

SUMMARY NOTE

This Summary Note is issued in accordance with the provisions of Chapter 4 of the Listing Rules issued by the Listing Authority and of Commission Regulation (EC) No. 809/2004 of 29 April 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council as regards information contained in prospectuses as well as the format, incorporation by reference and publication of such prospectuses and dissemination of advertisements, as amended by Commission Delegated Regulation (EU) No. 486/2012 of 30 March 2012, Commission Delegated Regulation (EU) No. 862/2012 of 4 June 2012, Commission Delegated Regulation (EU) No. 759/2013 of 30 April 2013, Commission Delegated Regulation (EU) No. 382/2014 of 7 March 2014 and Commission Delegated Regulation (EU) No. 2016/301 of 30 November 2015.

Dated 30 January 2017

In respect of an issue of €25,000,000 4.4% Unsecured Bonds 2024
of a nominal value of €1,000 per Bond issued at par

by



VON DER HEYDEN GROUP

VON DER HEYDEN GROUP FINANCE P.L.C.

a public limited liability company registered in Malta with company registration number C 77266

Guaranteed by **TIMAN INVESTMENTS HOLDINGS LIMITED**

a private limited liability company registered in Malta with company registration number C 63335

ISIN: MT0001401208

Prospective investors are to refer to the guarantee contained in Annex B of the Securities Note forming part of the Prospectus for a description of the scope, nature and term of the guarantee. Reference should also be made to the sections entitled “Risk Factors” contained in this Summary Note, the Registration Document and the Securities Note for a discussion of certain risk factors which should be considered by prospective investors in connection with the Bonds and the guarantee provided by Timan Investments Holdings Limited.

THE LISTING AUTHORITY HAS AUTHORISED THE ADMISSIBILITY OF THESE SECURITIES AS A LISTED FINANCIAL INSTRUMENT. THIS MEANS THAT THE SAID INSTRUMENTS ARE IN COMPLIANCE WITH THE REQUIREMENTS AND CONDITIONS SET OUT IN THE LISTING RULES. IN PROVIDING THIS AUTHORISATION, THE LISTING AUTHORITY DOES NOT GIVE ANY CERTIFICATION REGARDING THE POTENTIAL RISKS IN INVESTING IN THE SAID INSTRUMENTS AND SUCH AUTHORISATION SHOULD NOT BE DEEMED OR BE CONSTRUED AS A REPRESENTATION OR WARRANTY AS TO THE SAFETY OF INVESTING IN SUCH INSTRUMENT.

THE LISTING AUTHORITY ACCEPTS NO RESPONSIBILITY FOR THE CONTENTS OF THE PROSPECTUS, MAKES NO REPRESENTATIONS AS TO ITS ACCURACY OR COMPLETENESS AND EXPRESSLY DISCLAIMS ANY LIABILITY WHATSOEVER FOR ANY LOSS HOWEVER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THE PROSPECTUS, INCLUDING ANY LOSSES INCURRED BY INVESTING IN THESE SECURITIES.

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

Legal Counsel



Sponsor, Manager & Registrar





VON DER HEYDEN GROUP

IMPORTANT INFORMATION

THIS SUMMARY NOTE CONSTITUTES PART OF A PROSPECTUS DATED 30 JANUARY 2017 AND CONTAINS INFORMATION ON VON DER HEYDEN GROUP FINANCE P.L.C. IN ITS CAPACITY AS ISSUER AND TIMAN INVESTMENTS HOLDINGS LIMITED IN ITS CAPACITY AS GUARANTOR, THEIR SUBSIDIARIES, AFFILIATES AND THE BUSINESS OF THE GROUP, AND INCLUDES INFORMATION GIVEN IN COMPLIANCE WITH: (A) THE LISTING RULES OF THE LISTING AUTHORITY, THE COMPANIES ACT (CHAPTER 386 OF THE LAWS OF MALTA) AND THE REGULATION (AS DEFINED ON PAGE 4 BELOW); AND (B) THE RULES AND REGULATIONS APPLICABLE TO THE ADMISSION OF SECURITIES ON THE OFFICIAL LIST OF THE MALTA STOCK EXCHANGE.

NO BROKER, DEALER, SALESMAN OR OTHER PERSON HAS BEEN AUTHORISED BY THE ISSUER, THE GUARANTOR OR THEIR RESPECTIVE DIRECTORS TO ISSUE ANY ADVERTISEMENT OR TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS IN CONNECTION WITH THE SALE OF SECURITIES OF THE ISSUER OTHER THAN THOSE CONTAINED IN THIS SUMMARY NOTE AND IN THE DOCUMENTS REFERRED TO HEREIN, AND IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORISED BY THE ISSUER, THE GUARANTOR OR THEIR RESPECTIVE DIRECTORS OR ADVISORS.

THE LISTING AUTHORITY ACCEPTS NO RESPONSIBILITY FOR AND MAKES NO REPRESENTATIONS AS TO THE CONTENTS, ACCURACY OR COMPLETENESS OF THE PROSPECTUS AND EXPRESSLY DISCLAIMS ANY LIABILITY WHATSOEVER FOR ANY LOSS HOWSOEVER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THE PROSPECTUS.

THE PROSPECTUS DOES NOT CONSTITUTE, AND MAY NOT BE USED FOR 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. THE DISTRIBUTION OF THE PROSPECTUS IN CERTAIN JURISDICTIONS MAY BE RESTRICTED AND, ACCORDINGLY, PERSONS INTO WHOSE POSSESSION IT IS RECEIVED ARE REQUIRED TO INFORM THEMSELVES ABOUT, AND TO OBSERVE, SUCH RESTRICTIONS.

THE PROSPECTUS AND THE OFFERING, SALE OR DELIVERY OF ANY BONDS MAY NOT BE TAKEN AS AN IMPLICATION: (I) THAT THE INFORMATION CONTAINED IN THE PROSPECTUS IS ACCURATE AND COMPLETE SUBSEQUENT TO ITS DATE OF ISSUE; OR (II) THAT THERE HAS BEEN NO MATERIAL ADVERSE CHANGE IN THE FINANCIAL POSITION OF THE ISSUER OR THE GUARANTOR SINCE SUCH DATE; OR (III) THAT ANY OTHER INFORMATION SUPPLIED IN CONNECTION WITH THE PROSPECTUS IS ACCURATE AT ANY TIME SUBSEQUENT TO THE DATE ON WHICH IT IS SUPPLIED OR, IF DIFFERENT, THE DATE INDICATED IN THE DOCUMENT CONTAINING THE SAME.

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 SO APPLYING AND OF ANY APPLICABLE EXCHANGE CONTROL REQUIREMENTS AND TAXATION IN THE COUNTRIES OF THEIR NATIONALITY, RESIDENCE OR DOMICILE.

