Ridge Ltd was incorporated to develop the site known as Madliena Ridge in Madliena Malta, which is at completion phase. The company has to date disposed of 14 villas and 2 other villas are subject to promise of sale agreements. The company is actively marketing the remaining stock of 4 villas. The Group holds a 50% shareholding in the company through Hal Mann Properties Ltd.

MAC Investments Ltd has not commenced operations since incorporation in 2013 and does not hold any assets of its own.

The Group actively sources property for development, trading and leasing.

Hospitality

Mavina Holiday Complex Ltd is the owner and operator of two hotels, the Mavina Hotel and the Huli Hotel, both situated in Bugibba, Malta. The former hotel consists of 66 rooms ranging from studio to two-bedroom units. The Mavina Hotel has a swimming pool and a sun terrace. Other facilities include a bar, restaurant and a pizzeria. The Huli Hotel comprises of 26 self-catering one-bedroom and studio apartments, and facilities include a rooftop pool and a restaurant at ground level. The two hotels are located a few minutes away from the Bugibba seafront promenade.

Apparel

SMG Mode Ltd is responsible for the operation of 3 Guess retail outlets located at: Bay Street Complex, St George's Bay, St Julians; The Point Shopping Mall, Tigne, Sliema; and Bisazza Street, Sliema. The company also operates a Brooks Brothers outlet in Valletta, Malta. The aforesaid outlets have all been leased from third parties.

6.2 Dependence on the operating companies

The Issuer is a holding company having investments in a number of undertakings which operate the business of the Group. The Guarantor principally acts as a property holding company. Accordingly, both the Issuer and Guarantor are ultimately dependent on the business prospects, operating results and financial position of the Group's operating companies, and in particular those companies within the manufacturing, products & general contracting services segment, since said segment generates approximately 80% of the Group's annual turnover.

7 BUSINESS OVERVIEW

7.1 Principal activities and markets of the Issuer

7.1.1 Principal activities

The principal objects of the Issuer's activities are set out in article 3 of its memorandum of association and include, but are not limited to, the carrying on of the business of a finance and investment company and in particular but without prejudice to the generality of the foregoing the financing or re-financing of the funding requirements of the business of the Hal Mann Vella Group.

7.1.2 Principal markets

The Issuer operates exclusively in and from Malta.

7.2 Principal activities and markets of the Guarantor

7.2.1 Principal activities

The Guarantor is principally a holding company, and owns the following properties:

- A plot of land measuring *circa* 5,200m^2 situated in Pantar Road, Lija which forms part of the Hypothecated Property. The Guarantor intends to utilise €7 million of Bond proceeds to construct a mixed use commercial building which will make available for lease *circa* 14,000m^2 of commercial space. Construction works on the development are expected to be completed within 21 months from receipt of the necessary permits. The Guarantor estimates that the building will be available for lease as from 2017 and the annual revenue is projected to amount to approximately €0.9 million;

- Part ownership (50%) of a warehouse complex (known as 'Il-Binja l-Gdida'), forming part of the Hypothecated Property and consisting of a two-storey development with an underlying two-storey parking area having a footprint of *circa* 1,200m^2. The property is situated in Pantar Road, Lija, Malta. During the year ended 31 December 2013, the Guarantor leased out its portion of the property to three tenants for periods ranging between 5 to 10 years. The basement level has been left vacant as it is being utilised by the Group. The aforesaid financial year was also the first year of operations of the Guarantor;

- Part ownership (50%) of a quarry located in the Limits of Naxxar, measuring *circa* 12,000m^2 and valued at €3.05 million as at 31 December 2013;

- Part ownership (50%) of a parcel of land measuring *circa* 17,000m^2 and situated in Lija. The value of said site as at 31 December 2013 amounted €0.38 million.

7.2.2 Principal markets

The Issuer operates exclusively in and from Malta.

7.3 Principal activities and markets of the Group

7.3.1 Principal activities

The Group's business largely relates to the operation of various entities engaged in manufacturing, products & general contracting services; property development & letting; hotel operations; and management of retail outlets. Turnover by segment, excluding intra group transactions, for the 3 financial years ended 31 December 2011, 2012, 2013 were as follows:

	2013	**2012**	**2011**
Turnover	**€'000**	**€'000**	**€'000**
Manufacturing, products & general contracting services	10,487	11,007	10,543
Property development & letting	1,173	1,224	800
Hotel operations	373	393	321
Fashion retail	1,123	1,060	797
	13,156	**13,684**	**12,461**

Manufacturing, products & general contracting services

Raw materials are the basic material from which products are manufactured or made. The Hal Mann Vella factory stocks more than 100 natural stones sourced from around the world and include: marble, granite, travertine & onyx, hard stone, composite stone and terrazzo & terrazzo pre-cast elements.

Marble – Just like limestone and sandstone, marble has many uses. It is particularly suitable for kitchens and bathrooms, but is also used for flooring, cladding and vanity tops.

Granite – Its hardness makes it virtually maintenance free and unlike other solid surfaces granite does not scratch or stain. It is applicable for cladding, flooring, paving and work surfaces.

Travertine & Onyx – Travertine is a stone which has an uneven surface, since in its natural state it is typically full of gas bubbles. As a result, when it is manufactured as tiles or slabs, travertine is generally filled with cement and polished or honed. Onyx, like travertine, is a type of stone. It is a very soft stone and is characterised by its translucence.

Hard stone – The Hal Mann Vella Group are quarry operators for Maltese hard stone, which can be applied for cladding, masonry, flooring, paving and work surfaces. This type of stone has recently been used by Architect Renzo Piano for the City Gate Project in Valletta, Malta.

Composite stone – Quartz composite is a man made stone which is produced by mixing natural quartz crystals and resin, thereby forming a very hard, low porosity slabs. This stone is very durable and is typically used for any indoor surfacing application such as in kitchens and bathrooms, and for flooring purposes.

Terrazzo – This is the name given to the process of producing tiles, or pre-cast elements (staircases, risers, pool copings, vanity tops, covings, amongst others), from a cement based marble/granite aggregate mix. The Group uses high performance cements with special additives, combined with graded marble and granite aggregates. The main applications for terrazzo include public areas (such as airports, hospitals, schools, supermarkets and hotels) and private residences. The Group has recently managed to develop a new product with reduced permeability. Terraslik, as the product is known, is expected to generate additional demand especially for application in commercial and public areas.

Complimenting the manufacturing operations detailed above, the Group provides general contracting services to both corporate and private clients, and include carpentry, building services, tiling and metalwork.

The principal contracts undertaken by the Group in 2013 included: Smart City Kalkara, Valletta City Gate, House of Four Winds Valletta, Casa Ellul Valletta, the Life Sciences Park and ICT – University of Malta.

Property development & letting

The Group is engaged in the acquisition and development of property in Malta. During the 3 financial years ended 31 December 2011 to 2013, the Group was principally involved in 3 property developments as follows:

Northport Apartments – This development is located in Xemxija Hill, Xemxija Malta and consists of 12 apartments and 12 garages. As at the date of this Prospectus, 9 apartments (1 of which being subject to a promise of sale agreement) and 6 car spaces have been sold to third parties.

Spinola Residence – This development is a residential block comprised of 12 apartments (nine 2-bedroomed units and three 1-bedroomed units) and underlying car spaces, situated in Spinola Road, St Julians Malta. The apartments are fully furnished and leased to third parties for periods generally exceeding 6 months.

Madliena Ridge – The Group has a 50% equity shareholding in this project, which involved the construction and development of 20 fully detached villas on a site located in Madliena, Malta. The development is nearing completion stage and 6 villas (of which 2 are subject to promise of sale agreements) remain available for sale.

Hospitality

The Group owns and manages two hotels, the 66-room Mavina Hotel and the 26-room Huli Hotel, both located in Bugibba, Malta. The hotels were acquired by the Group in 1999 as separate blocks of apartments and offer basic accommodation to its residents, mainly targeting tour operator business. As detailed in section 5.2 above, the Group intends to renovate the Mavina Hotel and construct an additional two floors. It is expected that the project will span over a period of 14 months, but such timing is dependent on the issuance of necessary planning and other permits. The proposed project is also subject to the Group securing bank financing for the project, estimated at *circa* €2.5 million.

Fashion retail

The Guess franchise for Malta was awarded to the Group company SMG Mode Ltd in 2006, pursuant to the terms of an operating license agreement entered into with Guess Europe SAGL. To date the Group operates 3 outlets in Malta on the basis of this franchise. In the third quarter of 2014, the Group opened a fourth outlet in Valletta, Malta and operates under the Brooks Brothers franchise.

7.3.2 Principal markets

The Group operates exclusively in and from Malta. With respect to sales of products (stone and other materials) and general contracting services, the Group is also active in tendering for contracts in countries other than Malta. During the last financial year which ended on 31 December 2013, the Group primarily generated revenue from Malta.

7.4 Business development strategy

The key elements of the Group's strategy are:

Factory modernisation

In order to maintain its competitive edge in the market, the Group's management reviews operation methodologies and performance on an on-going basis, monitors developments in the industry and ensures that it maintains excellent relations with its clients.

The Group has, over the past three years, engaged a number of consultants to prepare a detailed analysis of the current factory layout and work practices, with the objective of implementing necessary changes to improve operational efficiencies and increase capacity, mitigate rising costs and reduce lead time.

As a result, the Group will be utilising *circa* €5 million of Bond proceeds detailed in the Securities Note to execute a complete modernisation of the factory which will also include the acquisition of modern machinery and equipment for the production of stone, marble and other similar products. The new factory has been designed to enable a re-organisation of processes, to introduce the latest technology in flexible mechanical and electrical systems and to meet international standards. Furthermore, the purpose built open plan factory floor should result in a more efficient utilisation of space which will release, for alternative use, part of the area occupied by the current factory.

Land development

The Group has identified an undeveloped area measuring *circa* 3,600m^2 (gross area: 5,200m^2), adjacent to the factory, for the construction of a mixed-use commercial property including two upper floors earmarked for office space, warehouse facilities at ground level and parking spaces, primarily for rental to third party tenants.

