

# 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

The Bonds are being issued by

## UNITED FINANCE P.L.C.

A PUBLIC LIMITED LIABILITY COMPANY REGISTERED IN MALTA  
WITH COMPANY REGISTRATION NUMBER C 26598

Legal Counsel

Sponsor

Registrar

CAMILLERI PREZIOSI  
ADVOCATES

 **CHARTS**  
WEALTH MANAGEMENT • CORPORATE BROKING



Malta Stock Exchange plc

APPROVED BY THE DIRECTORS



Carmen Gatt Baldacchino Edmund Gatt Baldacchino Simon Gatt Baldacchino James Bonello Joseph F.X. Zahra

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# IMPORTANT INFORMATION

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THIS REGISTRATION DOCUMENT CONTAINS INFORMATION ON UNITED FINANCE 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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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.

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

**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 TO THE ISSUER" 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:

<b>Act</b>	the Companies Act (Cap. 386 of the Laws of Malta);
<b>Bond Issue or Offer</b>	the issue of the Bonds;
<b>Bonds</b>	the €8.5 million unsecured bonds due 2023 of a face value of €100 per bond redeemable at their nominal value on the Redemption Date, bearing interest at the rate of 5.3% per annum, as detailed in the Securities Note;
<b>Cars International Limited or CIL</b>	Cars International Limited, a company registered under the laws of Malta with company registration number C 52268 and having its registered office at Mdina Road, Qormi QRM 9010, Malta;
<b>Directors or Board</b>	the directors of the Issuer whose names are set out under the heading "Identity of Directors, Advisors and Auditors of the Issuer";
<b>Euro or €</b>	the lawful currency of the Republic of Malta;
<b>Issuer or Company</b>	United Finance p.l.c., a company registered under the laws of Malta with company registration number C 26598 and having its registered office at GB Buildings 2 <sup>nd</sup> Floor, 28, Watar Street, Ta'Xbiex XBX 1310, Malta;
<b>Group or United Group</b>	United Group Limited and any company or entity in which UGL has a controlling interest;
<b>Investment Property</b>	a six storey commercial building known as GB Buildings and located at Ta'Xbiex, Malta. The property is constructed on a triangular site covering an approximate area of 586m <sup>2</sup> out of which 118m <sup>2</sup> are owned only up to the ground floor level. The area from this level upwards is thus reduced to 468m <sup>2</sup> . The site fronts Abate Rigord Street along its major facade facing East, Watar Street bounds the Northwest facade, while the Southwest parameter is bound by third party property. The property has a net floor area of 2,510m <sup>2</sup> and comprises of a showroom at the ground floor and basement levels, and offices in the overlying four floors;
<b>Listing Authority</b>	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;
<b>Malta Stock Exchange or MSE</b>	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;
<b>Memorandum and Articles of Association or M&amp;As</b>	the memorandum and articles of association of the Issuer in force at the time of publication of the Prospectus;
<b>MFSA</b>	Malta Financial Services Authority, established in terms of the Malta Financial Services Authority Act (Cap. 330 of the Laws of Malta);
<b>Pendergardens or PD</b>	the mixed use residential and commercial development to be constructed on two sites measuring 18,500m <sup>2</sup> (known as Pendergardens) and 8,500m <sup>2</sup> (known as The Exchange) respectively, situated in St Andrew's Road, St Julians, Malta;
<b>Prospectus</b>	collectively, the Registration Document, the Securities Note and the Summary Note;
<b>Redemption Date</b>	shall have the meaning set out in the Securities Note;
<b>Registration Document</b>	this document in its entirety;

<b>Regulation</b>	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;
<b>Securities Note</b>	the securities note issued by the Issuer dated 6 October 2014, forming part of the Prospectus;
<b>Summary Note</b>	the summary note issued by the Issuer dated 6 October 2014, forming part of the Prospectus;
<b>United Group Limited or UGL</b>	United Group Limited, a company registered under the laws of Malta with company registration number C 10233 and having its registered office at GB Buildings 2 <sup>nd</sup> Floor, 28, Watar Street, Ta'Xbiex XBX 1310, Malta.

## 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 fulfil 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.

All forward-looking statements contained in this document are made only as at the date hereof. The Issuer and respective Directors expressly disclaim any obligations to update or revise any forward-looking statement contained herein to reflect any change in expectations with regard thereto or any change in events, conditions or circumstances on which any statement is based.

### 2.2 RISKS RELATING TO THE ISSUER AND ITS BUSINESS

#### 2.2.1 *Issuer's dependence on payments due from UGL and other Group companies may be affected by factors beyond the Issuer's control.*

The Issuer is an investment and finance company and as such a majority of its assets consist of loans issued to companies within the United Group. Consequently, the Issuer is largely dependent, including for the purpose of servicing interest payments on the securities described in the Securities Note and the repayment of the principal on maturity date, on receipt of interest and loan repayments from UGL and other Group companies. In this respect, the operating results of the United Group have a direct effect on the Issuer's financial position and therefore the risks intrinsic in the business and operations of the United Group 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 Bonds when due.

The interest payments and loan repayments to be effected by the operating companies of the United Group are subject to certain risks. More specifically, the ability of Group companies to effect payments to the Issuer will depend on their respective cash flows and earnings 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 on the Bonds and repayment of principal when due. The risk specific to the other members of the Group upon which the Issuer depends are set out in section 2.3 below.

### **2.2.2 Risks related to the Issuer's ownership of the Investment Property.**

The Issuer owns the Investment Property situated in Ta'Xbiex, Malta, and as such is susceptible to a number of risks including:

- Immovable property by its nature is relatively illiquid. This factor, combined with the fact that so far the Issuer has made only one material property investment, may affect the Issuer'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.
- The health of the property and commercial rental market may be affected by a number of factors such as national economy, political developments, government regulations, changes in planning or tax laws, interest rate fluctuations, inflation, the availability of financing and yields of alternative investments. An increase in the supply of commercial space could impact negatively upon capital values and income streams of the property.
- The Issuer is dependent on tenants fulfilling their obligations under their lease agreements. The business, revenue and projected profits of the Issuer would be negatively impacted if tenants fail to honour their respective lease obligations.
- The Issuer is subject to the risk that tenants may terminate or elect not to renew their respective lease, either due to the expiration of the lease term or due to an early termination of the lease. In cases of early termination by tenants prior to the expiration of the lease term there is a risk of loss of rental income if the tenant is not replaced in a timely manner.
- The Issuer's operating and other expenses could increase without a corresponding increase in revenue. The factors which could materially increase operating and other expenses include:
  - i. unforeseen increases in the costs of maintaining the property;
  - ii. material increases in operating costs that may not be fully recoverable from tenants; and
  - iii. increases in the rate of inflation above the level of annual increments contracted with tenants.

These factors could have an adverse effect on the Issuer's financial condition and results.

## **2.3 RISKS RELATING TO THE UNITED GROUP AND ITS BUSINESS**

### **RISKS SPECIFIC TO THE RETAIL SECTOR**

#### **2.3.1 The United Group is dependent on a number of franchises.**

The retail business of the United Group is presently focused on a number of franchises, the principal franchise being "Debenhams" which was introduced to the local market four years ago. Despite the fact that Debenhams is one of the leading brands in the United Kingdom, it is still a relatively new concept to Malta and therefore a few more years of operation are required to establish a more stable market presence locally. 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 of the franchises, in particular the Debenhams franchise, would have an adverse effect on the Group's operations and income.