SAVE FOR THE PUBLIC 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 BONDS 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 THE 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 (THE "PROSPECTUS DIRECTIVE") OR WHICH, PENDING SUCH IMPLEMENTATION, APPLIES ARTICLE 3.2 OF THE PROSPECTUS DIRECTIVE, THE BONDS CAN ONLY BE OFFERED TO "QUALIFIED INVESTORS" (AS DEFINED IN THE PROSPECTUS 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 THE PROSPECTUS DIRECTIVE.



VON DER HEYDEN GROUP

A COPY OF THE PROSPECTUS HAS BEEN SUBMITTED TO THE LISTING AUTHORITY IN SATISFACTION OF THE LISTING RULES, TO 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 COMPANIES ACT. APPLICATION HAS ALSO BEEN MADE TO THE MALTA STOCK EXCHANGE FOR THE BONDS TO BE ADMITTED TO ITS OFFICIAL LIST.

UNLESS OTHERWISE STATED, THE CONTENTS OF THE ISSUER'S OR GUARANTOR'S WEBSITES OR ANY WEBSITE DIRECTLY OR INDIRECTLY LINKED TO THE ISSUER'S OR GUARANTOR'S WEBSITES DO NOT FORM PART OF THE PROSPECTUS. ACCORDINGLY, NO RELIANCE OUGHT TO BE MADE BY ANY INVESTOR ON ANY INFORMATION OR OTHER DATA CONTAINED IN SUCH WEBSITES AS THE BASIS FOR A DECISION TO INVEST IN THE BONDS.

THE VALUE OF INVESTMENTS CAN GO UP OR DOWN AND PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE PERFORMANCE. PROSPECTIVE INVESTORS SHOULD CAREFULLY CONSIDER ALL THE INFORMATION CONTAINED IN THE PROSPECTUS AS A WHOLE AND SHOULD CONSULT THEIR OWN INDEPENDENT FINANCIAL AND OTHER PROFESSIONAL ADVISORS.

THIS DOCUMENT AND ALL AGREEMENTS, ACCEPTANCES AND CONTRACTS RESULTING THEREFROM SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF MALTA, AND ANY PERSON ACQUIRING ANY BONDS PURSUANT TO THE PROSPECTUS SHALL SUBMIT TO THE JURISDICTION OF THE MALTESE COURTS, WITHOUT LIMITING IN ANY MANNER THE RIGHT OF THE ISSUER TO BRING ANY ACTION, SUIT OR PROCEEDING, IN ANY OTHER COMPETENT JURISDICTION, ARISING OUT OF OR IN CONNECTION WITH ANY PURCHASE OF BONDS, OR AGREEMENT, ACCEPTANCE OR CONTRACT RESULTING HEREFROM, OR THE PROSPECTUS AS A WHOLE.

ALL THE ADVISORS TO THE ISSUER AND THE GUARANTOR HAVE ACTED AND ARE ACTING EXCLUSIVELY FOR THE ISSUER AND THE GUARANTOR IN RELATION TO THIS PUBLIC OFFER AND HAVE NO CONTRACTUAL, FIDUCIARY OR OTHER OBLIGATION OR RESPONSIBILITY 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.

THE DIRECTORS OF THE ISSUER CONFIRM THAT WHERE INFORMATION INCLUDED IN THE PROSPECTUS HAS BEEN SOURCED FROM A THIRD PARTY, SUCH INFORMATION HAS BEEN ACCURATELY REPRODUCED, AND AS FAR AS THE DIRECTORS OF THE ISSUER ARE AWARE AND ARE ABLE TO ASCERTAIN FROM INFORMATION PUBLISHED BY THAT THIRD PARTY, NO FACTS HAVE BEEN OMITTED WHICH WOULD RENDER THE REPRODUCED INFORMATION INACCURATE OR MISLEADING.

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

This Summary Note is prepared in accordance with the requirements of the Regulation (as defined immediately below).

Summaries are made up of disclosure requirements known as 'Elements'. These elements are numbered in Sections A – E (A.1 – E.7) in the relative disclosure requirement checklist. This Summary Note contains all the Elements required to be included in a summary in connection with the securities being issued pursuant to the Prospectus and the Issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in the summary because of the type of securities being issued pursuant to the Prospectus and the Issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in this Summary Note with the mention of 'not applicable'.

In this Summary Note the following words and expressions shall bear the following meanings whenever such words and expressions are used in their capitalised form, except where the context otherwise requires:

“Act” or “Companies Act”	the Companies Act, 1995 (Chapter 386 of the laws of Malta);
“Andersia Property Sp. z o.o.”	Andersia Property Sp. z o.o., a subsidiary company of the Guarantor, registered under the laws of Poland with company registration number 058643 and having its registered address at Pl. Andersa 7, 61-894 Poznan, Poland;
“Andersia Retail Sp. z o.o.”	Andersia Retail Sp. z o.o., a subsidiary company of the Guarantor, registered under the laws of Poland with company registration number 238196 and having its registered address at Pl.



VON DER HEYDEN GROUP

“Applicant/s”	Andersa 7, 61-894 Poznan, Poland; a person or persons whose name or names (in the case of joint applicants) appear in the registration details of an Application Form;
“Application/s”	the application to subscribe for and purchase Bonds made by an Applicant/s by completing an Application Form/s and delivering same to the Sponsor, Manager & Registrar or any of the other Authorised Intermediaries, as applicable;
“Application Form”	the form of application for subscription of Bonds, a specimen of which is contained in Annex D of the Securities Note forming part of the Prospectus;
“Authorised Intermediaries”	all the licensed stockbrokers and financial intermediaries listed in Annex E of the Securities Note forming part of the Prospectus;
“Bogenhausener Immobilien GmbH”	Tor Bogenhausener Tor Immobilien GmbH, a subsidiary company of the Guarantor, registered under the laws of Germany with company registration number Amtsgericht München HRB 164784 and having its registered address at Riedenburger Straße 2, 81677 Munich, Germany;
“Bond/s”	the €25,000,000 unsecured bonds 2024 of a nominal value of €1,000 per bond issued at par and redeemable on the Redemption Date at their nominal value, bearing interest at the rate of 4.4% per annum. The Bonds are guaranteed by Timan Investments Holdings Limited;
“Bondholder”	a holder of Bonds;
“Bond Issue”	the issue of the Bonds;
“Bond Issue Price”	the price of €1,000 per Bond;
“Business Day”	any day between Monday and Friday (both days included) on which commercial banks in Malta settle payments and are open for normal banking business;
“CET”	Central European Time;
“CSD”	the Central Securities Depository of the Malta Stock Exchange authorised in terms of Part IV of the Financial Markets Act (Chapter 345 of the laws of Malta), having its address at Garrison Chapel, Castille Place, Valletta VLT 1063, Malta;
“Długi Targ Sp. z o.o.”	Długi Targ Sp. z o.o., a subsidiary company of the Guarantor, registered under the laws of Poland with company registration number 258097 and having its registered address at Pl. Andersa 7, 61-894 Poznan, Poland;
“Euro” or “€”	the lawful currency of the Republic of Malta;
“Exchange”, “Malta Stock Exchange” or “MSE”	Malta Stock Exchange p.l.c., as originally constituted in terms of the Financial Markets Act (Chapter 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;
“Financial Analysis Summary”	the financial analysis summary dated 30 January 2017 compiled by the Sponsor, Manager & Registrar in line with the applicable requirements of the Listing Authority policies and which is intended to summarise the key financial data set out in the Prospectus appertaining to the Issuer and the Guarantor, a copy of which is set out in Annex C of the Securities Note forming part of the Prospectus;
“FJV Management Limited”	FJV Management Limited, a company registered under the laws of Malta with company registration number C 42279 and having its registered office at FJVA Business Centre, Industry Street, Qormi QRM 3000, Malta;
“Group”	the Guarantor (parent company) and any subsidiary and associated company or entity, including the Issuer, in which the Guarantor has a controlling interest, principally specialising in the business of developing high quality office buildings and other property developments, as well as owning and managing hotel and residential properties in several European countries;
“Guarantor”	Timan Investments Holdings Limited, a company registered under the laws of Malta with company registration number C 63335 and having its registered office at B2, Industry Street, Qormi QRM 3000, Malta, in terms of the guarantee contained in Annex B of the Securities Note forming part of the Prospectus and as described in Element B.18 of this Summary Note;
“Interest Payment Date”	8 th March of each year between and including each of the years 2018 and the year 2024, provided that if any such day is not a Business Day such Interest Payment Date will be carried over to the next following day that is a Business Day;
“Intermediaries’ Offer”	shall have the meaning set out in Element E.3 of this Summary Note;
“Issue Period”	the period between 0830 hours (CET) on 9 February 2017 and 1200 hours (CET) on 3 rd