Designs for the proposed development are complete and the Group has submitted an application to the Malta Environment & Planning Authority. Subject to the issuance of development permits, the Group will be utilising *circa* €7 million of Bond proceeds highlighted in the Securities Note to construct two floors below ground level and three floors above ground level, providing when complete *circa* 14,000m^2 of rentable space. Construction works are expected to be completed within 21 months from receipt of the necessary permits.

Hospitality

The Directors believe that the tourism industry in Malta will continue to perform positively in the coming years. In this respect, the Group will cease operations at the Mavina Hotel in the fourth quarter of 2014 to undertake a complete renovation of said property as detailed in section 5.2 of this Registration Document. Subject to the attainment of bank financing and necessary permits, the project is expected to be implemented over a 14 month period at an estimated cost of €2.5 million. The planned re-opening date is set for the initial months of 2016. As a consequence of the renovation works, it is projected that achieved room rates will be more in line with average rates achieved by other three-star hotels in the area.

Retail

One of the strategies of the Group is to diversify its business operations and minimise possible over exposure to any one particular industry or sector. A few years back, the Directors identified the retail sector in Malta as an area for possible expansion. As at the date of this document, the Group operates three outlets in Malta under the Guess franchise and a fourth outlet under the Brooks Brothers brand. The Directors will keep under review the performance of its outlets to determine the Group's future strategy for this area of business.

8 SECURITY

8.1 Creating the security

Agreement has been reached between the Issuer and Bank of Valletta p.l.c. ("**BOV**") for the latter to cancel all hypothecary rights registered in its favour as security for advances made available to the Group. The hypothecary rights are registered over the Hal Mann factory, showroom and adjacent land, measuring *circa* 22,300m^2 and situated in Hal Mann Road, Lija. The cancellation of the hypothecary rights arising in favour of BOV shall take place after the Bond Offer and upon receipt by BOV of the total amount outstanding, estimated at €7.3 million.

Agreement has also been reached between the Issuer and HSBC Bank (Malta) p.l.c. ("**HSBC**") for the latter to cancel all hypothecary rights registered in its favour as security for advances made available to the Group. The hypothecary rights are registered over a plot of land measuring *circa* 5,200m^2 forming part of Hal Mann and situated in Pantar Road, Lija, and 50% of a warehouse complex (known as 'Il-Binja il-Gdida') located in Pantar Road, Lija. The cancellation of the hypothecary rights arising in favour of HSBC shall take place after the Bond Offer and upon receipt by HSBC of the total amount outstanding, estimated at €6.4 million.

Following the above, the Issuer and Guarantor shall have no hypothecs registered against each of them or their respective properties and shall thereafter be in a position to constitute the appropriate security in favour of the Security Trustee for the purpose of securing the Bonds in accordance with this Prospectus.

8.2 Dynamics for closing

Following the close of the Offer Period and conditional allocations made by the Registrar, all proceeds shall be transferred to the Security Trustee who shall hold same on trust for the benefit of Bondholders and, save for the payment of the expenses related to the Bond Offer, shall retain all remaining Bond proceeds until all security for the benefit of Bondholders has been duly constituted in its favour. It is expected that within 15 Business Days from the close of the Offer Period and following the conditional allocation of the Bonds:

i. the Issuer shall delegate the Security Trustee to pay the amount of *circa* €7.3 million directly to BOV and upon receipt of such payment, BOV shall cancel its general hypothecary rights over the Issuer as well as all its special hypothecs over the Hal Mann factory, showroom and adjacent land, measuring *circa* 22,300m^2 and situated in Hal Mann Road, Lija;

ii. the Issuer shall delegate the Security Trustee to pay the amount of *circa* €6.4 million directly to HSBC and upon receipt of such payment, HSBC shall cancel its general hypothecary rights over the Guarantor as well as all its special hypothecs over a plot of land measuring *circa* 5,200m^2 forming part of Hal Mann and situated in Pantar Road, Lija, and over 50% of a warehouse complex located in Pantar Road, Lija;

iii. the Issuer and Guarantor shall register the Security Interests in favour of the Security Trustee.

Following presentation to the Security Trustee of the appropriate notes of hypothec, and the subsequent admission of the Bonds to trading on the Malta Stock Exchange, the Bonds shall be issued and unconditionally allocated to investors, whereupon the Security Trustee shall release the remaining proceeds of the Bond Offer to the Issuer.

8.3 Status of the Security Interests

As at the date of this Registration Document the Security Interests have not been constituted. The Bonds shall only be issued and allotted following the satisfaction of the two conditions precedent, namely (i) the constitution in favour of the Security Trustee of the Security Interests; and (ii) the admission of the Bonds, as and when issued, to trading on the Malta Stock Exchange.

Pursuant to the Trust Deed, the Issuer and Guarantor have agreed to constitute in favour of the Security Trustee for the benefit of Bondholders as Beneficiaries a special hypothec over the Hypothecated Property. The Issuer and Guarantor have also agreed to constitute in favour of the Security Trustee for the benefit of Bondholders as Beneficiaries a general hypothec over all their respective assets, present and future.

The general and special hypothecs will secure the claim of the Trustee, for the benefit and in the interest of Bondholders, for the repayment of the principal and interest under the Bonds.

Accordingly, following the issue and allotment of the Bonds and application of the proceeds as set out above, the Security Trustee for the benefit of the beneficiaries will have the benefit of a special hypothec over the Hypothecated Property for the full amount of €30 million (thirty million Euro) and interests thereon in addition to the general hypothec over all the assets, present and future of the Company and Guarantor for the full amount of €30 million (thirty million Euro) and interests thereon.

The Bonds shall not be issued and allotted and accordingly no funds will be released to the Issuer before the Security Trustee is satisfied that the Security Interests have been duly constituted in its favour.

9 TREND INFORMATION AND FINANCIAL PERFORMANCE

9.1 Trend information

There has been no material adverse change in the prospects of the Issuer and Guarantor since the date of their latest published audited financial statements.

At the time of publication of this Registration Document, the Issuer considers that its future performance is intimately related to the performance of the Hal Mann Vella Group. The Issuer considers that generally the Hal Mann Vella Group will be subject to the normal business risks associated with the principal activities detailed in section 7.3 above and does not anticipate any trends, uncertainties, demands, commitments or events outside the ordinary course of business that could be deemed likely to have a material effect on the upcoming prospects of its business and that of the Hal Mann Vella Group, at least with respect to the current financial year and the forecast year ending 31 December 2015.

The Guarantor considers that its future performance will depend on: (i) the issuance of the necessary permits to initiate construction of the commercial building detailed in section 7.2 above; (ii) the completion of construction works as planned; and (iii) the leasing of commercial space within the new property thereafter in accordance with projections. Other than the aforesaid uncertainties, the Guarantor does not anticipate any trends, uncertainties, demands, commitments or events that could be deemed likely to have a material effect on the upcoming prospects of its business, at least with respect to the current financial year and the forecast year ending 31 December 2015.

The Hal Mann Vella Group's strategy for the foreseeable future is to continue to develop its assets with a view to realising and maximising its financial potential.

The following is an overview of the trends expected in the key areas of operation of the Hal Mann Vella Group in the foreseeable future:

Manufacturing, products & general contracting services

The manufacturing, products and general contracting services segment is directly correlated to the construction industry in Malta which, in general, has been going through a slow period in the past few years. However, given that the Group is an important supplier of stone, marble and other products in the infrastructure sector in Malta, it is expected that the Group will continue to be involved, whether directly as contractors or indirectly as sub-contractors, in most of the major projects in Malta. Furthermore, the Group aims to maintain or improve its market position in this sector through research and development of new products, such as the recently developed Terraslik. The Directors believe that this product will compete well in the market as a result of its improved qualities of reduced permeability.

Internationally, the economic environment remains difficult and therefore competition is expected to continue to be particularly intense. In the current financial year, the Group has concluded a contract to be executed outside Malta and which has a value of €2.2 million. The Directors believe that with the modernisation of the factory, the Group will be better positioned to tender for international contracts, as its offerings are enhanced and improvements materialise in production throughput and final quality of product.

Property development & letting

The sale of units at the Northport Apartments has been progressing in line with the Group's projections. As to the villas at Madliena Ridge, construction is nearing completion and 70% of villas have already been sold. Given that the apartments and villas have been finished to meticulous and high standards, the Directors are confident that all units will be sold in due time.

As to Spinola Residence, the apartments are fully occupied and therefore management is primarily involved in the property's upkeep. It is the intention of the Group to place a number of such apartments on the market for sale in the near term.

Hospitality

The Group plans to renovate the Mavina Hotel, which should enable the property to improve average room rates once it re-opens for business. Management has not been particularly active in the operation and marketing of the hotels, but this is set to change once the project is complete. Although income from hospitality will remain modest as compared to Group turnover, the Directors expect such operations to yield more positive results and contribute to overall profitability.

Retail

In general, the retail market in Malta is subject to stiff competition, both from local retailers as well as from online sales (through the internet). Notwithstanding this generic view, particular brands are performing better than others and continue to be sought after. Given that both Guess and Brooks Brothers are two of the top international brands in quality apparel, the Directors are confident that the Group's outlets can compete well for a share of the retail market in Malta.

9.2 Key financial review

The financial information about the Issuer and Guarantor are included in their respective audited financial statements for each of the financial years ended 31 December 2011, 2012 and 2013. The said statements have been published and are available at the Issuer's registered office. Set out below are highlights taken from the audited consolidated financial statements of the Issuer for the years ended 31 December 2011, 2012 and 2013.

Hal Mann Vella Group p.l.c.

Consolidated Income Statement for the years ended 31 December	**2013**	**2012**	**2011**
	(€'000)	**(€'000)**	**(€'000)**
Revenue	13,156	13,684	12,461
Net operating costs	(11,883)	(12,578)	(11,371)
EBITDA	**1,273**	**1,106**	**1,090**
Depreciation and amortisation	(558)	(402)	(431)
Change in fair value of investment property	5,946	-	-
Share of results of joint ventures	779	324	167
Income from acquisition of shares from subsidiary	15	-	-
Provision for permanent diminution of investments	-	(3)	-
Net finance costs	(835)	(604)	(616)
Profit before tax	**6,620**	**421**	**210**
Taxation	(780)	149	270
Profit after tax	**5,840**	**570**	**480**

As highlighted in section 7.3 above, the Group generates approximately 80% of revenue from manufacturing, sale of products and general contracting services. In the financial years under review, achieved income from this segment was broadly stable at between €10.5 million to €11.0 million. Other Group revenue principally included sale of property, hotel operations and fashion retail, which in aggregate amounted to €2.67 million in 2013 (2012: €2.65 million). Property sales mainly comprised the disposal of units at Northport in Xemxija, Malta and income from hospitality was earned through the operation of the Mavina and Huli Hotels in Bugibba, Malta. Income from retail was derived from the operation of two outlets (in Bay Street, St Julians and The Point, Sliema) since the third outlet commenced operations in the last quarter of 2013 and therefore did not have any material impact on revenue for the respective year.