#### **2.3.2 The Group's success in the apparel business depends on the ability of its franchisors, particularly Debenhams, 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 the respective 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 any of the franchisors fail to anticipate, identify or react appropriately, or in a timely manner, to fashion trends, the Group's outlets could experience reduced customer acceptance of its 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.

#### **2.3.3 Increased competition.**

Fashion retailing is highly competitive and, due to the growing prevalence of online retail, increasingly global. Many 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. A decline in the relative competitive strength of the Group's brands could adversely affect the Group's results of operations.

### 2.3.4 *The Group's retail sector is exposed to exchange rate risk.*

The United Group can be impacted by transaction risk, which is the risk that the currency of the costs and liabilities fluctuates in relation to the Euro being its reporting currency, which fluctuation may adversely affect its operating performance.

## RISKS SPECIFIC TO THE CAR RENTAL AND LEASING SECTOR

### 2.3.5 *Weakness in general economic conditions in Malta and weakness in travel demand may adversely impact the business.*

If economic conditions in Malta were to weaken, the financial condition and results of operations could be adversely impacted. In particular, a decline in airline travel will probably have a direct adverse impact on the results of operations of the United Group. A slowdown in air travel could materialise if the industry experiences a significant reduction in airline capacity, airfare or related fee increases, any events that disrupt or reduce business or leisure air travel.

### 2.3.6 *The high level of competition in the car rental and leasing sector may lead to reduced rental volumes and increased pricing pressure.*

The car rental and leasing sector is highly competitive and pricing is one of the primary competitive factors in the industry. If the Group's competitors decide to compete aggressively on the basis of pricing, the United Group risks losing rental volume if it does not adjust its offerings to counteract its competitors' actions. The internet has increased pricing transparency among car rental and leasing companies by enabling cost-conscious customers to more easily obtain and compare the rates available from various companies. This transparency may increase the prevalence and intensity of price competition in the future, and as a result may impact negatively the financial results of the United Group.

## RISKS SPECIFIC TO THE GROUP'S INVESTMENT IN CARS INTERNATIONAL LIMITED ("CIL")

### 2.3.7 *Material risks relating to the automotive industry may affect the operating performance of CIL.*

There are a number of factors that commonly affect the automotive industry, many of which are beyond CIL's control. Such factors include:

- changes in general economic conditions, tightening of credit and/or other factors that may adversely impact retail sales;
- changes in car registration and circulation taxes, currency exchange rates and/or other factors may favour the importation of used cars which may lead to a decrease in sales of new vehicles;
- fluctuations in currency exchange rates and interest rates could adversely affect profitability; and
- reliance on the attractiveness of car models designed by car manufacturers. In certain circumstances design, quality and other factors of a particular model may adversely impact the level of demand for such cars.

If any of the risks described above were to materialise, they could have an adverse effect on the financial results and trading prospects of CIL and in turn, may impact negatively the Group's results of operations and financial condition.

### 2.3.8 *CIL is dependent on franchise agreements.*

CIL is highly dependent on its relationship with the car manufacturers which it represents in Malta. In line with Block Exemptions Regulations the distribution agreements with foreign principals have no expiry dates. However car manufacturers may still terminate distribution agreements if CIL fails to keep to the standards set by the foreign principals. This dependence could adversely affect CIL's operating results and growth strategy if it were unable to maintain the existing relationships or replace them with alternative relationships on equivalent terms and conditions.

### 2.3.9 *CIL's credit services operations are exposed to credit risk on its receivables.*

Credit risk is the risk of loss arising from a failure by a customer to meet the terms of any contract with CIL's credit services operations. Credit losses are influenced by general business and economic conditions, including unemployment rates, bankruptcy filings and other factors that negatively affect household incomes, as well as contract terms, customer credit profiles and the new and used automotive market. Negative changes in general business, economic or market factors may have an additional adverse impact on CIL's credit losses and future earnings.

### 2.3.10 *CIL has a number of competitors, some of which may have greater financial resources than CIL.*

A number of CIL's competitors are more diversified than CIL, and compete in all segments of the automotive market. Also, CIL's retail price for its cars may be higher than its competitors, and if price becomes a more important competitive factor for consumers in the automotive market, CIL may be at a competitive disadvantage. In addition, CIL's credit services operations face competition from various banks and other financial institutions that may have access to additional sources of capital at more competitive rates and terms. Failure to adequately



address and respond to these competitive pressures may have a material adverse effect on CIL's business and results of operations.

#### RISKS SPECIFIC TO THE GROUP'S INVESTMENT IN PENDERGARDENS ("PD")

If any of the risks described below were to materialise, they could have an adverse effect on the financial results and trading prospects of PD and in turn, may impact negatively the Group's results of operations and financial condition.

##### *2.3.11 PD is subject to market and economic conditions generally.*

PD is subject to the general market and economic risks that may have a significant impact on the project, its timely completion and budgetary constraints. These include factors such as the state of the local property market, inflation and fluctuations in interest rates, exchange rates, property prices and other economic and social factors affecting demand for real estate generally. In the event that general economic conditions and property market conditions experience a downturn which is not contemplated in PD's planning during the construction and completion of the project, this shall have an adverse impact on the financial condition of PD.

##### *2.3.12 The property market is a very competitive market that can influence the sales of units at Pendergardens.*

The real estate market in Malta is very competitive in nature. An increase in supply and/or a reduction in demand in the property segments in which PD operates and targets to sell the properties being developed, may cause sales of commercial and residential units at Pendergardens to sell at prices which are lower than is being anticipated by PD or that sales of such units are in fact slower than is being anticipated. If these risks were to materialise, particularly if due to unforeseen circumstances there is a delay in the tempo of sales envisaged by PD, they could have a material adverse impact on PD.

##### *2.3.13 PD depends on third parties in connection with its business, giving rise to counterparty risks.*

PD relies upon third party service providers such as architects, building contractors and suppliers for the construction and completion of the project. PD has engaged, and will engage in future, the services of third party contractors for the purpose of the development of the project including excavation, construction and finishing of the developments in a timely manner and within agreed cost parameters. This gives rise to counter-party risks in those instances where such third parties do not perform in line with PD's expectations and in accordance with their contractual obligations. If these risks were to materialise, the resulting development delays in completion could have an adverse impact on PD's businesses, and their respective financial condition, results of operations and prospects.

##### *2.3.14 Material risks relating to real estate development may affect the economic performance and value of the property under development.*

There are a number of factors that commonly affect the real estate development industry, many of which are beyond PD's control, and which could adversely affect the economic performance and value of the PD's real estate property under development. Such factors include:

- changes in general economic conditions in Malta;
- general industry trends, including the cyclical nature of the real estate market;
- changes in local market conditions, such as an over-supply of similar properties, a reduction in demand for real estate or change of local preferences and tastes;
- possible structural and environmental problems;
- acts of nature, such as earthquakes and floods, that may damage the property or delay its development; and
- increased competition in the market segment in which the Issuer is undertaking the real estate development may lead to an oversupply of commercial or residential properties in such markets, which could lead to a lowering of prices and a corresponding reduction in revenue of PD from the project.

Any of the factors described above could have a material adverse effect on PD's business, its respective financial condition and prospects.

