REGISTRATION DOCUMENT

Dated 22 August 2023

This Registration Document is issued in accordance with the provisions of the Prospectus Regulation.

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

**Prospective investors are to refer to the Guarantee contained in Annex I of the Securities Note forming part of the Prospectus for a description of the scope, nature and terms of the Guarantee. Reference should also be made to the sections entitled "Risk Factors" contained in the Prospectus for a discussion of certain risk factors which should be considered by prospective investors in connection with the Global Note and the Guarantee provided by the Guarantor.*

THIS REGISTRATION DOCUMENT HAS BEEN APPROVED BY THE MFSA AS THE COMPETENT AUTHORITY UNDER THE PROSPECTUS REGULATION. THE MFSA ONLY APPROVES THE PROSPECTUS AS MEETING THE STANDARDS OF COMPLETENESS, COMPREHENSIBILITY AND CONSISTENCY AS PRESCRIBED BY THE PROSPECTUS REGULATION. SUCH APPROVAL SHALL NOT BE CONSIDERED AS AN ENDORSEMENT OF THE ISSUER THAT IS THE SUBJECT OF THIS REGISTRATION DOCUMENT. IN PROVIDING THIS AUTHORISATION, THE MFSA DOES NOT GIVE ANY CERTIFICATION REGARDING THE POTENTIAL RISKS IN INVESTING IN ANY INSTRUMENT ISSUED BY THE ISSUER. FURTHERMORE, SUCH AUTHORISATION SHOULD NOT BE DEEMED OR BE CONSTRUED AS A REPRESENTATION OR WARRANTY AS TO THE SAFETY OF INVESTING IN SUCH INSTRUMENTS.

THE MFSA 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 HOWSOEVER ARISING FROM, OR IN RELIANCE UPON, THE WHOLE OR ANY PART OF THE CONTENTS OF THE PROSPECTUS, INCLUDING ANY LOSSES INCURRED BY INVESTING IN THE SECURITIES ISSUED BY THE ISSUER.

A PROSPECTIVE INVESTOR SHOULD ALWAYS SEEK FINANCIAL ADVICE BEFORE DECIDING TO INVEST IN ANY 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 FINANCIAL ADVISOR.

Legal Counsel

VBADVOCATES

Nominee and Placement Agent

Calamatta Cuschieri

APPROVED BY THE DIRECTORS

____

Antonio Fenech

in his capacity as Director of the Issuer and for and on behalf of

Javier Errejón Sainz de la Maza, Jozef Bronislaw Borowski, Joseph Muscat and Karen Coppini

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IMPORTANT INFORMATION

THIS REGISTRATION DOCUMENT CONTAINS INFORMATION ON VON DER HEYDEN GROUP FINANCE PLC IN ITS CAPACITY AS ISSUER AND ON TIMAN INVESTMENTS HOLDINGS LIMITED AS GUARANTOR IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT AND THE PROSPECTUS REGULATION.

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 REGISTRATION DOCUMENT 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 MFSA 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 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: (I) BY ANY PERSON IN ANY JURISDICTION 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 SECURITIES ISSUED BY THE ISSUER 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.

A PROSPECTIVE INVESTOR SHOULD ALWAYS SEEK FINANCIAL ADVICE BEFORE DECIDING TO INVEST IN ANY FINANCIAL INSTRUMENTS. A PROSPECTIVE INVESTOR SHOULD BE AWARE OF THE POTENTIAL RISKS OF 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 PROFESSIONAL ADVISORS.

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

SAVE FOR THE OFFERING IN THE REPUBLIC OF MALTA, NO ACTION HAS BEEN OR WILL BE TAKEN BY THE ISSUER THAT WOULD PERMIT A PUBLIC OFFERING OF THE SECURITIES DESCRIBED IN THE SECURITIES NOTE OR THE DISTRIBUTION OF THE PROSPECTUS (OR ANY PART THEREOF) OR ANY OFFERING MATERIAL IN ANY COUNTRY OR JURISDICTION WHERE ACTION FOR THAT PURPOSE IS REQUIRED. ACCORDINGLY, NO SECURITIES MAY BE OFFERED OR SOLD, DIRECTLY OR INDIRECTLY, AND NEITHER THIS PROSPECTUS NOR ANY ADVERTISEMENT OR OTHER OFFERING MATERIAL MAY BE DISTRIBUTED OR PUBLISHED IN ANY JURISDICTION, EXCEPT UNDER CIRCUMSTANCES THAT WILL RESULT IN COMPLIANCE WITH ANY APPLICABLE LAWS AND REGULATIONS. PERSONS INTO WHOSE POSSESSION THIS PROSPECTUS OR ANY SECURITIES MAY COME MUST INFORM THEMSELVES ABOUT, AND OBSERVE, ANY SUCH RESTRICTIONS ON THE DISTRIBUTION OF THIS PROSPECTUS AND THE OFFERING AND SALE OF SECURITIES.