During the year ended 31 December 2013, immovable property at Lija, which includes the factory, showroom and adjacent buildings, was revalued by €5.23 million (net of deferred taxation). As a result, the profit for the year ended 31 December 2013 amounted to €5.84 million (2012: €0.57 million).

Hal Mann Vella Group p.l.c.

Consolidated Balance Sheet as at 31 December	**2013**	**2012**	**2011**
	(€'000)	**(€'000)**	**(€'000)**
ASSETS			
Non-current assets	41,625	32,479	28,514
Current assets	18,925	22,334	22,935
Total assets	**60,550**	**54,813**	**51,449**
EQUITY AND LIABILITIES			
Total equity	**28,078**	**22,023**	**19,583**
Liabilities			
Non-current liabilities	10,474	16,949	15,480
Current liabilities	21,998	15,841	16,386
Total liabilities	**32,472**	**32,790**	**31,866**
Total equity and liabilities	**60,550**	**54,813**	**51,449**

Total assets of the Group as at 31 December 2013 amounted to €60.6 million (2012: €54.8 million) and primarily comprise: the factory, showroom and other properties valued at €26.1 million (2012: €20.0 million); investment property totalling €11.6 million (2012: €9.2 million); investment in joint ventures amounting to €2.7 million (2012: €2.1 million); and current assets which include inventory (2013: €9.2 million, 2012: €10.1 million), receivables (2013: €9.2 million, 2012: €11.9 million) and cash balances (2013: €0.5 million, 2012: €0.4 million).

Total liabilities of the Group principally include bank borrowings amounting to €21.6 million (2012: €20.8 million) and payables totalling €7.7 million (2012: 8.6 million).

Hal Mann Vella Group p.l.c.

Consolidated Cash Flow Statement for the years ended 31 December	**2013**	**2012**	**2011**
	(€'000)	**(€'000)**	**(€'000)**
Net cash from operating activities	747	(340)	1,970
Net cash from investing activities	(299)	212	(2,322)
Net cash from financing activities	(2,392)	(1,253)	678
Net movement in cash and cash equivalents	**(1,944)**	**(1,381)**	**326**
Cash and cash equivalents at beginning of year	(6,754)	(5,373)	(5,699)
Cash and cash equivalents at end of year	**(8,698)**	**(6,754)**	**(5,373)**

Net cash from operating activities in 2013 was positive at €0.7 million (2012: -€0.3 million), as certain entries in the income statement were non-cash items and therefore were reversed for the purpose of presenting the cash flow statement.

Net cash used in investing activities over the three year period amounted to €2.3 million and mainly represented (i) the acquisition of property, plant and equipment; (ii) the refurbishment and upgrade of the Group's showroom and buildings; and (iii) ongoing maintenance expenditure.

In 2013, net cash used in financing activities mainly related to advances to shareholders of €2.8 million (2012: €0.8 million) and interest payments of €0.3 million (2012: €0.4 million).

9.3 Interim financial results

Set out below are the interim financial results of the Issuer and the Guarantor for the six month period ended 30 June 2014. The said results, which are unaudited, have been published and are available at the Issuer's registered office.

Hal Mann Vella Group p.l.c.

Consolidated Income Statement for the six month period ended 30 June	**2014**	**2013**
	(€'000)	**(€'000)**
Revenue	6,697	5,762
Net operating costs	(6,422)	(5,514)
EBITDA	**275**	**248**
Depreciation and amortisation	(252)	(256)
Share of results of joint ventures	54	388
Net finance costs	(478)	(359)
(Loss)/profit before tax	**(401)**	**21**
Taxation	198	21
(Loss)/profit after tax	**(203)**	**42**

Hal Mann Vella Group p.l.c.

Consolidated Balance Sheet as at	**30/06/14**	**31/12/13**
	(€'000)	**(€'000)**
ASSETS		
Non-current assets	43,038	41,625
Current assets	18,414	18,925
Total assets	**61,452**	**60,550**
EQUITY AND LIABILITIES		
Total equity	**27,875**	**28,078**
Liabilities		
Non-current liabilities	10,213	10,474
Current liabilities	23,364	21,998
Total liabilities	**33,577**	**32,472**
Total equity and liabilities	**61,452**	**60,550**

Hal Mann Vella Group p.l.c.

Consolidated Cash Flow Statement for the six month period ended 30 June	**2014**	**2013**
	(€'000)	**(€'000)**
Net cash from operating activities	1,630	6,881
Net cash from investing activities	(1,611)	(3,441)
Net cash from financing activities	2,557	(5,214)
Net movement in cash and cash equivalents	**2,576**	**(1,774)**
Cash and cash equivalents at beginning of year	(8,698)	(6,753)
Cash and cash equivalents at end of year	**(6,122)**	**(8,527)**

During the period under review, the Group registered a loss after tax of €203,000 compared to a profit after tax of €42,000 for the comparable period. Revenue was higher by €935,000 (+16%) and EBITDA increased by 11% to €275,000 (FP2014). Share of results of joint ventures principally related to activity in property development. Such profits tend to be volatile as they depend on timing of property sales.

The Group's overall results are impacted by seasonal factors common to the respective sectors in which it operates. In general contracting, more invoices are issued in the latter half of the year as projects are concluded. In retail fashion, sales typically peak in the December holiday season.

Sudvel Limited

Income Statement for the six month period ended 30 June	2014	2013
	(€'000)	(€'000)
Profit before tax	37	7
Taxation	(11)	(3)
Profit after tax	**26**	**4**

Sudvel Limited

Balance Sheet as at	30/06/14	31/12/13
	(€'000)	(€'000)
ASSETS		
Non-current assets	9,232	9,232
Current assets	33	2
Total assets	**9,265**	**9,234**
EQUITY AND LIABILITIES		
Total equity	**7,531**	**7,505**
Liabilities		
Non-current liabilities	1,674	1,684
Current liabilities	60	45
Total liabilities	**1,734**	**1,729**
Total equity and liabilities	**9,265**	**9,234**

Sudvel Limited

Cash Flow Statement for the six month period ended 30 June	2014	2013
	(€'000)	(€'000)
Net cash from operating activities	42	32
Net cash from investing activities	-	(51)
Net cash from financing activities	(10)	22
Net movement in cash and cash equivalents	**32**	**3**
Cash and cash equivalents at beginning of year	1	1
Cash and cash equivalents at end of year	**33**	**4**

During the period under review, the Guarantor generated rental income of €37,000 (2013: €12,000) and registered a profit after tax of €26,000 (2013: €4,000).

10 MANAGEMENT

10.1 The Board of Directors of the Issuer

The Issuer is managed by a board of six directors entrusted with the overall direction and management of the Issuer. The Board currently consists of a Non-Executive Director as Chairman, three Executive Directors and two independent Non-Executive Directors. The business address of each Director is the registered office of the Issuer.

10.1.1 Executive Directors

The Executive Directors of the Issuer are entrusted with the company's day-to-day management and are also directors or officers of other companies within the Hal Mann Vella Group. They are also responsible for the identification and execution of new investment opportunities and the funding of the Group's investments. The Executive Directors are supported in this role by several consultants and benefit from the know-how gained by members and officers of the Group.

10.1.2 Non-Executive Directors

The main functions of the Non-Executive Directors are to monitor the operations of the Executive Directors and their performance, as well as to review any proposals tabled by the Executive Directors. In addition, the Non-Executive Directors have the role of acting as an important check on the possible conflicts of interest for the Executive Directors in view of their dual role as Executive Directors of the Company and their role as officers of the Hal Mann Vella Group.

The Non-Executive Directors are Vincent Vella, Arthur Galea Salomone and William Van Buren. Arthur Galea Salomone and William Van Buren are considered to be independent of the Issuer and hold a majority on the Issuer's Audit Committee (see section 12 below)

10.1.3 Curriculum vitae of Directors of the Issuer

Vincent Vella

Vincent Vella is the co-founder of the Hal Mann Vella Group. Together with his brother, he commenced operations *circa* 60 years ago manufacturing terrazzo tiles for the local market. The business evolved over the years to a group of companies engaged in the manufacture of terrazzo tiles and pre-cast elements, supply of natural stone, general contracting services, hotel operations, property development and letting, and fashion retailing. Vincent Vella has been Chairman of the Board of the Issuer since its formation and he sits on the board of other companies forming part of the Group.

Joseph Vella

Joseph Vella is an Executive Director of the Issuer and a member of the Management Committee. He is responsible for all operational logistics, manufacture of local hardstone, recruitment of personnel at operations level and is directly involved in projects commissioned locally. Joseph Vella is a director of various companies within the Group.

Mark Vella

Mark Vella is an Executive Director of the Issuer and a member of the Management and Tendering Committees. He is directly involved in the manufacturing & products division, particularly in the manufacture of marble and granite products. Mark Vella is a director of various companies within the Group.

Martin Vella

Martin Vella is an Executive Director of the Issuer and a member of the Management and Tendering Committees. In his role as Managing Director of the Group he supervises all operating activities including hotel operations, property development and letting, and operations at the retail outlets. Martin Vella is also a director of various companies within the Group.

Arthur Galea Salomone

Arthur Galea Salomone LL.M., (Toronto) LL.D, graduated as a lawyer at the University of Malta in 1988. As a Commonwealth Scholar, he read International Commercial Law at the University of Toronto and now practices law at Galea Salomone & Associates with a focus on Corporate and Commercial Law, Financial Services Law, Maritime Law, Real Estate law, Foreign Investment.