VON DER HEYDEN GROUP

	March 2017 (or such earlier date as may be determined by the Issuer) during which the Bonds are available for subscription;
“Issuer”	Von der Heyden Group Finance p.l.c., a company registered under the laws of Malta with company registration number C 77266 and having its registered office at Spinola Palace, 46, St. Christopher Street, Valletta VLT 1464, Malta;
“Listing Authority”	the Malta Financial Services Authority, appointed as Listing Authority for the purposes of the Financial Markets Act (Chapter 345 of the laws of Malta) by virtue of Legal Notice 1 of 2003;
“Listing Rules”	the listing rules issued by the Listing Authority, as may be amended from time to time;
“Lublin Grand Hotel Sp. z o.o.”	Lublin Grand Hotel Sp. z o.o., a subsidiary company of the Guarantor, registered under the laws of Poland with company registration number 61774 and having its registered address at Wspólna 62, 00-684 Warsaw, Poland;
“Malta Stock Exchange Bye-Laws”	the Malta Stock Exchange p.l.c. bye-laws issued by the authority of the board of directors of Malta Stock Exchange p.l.c., as may be amended from time to time;
“Official List”	the list prepared and published by the Malta Stock Exchange as its official list in accordance with the Malta Stock Exchange Bye-Laws;
“Prospectus”	collectively this Summary Note, the Registration Document and the Securities Note, all dated 30 January 2017, as such documents may be amended, updated, replaced and supplemented from time to time;
“Prospectus Directive”	Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 on the prospectus to be published when securities are offered to the public or admitted to trading and amending Directive 2001/34/EC, as may be amended from time to time;
“Redemption Date”	8 th March 2024;
“Redemption Value”	the nominal value of each Bond (€1,000 per Bond);
“Registration Document”	the registration document issued by the Issuer dated 30 January 2017, forming part of the Prospectus;
“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 a prospectus 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; Commission Delegated Regulation (EU) No. 382/2014 of 7 March 2014 amending Regulation (EC) No. 809/2004 as regards to regulatory technical standards for publication of supplements to the prospectus; and Commission Delegated Regulation (EU) No. 2016/301 of 30 November 2015 amending Regulation (EC) No. 809/2004 as regards to regulatory technical standards for publication of the prospectus and dissemination of advertisements;
“Securities Note”	the securities note issued by the Issuer dated 30 January 2017, forming part of the Prospectus;
“Sponsor, Manager & Registrar”	Calamatta Cuschieri Investment Services Limited, a private limited liability company registered under the laws of Malta having its registered office at Ewropa Business Centre, Triq Dun Karm, Birkirkara BKR 9034, Malta and bearing company registration number C 13729. Calamatta Cuschieri Investment Services Limited is authorised to conduct investment services by the Malta Financial Services Authority in terms of the Investment Services Act (Chapter 370 of the laws of Malta);
“Summary Note”	this summary note in its entirety issued by the Issuer dated 30 January 2017, forming part of the Prospectus;
“Terms and Conditions”	the terms and conditions relating to the Bonds as contained in the Prospectus, a summary of which is contained in Element E.3 of this Summary Note;
“Trusthigh Holdings Limited”	Trusthigh Holdings Limited, a company registered under the laws of Ireland with company registration number 546261 and having its registered office at Raffeen House,



VON DER HEYDEN GROUP

Ringaskiddy, Co., Cork, Ireland;

“Von der Heyden Group Holdings S.AR.L” Von der Heyden Group Holdings S.AR.L, a company registered under the laws of Luxembourg with company registration number B189623 and having its registered office at 32, rue Marthe Prim-Welter, L-6138 Junglinster, Luxembourg.

1 SECTION A – INTRODUCTION AND WARNINGS

A.1 Prospective investors are hereby warned that:

- i. this Summary Note is being provided to convey the essential characteristics and risks associated with the Issuer, the Guarantor and the securities being offered pursuant to the Prospectus. This part is merely a summary and, therefore, should only be read as an introduction to the Prospectus. It is not and does not purport to be exhaustive and investors are warned that they should not rely on the information contained in this Summary Note alone in making a decision as to whether to invest in the securities described in this document. Any decision to invest in the Bonds should be based on consideration of the Prospectus as a whole by the investor;
- ii. where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under the national legislation of Malta, have to bear the costs of translating the Prospectus before legal proceedings are initiated; and
- iii. civil liability attaches only to those persons who have tabled this Summary Note, including any translation thereof, and who applied for its notification, but only if this Summary Note, when read together with the other parts of the Prospectus, is misleading, inaccurate or inconsistent, or does not provide key information in order to aid investors when considering whether to invest in such securities.