THE SECURITIES DESCRIBED IN THE SECURITIES NOTE SHALL NOT BE ADMITTED TO LISTING ON ANY REGULATED MARKET.

A COPY OF THE PROSPECTUS HAS BEEN SUBMITTED TO THE MFSA IN SATISFACTION OF THE FINANCIAL MARKETS ACT AND HAS BEEN DULY FILED WITH THE MALTA BUSINESS REGISTRY IN ACCORDANCE WITH THE COMPANIES ACT.

IN TERMS OF ARTICLE 12(1) OF THE PROSPECTUS REGULATION, THE PROSPECTUS SHALL REMAIN VALID FOR A PERIOD OF 12 MONTHS FROM THE DATE OF THE APPROVAL OF THE PROSPECTUS BY THE MFSA. THE ISSUER IS OBLIGED TO PUBLISH A SUPPLEMENT ONLY IN THE EVENT OF SIGNIFICANT NEW FACTORS, MATERIAL MISTAKE OR MATERIAL INACCURACY RELATING TO THE INFORMATION SET OUT IN THE PROSPECTUS WHICH MAY AFFECT THE ASSESSMENT OF THE SECURITIES AND WHICH ARISES OR IS NOTED BETWEEN THE TIME WHEN THE PROSPECTUS IS APPROVED AND THE CLOSING OF THE OFFER PERIOD. THE OBLIGATION TO SUPPLEMENT THE PROSPECTUS IN THE EVENT OF SIGNIFICANT NEW FACTORS, MATERIAL MISTAKES OR MATERIAL INACCURACIES DOES NOT APPLY WHEN THE PROSPECTUS IS NO LONGER VALID.

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 SUB-SECTION 4.3 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.

UNLESS OTHERWISE STATED, THE CONTENTS OF THE ISSUER'S WEBSITE OR ANY WEBSITE DIRECTLY OR INDIRECTLY LINKED TO THE ISSUER'S WEBSITE 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 WEBSITE AS THE BASIS FOR A DECISION TO INVEST IN THE SECURITIES DETAILED IN THE SCEURITIES NOTE.

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 PROFESSIONAL ADVISORS.

1. DEFINITIONS

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

Act or **Companies Act**	the Companies Act, Chapter 386 of the laws of Malta;
Andersia Retail Sp. z o.o.	Andersia Retail Sp. z o.o., a subsidiary company of First Polish Real Estate B.V. (defined below), registered under the laws of Poland with company registration number 238196 and having its registered address at Pl. Andersa 7, 61-894 Poznań, Poland;
Capital Markets Rules	the capital markets rules issued by the Malta Financial Services Authority, as may be amended and/or supplemented from time to time;
Company or **Issuer**	Von der Heyden Group Finance p.l.c., a public company registered under the laws of Malta with company registration number C 77266 and having its registered office at 14 East, Level 8, Sliema Road, Gzira GZR 1639, Malta;
Cugó Gran Collection	the Cugó Gran Collection brand through which the Group manages and operates its luxury boutique accommodation operations;
Directors or **Board** or **Board of Directors**	the directors of the Issuer at the date of the Prospectus whose names are set out in sub-section 4.1.1 of this Registration Document;
EBIT	an abbreviation used for earnings before interest and tax;
EBITDA	an abbreviation used for earnings before interest, tax, depreciation and amortisation;
Euro or **€**	the lawful currency of the Republic of Malta;
Financial Markets Act	the Financial Markets Act, Chapter 345 of the laws of Malta;
First Polish Real Estate B.V.	First Polish Real Estate B.V., a company registered under the laws of the Netherlands with company registration number 34209436 and having its registered office at Barbara Strozzilaan 101, 201, 1083HN, Amsterdam, Netherlands. The direct Subsidiaries of First Polish Real Estate B.V. are Andersia Retail Sp. z o.o. (Polish registration number 238196), Andersia Property Sp. z o.o. (Polish registration number 58643), Dlugi Targ Hotel Management Sp. z o.o. (Polish registration number 610327) and Dlugi Targ Sp. z o.o. (Polish registration number 258097), all of which Subsidiary entities are incorporated and registered in Poland;
Global Note or **Note**	the Global Note to be issued by the Issuer in favour of the Nominee and Placement Agent representing the amount due by the Issuer to the Nominee and Placement Agent and creating, acknowledging and representing the indebtedness of the Issuer to the Nominee and Placement Agent under the terms and conditions set out in the form of Annex A1 to the Securities Note;
Global Note Obligations	the punctual performance by the Issuer of all of its obligations under the Global Note, including the repayment of principal and payment of interest thereon;
Global Noteholder	the holder of the Global Note;
Group	the Guarantor (parent company) and any Subsidiary and associated company or entity, including the Issuer, in which the Guarantor has a controlling interest, as further described in sub-section 5.2 of this Registration Document, principally involved in real estate investments, property management, development and leasing, hospitality and tourism operations and hotel management across Europe, including Germany, Italy, Malta, Poland, Spain, the Netherlands, Portugal and Montenegro;
Guarantee	the guarantee dated 22 August 2023 granted by the Guarantor as security for the punctual performance of all the Global Note Obligations undertaken by the Issuer and, without prejudice to the generality of the foregoing, the undertaking on the part of the Guarantor to pay all amounts of principal and interest which may become due and payable by the Issuer to the Global Noteholder and Participation