Arthur was Chairman of the Malta Stock Exchange from 2010 to 2013. He is currently Deputy Chairman of the Malta Arbitration Centre. He is a Director at APS Bank Ltd. where he also chairs the Risk Management Committee of the Bank. Arthur is a partner and director of the Finco Trust Group of Companies and sits on the Board of Directors of a number of companies in the affiliated insurance field including Multi Risk Insurance Co Ltd, Multi Risk Benefits Limited, Propgen Insurance Limited, Central Life Limited and Rhenas Insurance Company Limited.

Arthur Galea Salomone is a member of the Commercial Law Department within the Faculty of Laws at the University of Malta. He has lectured widely on various aspects of Commercial Law. For a number of years he was the appointee of the Chamber of Advocates on the Joint Committee for the Prevention of Money Laundering and Terrorism.

William Van Buren

William Van Buren has over 20 years experience in various management and executive positions, mainly in financial services, across Europe, the South African Region and the Middle East. He started his career with Coopers & Lybrand (now PricewaterhouseCoopers) leading both audit and non-audit engagements, subsequently taking up Financial Controller positions with the Archdiocese of Malta and then Globe Financial Management p.l.c. (now GlobalCapial p.l.c.). In 2002, he was appointed Chief Executive Officer of the aforesaid company, where he led the restructuring and eventually the turnaround of the company.

In 2004, William, was appointed President of Financial Services for the British American Group in Mauritius, with responsibility to monitor and maintain the existing financial services businesses, whilst overseeing the group's strategy of controlled growth, both organic and through acquisition and new lines of business. In the period with British American he led various successful initiatives, restructuring a number of group companies and setting-up investment services operations in Mauritius, Dubai and Kenya.

In 2007, he joined Al Rajhi Capital, one of the largest investment banks in the Kingdom of Saudi Arabia with over USD2 billion in assets under management, as Chief Operating Officer. In this role William had direct responsibility for strategy and led the intricate project of separating the investment banking operations from the parent company, Al Rajhi Bank. In 2010 he moved to a similar role in Doha, Qatar, as Chief Operating Officer of The First Investor Ltd, the investment banking arm of the Barwa Bank Group.

William graduated with Honours in Accountancy from the University of Malta in 1991 and is a Fellow of the Chartered Association of Certified Accountants and the Malta Institute of Accountant.

10.1.4 Service contracts of the Issuer's Directors

None of the Directors of the Issuer have a service contract with the Issuer.

10.1.5 Aggregate emoluments of the Issuer's Directors

In accordance with the Issuer's Articles of Association, the total emoluments payable to all Directors, whether as fees and/or salaries by virtue of holding employment with the Issuer, is subject to shareholder approval at general meeting.

None of the Directors have received emoluments for the financial year ended 31 December 2013.

10.1.6 Loans to the Issuer's Directors

There are no loans outstanding by the Issuer to any of its Directors nor any guarantees issued for their benefit by the Issuer.

10.1.7 Removal of the Issuer's Directors

A Director may, unless he resigns, be removed by the shareholder appointing him or by an ordinary resolution of the shareholders as provided in sections 139 and 140 of the Act.

10.1.8 Powers of the Issuer's Directors

By virtue of the Articles of Association of the Issuer the Directors are empowered to transact all business which is not by the Articles expressly reserved for the shareholders in general meeting. The powers of the Directors of the Issuer are better described in section 16.3(d) below.

10.2 The Board of Directors of the Guarantor

The Memorandum of Association of the Guarantor provides that the board of directors shall be composed of two directors. The business address of each director is the registered office of the Guarantor. As at the date of this Registration Document, the board of directors of the Guarantor is constituted by the following persons:

Vincent Vella

Vincent Vella is the co-founder of the Hal Mann Vella Group. Together with his brother, he commenced operations *circa* 60 years ago manufacturing terrazzo tiles for the local market. The business evolved over the years to a group of companies engaged in the manufacture of terrazzo tiles and pre-cast elements, supply of natural stone, general contracting services, hotel operations, property development and letting, and fashion retailing. Vincent Vella sits on the board of other companies forming part of the Group.

Mary Vella

Mary Vella has been a director of the Guarantor since its incorporation.

10.2.1 Service contracts of the Guarantor's Directors

None of the Directors of the Guarantor have a service contract with the Guarantor.

10.2.2 Aggregate emoluments of the Guarantor's Directors

In accordance with the Guarantor's Articles of Association, the total emoluments payable to all Directors, whether as fees and/or salaries by virtue of holding employment with the Guarantor, is subject to shareholder approval at general meeting.

None of the Directors have received emoluments for the financial year ended 31 December 2013.

10.2.3 Loans to the Guarantor's Directors

There are no loans outstanding by the Guarantor to any of its Directors nor any guarantees issued for their benefit by the Guarantor.

10.2.4 Removal of the Guarantor's Directors

A Director may, unless he resigns, be removed by the shareholder appointing him or by an ordinary resolution of the shareholders as provided in sections 139 and 140 of the Act.

10.2.5 Powers of the Guarantor's Directors

By virtue of the Articles of Association of the Guarantor the Directors are empowered to transact all business which is not by the Articles expressly reserved for the shareholders in general meeting. The powers of the Directors of the Guarantor are better described in section 16.4(d) below.

10.3 Employees of the Group

As at 31 December 2013, the Group had 208 employees (2012: 240), of which 163 (2012: 175) staff members formed part of operations and distribution, whilst 45 (2012: 65) employees were involved in administration. The Issuer does not have any employees of its own.

11 MANAGEMENT STRUCTURE

11.1 General

The Issuer is a holding company which does not require an elaborate management structure. Vincent Vella has been appointed Chairman of the Issuer. The Executive Directors are responsible for the day-to-day management of the Group. In the execution of the strategic direction, investment and management oversight of the Group, they are assisted by members of management of the operating Group companies.

The Directors believe that the current organisational structures are adequate for the current activities of the Company. The Directors will maintain these structures under continuous review to ensure that they meet the changing demands of the business and to strengthen the checks and balances necessary for better corporate governance.

11.2 The Management Committee

The Management Committee was established in order to conduct the business of the Group and to take day to day responsibility for the efficient running of the business. The committee meets on a weekly basis and its role includes the following:

- to monitor and review business operations;
- to identify and assess new business ventures, opportunities and investment proposals;
- to determine funding requirements of investments undertaken by the Group;
- to review candidates for and make appointments to fill senior management positions, as required;
- to organise visits by suppliers, customers or other delegations; and
- to consider other major issues that may arise from time to time.

The members of the Management Committee are the following:

Martin Vella	Executive Director
Joseph Vella	Executive Director
Mark Vella	Executive Director
Joseph Tabone	Group Finance Director
Martin Ciappara	Group IT Director

11.3 The Tendering Committee

The Tendering Committee is responsible for monitoring the compilation and submittal of tenders and high value contracts relating to third party projects. The members of the committee are:

Martin Vella	Executive Director
Mark Vella	Executive Director
Joseph Tabone	Group Finance Director
Hugh Vella	Architect & Contract Manager
Andrea Vella	Project Finance Administrator

11.4 Conflict of interest

Vincent Vella, Joseph Vella, Mark Vella and Martin Vella are officers of a number of members of the Hal Mann Vella Group. Conflicts of interest could potentially arise in relation to transactions involving the Issuer and other Group companies.

The audit committee of the Issuer has the task of ensuring that any potential conflicts of interest that may arise at any moment, pursuant to these different roles held by Directors, are handled in the best interest of the Issuer and according to law. The majority held by the independent Non-Executive Directors on the audit committee provides an effective measure to ensure that transactions vetted by the Audit Committee are determined on an arms-length basis. To the extent known or potentially known to the Issuer as at the date of this Registration Document, there are no potential conflicts of interest between any duties of the Directors towards the Issuer and their private interests which require disclosure in terms of the Regulation.

11.5 Major shareholders

The Issuer is the parent company of the Hal Mann Vella Group. The issued share capital of the Company is €4,999,820 divided into 4,999,820 ordinary shares of €1 each, fully paid up, and is subscribed to by Vincent Vella and Mary Vella as to 299,285 ordinary shares each and the remaining ordinary shares are equally divided amongst their seven children (each holding 628,750 shares, equivalent to 12.58% of the issued share capital).

The Issuer adopts measures in line with the Code of Corporate Governance to ensure that the relationship with each of its shareholders is retained at arm's length, including adherence to Rules on Related Party Transactions requiring the sanction of the Audit Committee, in which the majority is constituted by the two independent Non-Executive Directors of the Issuer.

The Guarantor is a wholly-owned subsidiary of the Issuer.

12 AUDIT COMMITTEE PRACTICES

The Issuer has set up an Audit Committee and its terms of reference of the Audit Committee include, *inter alia;* its support to the Board of the Issuer in its responsibilities in dealing with issues of risk; control and governance; and associated assurance. The Board has set formal terms of establishment and the terms of reference of the Audit Committee that establish its composition, role and function, the parameters of its remit as well as the basis for the processes that it is required to comply with. The Audit Committee is a sub-committee of the Board and is directly responsible and accountable to the Board. The Board reserves the right to change these terms of reference from time to time.

Briefly, the Committee is expected to deal with and advise the Board on:

a) its monitoring responsibility over the financial reporting processes, financial policies and internal control structures;

b) maintaining communications on such matters between the Board, management and the independent auditors; and

c) preserving the company's assets by understanding the company's risk environment and determining how to deal with those risks.

In addition, the Audit Committee also has the role and function of scrutinising and evaluating any proposed transaction to be entered into by the Company and a related party, to ensure that the execution of any such transaction is at arm's length and on a commercial basis and ultimately in the best interests of the Company.

The Audit Committee is composed of Vincent Vella, Arthur Galea Salomone and William Van Buren, all Non-Executive Directors of the Company. The Audit Committee is chaired by Vincent Vella. In compliance with the Listing Rules, William Van Buren is the independent Non-Executive Director considered by the Board to be the director competent in accounting and/or auditing matters. The CVs of the said Directors may be found in section 10.1.3 above.