##### *2.3.15 PD's project relies on sales of units and garage spaces for completion.*

PD makes reliance on the revenues that it expects to generate from the sale of a number of units and garage spaces forming part of the project to be able to complete the development of the whole project. If the proceeds from sales of commercial and residential units and/or garage spaces is not in line with expectations or if the proceeds from sales is lower than expectations, PD may be unable to complete the development of the whole project, which could itself have a material adverse impact on the generation of sufficient cash by PD.

### *2.3.16 PD may be exposed to environmental liabilities attaching to real estate property.*

PD may become liable for the costs of removal, investigation or remediation of any hazardous or toxic substances that may be located on or in, or which may have migrated from, a property owned or occupied by it, which costs may be substantial. PD may also be required to remove or remediate any hazardous substances that it causes or knowingly permits at any property that it owns or may in future own. Laws and regulations, which may be amended over time, may also impose liability for the presence of certain materials or substances or the release of certain materials or substances into the air, land or water or the migration of certain materials or substances from a real estate investment, including asbestos, and such presence, release or migration could form the basis for liability to third parties for personal injury or other damages. These environmental liabilities, if realised, could have a material adverse effect on its business, financial condition and results of operations.

## **OTHER RISKS GENERALLY APPLICABLE TO THE BUSINESS OF THE UNITED GROUP**

### *2.3.17 Dependence on the Maltese market*

The United Group's business activities are concentrated in and aimed at the Maltese market. Accordingly, the United Group is highly susceptible to the economic trends that may from time to time be felt in Malta. Negative economic factors and trends in Malta, particularly those having an effect on consumer demand, would have a negative impact on the business of the United Group.

### *2.3.18 The Group's key personnel and management have been and remain material to its growth.*

If one or more of the directors, management team and other personnel were unable or unwilling to continue in their present position in one or more companies forming part of the Group, such company, 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.

### *2.3.19 The Group's indebtedness could adversely affect its financial position.*

The Group has a material amount of debt and may incur additional debt in connection with its strategic development and future growth.

Substantial borrowings under bank credit facilities are at variable interest rates, which causes the Group to be vulnerable to increases in interest rates. The agreements regulating the Group's bank debt impose and are likely to impose significant operating restrictions and financial covenants on the Group. These restrictions and covenants could limit the Group's ability to obtain future financing, make capital expenditure, withstand a future downturn in business or economic conditions generally or otherwise inhibit the ability to conduct necessary corporate activities.

A portion of the cash flow generated from the Group's operations is utilised to repay their debt obligations pursuant to financial covenants to which they are subject. This gives rise to a reduction in the amount of cash available which would otherwise be available for funding of the Group's working capital, capital expenditure and other general corporate costs, or for the distribution of dividends.

### *2.3.20 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.

### *2.3.21 Exposure to economic conditions.*

The Group is susceptible to adverse economic developments and trends both locally and overseas. Negative economic factors and trends could have a material impact on the business of the Group generally, and may adversely affect revenues and results of operations.

## 3 IDENTITY OF DIRECTORS, ADVISORS AND AUDITORS OF THE ISSUER

### 3.1 DIRECTORS

As at the date of this Registration Document, the Board of Directors of the Issuer is constituted as follows:

Carmen Gatt Baldacchino	Chairperson
Edmund Gatt Baldacchino	Chief Executive Officer
Simon Gatt Baldacchino	Non-Executive Director
James Bonello	Independent Non-Executive Director
Joseph F.X. Zahra	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 to the Issuer**” have advised and assisted the Directors in the drafting and compilation of the Prospectus.

### 3.2 ADVISORS TO THE ISSUER

#### *Legal Counsel*

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Name: Camilleri Preziosi  
Address: Level 3, Valletta Buildings, South Street,  
Valletta VLT 1103 - MALTA

#### *Financial Advisors*

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Name: PricewaterhouseCoopers  
Address: 78, Mill Street,  
Qormi QRM 3101 - MALTA

#### *Sponsor*

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

#### *Registrar*

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

### 3.3 AUDITORS

Name: PricewaterhouseCoopers  
Address: 78, Mill Street,  
Qormi QRM 3101 - MALTA

The annual statutory financial statements of the Issuer for the financial years ended 31 December 2011, 2012 and 2013 have been audited by PricewaterhouseCoopers. PricewaterhouseCoopers 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).

The auditors have not resigned, nor have they been removed or reappointed during the period covered by the historic financial information.

## 4 INFORMATION ABOUT THE ISSUER AND THE GROUP

### 4.1 HISTORICAL DEVELOPMENT

#### 4.1.1 Introduction

Full Legal and Commercial Name of the Issuer:	United Finance p.l.c.
Registered Address:	GB Buildings 2 <sup>nd</sup> Floor, 28, Watar Street, Ta'Xbiex XBX 1310
Place of Registration, Domicile and Law under which the Issuer operates:	Malta, Maltese Law
Registration Number:	C 26598
Date of Registration:	26 June 2000
Legal Form:	The Issuer is lawfully existing and registered as a public limited liability company in terms of the Act
Telephone Number:	+356 2338 8000
Fax:	+356 2134 7478
Email:	info@unitedgroup.com.mt
Website:	www.unitedgroup.com.mt

The principal object of the Issuer is to carry on the business of a finance and investment company within the Group. The Issuer does not itself carry on any trading activities apart from the raising of capital and the advancing thereof to members of the Group, and the leasing of commercial space within the Investment Property. Accordingly, the Issuer is economically dependent on the operations and performance of the United Group.

#### 4.1.2 Overview of the Issuer's business

The Issuer was incorporated on 26 June 2000 for the purpose of acting as a finance company for the Group, principally by assuming the credit risk evaluation of accounts receivable. In line with its activities, in September 2000, the Issuer issued to the general public in Malta €9,317,494 (Lm4 million) 6.75% bonds redeemable at par. The bonds were listed on the Malta Stock Exchange and matured on 31 October 2008.

In June 2008, the Issuer issued €12,000,000 6.75% bonds of €100 each, redeemable at par between 2014 and 2016. The bonds are listed on the Official List of the MSE. The net bond proceeds of the issue were utilised to re-finance the redemption of the above bond, to finance the operations of United Automobile Limited and United Garage Limited, and to fund investments in Pendergardens and the retail fashion sector.

Set out below are highlights extracted from the audited financial statements of the Issuer for the years ended 31 December 2011, 2012 and 2013, which have been published and are available at the Issuer's registered office.

#### UNITED FINANCE PLC

Financial year ended 31 December	2013	2012	2011
	€	€	€
Investment and other related income	1,018,945	937,463	991,022
Interest payable and similar charges	(816,277)	(824,847)	(839,958)
Profit for the year	709,773	6,421	17,314
Total assets	16,934,301	16,068,779	16,170,390
Total equity	4,343,084	3,605,596	3,570,708

During the three years under review, the Issuer generated rental income from the lease of space at the Investment Property, investment income from a portfolio of available-for-sale investments, and earned interest income principally from outstanding bills of exchange and amounts on-lent to companies within the United Group. Interest payable mainly related to interest due on the €12 million 6.75% bonds 2014 – 2016.

The increase in profit to €709,773 in the financial year ended 31 December 2013 primarily related to an increase in fair value of the Investment Property amounting to €702,471. At year end, the carrying value of the Investment Property was of €4.55 million.