	Noteholders, as applicable, under the Global Note and Participation Notes, as applicable, within 60 days from the date such amount falls due and remains unpaid by the Issuer. A copy of the Guarantee and a description of the nature, scope and terms of the Guarantee are appended to the Securities Note as Annex I thereto;
Guarantor	Timan Investments Holdings Limited, a private limited liability company registered under the laws of Malta with company registration number C 63335 and having its registered office at 14 East, Level 8, Sliema Road, Gzira GZR 1639, Malta;
IBB Hammetts Operations Limited	IBB Hammetts Operations Limited, a private limited liability company registered under the laws of Malta with company registration number C 81213 and having its registered office at F1, Caledonia Tower, Qui-Si-Sana, Sliema SLM 3114, Malta;
IBB Hotel Collection	the IBB Hotel Collection brand through which the Group manages and operates a number of 3 to 5-star hotels;
IBB Hotel Collection Holding Limited	IBB Hotel Collection Holding Limited, a subsidiary company of the Guarantor, registered under the laws of Malta with company registration number C 103620 and having its registered address at 14 East, Level 8, Sliema Road, Gzira GZR 1639, Malta;
IBB Hotel Management Europe Ltd	IBB Hotel Management Europe Ltd, a company registered under the laws of Malta with company registration number C 74696 and having its registered office at 14 East, Level 8, Sliema Road, Gzira GZR 1639, Malta;
Knight Frank Sp. z o.o.	Knight Frank Sp. z o.o., a company registered under the laws of Poland with company registration number 134273 and having its registered address at ulica Mokotowska 49, 00-542 Warsaw, Poland;
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;
Lublin Grand Hotel Management Sp. z o.o.	Lublin Grand Hotel Management Sp. z o.o., a subsidiary company of the Guarantor, registered under the laws of Poland with company registration number 145390 and having its registered address at ul. Krakowskie Przedmieście 56, 20-002 Lublin, Poland;
Malta Financial Services Authority or **MFSA**	the Malta Financial Services Authority, established in terms of the Malta Financial Services Authority Act, Chapter 330 of the laws of Malta, in its capacity as the competent authority in terms of the Financial Markets Act, as the competent authority to approve prospectuses of any offer of securities to the public in Malta;
Malta Stock Exchange or **Exchange** or **MSE**	Malta Stock Exchange plc, as originally constituted in terms of the Financial Markets Act, with company registration number C 42525 and having its registered office at Garrison Chapel, Castille Place, Valletta VLT 1063, Malta;
Memorandum and Articles of Association or **M&As**	the memorandum and articles of association of the Issuer in force at the time of publication of the Prospectus, and the terms "Memorandum of Association" and "Articles of Association" shall be construed accordingly;
MSE Bye-Laws	the MSE bye-laws issued by the authority of the board of directors of Malta Stock Exchange plc, as may be amended from time to time;
Nominee and Placement Agent	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, and is a member of the MSE;
Offer	the offer for participation in the Global Note through the issuance of Participation Notes;
Official List	the list prepared and published by the Malta Stock Exchange as its official list in accordance with the MSE Bye-Laws;