13 COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS

13.1 The Issuer

Prior to the present issue, the Company was not regulated by the Listing Rules and accordingly was not required to comply with the Code of Principles of Good Corporate Governance forming part of the Listing Rules (the "**Code**"). As a consequence of the present issue of securities in accordance with the terms of the Listing Rules, the Issuer is required to comply with the provisions of the Code. The Issuer supports the Code and is confident that the application thereof shall result in positive effects accruing to the Issuer.

As at the date hereof, the Board considers the Company to be in compliance with the Code save for the following exceptions:

- Principle 4: The Issuer is a holding company which does not require an elaborate management structure. Its Executive Directors are responsible for the day-to-day management of the Group, assisted, when necessary from time to time, by members of the management teams of the Group companies. The Directors believe that the current organisational structures are adequate for the current activities of the Company. The Directors will maintain these structures under continuous review to ensure that they meet the changing demands of the business and to strengthen the checks and balances necessary for better corporate governance;

- Principle 6: Full adherence by the Issuer with the provisions of Principle 6 of the Code is not deemed necessary taking into account the size, nature and operations of the Issuer. The Issuer does not feel the need to establish and/or implement a succession plan for senior management in light of its existing organisational structures. The Directors will maintain the existing arrangements under continuous review to ensure that such meet the changing demands of the business and to strengthen the checks and balances necessary for better corporate governance;

- Principle 8: The Issuer does not have a Remuneration Committee as recommended in Principle 8. The Issuer does not have any employees other than the Directors and the company secretary;

- Principle 8: The Issuer does not have a Nomination Committee as recommended in Principle 8. Appointments to the board of directors of the Issuer are determined by the shareholders of the Company in accordance with the Memorandum and Articles of Association of the Issuer. The Issuer considers that the members of the Board provide the level of skill, knowledge and experience expected in terms of the Code; and

13.2 The Guarantor

The Guarantor is a private company not bound by the provisions of the Code, and as such does not comply with the Code. Notwithstanding the aforesaid, it is the intention of the Issuer in its role as parent company to introduce disciplines within the Group, including the Guarantor, that are recommended in the Code.

14 HISTORICAL INFORMATION

The audited consolidated financial statements of the Issuer for the three financial years ended 31 December 2011, 2012 and 2013 have been audited by HLB Falzon & Falzon, copies of which are available from the Issuer's registered office.

The audited financial statements of the Guarantor for the three financial years ended 31 December 2011, 2012 and 2013 have been audited by HLB Falzon & Falzon, copies of which are available from the Issuer's registered office.

The unaudited financial statements for the six month period ended 30 June 2014 of the Issuer and Guarantor are available from the Issuer's registered office.

There were no significant changes to the financial or trading position of the Issuer, Guarantor or the Group since the end of the financial period to which the last audited consolidated financial statements relate.

15 LITIGATION

There have not been any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer or Guarantor is aware) during the period covering twelve (12) months prior to the date of the Prospectus which may have, or have had in the recent past significant effects on the financial position or profitability of the Issuer, Guarantor or of the Group.

16 ADDITIONAL INFORMATION

16.1 Share capital of the Issuer

The authorised share capital of the Issuer is €5,000,000. The issued share capital is €4,999,820 divided into 4,999,820 ordinary shares of €1 each, fully paid up.

The authorised share capital of the Issuer may be increased by an ordinary resolution of the shareholders in general meeting. Shares can be issued when and under those conditions decided by a resolution of the shareholders in general meeting.

It is not expected that shares in the Issuer shall be issued during the next financial year, whether fully or partly paid up, in consideration for cash or otherwise.

The shares of the Issuer are not listed on the Malta Stock Exchange, and no application for such listing has been made to date.

There is no capital of the Issuer which is currently under option, nor is there any agreement by virtue of which any part of the capital of the Issuer is to be put under option.

16.2 Share capital of the Guarantor

The authorised share capital of the Guarantor is €1,164.69. The issued share capital is €1,164.69 divided into 500 ordinary shares of €2.329373 each, fully paid up.

The authorised share capital of the Guarantor may be increased by an ordinary resolution of the shareholders in general meeting. Shares can be issued when and under those conditions decided by a resolution of the shareholders in general meeting.

It is not expected that shares in the Guarantor shall be issued during the next financial year, whether fully or partly paid up, in consideration for cash or otherwise.

The shares of the Guarantor are not listed on the Malta Stock Exchange, and no application for such listing has been made to date.

There is no capital of the Guarantor which is currently under option, nor is there any agreement by virtue of which any part of the capital of the Issuer is to be put under option.

16.3 Memorandum and articles of association of the Issuer

(a) Objects

The Memorandum and Articles of Association of the Issuer (C 5067) are registered with the Malta Registry of Companies. The main objects of the Issuer include, *inter alia*: acting as a finance and investment company in connection with the ownership, development, operation and financing of the business activities of the Issuer's subsidiaries, joint ventures and/or associated companies. Clause 3 of the Memorandum of Association contains the full list of objects of the Company. A copy of the Memorandum and Articles of Association of the Issuer may be inspected during the lifetime of this Registration Document at the registered office of the Issuer and at the Registry of Companies.

(b) Voting Rights

The holders of the ordinary shares in the Issuer are entitled to vote at meetings of the shareholders of the Company on the basis of one vote for each share held.

(c) Appointment of Directors

At present, in terms of the Memorandum and Articles of Association, the Board of the Issuer shall consist of not more than six Directors who are appointed in accordance with articles 55.1 to 55.4 of the Articles of Association of the Company, as follows:

55.1 The Directors of the Company shall be appointed by the Members in the annual general meeting of the Company. Save for the provisions of article 55.3, an election of Directors shall take place every year. The procedure for the appointment of Directors shall be as follows:

55.1.1 Any Member or number of Members who in the aggregate hold not less than 200,000 shares having voting rights in the Company shall be entitled to nominate a fit and proper person for appointment as a Director of the Company.

55.1.2 In addition to the nominations that may be made by Members pursuant to the provisions of article 55.1.1, the Directors themselves or a committee appointed for the purpose by the Directors, may make recommendations and nominations to the Members for the appointment of Directors at the next following annual general meeting.

55.2 For the purpose of enabling Members to make nominations in accordance with the provisions of article 55.1.1, the Company shall grant a period of at least fourteen (14) days to Members to nominate candidates for appointment as Directors. Such notice may be given by the publication of an advertisement in at least two (2) daily newspapers. All such nominations, including the candidate's acceptance to be nominated as director, shall on pain of disqualification be made on the form to be prescribed by the Directors from time to time and shall reach the Office (or such other place determined by the Directors) not later than fourteen (14) days after the publication of the said notice (the "**Submission Date**"). PROVIDED THAT the Submission Date shall not be less than fourteen (14) days prior to the date of the meeting appointed for such election. Nominations to be made by the Directors or any sub-committee of the Directors appointed for that purpose shall also be made by not later than the date established for the closure of nominations to Members pursuant to this article.

55.3 In the event that there are either less nominations than there are vacancies on the Board or if there are as many nominations made pursuant to either articles 55.1.1 or 55.1.2 as there are vacancies on the Board, then each person so nominated shall be automatically appointed a Director.

55.4 In the event that there are more nominations made pursuant to the provisions of articles 55.1.1 and 55.1.2, then an election shall take place in accordance with the provisions of these articles. Save for the case contemplated in article 55.3, an election pursuant to this article 55.4 shall be held every year.

(d) Powers of Directors

The Directors are vested with the management of the Issuer, and their powers of management and administration emanate directly from the Memorandum and Articles of Association and the law. The Directors are empowered to act on behalf of the Issuer and in this respect have the authority to enter into contracts, sue and be sued in representation of the Issuer. In terms of the Memorandum and Articles of Association they may do all such things that are not by such Memorandum and Articles of Association reserved for the shareholders in general meeting.

Directors may not vote on any proposal, issue, arrangement or contract in which they have a personal material interest.

The maximum limit of aggregate emoluments of the Directors is, in terms of the Memorandum and Articles of Association, to be established by the shareholders in general meeting. Within that limit the Directors shall have the power to vote remuneration to themselves or any number of their body. Any increases in the maximum limit of Directors' aggregate emoluments have to be approved by the general meeting. The Directors may also vote on pensions, gratuities or allowances on retirement to any Director who has held any other salaried office with the Issuer, or to such Director's widow or dependants. However, any such proposal shall have to be approved by the shareholders in general meeting.

In terms of the Memorandum and Articles of Association, the Board may exercise all the powers of the Issuer to borrow money and give security therefore, subject to the limit established in the Memorandum and Articles of Association and the over-riding authority of shareholders in general meeting to change, amend, restrict and or otherwise modify such limit and the Directors' borrowing powers.

There are no provisions in the Issuer's Memorandum and Articles of Association regulating the retirement or non-retirement of Directors over an age limit.

16.4 Memorandum and articles of association of the Guarantor

(a) Objects

The Memorandum and Articles of Association of the Guarantor (C 35806) are registered with the Malta Registry of Companies. The main objects of the Guarantor include, *inter alia*: the provision to other companies and commercial establishments advisory consultative, administrative and management services. Clause 4 of the Memorandum of Association contains the full list of objects of the company. A copy of the Memorandum and Articles of Association of the Guarantor may be inspected during the lifetime of this Registration Document at the registered office of the Issuer and at the Registry of Companies.

(b) Voting Rights

The holders of the ordinary shares in the Guarantor are entitled to vote at meetings of the shareholders of the Guarantor on the basis of one vote for each share held.

(c) Appointment of Directors

At present, in terms of the Memorandum and Articles of Association, the board of the Guarantor shall consist of not more than two directors who shall be appointed from amongst the shareholders of the company.

(d) Powers of Directors

The directors are vested with the management of the Guarantor, and their powers of management and administration emanate directly from the Memorandum and Articles of Association and the law. The directors are empowered to act on behalf of the Guarantor and in this respect have the authority to enter into contracts, sue and be sued in representation of the Guarantor. In terms of the Memorandum and Articles of Association they may do all such things that are not by such Memorandum and Articles of Association reserved for the shareholders in general meeting.

17 MATERIAL CONTRACTS

The Issuer and Guarantor have not entered into any material contracts which are not in the ordinary course of their business and which could result in any member of the Group being under an obligation or entitlement that is material to the Issuer's or Guarantor's ability to meet their obligations to security holders in respect of the securities being issued pursuant to, and described in, the Securities Note forming part of the Prospectus.