A.2 Consent required for use of the Prospectus in connection with the Intermediaries' Offer: prospective investors are hereby informed that:

- i. for the purposes of any subscription for Bonds by Authorised Intermediaries pursuant to the Intermediaries' Offer and any subsequent resale, placement or other offering of Bonds by Authorised Intermediaries participating in the Intermediaries' Offer in circumstances where there is no exemption from the requirement to publish a prospectus under the Prospectus Directive, the Issuer consents to the use of the Prospectus (and accepts responsibility for the information contained herein in accordance with the terms hereof) with respect to any such subsequent resale, placement or other offering of Bonds, provided this is limited only: (a) in respect of Bonds subscribed for in terms of the Intermediaries' Offer by Authorised Intermediaries participating in the Intermediaries' Offer; (b) to any resale, placement or other offering of Bonds subscribed for as aforesaid, taking place in Malta; and (c) to any resale, placement or other offering of Bonds subscribed for as aforesaid, taking place within the period of 60 days from the date of the Prospectus;
- ii. **in the event of a resale, placement or other offering of Bonds by an Authorised Intermediary subsequent to the Intermediaries' Offer, said Authorised Intermediary shall be responsible to provide information to prospective investors on the terms and conditions of the resale, placement or other offering at the time such is made;** and
- iii. any new information with respect to Authorised Intermediaries unknown at the time of the approval of the Prospectus will be made available through a company announcement which will also be made available on the Issuer's website www.vdhgroup.com.

2 SECTION B – ISSUER AND GUARANTOR

B.1 The legal and commercial name of the Issuer is Von der Heyden Group Finance p.l.c. (registration number C 77266).

The legal and commercial name of the Guarantor is Timan Investments Holdings Limited (registration number C 63335).

B.2 The Issuer was registered in Malta in terms of the Act on 15 September 2016 as a public limited liability company and is domiciled in Malta.

The Guarantor was registered in Malta in terms of the Act on 31 December 2013 as a private limited liability company. The Guarantor is domiciled in Malta.



VON DER HEYDEN GROUP

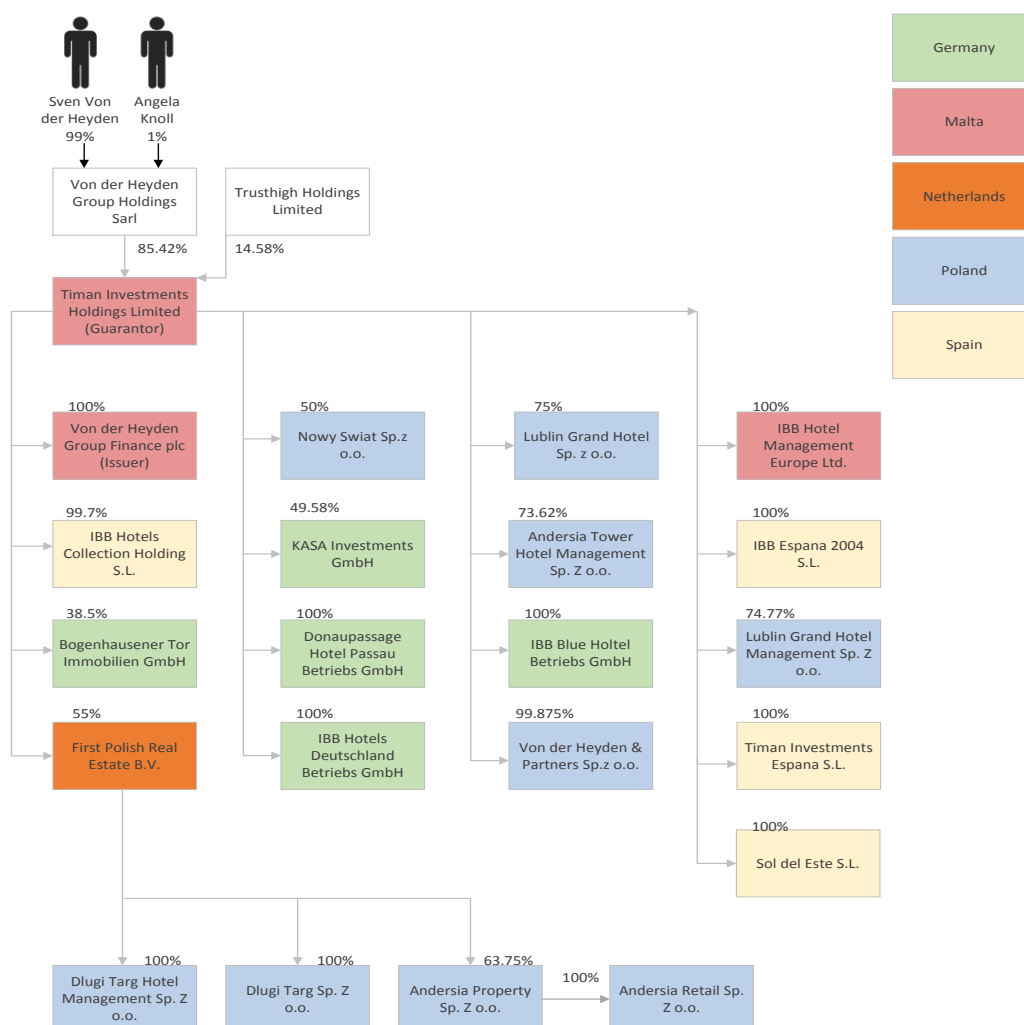
B.4b The principal object of the Issuer, which was set up and established to act as a finance company, is to purchase or otherwise acquire, under any title whatsoever, to hold and manage, by any title, movable and immovable property or other assets, including but not limited to securities and other financial interests. The issue of bonds falls within the objects of the Issuer.

The principal object of the Guarantor is to invest and deal with monies of the company in any shares, securities, commodities, derivatives and funds and in such manner as may, from time to time, be determined. The Guarantor is also empowered in terms of its Memorandum of Association to guarantee the payment of monies or the performance of any contract or obligation in which the Guarantor may be interested, even by the hypothecation of the Guarantor’s property, whether present or future.

The Guarantor is the parent company of the Group, which is principally engaged, through several subsidiaries spread across five jurisdictions, in the business of developing high quality office buildings and other property developments, as well as owning and managing hotel and residential properties in several European countries, presently Poland, Germany and Spain. The Group also intends to invest in the Maltese real estate market in the immediate future.

The Group’s operations are divided into two segments – property development and hotel operations. The core business of the Group is high quality office and hotel developments, including refurbishment of historical buildings, as well as hotel management through its IBB Hotel Collection brand. The Group currently holds offices and representations in Malta, Warsaw, Poznan, Berlin, Munich, Madrid, Menorca, Amsterdam and Luxembourg.

B.5 The Issuer is, except for one share which is held by FJV Management Limited, a fully-owned subsidiary of the Guarantor, which latter entity is the parent company of the Group. The organisational structure of the Group as at the date of the Prospectus is illustrated in the diagram below:



B.9 *Not Applicable:* the Registration Document does not contain any profit forecasts or estimates.



VON DER HEYDEN GROUP

B.10 *Not Applicable*: the Issuer was registered and incorporated on 15 September 2016 and since incorporation to the date of the Prospectus no financial statements have been prepared. The Guarantor's audit reports on its audited consolidated financial statements for the years ended 31 December 2013, 2014 and 2015 do not contain any material qualifications.