The Issuer is not party to any principal investments, and has not entered into or committed for any principal investments subsequent to 31 December 2013, being the date of the latest audited financial statements of the Issuer.

**4.1.3 Historical development of the United Group**

The United Group was established some 90 years ago by the late Carmelo Gatt Baldacchino with the formation of the United Motor Company, a transportation company engaged in the field of bus service and chauffeur-driven vehicle services. With the rapid growth of the tourism industry in Malta in the 1960’s, the company, under the leadership of Carmelo’s son, Charles Gatt Baldacchino, diversified its business activities by establishing operations in destination management services, including leisure and excursion services for leading international tour operators. With the continued growth of the tourism industry in Malta and the lack of proper transportation facilities and infrastructure to handle such growth, Charles Gatt Baldacchino ventured into car rental services. This business performed well over the years and in 1961 was granted the Hertz franchise for Malta, a franchise still held today. The United Group operates the car rental business through United Garage Limited. In 1992, the company expanded its services by setting up a vehicle leasing division with the backing of Hertz Leasing.

In 1982, United Automobile Limited was appointed sole representative in Malta of the renowned car manufacturer Adam Opel A.G., and in 1991 was granted the sole distribution rights for the Saab brand. On 1 July 2011, United Automobile Limited agreed to merge its car dealership operations with the business of Easysell Kia (Malta) Limited through the setting up of a new company – Cars International Limited. CIL is equally owned by the United Group and the Tumas Group and represents Kia, Opel, and DFM automotive brands in Malta. In 2006 the Group branched out in vehicle recovery and towing services through the acquisition of the CAA business.

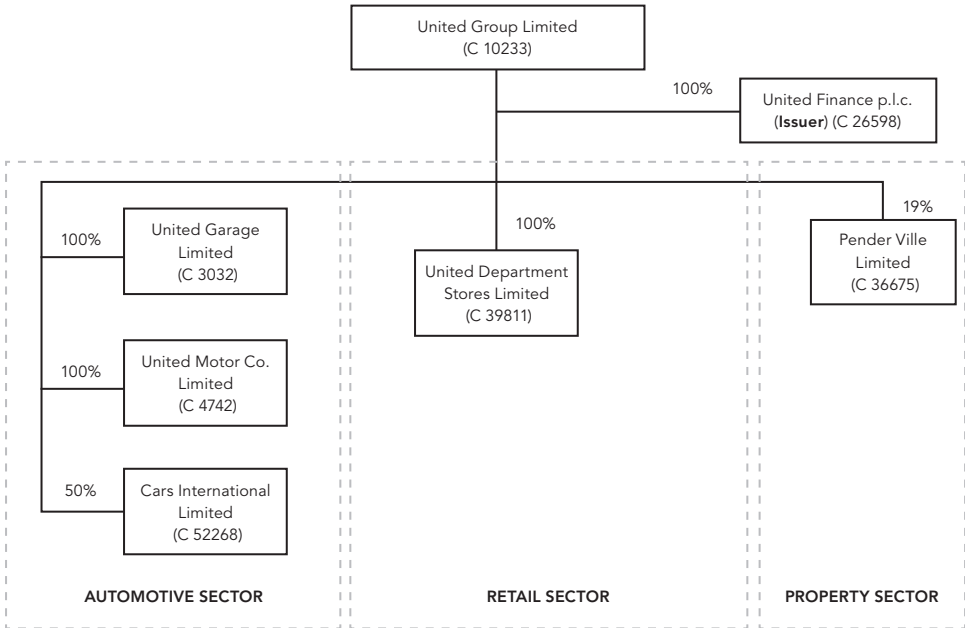
During the past few years, the United Group implemented a revised strategy to enhance diversification of the Group’s activities. The Group ventured in the retail sector operating two Debenhams department stores in Malta and two female fashion outlets, one in Sliema and the other in Valletta. In addition, the United Group has an interest in a major property development project through the acquisition of 19.23% of the equity capital of Pender Ville Limited.

There have been no recent events particular to the Issuer which are materially relevant to the evaluation of the Issuer’s solvency.

**4.1.4 Group organisational structure**

The Issuer is a wholly owned subsidiary of UGL and has an authorised share capital of €2,500,000 divided into 2,500,000 ordinary shares of €1 each. The issued share capital amounts to €2,329,373 divided into 2,329,373 ordinary shares of €1 each, fully paid up.

As the finance company of the Group, the Issuer is ultimately dependent upon the operations and performance of the Group’s operating companies. The organisational structure of the Group is illustrated in the diagram below:



United Group Limited is the parent company of the United Group and is primarily focused on establishing and monitoring strategic direction and development of the Group. During the current financial year ending 31 December 2014, the Group initiated a corporate restructuring exercise as follows:

- United Automobile Limited (C 5845), G&G Automobile Limited (C 29084) and Gatt Estates Limited (C 4171) are non-operating companies and will be merged with UGL;
- United Retail Limited (C 36776), the operator of fashion retail outlets, was merged on 26 June 2014 with United Department Stores Limited (C 39811), the franchisee for the Debenhams brand. The brands will now be marketed through the latter company;
- United Assets and Management Services Limited (C 27053) is principally engaged in providing management services and support to Group companies. This company will be merged with UGL in the last quarter of 2014.

The aforementioned companies have been excluded from the Group organisational chart to reflect the position of the Group after the restructuring is completed.

The United Group is organised into three distinct business units as detailed in sections 4.1.5 to 4.1.8 below.

#### **4.1.5 Automotive**

The companies forming part of this segment are primarily engaged in: (i) the importation and servicing of motor vehicles and the sale of parts and accessories; (ii) car rental and leasing service; and (iii) vehicle recovery and towing service.

Prior to 2011, Opel vehicles were distributed in Malta by United Automobile Limited. As a result of increased competition over the years in the local market, both from new motor vehicle franchises and models imported at competitive prices, the United Group agreed on 1 July 2011 to merge its car dealership business with the operations of Easysell Kia (Malta) Limited. The newly formed company, Cars International Limited, is equally owned by the United Group and the Tumas Group and represents Kia, Opel and DFM automotive brands in Malta.

The principal objectives supporting this transaction are as follows:

- Substantial cost savings have been achieved through the consolidation of human resources, property costs and selling, general and administrative overheads of both companies; and
- The newly merged operation is in a position to offer a wider variety of models in different segments and at various price levels, since it represents three car dealership franchises. This allows the company to have a superior presence across all market segments in the private vehicle classes in Malta. The merger has lessened CIL's dependence on any particular model.

CIL operates from premises owned by Easysell Kia (Malta) Limited in Mdina Road, Qormi, Malta and includes a showroom and delivery area measuring 702m<sup>2</sup> and 435m<sup>2</sup> respectively. The after-sales and service centre is located in Pantar Road, Lija, Malta and measures *circa* 2,000m<sup>2</sup>, with an additional 2,000m<sup>2</sup> reserved for customer parking. The property is leased from a third party company.

The United Group operates the car rental business under the Hertz brand through United Garage Limited. The company owns and manages a fleet of self drive and leasing vehicles, and has over the years established a network of strategically located Hertz branded retail outlets at vantage points around Malta, including Malta International Airport and main tourist resorts, thus ensuring a convenient and efficient service to customers.

United Garage Limited has recently launched a new brand in Malta, namely Firefly, also owned by Hertz. Firefly addresses the budget value segment of the car rental market. In this respect, United Garage Limited plans to price the Firefly fleet of vehicles at highly competitive rates. This will enable the company to increase its market spread and maintain a better pricing and yield model for its branded fleet.