18 PROPERTY VALUATION REPORT

The Issuer commissioned TBA Periti to issue a property valuation report in relation to the Hypothecated Property. The following are the details of the said valuer:

Name:	Prof. Dr.Eur.Ing. Alex Torpiano
Business address:	TBA Periti 43, Main Street Balzan BZN 1259

Listing Rule 7.4.3 provides that property valuations to be included in a prospectus must not be dated (or be effective from) more than 60 days prior to the date of publication of the prospectus. The valuation report is dated 23 September 2014.

A copy of the report compiled by Prof. Dr.Eur.Ing. Alex Torpiano in respect of the Hypothecated Property is annexed to this Registration Document as Annex I and is available for inspection as set out in section 20 below.

19 INTEREST OF EXPERTS AND ADVISORS

Save for the valuation report prepared in relation to the Hypothecated Property and contained in Annex I to the Registration Document and the financial analysis summary set out as Annex III to the Securities Note, the Prospectus does not contain any statement or report attributed to any person as an expert.

The valuation report and the financial analysis summary have been included in the form and context in which they appear with the authorisation of TBA Periti of 43, Main Street, Balzan BZN 1259 and Charts Investment Management Service Limited of Valletta Waterfront, Vault 17, Pinto Wharf, Floriana FRN 1913, Malta respectively, which have given and have not withdrawn their consent to the inclusion of such reports herein. TBA Periti and Charts Investment Management Service Limited do not have any material interest in the Issuer. The Issuer confirms that the valuation report and financial analysis summary have been accurately reproduced in the Prospectus and that there are no facts of which the Issuer is aware that have been omitted and which would render the reproduced information inaccurate or misleading.

20 DOCUMENTS AVAILABLE FOR INSPECTION

For the duration period of this Registration Document the following documents (or copies thereof) shall be available for inspection at the registered address of the Issuer:

(a) Memorandum and Articles of Association of the Issuer and Guarantor;

(b) Audited Consolidated Financial Statements of the Issuer for the years ended 31 December 2011, 2012 and 2013;

(c) Audited Financial Statements of the Guarantor for the years ended 31 December 2011, 2012 and 2013;

(d) Audited Financial Statements of each of the Group companies for the years ended 31 December 2011, 2012 and 2013;

(e) Interim Unaudited Financial Statements of the Issuer and Guarantor for the six-month period ended 30 June 2014;

(f) The letter of confirmation drawn up by HLB Falzon & Falzon dated 6 October 2014;

(g) Financial Analysis Summary prepared by Charts Investment Management Service Limited dated 6 October 2014;

(h) The Guarantee;

(i) The Security Trust Deed; and

(j) Independent Expert's property valuation report prepared at the Issuer's request in respect of the Hypothecated Property.

Items (a), (b), (c) and (g) above are also available for inspection in electronic form on the Issuer's website at www.hmvellagroup.com

ANNEX 1 - ARCHITECT VALUATION REPORT

TBA periti

Architects, Civil, and Structural Engineering Consultants
No. 43 Main Street, Balzan BZN 1259, Malta
Tel: (+356) 21498532 Fax: (+356) 21498534 E-mail:tbaperiti@tbaperiti.com

The Directors,
Hal Mann Vella Group plc
The Factory
Valletta Road
Lija

23rd September 2014

Dear Sirs,

VALUATION REPORT – IMMOVEABLE PROPERTY AT LIMITS OF LIJA/LIMITS OF MOSTA

In accordance with your instructions, the undersigned has carried out a valuation of immoveable property, located at Lija, bound by the intersection of Pantar Road, Lija, and the junction between Valletta Road, Mosta, and Mosta Road, Lija, as indicated in the attached site plan, and which detailed valuation report, including the undersigned's opinion of the value of the property, is herewith submitted. The effective date of this valuation is the 23rd September 2014.

It is understood that the purpose of the valuation is for inclusion with the Prospectus, to be published in connection with the proposed public bond issue by Hal Mann Vella Group plc, in accordance with the Listing Rules of the Listing Authority. The valuation has been prepared in accordance with Chapter 7 of the Listing Rules published by the Malta Financial Services Authority, and, in particular, with the disclosure requirements relating to Property Companies seeking listing on the Malta Stock Exchange.

The undersigned declares that he has visited the site, and is fully familiar with the property; and that all information as was considered necessary was obtained from the Directors, or their advisors; this included information about the boundaries of the immoveable property in question, the burdens imposed on the property, planning constraints, and the dates of construction of the various buildings erected thereupon; as well as the Directors' intentions as far as concerns the developable components of the property. The undersigned declares that his office was directly involved in the design of a project for one developable part of the property, but confirms his status as an external independent valuer, without any financial interest in the Group.

The Property included in this valuation is divided into (i) land which is developed, and on which a number of related commercial and industrial buildings are installed, marked in red on the attached drawing, Appendix 1; (ii) land which is in use for the same industrial activities, but which, by virtue of a rationalization of their industrial processes, is earmarked, and held for future re-development, marked in blue on the attached drawing; (iii) land which is not currently developable according to the existing planning guidelines, but which is currently in use in support of the industrial activities in the adjacent portions of the Property, marked in green on the attached drawing; (iv) part ownership of an existing building adjacent to the above, marked in brown in the attached drawing.

The Property has a total land surface area of approximately 28,700 (twenty-eight thousand seven hundred) square metres. It is located at a corner formed between Pantar Road, Lija, and the junction between Valletta Road, Mosta, and Mosta Road, Lija, and is hence variably referred to as located in the Limits of Lija or the Limits of Mosta. The property is bounded on the north by property of the Government of Malta, held on encroachment by the Company from the Government of Malta, which property is then bounded on the north by Valletta Road, Mosta. On the East and North East, the Property is bounded by Hal-Mann Road, and on the West by Pantar Road. The portion of land held on encroachment forms part of the access road and surface carparking in front of the Showroom and Offices.

The Property comprises a number of plots of land, comprising 27,500 (twenty-seven thousand, five hundred) square metres, that were originally acquired separately, over a period of years, and part ownership of a building erected on a land area of 1,200 (one thousand two hundred) square metres. The following burdens are recorded:

The land held on encroachment, which is recorded as originally measuring approximately 1,000 (one thousand) square metres, but part of which was subsequently taken back by the Government of Malta for road construction purposes, carries an annual payment of €4.66c (four euros and sixty six cents). Since Hal Mann Vella Group plc shall be hypothecating in favour of the trustee all its rights resulting from this encroachment, the Property has been valued as one whole.

The remaining area of ca. 26,500 (twenty-six thousand five hundred) square metres is in part subject to the annual and perpetual ground-rent of €1,700.44c (one thousand seven hundred and forty-four euro cents only), in part subject to the "decimi dekanili in perpetwu" of 97c per annum (ninety-seven euro cents), and in part subject to the annual and temporary ground-rent of €2,981.60c, (two thousand nine hundred and eighty one euros and sixty euro cents). The latter plot, measuring ca. 5,625.60 (five thousand six hundred twenty-five) sq.m., was acquired on the 15th September 1980, as a temporary emphyteutical grant of 150 years, meaning that the remaining period of the grant is approximately one hundred and sixteen years.

Ca. 5,200 sq.m. of this land, as marked in blue in Appendix 1, is owned by Sudvel Limited, but since Sudvel Limited shall constitute itself as joint and several surety with Hal Mann Vella Group plc, to secure the Bond issue, by a special hypothec on the property in its name, the Property has been valued as one whole. Sudvel Ltd. is hereunder referred to as the Guarantor.

Details of the mortgages and privileges and other charges, real rights thereon including details of emphyteutical concessions, easements and other burdens, are included in Appendix 2.

The Property included in this valuation comprises buildings which are used as part of the Hal Mann Marble and Tile production plant located at the junction of Valletta Road and Pantar Road, Lija. The Property includes various industrial sheds and buildings, containing different parts of the storage and production process of the industrial plant, built, extended and altered over a number of decades. It also includes a recently built Showroom building with overlying Offices, and an underground car-parking area. The Property also includes a a recently-built building, partly co-owned by the Guarantor, referred to as "Il-Binja l-Gdida", which is located on Pantar Road. This building consists of a two-storey warehousing development, overlying two underground levels of car-parking/storage area. The lower basement (Level -2), as well as half of the ground floor, and half of the first floor, and the corresponding air-space, are owned by the Guarantor, and are included in this valuation. The property includes the co-ownership of the common entrance and vertical circulation.

With reference to Listing Rule 7.4.1.6, it is stated that a significant proportion of the industrial facilities were erected before the current planning legislation. A significant portion of the land comprised in the Property, measuring ca. 19,375 (nineteen thousand three hundred and seventy five) square metres, has been included within the Area of Containment for Hal Mann Lija area, published by Malta Environment and Planning Authority (MEPA), (PC0050/10), subject to a number of planning conditions, (Policies LJAC 1 to 6), including a 3m deep buffer green area along Pantar Road, a 60% site coverage, and a building height limitation of 10.5m above street level. The remaining part of the land, measuring ca. 8,150 (eight thousand one hundred fifty) square metres, lies outside the Area of Containment, but currently accommodates various openair storage facilities in support of the marble and tile industrial operations, as permitted by MEPA. The land within the Area of Containment includes a number of industrial buildings, sheds or warehouses, covering a total area of ca. 7,000 (seven thousand) square metres, which have been built at various times over the last four decades. It also includes a Showroom and Offices, with underlying car-parking, completed in 2008, with a footprint area of ca. 800 (eight hundred) square metres. The latter development is covered by Planning Permits PA00034/2004, issued in August 2005, and PA04952/2006, issued in May 2008. This Valuation takes into account the development potential of the land within the Area of Containment, and the recently developed property, in accordance with the relative permits. Structures without relative development permits, but within the Area of Containment, have been valued with this context in mind.