B.12 The Issuer was set up on 15 September 2016 and since incorporation to the date of the Prospectus no financial statements have been prepared. There has not been any significant change in the financial or trading position of the Issuer which has occurred since the company's date of incorporation. The Guarantor's historical financial information for the three financial years ended 31 December 2013, 2014 and 2015, as audited by RSM Malta, is set out in the audited consolidated financial statements of the Guarantor. Such audited consolidated financial statements are available at the Guarantor's registered office.

There were no significant changes to the financial or trading position of the Guarantor or the Group since the end of the financial period to which the Guarantor's afore-mentioned last audited consolidated financial statements relate. Furthermore, the Issuer and the Guarantor hereby confirm that there has been no material change or recent development which could adversely affect potential investors' assessments in respect of the Bonds, other than the information contained and disclosed in the Prospectus.

Extracts of the historical consolidated financial information of the Guarantor referred to above are set out below:

Condensed income statements for the years ended 31 December

	2013 <i>Euro 000</i>	2014 <i>Euro 000</i>	2015 <i>Euro 000</i>
Revenue	12,360	13,957	13,779
Cost of sales	(15,590)	(13,434)	(14,370)
Operating profit	(3,230)	522	(591)
Investment income	4,714	1,018	574
Impairment of goodwill	-	-	(1,240)
Fair value movements	13	(908)	2,347
Finance costs	(3,128)	(3,206)	(914)
Profit before tax	(1,630)	(2,574)	175
Taxation	408	133	68
Profit for the period	(1,222)	(2,441)	243

Condensed statements of financial position as at 31 December

	2013 <i>Euro 000</i>	2014 <i>Euro 000</i>	2015 <i>Euro 000</i>
Assets			
Non-current assets	95,158	92,438	62,683
Current assets	10,475	12,279	6,398
Total Assets	105,633	104,717	69,081
Equity	41,212	39,432	35,582
Liabilities			
Non-current liabilities	52,848	55,480	27,174
Current liabilities	11,573	9,805	6,325
Total Liabilities	64,421	65,285	33,499
Total equity and liabilities	105,633	104,717	69,081



VON DER HEYDEN GROUP

Condensed cash flow statements for the year ended 31 December

	2013	2014	2015
	<i>Euro 000</i>	<i>Euro 000</i>	<i>Euro 000</i>
Cash generated from operating activities	(1,107)	(1,915)	(3,606)
Cash generated from investing activities	1,739	5,008	32,160
Cash used in financing activities	(1,571)	1,407	(33,166)
Net movement in cash and cash equivalents	(940)	4,500	(4,613)
Cash and cash equivalents at the beginning of the year	2,585	1,645	6,145
Cash and cash equivalents at the end of the year	1,645	6,145	1,532

B.13 In the short to medium term future the Group intends to invest in each of the following proposed projects: (i) the Bavaria Towers office development project in a strategic location in Munich, Germany; (ii) prospective office development projects in Poland, specifically the Andersia Silver development in Poznań and the Nowy Świat Atrium in Warsaw; (iii) a hotel development and refurbishment project concerning the IBB Hotel Długi Targ in Gdańsk, Poland; and (iv) IBB Hotel Collection operations in the pipeline, specifically the IBB Cugo Grand Harbour located in Senglea, Malta, the IBB Hotel Valletta Merkanti located in the downtown city centre of Malta's historic capital Valletta, the IBB Hotel Ingelheim located in the downtown city centre of Ingelheim, Germany, the IBB Hotel Kempten Allgäutower located in the city centre of Kempten, Germany and the IBB Hotel Paderborn located in the city centre of Paderborn, Germany. The Group intends to raise funds for the financing of these projects partially through the Bond Issue, with the remaining capital expenditure being funded by bank finance and own funds.

Save for the above, the Group is not party to any other material investments, and has not entered into or committed for any principal investments subsequent to 31 December 2015, being the date of the latest audited consolidated financial statements of the Guarantor, and the Guarantor is not aware of any recent events which are, to a material extent, relevant to the evaluation of its solvency.

B.14 The Issuer is not intended to undertake any trading activities itself apart from the raising of capital and the advancing thereof to members of the Group. Accordingly, the Issuer is economically dependent principally on the financial and operating performance of the businesses of Group entities, comprising the development of high quality office buildings and other property developments, as well as owning and managing hotel and residential properties in several European countries.

The Issuer does not have any substantial assets and is essentially a special purpose vehicle set up to act as a financing company. The Issuer is, therefore, intended to serve as a vehicle through which the Group will continue to finance its future projects, principally and in the immediate future the projects identified in Element B.13 immediately above, as well as other projects that may be undertaken by its subsidiary companies.

The Guarantor is the parent company of the Group, the operations of which have, to date, been largely divided into two segments – property development and hotel operations. The core business of the Group is high quality office and hotel developments, including refurbishment of historical buildings, as well as hotel management through its IBB Hotel Collection brand.

B.15 The Issuer was set up and established to act as a finance company. In terms of its Memorandum of Association, the main object for which the Issuer is constituted is to purchase or otherwise acquire, under any title whatsoever, to hold and manage, by any title, movable and immovable property or other assets, including but not limited to securities and other financial interests.

The Guarantor, as the parent company of the Group, is principally engaged, through several subsidiaries spread across five jurisdictions, in the business of developing high quality office buildings and other property developments, as well as owning and managing hotel and residential properties in several European countries, presently Poland, Germany and Spain. In terms of its Memorandum of Association, the Guarantor is, amongst other things, empowered to guarantee the payment of monies or the performance of any contract or obligation in



VON DER HEYDEN GROUP

which the Guarantor may be interested, even by the hypothecation of the Guarantor's property, whether present or future.

- B.16 The Issuer's current authorised and issued share capital is €250,000 divided into 249,999 ordinary A shares of €1 each and 1 ordinary B share of €1, all fully paid up. The Guarantor holds 249,999 ordinary A shares of €1 each and FJV Management Limited holds 1 ordinary B share of €1.

The authorised share capital of the Guarantor is €50,000,000 divided into 20,000,000 ordinary A shares of €1 each and 30,000,000 ordinary B shares of €1 each. The issued share capital of the Guarantor is €3,804,641 divided into 3,249,924 ordinary A shares of €1 each held by Von der Heyden Group Holdings S.AR.L and 554,717 ordinary B shares of €1 each held by Trusthigh Holdings Limited (with a share premium of €8.013605136 each).

- B.17 *Not Applicable*: neither the Issuer nor the Guarantor have sought the credit rating of an independent rating agency and there has been no assessment by any independent rating agency of the Bonds issued by the Issuer.
- B.18 For the purposes of the guarantee, the Guarantor stands surety with the Issuer and irrevocably and unconditionally undertakes to affect the due and punctual performance of all the payment obligations undertaken by the Issuer under the Bonds if the Issuer fails to do so. Accordingly, until such time as the Bonds remain in issue, the Guarantor undertakes to pay on an on-going basis, interest which may become due and payable during the term of the Bonds and the principal amount of the Bonds on the Redemption Date should the Issuer default in paying the Bondholders under the Bonds. The Guarantor's obligations under the guarantee shall remain in full force and effect until no sum remains payable to any Bondholder pursuant to the issue of the Bonds.