In the early 1990s United Garage Limited also diversified its activities into car leasing, which it operates under the Hertz Leasing brand. This was a natural extension of the company's rent-a-car activities.

In January 2006 the Group through its subsidiary United Motor Company Limited (UMCL) acquired the business of CAA road towing and road assistance service. Despite the acquisition being a new venture for the Group, the Group's experience acquired throughout the years in the automotive services sector and the greater synergy within the Group's automotive division, ensures that UMCL's customers are provided with the best possible service.

#### **4.1.6 Fashion retail**

The United Group is the appointed franchisee in Malta of Debenhams and two other women's fashion brands. The latter two brands are marketed through two outlets located in Tower Road, Sliema and Zachary Street, Valletta and offer a range of women's fashion clothing and accessories.

In the first quarter of 2010, United Department Stores Limited opened the Debenhams department store at The Point Shopping Centre in Sliema, Malta. Debenhams' key product categories include womenswear, menswear, childrenswear and homeware. Since introducing Debenhams to the local market four years ago the Group has experienced encouraging year-on-year sales growth, which instigated the Group to open, in November 2012, a second Debenhams store at the Main Street Shopping Complex in Paola, Malta.

The Directors are of the view that the Debenhams brand, with its reputation for quality apparel at reasonable prices, has carved a competitive position in the apparel market in Malta. With an experienced Board and management team, the Group has the necessary expertise to further develop the Debenhams brand in Malta and fulfil its potential for future growth.

The key objective of the Group for its retail operations is to strengthen recognition of each of its brands, in particular Debenhams, within their respective target markets, enhance revenue growth and maintain efficiency at the operational level. At the same time, the Directors will continue to explore opportunities to invest in other retail concepts that offer features that are attractive to the Group in terms of benefits from possible synergies and revenue expansion.

#### **4.1.7 Property**

The United Group has an interest in Pendergardens located in St Julians, Malta through the ownership of 19.23% of the equity capital of Pender Ville Limited. The Pendergardens Group was set up in July 2005 to acquire and develop the Pender Place site which covers an area of 18,500m<sup>2</sup> (known as Pendergardens) and the Mercury House site having a footprint of 8,500m<sup>2</sup> (known as The Exchange).

Pendergardens, which has a Special Designated Area status, is being developed in two phases. The first phase has been completed and includes 150 residential apartments spread over 6 blocks (Blocks 10 to 15) together with 406 car park spaces ("Phase I"). As at the date of this Prospectus, 149 apartments and 183 car park spaces have been sold over a six-year period to a mix of Maltese residents (46%) and foreigners (EU nationals – 43%, non-EU nationals – 11%). The remaining one apartment was not placed on the market due to its proximity to the next phase of development. Construction of Phase II commenced in 2012 and includes the development of (i) Block 16 having a gross floor area measuring *circa* 16,404m<sup>2</sup> and consisting of 46 residential apartments, double height commercial space (1,336m<sup>2</sup>) and four levels of underlying car park; (ii) Block 17 having a gross floor area measuring *circa* 20,771m<sup>2</sup> and consisting of 43 residential apartments, commercial space (5,853m<sup>2</sup>) and underlying car park; and (iii) Towers I & II comprising a gross floor area measuring *circa* 22,684m<sup>2</sup>, and which will offer 30 residential apartments and 8,784m<sup>2</sup> of office and retail space. It is projected that Phase II will be completed by mid-2018 and all units will be sold by the end of 2022.

The Exchange is earmarked for commercial use and will be promoted as a financial and business centre. It will consist of 16,700m<sup>2</sup> of office space within two towers and 10,800m<sup>2</sup> of retail and leisure outlets fronting a large public piazza. Car park spaces, numbering *circa* 476, will be available in the underground levels with direct vertical access to the offices and outlets. In 2009, an area measuring 950m<sup>2</sup> was sold to FIMBank plc, an international trade finance bank listed on the Malta Stock Exchange. Construction works were completed in September 2011 and the bank transferred its operations to the new premises in June 2012.

#### **4.1.8 Business development strategy**

The United Group believes in diversification not only by way of a business strategy but also as a risk management policy for the benefit of all its stakeholders. The Group has evolved at a relatively rapid pace over the last four to five years and has diversified its operations from its core automotive business to investments in fashion retail and property. Such investments were executed through the acquisition of new operations as well as through strategic joint ventures with well established business partners that share and complement the Group's core business values. The Group's strategy is to consolidate and grow market share of its current business portfolio, and shall maintain its on-going pursuit for new, prudent and sustainable investment and business opportunities.

To sustain business growth and competitiveness the Group is streamlining its organisational structure to improve efficiency and enhance through the recruitment of professional management and strict cooperate governance its strategic focus at operational level. Furthermore, the Group is restructuring its borrowings to better match the funding requirements of its operations and manage debt repayment programmes, which concurrently should result in a reduction in Group finance costs.

## **5 TREND INFORMATION AND FINANCIAL PERFORMANCE**

### **5.1 TREND INFORMATION**

There has been no material adverse change in the prospects of the Issuer since the date of publication of its latest audited financial statements.

**At the time of publication of this Registration Document, the Issuer considers that its future performance is intimately related to the United Group. The Issuer considers that generally the United Group will be subject to the normal business risks associated with the industries in which it is involved 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 the United Group and its business, at least with respect to the current financial year and the forecast year ending 31 December 2015.**

## The Issuer

The Issuer owns the Investment Property at Ta'Xbiex, Malta which is at present fully occupied. As a result, management is primarily involved in its upkeep in order to retain current tenants and attract prospective clients at better rates in the eventuality of expiring lease agreements. Due to its ideal location and good demand for commercial space in the Sliema – Ta'Xbiex area, management is optimistic that full occupancy can be retained in the foreseeable future.

## United Group

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

### (i) Automotive

Trends in vehicle sales in Malta are satisfactory and CIL is well positioned to at least maintain its market share. The company represents well regarded automobile brands locally and in particular, Opel and Kia are among the top selling brands in Malta. New vehicle model launches by the brand companies augur well for the future trading prospects of CIL. Such prospects, together with increased marketing and new services being offered, including the option for clients to purchase vehicles on hire purchase terms, should maintain the company's competitive edge in the local market.

In the car hire and leasing market the United Group will continue to leverage its experience as franchisee of Hertz for more than 50 years in order to exploit further opportunities arising from the tourism market, evolving requirements from holiday makers and corporate client requirements. The local tourism sector is currently performing at record levels and as such the Group is focused to reflect same in its car rental business. In order to increase market share and increase its offerings, the Group has launched a new brand, Firefly, which is part of Hertz International multi brand portfolio. Firefly is a budget car rental brand which will enable the United Group to compete with other deep value brands. In this respect, the Directors are projecting that its fleet of vehicles will gradually increase from the current complement of vehicles.

In the towing and roadside assistance sector, the Group will continue to consolidate its market share and its business relationships with top local corporate clients, having regard to emerging industry trends and service quality levels.

### (ii) Fashion 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, some brands are performing better than others and continue to be sought after. Given that the Group's brands, particularly Debenhams, are top international brands in the fashion retail sector, the Directors are confident that the Group's outlets can compete well for market share in Malta.