The property referred to as "Il-Binja il-Gdida" is within the Area of Containment, described above, and is covered by a number of Planning Permits, PA/07519/95, issued in February 1999, PA/04418/99, issued in October 2000, PA/01434/05, issued in July 2005, and PA/05928/06, issued in March 2007. The lower basement has an area of ca. 1,200 (one thousand two hundred) square metres. This basement is connected by a ramp to the rest of the property described above. The ground floor warehouses, which have a total area of ca. 600 (six hundred) square metres, are directly accessible from Pantar Road, whilst the first floor offices, with a total area of ca. 640 (six hundred forty) square metres, are accessed from the common vertical access. The building was erected ca. fourteen years ago.

The listing rules require that the valuation be made on the basis of an open market value for existing use. An open market value represents an opinion of the best price for which the sale of an interest in a property would have been completed unconditionally for a cash consideration on the date of the valuation. An open market valuation assumes (i) that there is a willing seller; (ii) that the interest being valued would have been, prior to the transaction, properly marketed; (iii) that the state of the market, level of values and other circumstances are consistent over the period of the valuation; (iv) that no account is taken of any additional bid by a prospective purchaser with a special interest; (v) and that both parties to the transaction act knowledgeably, prudently and without compulsion. An existing use value follows on the definition of the open market value, with the added assumptions that (a) the property can be used, for the foreseeable future, only for the existing use, and (b) that vacant possession is provided on completion of the sale of all parts occupied by the business.

The Property has been valued on the basis highlighted below. It is stated that no intra-Group leases on the property occupied by the Group was advised, or taken into account in the Valuation. No valuation of the benefit or detriment of contractual arrangements in respect of the property have been requested, or taken into account in this valuation. No information was received that any Director or promoter have had an interest in any acquisitions or disposals of any part of the Property during the two years preceding the date of this valuation.

The land that is included within the Area of Containment has been valued on the basis of the open market value of land, by comparison to similar properties, in similar locations, such as Mosta, Naxxar and Mriehel, for comparable potential volumes of development, as allowed by current planning policies. The approved policies for the Area of Containment include site coverage not exceeding 60% (sixty percent), and a total height of development not exceeding 10.5m (ten point five metres). This implies that if the whole of the industrial area were cleared for redevelopment, the site, measuring approximately 14,185 (fourteen thousand one hundred eighty-five) square metres of developable land would yield a development for commercial/industrial/warehousing use of ca. 25,500 (twenty-five thousand and five hundred) square metres, excluding underground development. On an open market, the land which would allow this development would have a value of approximately **€14,000,000.00 (fourteen million euros)**. This includes the land which is held on temporary emphyteusis, which would represent €5,500,000 (five million five hundred thousand euros) of this amount. This estimate takes into account the location of the site at the intersection of major traffic routes, and the proximity to the major urban nodes of Mosta, Naxxar, Birkirkara, and the residential areas of Attard, Lija and Balzan.

An additional part of the land within the Area of Containment, measuring ca. 5,200 (five thousand two hundred) square metres, is held by the Guarantor for Development. It is currently proposed to develop this site to create a mixed office/commercial development, with underlying car-parking. An application for planning permission has been submitted to MEPA for approval. It is envisaged that development would be completed with twenty-one (21) months from receipt of development permission. The cost of this development is estimated to be approximately €7,000,000 (seven million euros), on a shell and core basis. The proposed development conforms to the planning conditions outlined above, and therefore it is expected that the area will yield approximately 9,300 (nine thousand three hundred) square metres of commercial/office development, excluding under-ground car-parking, which, using the open market valuation criteria outlined above, would yield a value of land of approximately **€5,000,000 (five million euros)**.

The area outside the Area of Containment, which has a current, permitted, use for surface storage and other industrial activities, in support of the main industrial activities, (and which measures ca. 8,250 (eight thousand two hundred and fifty) square metres), has also been valued on the basis of comparison to properties, which are in a similar context, that is, not developable according to current planning policies, but in use in support of current activities. A value of **€1,500,000.00 (one million, five hundred thousand euros)** is estimated on an open market basis.

The built property on the land has been valued on the basis of a gross estimated replacement cost, depreciated for obsolesence. The Depreciated Replacement Cost is a valuation procedure which is used to arrive at an Existing Use Value or value in use, of properties, such as in the current case, which are rarely, if ever, sold or let other than as part of a business. From the information available, a number of industrial buildings were erected over a period of approximately thirty years, that is, approximately one-third in the 1970's, one-third in the 1980's and one-third in the 1990's, and are not covered by planning permits. They are, however, allowed by MEPA if used in conjunction with the current industrial operations. It was therefore felt that this method of valuation is, for these buildings, appropriate. These structures cover a total area of ca. 6,500 (six thousand five hundred) square metres, and were estimated to cost ca. €1,350,000 (one million three hundred fifty thousand euros) if they were to be built today; this value was depreciated, at an average rate of 1% per annum, to yield a current replacement value of ca. €1,000,000, (one million euros), to which were added ca. €500,000 (five hundred thousand euros) of recent upgrades to the fabric. A built area of approximately 1,000 (one thousand) square metres is earmarked for clearance and re-development, and therefore it was estimated that the current overlying structure has no value. On the other hand, the Showroom and Office building, which is closely associated with the afore-mentioned industrial operations, was completed in 2008, and, for this reason, it has been valued practically at cost, that is, €3,500,000.00 (three million, five hundred thousand euros), bringing the total value of the built property to **€5,000,000.00 (five million euros)**.

The Directors have advised that the ground floor warehouses and the first floor offices of the "Binja Gdida" in Triq Pantar have been leased to third parties, with contracts extending to 2016 and 2018. Details of the leases of this part of the Property are indicated in Appendix 3. The current Net Annual Rent value is, therefore, €75,440 (seventy-five thousand four hundred forty euros). Although, the lower basement is empty, it has the potential of accommodating 1,200 sq.m of storage or 45 car-parking spaces. The estimated Net Annual Rent, when this area is leased out either as car-parking or storage area, would then be €129,440 (one hundred and twenty-nine thousand four hundred forty euros). On the basis of current rental levels, and potential rentals where the premises are still vacant, respectively discounted at the rate of 6% for the upper levels, and 8% for the underground level, plus the residual value of the land, an open market value, based on the relative discounted cash flows, of **€2,000,000 (two million euros)** is estimated. In view of the nature of the shared ownership, the value of the latter part of the property on the basis of redevelopment of the site is not being considered in this report.

In summary, on the basis of the above, the present capital value of the Property, in the existing state, is estimated to be as indicated below. For the purposes of this Valuation, the present capital value of the property in its existing state and the open market value are considered to be the same; and the present capital value of the property in its existing state and the value determined on a depreciated replacement cost basis are considered equivalent, as applicable.

TBA periti

(i) Land property valued on an open market basis:

a.	freehold basis:	**€15,000,000 (fifteen million euros)**
b.	temporary emphyteusis (remaining 116 years):	**€5,500,000 (five million five hundred thousand euros;**

(ii) Built property valued on a depreciated replacement cost basis:

freehold basis:	**€5,000,000 (five million euros);**

(iii) Built property valued on an open market value: **€2,000,000 (two million euros)**

amounting to a total value of €**27.5 million (twenty-seven million and five hundred thousand euros).**

The valuation has been carried out by the undersigned, as an independent valuer, in terms of, and with regard given to, the UK Royal Institution of Chartered Surveyors Appraisal .and Valuation Manual. The undersigned confirms that there is no conflict of interest in advising you of the opinion of the value of the property, since the undersigned or his associates will not benefit from the valuation instruction, other than the valuation fee.

My opinion of the value of the Property is based upon the facts and evidence available at the date of the valuation, part of which information was made available by the Directors and their advisors. No detailed area measurements have been undertaken, although our knowledge of the project allows us to confirm that the areas quoted in this valuation report are broadly correct. No geological investigations have been carried out in order to determine the suitability of ground conditions and services, nor were environmental, archaeological or geo-technical surveys undertaken. However, there is no reason to believe that there are any such issues as may impede the envisaged development of the site. It has also been assumed that all development will take place in strict conformity with the relative planning permits, and other statutory obligations, and constructed by reputable contracting firms, to good quality standards and workmanship.

Valuations are not a prediction of price, nor a guarantee of value, and whilst our valuation is one which we consider both reasonable and defensible, different valuers may properly arrive at different opinions of value. Moreover, the value of property development is susceptible to changes in economical conditions, and may therefore change over relatively short periods. This valuation and report is submitted without prejudice to the party to whom they are addressed. The undersigned advises that no responsibility is accepted or implied to third parties to whom this report may be disclosed, with or without our consent. In particular, the undersigned advises that no liability is accepted in contract, tort (including negligence, or breach of statutory duty), restitution or otherwise, in respect of any direct loss of profit, any indirect, special or consequential loss whatsoever howsoever caused including, without limitation, loss of profit, loss of business, loss of goodwill, loss of use of money, and loss of opportunity.

In accordance with standard practice, neither the whole nor any part of this valuation nor any reference thereto may be included in any published document without the prior written approval of the undersigned for the context in which it may appear.