3 SECTION C - SECURITIES

- C.1 The Issuer shall issue an aggregate of €25,000,000 in unsecured Bonds 2024 having a nominal value of €1,000 per bond, subject to a minimum subscription of €2,000 in Bonds and multiples of €1,000 thereafter. The Bonds will be issued in fully registered form and will be represented in an uncertificated form by the appropriate entry in the electronic register maintained on behalf of the Issuer at the CSD. On admission to trading the Bonds will have the following ISIN number MT0001401208. The Bonds shall bear interest at the rate of 4.4% per annum and shall be repayable in full upon maturity unless they are previously re-purchased and cancelled. The Bond Issue is guaranteed by the Guarantor.
- C.2 The Bonds are denominated in Euro (€).
- C.5 The Bonds are freely transferable and, once admitted to the Official List, shall be transferable only in whole (in multiples of €1,000) in accordance with the rules and regulations of the MSE applicable from time to time.
- C.8 Investors wishing to participate in the Bonds will be able to do so by duly executing the appropriate Application Form in relation to the Bonds. Execution of the Application Form will entitle such investor to: (i) the payment of interest; (ii) the payment of capital; (iii) ranking with respect to other indebtedness of the Issuer and Guarantor in accordance with the status of the Bonds, as follows: "the Bonds constitute the general, direct, unconditional and unsecured obligations of the Issuer and shall at all times rank *pari passu*, without any priority or preference among themselves and with other outstanding and unsecured debt of the Issuer and the Guarantor, present and future"; (iv) attend, participate in and vote at meetings of Bondholders in accordance with the Terms and Conditions of the Bond Issue; and (v) enjoy all such other rights attached to the Bonds emanating from the Prospectus.

The Group's indebtedness as at 31 December 2016 amounted in aggregate to €27,279,796.77, including bank loans. The relative bank borrowings are secured by privileges and hypothecs and, therefore, the indebtedness being created by the Bonds ranks after these bank borrowings. The Bonds would also rank after any future debts which may be secured by a cause of preference such as a privilege and/or a hypothec.

- C.9 The Bonds shall bear interest from and including 8th March 2017 at the rate of 4.4% per annum on the nominal value thereof, payable annually in arrears on each Interest Payment Date. The first interest payment will be effected on 8th March 2018. For Bonds issued at the Bond Issue Price, the gross yield calculated on the basis of the Interest, the Bond Issue Price and the Redemption Value of the Bonds at Redemption Date is 4.4%.



VON DER HEYDEN GROUP

The remaining component of Element C.9 is not applicable, given that no representative of debt security holders has been appointed.

- C.10 *Not Applicable*: there is no derivative component in the interest payments on the Bonds.
- C.11 The Listing Authority has authorised the Bonds as admissible to Listing pursuant to the Listing Rules by virtue of a letter dated 30 January 2017. Application has been made to the Malta Stock Exchange for the Bonds being issued pursuant to the Prospectus to be listed and traded on its Official List. The Bonds are expected to be admitted to the Malta Stock Exchange with effect from 10th March 2017 and trading is expected to commence on 13th March 2017. Dealing may commence prior to notification of the amount allotted being issued to Applicants.

4 SECTION D – RISKS

Holding of a bond involves certain risks. Prospective investors should carefully consider, with their own independent financial and other professional advisors, the following risk factors and other investment considerations, as well as all the other information contained in the Prospectus before deciding to acquire the Bonds. Prospective investors are warned that by investing in the Bonds they may be exposing themselves to significant risks that may have the consequence of losing a substantial part or all of their investment.

The Prospectus contains statements that are, or may be deemed to be, "forward-looking statements", which relate to matters that are not historical facts and which may involve projections of future circumstances. They appear in a number of places throughout the Prospectus and include statements regarding the intentions, beliefs or current expectations of the Issuer, the Guarantor and/or their respective directors. These forward-looking statements are subject to a number of risks, uncertainties and assumptions and important factors that could cause actual risks to differ materially from the expectations of the Issuer's and Guarantor's respective directors. No assurance is given that the future results or expectations will be achieved.

Authorised Intermediaries are to determine the suitability of prospective investors' investment in the Bonds in the light of said prospective investors' own circumstances. The Bonds may not be a suitable investment for all investors. In particular, Authorised Intermediaries should determine whether each prospective investor: (i) has sufficient knowledge and experience to make a meaningful evaluation of the Bonds, the merits and risks of investing in the Bonds and the information contained or incorporated by reference in the Prospectus or any applicable supplement; (ii) has sufficient financial resources and liquidity to bear all the risks of an investment in the Bonds, including where the currency for principal or interest payments is different from the prospective investor's currency; (iii) understands thoroughly the terms of the Bonds and is familiar with the behaviour of any relevant indices and financial markets; and (iv) is able to evaluate (either alone or with the help of a financial advisor) possible scenarios for economic, interest rate and other factors that may affect his/her/its investment and his/her/its ability to bear the applicable risks.

Below is a summary of the principal risks associated with an investment in the Issuer and the Bonds – there may be other risks which are not mentioned in this summary. Investors are, therefore, urged to consult their own financial or other professional advisors with respect to the suitability of investing in the Bonds.

D.2 Essential information on the key risks specific to the Issuer, the Guarantor, the Group and its business:

Since the Issuer was incorporated on 15 September 2016, it has no trading record or history of operations. Furthermore, the Issuer itself does not have any substantial assets and is essentially a special purpose vehicle set up to act as a financing company solely for the needs of the Group, and, as such, its assets are intended to consist primarily of loans issued to Group companies. The Issuer is mainly dependant on the business prospects of the Group and, therefore, the operating results of the Group have a direct effect on the Issuer's financial position. Accordingly, the risks of the Issuer are indirectly those of the Group, and, in turn, all risks relating to the Group are the risks relevant to the Guarantor.