### (iii) Property

The property market in Malta has been somewhat subdued in the last few years. Notwithstanding the softening of this market, there is still active demand for owning property at Pendergardens, albeit at lower levels than at the height of the property market in 2007. The Directors are satisfied that their target of selling the full complement of units, which were placed on the market to date, has been achieved and are confident that demand for the remaining apartments in Phase II of the project will be equivalent.

The commercial element of Phase II (commercial/retail/office area) is also expected to be appealing to prospective tenants and investors given that the frontage will be situated on a main arterial road and thereby offering maximum exposure. Moreover, the area enjoys a high level of activity as it is surrounded by a number of hotels (mostly in the five-star category), office blocks, including those to be developed at The Exchange Financial and Business Centre, and various retail, food and beverage outlets.

## 5.2 KEY FINANCIAL REVIEW

The financial information about the Issuer and UGL is 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 financial statements of the Issuer and the audited consolidated financial statements of UGL for the years ended 31 December 2011, 2012 and 2013.



## 5.2.1 Financial review of the Issuer

United Finance p.l.c.			
Income Statement for the years ended 31 December			
	2013	2012	2011
	(€'000)	(€'000)	(€'000)
<b>Revenue</b>			
Rental income from Investment Property	224	147	178
Dividends and interest receivable on available-for-sale investments	87	32	25
Interest receivable from Group companies	637	652	639
Bank and bills of exchange interest receivable	71	106	149
<b>Total revenue</b>	<b>1,019</b>	<b>937</b>	<b>991</b>
Interest payable and similar charges	(816)	(824)	(840)
<b>Gross profit</b>	<b>203</b>	<b>113</b>	<b>151</b>
Administrative expenses	(105)	(107)	(133)
Fair value gains on the Investment Property	702	-	-
<b>Profit before tax</b>	<b>800</b>	<b>6</b>	<b>18</b>
Taxation	(90)	-	(1)
<b>Profit after tax</b>	<b>710</b>	<b>6</b>	<b>17</b>

United Finance p.l.c.			
Balance Sheet as at 31 December			
	2013	2012	2011
	(€'000)	(€'000)	(€'000)
<b>ASSETS</b>			
Non-current assets	12,695	12,299	12,997
Current assets	4,239	3,770	3,173
<b>Total assets</b>	<b>16,934</b>	<b>16,069</b>	<b>16,170</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>	<b>4,343</b>	<b>3,606</b>	<b>3,571</b>
<b>Liabilities</b>			
Non-current liabilities	12,069	12,006	12,135
Current liabilities	522	457	464
<b>Total liabilities</b>	<b>12,591</b>	<b>12,463</b>	<b>12,599</b>
<b>Total equity and liabilities</b>	<b>16,934</b>	<b>16,069</b>	<b>16,170</b>

United Finance p.l.c.			
Cash Flow Statement for the years ended 31 December			
	2013	2012	2011
	(€'000)	(€'000)	(€'000)
Net cash from operating activities	(182)	(48)	(575)
Net cash from investing activities	(546)	(529)	20
Net cash from financing activities	605	1,030	939
<b>Net movement in cash and cash equivalents</b>	<b>(123)</b>	<b>453</b>	<b>384</b>
Cash and cash equivalents at beginning of year	1,190	737	353
<b>Cash and cash equivalents at end of year</b>	<b>1,067</b>	<b>1,190</b>	<b>737</b>

In the past three financial years the Issuer recorded annual average revenue of €0.98 million, principally generated from interest receivable on amounts on-lent to Group companies and from leases of commercial space at the Investment Property.

By 31 December 2013 the Investment Property was fully leased to third parties, except for one floor which is occupied by the Group. Other than the lease contract for the ground floor showroom which expires in 2035, the lease agreements are for terms which expire between 2016 and 2017, but are automatically renewed for further periods unless otherwise advised by the respective lessees. For the financial year ended 31 December 2013, the Issuer registered an increase of €0.70 million in the fair value of the Investment Property to €4.55 million.

Apart from the Investment Property, total assets of the Issuer primarily comprise loans and receivables due from Group companies (FY2013: €7.36 million) and cash and cash equivalents (FY2013: €1.07 million). As to total liabilities, an amount of €11.52 million of an aggregate €12.59 million related to the issuance of 6.75% bonds 2014 – 2016.

## 5.2.2 Interim financial results of the Issuer

Set out below are the interim financial results of the Issuer for the six months ended 30 June 2013 and 2014. The said results, which are unaudited, have been published and are available at the Issuer's registered office.

United Finance p.l.c.		
Income Statement for the six month period ended 30 June	2014 (€'000)	2013 (€'000)
<b>Revenue</b>		
Investment and other related income	493	489
Interest payable and similar charges	(409)	(408)
<b>Gross profit</b>	<b>84</b>	<b>81</b>
Administrative expenses	(41)	(57)
Impairment on available-for-sale financial assets	(36)	-
<b>Profit before tax</b>	<b>7</b>	<b>24</b>
Taxation	-	-
<b>Profit after tax</b>	<b>7</b>	<b>24</b>

United Finance p.l.c.		
Balance Sheet as at	30/06/14 (€'000)	31/12/13 (€'000)
<b>ASSETS</b>		
Non-current assets	11,346	12,695
Current assets	5,247	4,239
<b>Total assets</b>	<b>16,593</b>	<b>16,934</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>	<b>4,249</b>	<b>4,343</b>
<b>Liabilities</b>		
Non-current liabilities	12,085	12,069
Current liabilities	259	522
<b>Total liabilities</b>	<b>12,344</b>	<b>12,591</b>
<b>Total equity and liabilities</b>	<b>16,593</b>	<b>16,934</b>

United Finance p.l.c.		
Cash Flow Statement for the period ended 30 June	2014 (€'000)	2013 (€'000)
Net cash from operating activities	(658)	(535)
Net cash from investing activities	723	(363)
Net cash from financing activities	1,026	163
<b>Net movement in cash and cash equivalents</b>	<b>1,091</b>	<b>(735)</b>
Cash and cash equivalents at beginning of year	1,401	1,190
<b>Cash and cash equivalents at end of year</b>	<b>2,492</b>	<b>455</b>

During the period under review, the Issuer registered a gross profit amounting to €84,423 (2013: €81,127). Revenue was primarily generated from interest on loans, bills of exchange and rental income, which amounted to €492,734 (2013: €489,086). In the said period, the Issuer recorded an impairment charge of €35,701 on available-for-sale investments. Profit for the period amounted to €6,697 (2013: €23,580).