Prof. Dr.Eur.Ing. Alex Torpiano,
B.E.&A. (Hons), MSc. (Lond), PhD (Bath), MIStructE, CEng., Perit

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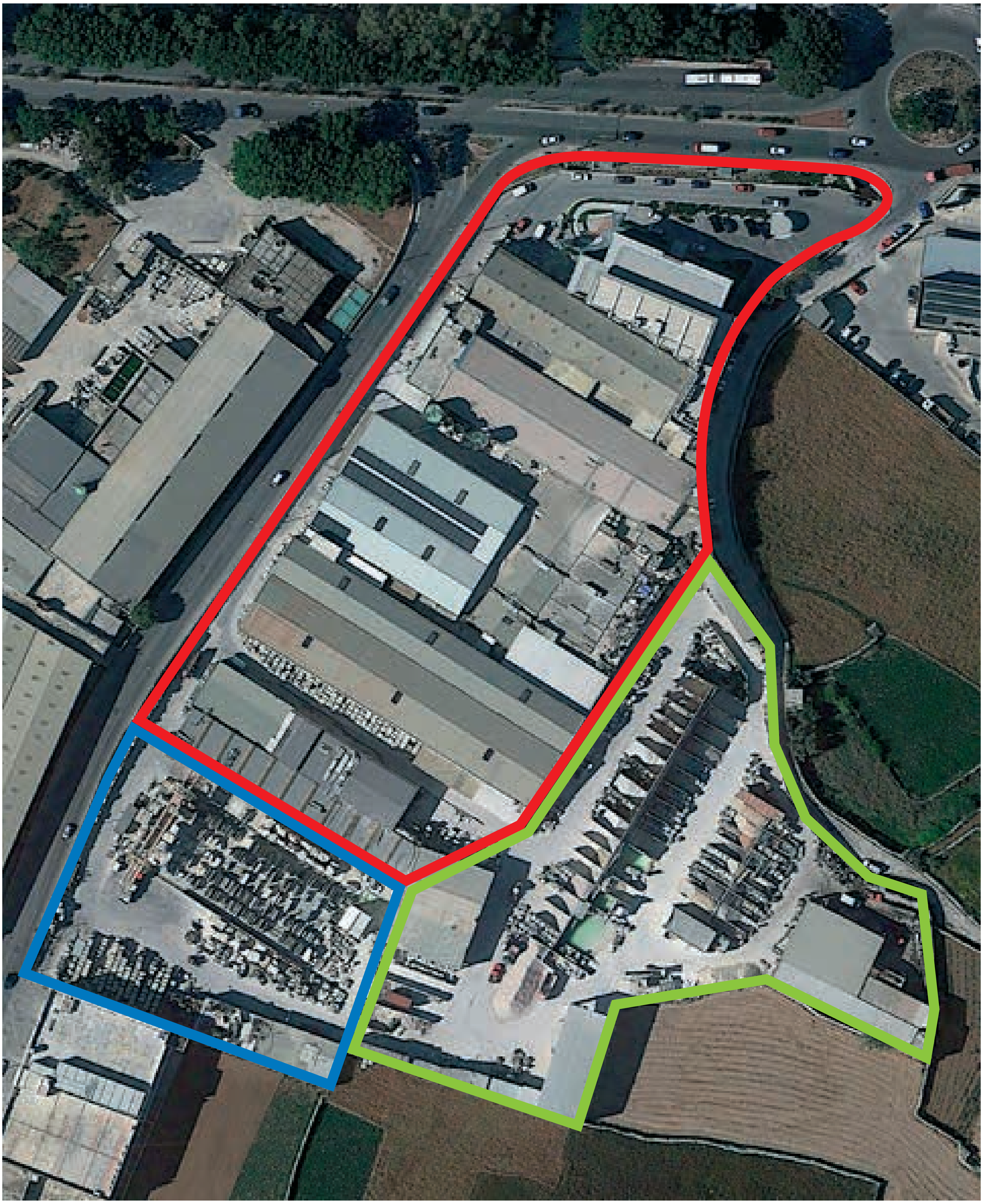
APPENDIX 1



APPENDIX 2

Hypothecary notes regarding Velsud Limited – Halmann Velsud Group Limited, prepared by Notary Dr. Anthony Abela, of Abela & Abela – Notarial Firm 4, Museum Road, Rabat, 19th September 2014.

Vol 13862/2005	BOV C.Bellzzi 9.8.2005 where Bank gave Halmann International Limited OD facility for Lm 500,000 == € 1,164,686,
Vol 4183/2007	BOV N Mugliette 8.2.2007 where bank gave Halmann International Limited further OD facilities Lm 60,000 == € 139,762. Velsud Limited acted as surety
Vol 4185/2007	BOV N Mugliette 8.2.2007 where bank granted to Velsud Limited a loan for Lm 500,000 == € 1,164,686
Vol 14577/2007	BOV N Mugliette 12.7.2007 where bank granted to SMG Mode Limited a loan for Lm 39,930 == € 93,011.87 with Velsud Limited acting as surety
Vol 14580/2007	BOV N Mugliette 12.7.2007 where Bank granted to SMG Mode Limited an OD facility for Lm 40,000 == € 93,175 with Velsud Limited acting as surety
Vol 16400/2008	BOV A Abela 18.9.2008 where bank granted to Halmann International Limited a loan for € 1,772,907 with Halmann Velsud Group Limited standing as guarantee
Vol 16401/2008	BOV A Abela 18.9.2008 where bank granted additional OD facility to Halmann International Limited for € 35,300 with Halmann Velsud Group Limited standing as guarantee
Vol 16403/2008	BOV A Abela 18.9.2008 where bank granted additional overdraft facilities to Halmann International Limited for € 135,238 with Halmann Velsud Group Limited standing as guarantee
Vol 3265/2009	BOV A Abela 23.2.2009 where bank granted loan to Halmann Velsud Group Limited for € 775,000
Vol 14373/2009	BOV A Abela 24.9.2009 where bank granted Overdraft facilities to Ceramax International Limited for € 175,000 with Halmann Velsud Group Limited standing as guarantee
Vol 14376/2009	BOV A Abela 24.09.2009 where bank granted a loan to SMG Mode Limited for the sum of € 100,000 with Halmann Velsud Group Limited standing as guarantee
Vol 14377/2009	BOV A Abela 24.09.2009 where bank granted a loan to SMG Mode Limited for the sum of € 125,000 with Halmann Velsud Group Limited standing as guarantee
Vol 14378/2009	BOV A Abela 24.9.2009 where bank granted overdraft facilities to SMG Mode Limited for € 100,000 with Halmann Velsud Group Limited standing as guarantee
Vol 14678/2009	BOV A Abela 24.9.2014 where bank granted additional overdraft facilities to SMG Mode Limited for €. 56,825.06c with Halmann Velsud Group Limited standing as guarantee
Vol I 862/2011	BOV A Abela 20.12.2010 where bank granted loan to Halmann International Limited for the sum of € 149,829 with Halmann Velsud group limited acting as guarantee
Vol I 863/2011	BOV A Abela 20.12.2010 where bank granted further Overdraft facility to Halmann International Limited for the sum of € 8,800,013 with Halmann Velsud group limited acting as guarantee
Vol I 864/2011	BOV A Abela 20.12.2010 where bank granted further Overdraft to Halmann International Limited for the sum of € 100,000 with Halmann Velsud group limited acting as guarantee
Vol I 15738/2011	BOV A Abela 28.09.2011 where bank granted loan to Ceramax International Limited for the sum of € 87,840 with Halmann Velsud group limited acting as guarantee
Vol I 15740/2011	BOV A Abela 28.09.2011 where bank granted overdraft facilities to SMG Mode Limited for the sum of € 200,000 with Halmann Velsud group limited acting as guarantee
Vol I 15741/2011	BOV A Abela 28.09.2011 where bank granted overdraft facilities to Q Stone Limited Limited for the sum of € 150,000 with Halmann Velsud group limited acting as guarantee

Vol I 1378/2012	BOV A Abela 28.09.2011 correction of hypothec Vol I 15740/2011
Vol I 414/2013	BOV A Abela 31.12.2012 where bank granted Overdraft facilities to Halmann Industries Limited formerly Pantar ceramics Limited for the sum of € 130,000 with Halmann Velsud group limited acting as guarantee
Vol I 415/2013	BOV A Abela 31.12.2012 where bank granted loan to Halmann Industries Limited formerly Pantar ceramics Limited for the sum of € 500,000 with Halmann Velsud group limited acting as guarantee
Vol 1403/2013	BOV A Abela 25.1.2013 where bank granted Overdraft facilities to Ceramax International Limited for the sum of € 70,000 with Halmann Velsud group limited acting as guarantee

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Hypothecs By Sudvel Limited

Vol I 19096/2005	HSBC N Mugliette 27.10.2005 Bank granted an overdraft facility for the sum of Lm 660,000 == € 1,537,386 where Sudvel Limited stood as guarantee
Vol I 12554/2007	HSBC N Mugliette 8.6.2007 Bank granted a loan to Halmann Vella Limited for Lm 100,000 == € 232,293 where Sudvel Limited stood as guarantee
Vol I 12555/2007	HSBC N Mugliette 8.6.2007 Bank granted a Overdraft facility of € 326,112 == Lm 140,000 to Halmann Vella Limited where Sudvel Limited stood as guarantee
Vol I 13751/2008	HSBC A Abela 25.8.2008 Bank granted a loan to Halmann Vella Limited for Lm 100,000 -- € 232,937 where Sudvel Limited and Mavina Holiday Complex Limited stood as guarantee
Vol I 13752/2008	HSBC A Abela 25.8.2008 Bank granted a loan to Halmann Vella Limited for € 322,000 where Sudvel Limited and Mavina Holiday Complex Limited stood as guarantee
Vol I 13753/2008	HSBC A Abela 25.8.2008 Bank granted a Overdraft Facility to Halmann Vella Limited for € 900,000 where Sudvel Limited and Mavina Holiday Complex Limited stood as guarantee
Vol I 12579/2009	HSBC A Abela 14.8.2009 Bank granted additional overdraft facilities to loan to Halmann Vella Limited for € 2,033,000 where Sudvel Limited and Mavina Holiday Complex Limited stood as guarantee
Vol I 16814/2012	HSBC A Abela 19.11.2012 Bank granted a additional overdraft facilities to Halmann Vella Limited for € 1,950,000 where Sudvel Limited and Mavina Holiday Complex Limited stood as guarantee - it was declared on deed that total facilities amounting to € 6,746,498

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APPENDIX 3

Details and Terms of Leases:

leaseholder 1
Commencement Date 29/04/2013 - 161 sq.m.
Three year intervals at an annual rent: Year 1 €16,000, 2 €16,400 and Year 3 €16,974 ex VAT, payable in full every 6 months in advance. After Year 3, the rent shall continue to increase by 3% per annum on the amount payable during the previous year.

leaseholder 2
Commencement Date 14/02/2013 - 525.31 sq.m.
Five year intervals at an annual rent: Year 1-5 at €39,040 per annum ex VAT, payable in full every 6 months in advance. After Year 5, the rent shall increase by 5% per annum for the next 5 years to come. Includes office space at 1st floor, storage space at ground floor level, and 5 car spaces at Level -2.

leaseholder 3
Commencement Date 01/08/2013 - 362 sq.m.
Five year intervals at an annual rent: Year 1-5 at €20,000 per annum ex VAT, payable in full every 6 months in advance. Rate shall increase by 10% every 5 years. Includes storage space at ground floor level on Pantar Road.