The operations of the Group and its operating results are subject to a number of factors that could adversely affect its business and financial condition, some of which are beyond the Group's control:

- i. The Group has a trading history in mixed-use real estate developments that consist principally of hotels, residential and office property. The hotel industry globally is characterised by strong and increasing competition. Many of the Group's current and potential competitors may have longer operating histories,



VON DER HEYDEN GROUP

- greater name recognition, larger customer bases and greater financial and other resources than the Group. Severe competition in certain countries and changes in economic and market conditions could adversely affect the Group's business and operating results.
- ii. The Group may not be able to realise the benefits it expects from investments made in its properties under development for reasons including cost overruns, insufficiency of resources to complete the projects, sale or rental transactions not being effected at the prices and within the timeframes envisaged, or delays or refusals in obtaining the necessary planning permissions or other building and other required permits and authorisations.
 - iii. The hotel industry may be adversely affected by natural disasters, terrorist activity and war, which events, if occurring in locations where the Group owns and/or operates hotels, could directly or indirectly affect travel patterns and reduce the number of business and leisure travelers in affected countries and reduce the demand for hotel accommodation at the Group's hotels.
 - iv. The Group may not be able to obtain the capital it requires for development or improvement of existing or new investments on commercially reasonable terms, or at all, including increases in borrowing costs or decreases in loan funding, also taking into account the need, from time to time, for the Group's properties to undergo renovation, refurbishment or other improvements.
 - v. The Group may be exposed to environmental liabilities attaching to real estate property, such as costs for the 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.
 - vi. The value of the Group's property portfolio may fluctuate as a result of 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, and interest and inflation rate fluctuations. There is no assurance that valuations of Group properties and property-related assets will reflect actual market values that could be achieved upon a sale.
 - vii. An increase in the supply of commercial space could impact negatively upon capital values and income streams of the Group's property portfolio. The Group may also be impacted by increased competition from other similar developments and rising operating costs.
 - viii. The Group is dependent on tenants fulfilling their obligations under their lease agreements and, accordingly, the business, revenue and projected profits of the Group would be negatively impacted if tenants fail to honour their respective lease obligations.
 - ix. In view of the fact that the Group is, in part, a property holding organisation, coupled with the fact that property is a relatively illiquid asset, such illiquidity may affect the Group's ability to vary its portfolio or dispose of or liquidate part of its portfolio in a timely manner and at satisfactory prices in response to changes in economic, real estate, market or other conditions.
 - x. All industries, including the leisure and real estate / property development industries, are subject to legal claims, with and without merit. Defence and settlement costs can be substantial, even with respect to claims that have no merit.
 - xi. If one or more of the key personnel of the Group were unable or unwilling to continue in their present position, they may not be replaceable within the short term, which could have an adverse effect on the Group's business, financial condition and results of operations.
 - xii. Historically, the Group has maintained insurance at levels determined by the Group to be appropriate in light of the cost of cover and the risk profiles of the businesses 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.

D.3 Essential information on the key risks specific to the Bonds:

An investment in the Bonds involves certain risks, including those set out below in this section. In deciding whether to make an investment in the Bonds, prospective investors are advised to carefully consider, with their own independent financial and other (including tax, accounting, credit, legal and regulatory) professional advisors, the following risk factors (not listed in order of priority) and other investment considerations, together with all the other information contained in the Prospectus.

- i. The existence of an orderly and liquid market for the Bonds depends on a number of factors including, but not limited to, the presence of willing buyers and sellers of the Issuer's Bonds at any given time. Such factors are dependent upon the individual decisions of investors and the general economic conditions of the market



VON DER HEYDEN GROUP

in which the Bonds are traded, over which the Issuer has no control. Many other factors over which the Issuer has no control may affect the trading market for, and trading value of, the Bonds. These factors include the time remaining to the maturity of the Bonds, the outstanding amount of the Bonds and the level, direction and volatility of market interest rates, generally. Accordingly, there can be no assurance that an active secondary market for the Bonds will develop, or, if it develops, that it will continue. There can be no assurance that an investor will be able to sell or otherwise trade in the Bonds at or above the Bond Issue Price, or at all.

- ii. Investment in the Bonds involves the risk that subsequent changes in market interest rates may adversely affect the value of the Bonds.
- iii. A Bondholder will bear the risk of any fluctuations in exchange rates between the currency of denomination of the Bonds (€) and the Bondholder's currency of reference, if different.
- iv. No prediction can be made about the effect which any future public offerings of the Issuer's securities, or any takeover or merger activity involving the Issuer, will have on the market price of the Bonds prevailing from time to time.
- v. The Bonds shall constitute the general, direct, unconditional and unsecured obligations of the Issuer and shall be guaranteed in respect of both the interest due and the principal amount under said Bonds by the Guarantor, and shall at all times rank *pari passu*, without any priority or preference among themselves and, save for such exceptions as may be provided by applicable law, shall rank without priority and preference to all other present and future unsecured obligations of the Issuer and the Guarantor. The Bonds will, however, rank subordinate to the present and future secured creditors of the Issuer and the Guarantor. In view of the fact that the Bonds are being guaranteed by the Guarantor, Bondholders are entitled to request the Guarantor to pay both the interest due and the principal amount under said Bonds if the Issuer fails to meet any amount, when due. The strength of this undertaking on the part of the Guarantor is directly linked to the financial position and solvency of the Guarantor.
- vi. In the event that the Issuer wishes to amend any of the Terms and Conditions of issue of the Bonds it shall call a meeting of Bondholders. The provisions relating to meetings of Bondholders permit defined majorities to bind all Bondholders, including Bondholders who do not attend and vote at the relevant meeting and Bondholders who vote in a manner contrary to the majority.
- vii. The Bonds and the terms and conditions of the Bond Issue are based on the requirements of the Listing Rules, the Companies Act and the Regulation in effect as at the date of the Prospectus. No assurance can be given as to the impact of any possible judicial decision or change in law or administrative practice after the date of the Prospectus.

5 SECTION E – OFFER

E.2b The proceeds from the Bond Issue, which net of Bond Issue expenses are expected to amount to approximately €24,625,000, will be used by the Issuer for the following purposes, in the following amounts and order of priority: (i) €1,750,000 shall be advanced, pursuant to a loan agreement, by the Issuer to Bogenhausener Tor Immobilien GmbH (which entity is owned as to 38.5% by the Group) in connection with the Bavaria Towers development project to finance cash deposit for bank financing and investment expenses; (ii) €4,000,000 shall be advanced, pursuant to loan agreements, by the Issuer to Andersia Property Sp. z o.o. and Andersia Retail Sp. z o.o. in connection with the Andersia Silver development project for investment purposes and to fulfil expected equity requirements (Andersia Retail Sp. z o.o. owns the Andersia Silver property and is owned as to 42.5% by the Group); (iii) €936,000 shall be advanced, pursuant to a loan agreement, by the Issuer to Lublin Grand Hotel Sp. z o.o. to fund the refurbishment of the third floor of the IBB Grand Hotel Lublinianka and to purchase the remaining 25% of the shares in Lublin Grand Hotel Sp. z o.o., the owner of the said hotel (which entity is, as at the date of the Prospectus, owned as to 75% by the Group); (iv) €250,000 shall be advanced, pursuant to a loan agreement, by the Issuer to Długi Targ Sp. z o.o. (which entity is owned as to 50% by the Group) to be applied to the Długi Targ development project; (v) €1,000,000 shall be advanced, pursuant to a loan agreement, by the Issuer to Von der Heyden Group Holdings S.AR.L which will, in turn, invest said funds in a 50-50 joint venture Maltese company to be incorporated for the purpose of developing of an office building in Valletta, Malta; (vi) €3,200,000 shall be advanced, pursuant to loan agreements, by the Issuer to Group companies for the purpose of part-funding other prospective development projects in Malta and Europe; (vii) €1,383,000 shall be advanced, pursuant to loan agreements, by the Issuer to Group hotel operating companies to be applied to working capital facilities in respect of the proposed expansion of the IBB Hotel Collection in Europe (including Malta); (viii) €1,895,000 shall be advanced, pursuant to loan agreements, by the Issuer to Group hotel operating companies to be applied to rental deposits in respect of the proposed expansion of the IBB Hotel Collection in Europe (including Malta); (ix) €10,000,000 shall be used to carry into effect a refinancing of Group receivables and in return also a complete