### 5.2.3 Financial review of the Group

United Group Limited Consolidated Income Statement for the years ended 31 December	2013 (€'000)	2012 (€'000)	2011 (€'000)
<b>Revenue</b>			
Automotive	2,404	2,392	4,104
Property	203	128	132
Fashion retail	6,814	6,197	5,872
<b>Total revenue</b>	<b>9,421</b>	<b>8,717</b>	<b>10,108</b>
Other income	46	215	129
Direct costs and administrative expenses	(7,996)	(7,779)	(9,239)
<b>EBITDA</b>	<b>1,471</b>	<b>1,153</b>	<b>998</b>
Depreciation	(801)	(639)	(710)
Share of results of associates and jointly controlled entities	27	146	455
Gain on transfer of business	-	-	12
Fair value gains on the Investment Property	702	-	-
Net finance costs	(784)	(871)	(886)
<b>Profit/(loss) before tax</b>	<b>615</b>	<b>(211)</b>	<b>(131)</b>
Taxation	(85)	93	50
<b>Profit/(loss) after tax</b>	<b>530</b>	<b>(118)</b>	<b>(81)</b>

United Group Limited Consolidated Balance Sheet as at 31 December	2013 (€'000)	2012 (€'000)	2011 (€'000)
<b>ASSETS</b>			
Non-current assets	16,025	14,931	14,570
Current assets	5,660	5,296	5,130
<b>Total assets</b>	<b>21,685</b>	<b>20,227</b>	<b>19,700</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>	<b>2,685</b>	<b>2,128</b>	<b>2,209</b>
<b>Liabilities</b>			
Non-current liabilities	12,296	12,238	12,429
Current liabilities	6,704	5,861	5,062
<b>Total liabilities</b>	<b>19,000</b>	<b>18,099</b>	<b>17,491</b>
<b>Total equity and liabilities</b>	<b>21,685</b>	<b>20,227</b>	<b>19,700</b>

United Group Limited Consolidated Cash Flow Statement for the years ended 31 December	2013 (€'000)	2012 (€'000)	2011 (€'000)
Net cash from operating activities	1,384	1,710	798
Net cash from investing activities	(1,087)	(1,268)	(263)
Net cash from financing activities	(538)	617	(186)
<b>Net movement in cash and cash equivalents</b>	<b>(241)</b>	<b>1,059</b>	<b>349</b>
Cash and cash equivalents at beginning of year	800	(259)	(608)
<b>Cash and cash equivalents at end of year</b>	<b>559</b>	<b>800</b>	<b>(259)</b>

## Review of performance

Total Group revenue in the last financial year amounted to €9.4 million. This represents the consolidated revenues of all subsidiaries of the Group. In line with the decision by the Group to merge its car dealership operation with the Tumas Group through the setting up of a jointly controlled company (CIL), the Group in FY2012 registered a decrease in its consolidated revenue of 14% over the previous year since revenues from associated companies such as CIL were no longer consolidated on a line by line basis, but represented in the income statement below the operating profit line as 'share of results of associates and jointly controlled entities'. In FY2013, automotive revenue remained broadly stable at circa €2.4 million. With respect to fashion retail, the Group recorded a healthy increase in income of 16% from €5.9 million FY2011 to €6.8 million FY2013, equivalent to a compounded annual average growth rate of 7.7%.

During the three years under review, EBITDA increased from €1 million in FY2011 to €1.5 million in FY2013, which reflected a progressive increase in the EBITDA margin of the Group from 10% in FY2011 to 13% in FY2012 and 16% in FY2013. Net finance costs decreased marginally from €871,000 to €784,000 in FY2013. The Issuer registered in FY2013 an increase of €702,000 in the fair value of the Investment Property which is reflected in the Group consolidated income statement. Overall, the net results of the Group improved from a net loss of €81,000 in FY2011 to a net profit of €530,000 in FY2013.

## Statement of affairs

Total assets of the Group as at 31 December 2013 amounted to €21.7 million (FY2012: €20.2 million) and primarily comprise:

- Property, motor vehicles and other tangible assets amounting to €5.9 million (FY2012: €5.9 million);
- The Investment Property valued at €4.5 million (FY2012: €3.8 million);
- Investments in CIL and Pendergardens, including amounts receivable from Pendergardens totalling €3.8 million (FY2012: €3.7 million);
- Available-for-sale investments of €1.3 million (FY2012: €1.0 million);
- Inventories, trade and other receivables amounting to €3.1 million (FY2012: €3.2 million); and
- Cash and cash equivalents of €2.9 million (FY2012: €2.4 million).

Total liabilities of the Group include the 6.75% bonds 2014-2016 and bank borrowings in aggregate amounting to €14.1 million (FY2012: €14.0 million), trade and other payables totalling €4.1 million (FY2012: €3.5 million), and deferred tax liabilities of €0.8 million (FY2012: €0.7 million).

# 6 MANAGEMENT

## 6.1 THE BOARD OF DIRECTORS OF THE ISSUER

The Issuer is managed by a board of five directors entrusted with the overall direction and management of the Issuer. The Board currently consists of a non-executive Chairperson, one Executive Director and three Non-Executive Directors. The business address of each Director is the registered office of the Issuer.

### 6.1.1 Executive Director

The Executive Director of the Issuer is entrusted with the company's day-to-day management and is also a director or officer of other companies within the United Group. He is supported in this role by several consultants and benefits from the know-how gained by members and officers of the Group.

### 6.1.2 Non-Executive Directors

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

The Non-Executive Directors are Simon Gatt Baldacchino, James Bonello and Joseph F.X. Zahra. James Bonello and Joseph F.X. Zahra are considered to be independent of the Issuer and they hold a majority on the Issuer's Audit Committee. (See "Audit Committee" in section 8 below).

### 6.1.3 Curriculum vitae of Directors of the Issuer

#### Carmen Gatt Baldacchino - Chairperson

Carmen Gatt Baldacchino is co-owner and Chairperson of UGL. As wife of the late Charles Gatt Baldacchino, she was actively involved in the running of the various companies, and together with her late husband was responsible for the development of the Group from one small garage in Sliema to an organization employing over 135 people.

#### Edmund Gatt Baldacchino - Executive Director

Edmund Gatt Baldacchino is co-owner, a director and Chief Executive Officer of United Group Limited. He initiated and directed various expansions and diversification projects which resulted in the evolution of the United Group to its present level of development. He is also Chairman of Penderville Limited and its subsidiaries and a director of Cars International Limited and its subsidiaries. He has also served on a number of Boards of various public entities.

#### **Simon Gatt Baldacchino - Non-Executive Director**

Simon Gatt Baldacchino is co-owner, a director and Chief Operating Officer of United Group Limited. He is the managing director of United Garage Limited and United Departments Stores Limited. He holds directorship positions on companies the United Group directly holds interests in, including Cars International Limited and Penderville Limited.

#### **James Bonello - Independent Non-Executive Director**

James Bonello has held several senior management positions at HSBC Bank (Malta) p.l.c., including that of Head of Commercial Banking and executive director on the board. He retired from these positions in March 2004 after close to forty years of active service in the banking sector. In 2004, Mr Bonello was appointed Secretary General of the Malta Bankers' Association, a position which he currently holds on a full time basis. He served for ten years on the Council of the Institute of Bankers (Malta Centre), also serving as President in the last two years of his tenure. Mr Bonello also served for three years as Chief Executive of the Malta International Business Authority (now the Malta Financial Services Authority).

#### **Joseph F.X. Zahra - Independent Non-Executive Director**

Joseph F.X. Zahra is an economist and founding partner and Managing Director of MISCO, the independent consulting group operating in Malta, Italy and Cyprus. He has a wealth of practical Board experience gained from over many years of leading organizations in the private and government sectors in both an executive and non-executive Director capacity. He has a long history of working effectively with Chairs, Directors and Senior Executives to improve corporate performance. He has been a consultant and board facilitator in the corporate world, for over 25 years guiding executives in changing the way they do business, using new technologies and business models. He has addressed numerous seminars on industrial development, managerial economics, financial services and management all over Europe as well as in North America, consulting companies and organizations, across a diverse range of industries and professions.