VON DER HEYDEN GROUP

repayment of any direct debt of the Guarantor; and (x) the remaining balance of €211,000 shall be used for the Group's general corporate funding requirements in Malta, including operational costs. In the event that the Bond Issue is not fully subscribed, the Issuer will proceed with the listing of the amount of Bonds subscribed for and the proceeds from the Bond Issue shall be applied in the manner and order of priority set out above. Any residual amounts required by the Issuer for the purposes of the uses specified above which shall not have been raised through the Bond Issue shall be financed from the Group's general cash flow and/or bank financing.

- E.3 The Bonds are open for subscription by Authorised Intermediaries through an Intermediaries' Offer. The total amount of €25,000,000 of Bonds is being reserved for subscription by Authorised Intermediaries participating in the Intermediaries' Offer. In this regard, the Issuer may enter into conditional subscription agreements with a number of Authorised Intermediaries for the subscription of Bonds, whereby it will bind itself to allocate Bonds thereto up to the total amount of €25,000,000 as aforesaid during the Intermediaries' Offer. In terms of each subscription agreement entered into with an Authorised Intermediary, the Issuer will be conditionally bound to issue, and each Authorised Intermediary will conditionally bind itself to subscribe for, a number of Bonds as indicated therein subject to the Bonds being admitted to trading on the Official List. Authorised Intermediaries subscribing for Bonds may do so for their own account or for the account of underlying customers, including retail customers, and shall, in addition, be entitled to distribute any portion of the Bonds subscribed for upon commencement of trading.

Applications for subscriptions to the Bonds may be made through the Sponsor, Manager & Registrar during the Issue Period on a first-come-first-served basis. The Issue Period shall close immediately upon attaining full subscription or on the last day of the Issue Period, whichever is the earliest. The Issuer will determine and announce the allocation policy for the Bonds within five (5) Business Days of the closing of the Issue Period. The results of the offer, including the allocation policy, will be announced through a company announcement. It is expected that allotment letters will be dispatched to Bondholders within five (5) Business Days of the date of the announcement of the allocation policy.

The following is a synopsis of the general terms and conditions applicable to the Bonds. A Bondholder is deemed to have invested only after having received, read and understood the contents of the Prospectus, including the full terms and conditions contained in the annexes thereto:

1. Form, Denomination and Title

The Bonds will be issued in fully registered form, without interest coupons, in denominations of any integral multiple of €1,000 provided that on subscription the Bonds will be issued for a minimum of €2,000 per individual Bondholder. Authorised Intermediaries subscribing to the Bonds through nominee accounts for and on behalf of clients shall apply the minimum subscription amount of €2,000 to each underlying client.

2. Redemption and purchase

Unless previously purchased and cancelled, the Bonds will be redeemed at their nominal value (together with interest accrued to the date fixed for redemption) on 8th March 2024. Subject to the provisions of this paragraph, the Issuer may at any time purchase Bonds in the open market or otherwise at any price. Any purchase by tender shall be made available to all Bondholders alike. All Bonds so redeemed or purchased will be cancelled forthwith and may not be re-issued or re-sold.

3. Payments

Payment of the principal amount of the Bonds will be made within 7 days of the Redemption Date in Euro by the Issuer to the person in whose name such Bonds are registered, with interest accrued up to the Redemption Date, by means of direct credit transfer into such bank account as the Bondholder may designate from time to time, provided such bank account is denominated in Euro and held with any licensed bank in Malta. Payment of interest on a Bond will be made to the person in whose name such Bond is registered at the close of business 15 days prior to the Interest Payment Date, by means of a direct credit transfer into such bank account as the Bondholder may designate, from time to time, which is denominated in Euro and held with any licensed bank in Malta. Such payment shall be effected within 7 days of the Interest Payment Date.

4. Events of Default

The Securities Note sets out a list of events of default the occurrence of which would result in the Bonds becoming immediately due and repayable at their principal amount, together with accrued interest.

5. Further Issues



VON DER HEYDEN GROUP

The Issuer may, from time to time, without the consent of the Bondholders, create and issue further debentures, debenture stock, bonds, loan notes, or any other debt securities, either having the same terms and conditions as any outstanding debt securities of any series (including the Bonds) and so that such further issue shall be consolidated and form a single series with the outstanding debt securities of the relevant series (including the Bonds), or upon such terms as the Issuer may determine at the time of their issue.

6. Meetings of participation Bondholders

The Issuer may, from time to time, call meetings of Bondholders for the purpose of consultation with Bondholders or for the purpose of obtaining the consent of Bondholders on matters which in terms of the Prospectus require the approval of a Bondholders' meeting.

7. Governing Law and Jurisdiction

The Bonds have been created, and the Bond Issue relating thereto is being made, in terms of the Act. The Bonds, and all contractual arrangements arising therefrom, shall be governed by and shall be construed in accordance with Maltese law. Any legal action, suit, action or proceeding against the Issuer and/or the Guarantor arising out of or in connection with the Bonds shall be brought exclusively before the Maltese courts and the Bondholder shall be deemed to acknowledge that it is submitting to the exclusive jurisdiction of such courts.

- E.4 Save for the subscription for Bonds by Authorised Intermediaries (which include the Sponsor, Manager & Registrar) and any fees payable to Calamatta Cuschieri Investment Services Limited as Sponsor, Manager & Registrar in connection with the Bond Issue, so far as the Issuer is aware no person involved in the Issue has an interest material to the Bond Issue.
- E.7 Professional fees and costs related to publicity, advertising, printing, listing, registration, sponsor, management, selling commission and other miscellaneous expenses incurred in connection with this Bond Issue are estimated not to exceed €375,000 and shall be borne by the Issuer.

6 TIMETABLE

Application Forms made available	6 February 2017
Issue Period	9 February 2017 (from 0830 CET) to 3 March 2017 (by 12:00 CET)
Announcement of basis of acceptance	8 March 2017
Issue date of the Bonds and commencement of interest	8 March 2017
Expected date of admission of the Bonds to listing	10 March 2017
Expected date of commencement of trading in the Bonds	13 March 2017
Expected dispatch of allotment advices and refunds (if any)	10 March 2017

The Issuer reserves the right to close the Offer of Bonds before 3rd March 2017 at 12:00 CET in the event that the Bonds are fully subscribed prior to said date and time. In such eventuality the events set out in steps 3 to 7 above shall be brought forward, although the number of workings days between the respective events shall not also be altered.