He is a former director of the Central Bank of Malta and former member of its Monetary Policy Committee, former Chairman of Bank of Valletta p.l.c., Maltacom p.l.c., and Middlesea Insurance p.l.c. as well as Chairman of the National Commission for Higher Education and the Malta Arts Council. In 2005 he was appointed by the Prime Minister of Malta as the Chairman of the National Euro Changeover Committee. In July 2013, Pope Francis appointed him President of the Commission for the reforms of the economic and administrative structures of the Holy See, and he now holds the position of Vice Coordinator of the Council for the Economy of the Vatican. He sits on a number of boards of directors of both private and listed companies operating in financial services, oil services, transportation, retailing and accommodation.

#### **6.1.4 Service contracts of the Issuer's Directors**

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

#### **6.1.5 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. The aggregate amount approved for this purpose during the last Annual General Meeting was €24,500.

For the financial year ended 31 December 2013 the Issuer paid an aggregate of €24,337 to its Directors (2012: €17,807).

#### **6.1.6 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.

#### **6.1.7 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.

#### **6.1.8 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 12.2(d) below.

## **6.2 EMPLOYEES OF THE GROUP**

As at 31 December 2013, the Group had 139 employees (2012: 130), of which 13 (2012: 13) staff members formed part of management and administration, whilst 126 (2012: 117) employees were involved in operations within the automotive and fashion retail divisions. The Issuer does not have any employees of its own.

## 7 MANAGEMENT STRUCTURE

### 7.1 GENERAL

The Issuer is an investment and finance company which does not require an elaborate management structure. Carmen Gatt Baldacchino has been appointed Chairperson and Edmund Gatt Baldacchino as Chief Executive Officer of the Issuer. 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.

### 7.2 CONFLICT OF INTEREST

Carmen Gatt Baldacchino, Edmund Gatt Baldacchino, Simon Gatt Baldacchino and Joseph F.X. Zahra are directors of the Issuer and its parent company UGL. Conflicts of interest could potentially arise in relation to transactions involving the Issuer and UGL.

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 independent Non-Executive Directors on the audit committee provide 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 and/or their other duties which require disclosure in terms of the Regulation.

### 7.3 MAJOR SHAREHOLDERS OF THE ISSUER

UGL currently holds all the issued ordinary shares of the Issuer except for one share which is held by United Garage Limited. The Group is wholly owned directly or indirectly through UGL by Carmen Gatt Baldacchino as to 23%, whilst the remaining 77% is equally divided between Edmund Gatt Baldacchino, Simon Gatt Baldacchino, Dolores Gatt Baldacchino and Josianne Tonna. In terms of the Memorandum and Articles of Association of the Issuer, members are entitled to appoint one director for every 20% of the issued share capital of the Issuer, putting it in a position to appoint a majority of the Directors of the Issuer and accordingly have control over the management and operations of the Issuer.

The Issuer adopts measures in line with the Code of Corporate Governance to ensure that the relationship with UGL 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.

## 8 AUDIT COMMITTEE PRACTICES

The terms of reference of the Audit Committee consist of *inter alia* its support to the Board of Directors 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 made of a majority of Non-Executive Directors and is composed of James Bonello who acts as Chairman, and the two other members are Edmund Gatt Baldacchino and Joseph F.X. Zahra. In compliance with the Listing Rules, James Bonello 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 6.1.3 above.

## 9 COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS

The Issuer is subject to, and complies with, the Code of Principles of Good Corporate Governance (the "Code") forming part of the Listing Rules. The Issuer is confident that the adoption of the Code has resulted 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 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; and
- 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.

## 10 HISTORICAL INFORMATION

The historical financial information for the three financial years ended 31 December 2011, 2012 and 2013 as audited by PricewaterhouseCoopers are set out in the financial statements of the Issuer and in the consolidated financial statements of UGL. Copies of the aforementioned financial statements, together with the unaudited financial statements for the six-month period ended 30 June 2014 of the Issuer, are available from the Issuer's registered office.

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

## 11 LITIGATION

There have not been any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer 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 or of the Group.

## 12 ADDITIONAL INFORMATION

### 12.1 SHARE CAPITAL

The Issuer's current authorised share capital is €2,500,000 divided into 2,500,000 ordinary shares of €1 each. The issued share capital is €2,329,373 divided into 2,329,373 ordinary shares of €1 each, fully paid up, subscribed to as follows: UGL holds 2,329,372 ordinary shares and United Automobile Limited holds the remaining 1 share.

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.

### 12.2 MEMORANDUM AND ARTICLES OF ASSOCIATION

#### (a) Objects

The Memorandum and Articles of Association of the Issuer (C 26598) are registered with the Malta Registry of Companies. The main objects of the Issuer include, *inter alia*: acting as 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 United Group or any of its subsidiaries 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 of the Malta Financial Services Authority.

#### (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 Directors of the Issuer shall consist of a minimum of four and a maximum of five Directors who are appointed in accordance with Article 55.1 and 55.2 of the Articles of Association of the Company, as follows:

- 55.1 (a) A shareholder holding not less than 20 per cent of the issued share capital of the Issuer having voting rights or a number of shareholders who between them hold not less than 20 per cent of the issued share capital of the Issuer having voting rights shall be entitled to appoint one Director for every such 20 per cent holding by letter addressed to the Issuer.
- 55.1(b) Any shareholder who does not qualify to appoint Directors in terms of the provisions of paragraph (a) of this subarticle 55.1, and who has not aggregated his holdings with those of other shareholders for the purposes of appointing a Director(s) pursuant thereto, shall be entitled to participate and vote in an election of Directors to take place once in every year at the Annual General Meeting of the Issuer.
- 55.1(c) Shareholders entitled to appoint Directors pursuant to the provisions of sub-article 55.1(a) shall not be entitled to participate in the election of Directors in terms of paragraph (b) of this sub-article.
- 55.1(d) The Chairman shall be appointed by the Directors at their first meeting following the annual general meeting in each year, save for the first chairman who is appointed by the subscribers of this Memorandum and Articles and who shall retain the post of chairman until such time as he resigns or is earlier removed in accordance with the provisions of these articles regulating the removal of Directors.

### **(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 the 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 of Directors 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.

## **13 MATERIAL CONTRACTS**

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

## **14 INTEREST OF EXPERTS AND ADVISORS**

Save for 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 financial analysis summary has been included in the form and context in which it appears with the authorisation of Charts Investment Management Service Limited of Valletta Waterfront, Vault 17, Pinto Wharf, Floriana FRN 1913, Malta, that has given and has not withdrawn its consent to the inclusion of such report herein. Charts Investment Management Service Limited does not have any material interest in the Issuer. The Issuer confirms that the financial analysis summary has 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.



## 15 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;
- (b) Audited Financial Statements of the Issuer for the years ended 31 December 2011, 2012 and 2013;
- (c) Interim Unaudited Financial Statements of the Issuer for the six-month period ended 30 June 2014;
- (d) Audited Consolidated Financial Statements of UGL for the years ended 31 December 2011, 2012 and 2013;
- (e) The letter of confirmation drawn up by PricewaterhouseCoopers dated 6 October 2014;
- (f) Financial Analysis Summary prepared by Charts Investment Management Service Limited dated 6 October 2014.

Items (b), (c) and (f) above are also available for inspection in electronic form on the Issuer's website at [www.unitedgroup.com.mt](http://www.unitedgroup.com.mt)