Participation Note/s	a transferable note of a nominal value of €1,000 issued by the Nominee and Placement Agent to a Participation Noteholder acknowledging the interest of the person named therein in the Global Note, and evidencing an entry in the Register of Investors;
Participation Noteholder	a holder of a Participation Note;
Prospectus	collectively, the Summary, this Registration Document and the Securities Note published by the Issuer in connection with the issue of the Notes all dated 22 August 2023 as such documents may be amended, updated, replaced and supplemented from time to time;
Prospectus Regulation	Regulation (EU) 2017/1129 of 14 June 2017 of the European Parliament and of the Council on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC, as may be amended and/or supplemented from time to time, and in accordance with the provisions of Commission Delegated Regulation No. 2019/979 and Commission Delegated Regulation No. 2019/980 issued thereunder;
Register of Investors	the register to be maintained by the Nominee and Placement Agent identifying the Participation Noteholders from time to time;
Redemption Date	22 September 2026;
Registration Document	this document in its entirety issued by the Issuer dated 22 August 2023, forming part of the Prospectus;
Securities Note	the securities note issued by the Issuer dated 22 August 2023, forming part of the Prospectus;
Subsidiary/ies	means all entities, including structured entities, over which the Issuer and/or the Guarantor, as applicable, has control. In terms of International Financial Reporting Standards (IFRS) as adopted by the European Union (EU), a group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. The term "**Subsidiary**" shall be construed accordingly;
Summary	the summary issued by the Issuer dated 22 August 2023, forming part of the Prospectus;
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, Ringaskiddy, Co., Cork, Ireland;
Urbelia Business S.L.	Urbelia Business S.L., a company registered under the laws of Spain with company registration number CIF B-87992699, and having its registered address at Cerniceria 3, 2nd Floor, 28250 Torrelodones, Madrid, Spain; and
Von der Heyden Group Holdings B.V.	Von der Heyden Group Holdings B.V., a company registered under the laws of Curaçao with company registration number 155289 and having its registered office at Landhuis Groot Kwartier, Groot Kwartierweg 12, Curaçao.

All references in the Prospectus to "Malta" are to the "Republic of Malta".

Unless it appears otherwise from the context:

(a) words importing the singular shall include the plural and *vice-versa*;
(b) words importing the masculine gender shall include the feminine gender and *vice-versa*;
(c) the word "may" shall be construed as permissive and the word "shall" shall be construed as imperative;
(d) any reference to a person includes natural persons, firms, partnerships, companies, corporations, associations, organisations, governments, states, foundations or trusts;
(e) any reference to a person includes that person's legal personal representatives, successors and assigns;
(f) any phrase introduced by the terms "including", "include", "in particular" or any similar expression is illustrative only and does not limit the sense of the words preceding those terms; and
(g) any reference to a law, legislative act and/or other legislation shall mean that particular law, legislative act and/or legislation as in force at the time of publication of this Registration Document.

2. RISK FACTORS

PROSPECTIVE INVESTORS SHOULD CAREFULLY CONSIDER WITH THEIR OWN PROFESSIONAL ADVISORS THE FOLLOWING RISK FACTORS AND OTHER INVESTMENT CONSIDERATIONS, AS WELL AS ALL THE OTHER INFORMATION CONTAINED IN THE PROSPECTUS, BEFORE MAKING ANY INVESTMENT DECISION WITH RESPECT TO THE ISSUER.

SOME OF THESE RISKS ARE SUBJECT TO CONTINGENCIES WHICH MAY OR MAY NOT OCCUR AND NEITHER THE ISSUER NOR THE GUARANTOR IS IN A POSITION TO EXPRESS ANY VIEWS ON THE LIKELIHOOD OF ANY SUCH CONTINGENCIES OCCURRING.

WHILE THE SEQUENCE IN WHICH THE RISKS BELOW ARE LISTED IS INTENDED TO BE INDICATIVE OF THE ORDER OF PRIORITY AND OF THE EXTENT OF THEIR CONSEQUENCES, PROSPECTIVE INVESTORS ARE HEREBY CAUTIONED THAT THE OCCURRENCE OF ANY ONE OR MORE OF THE RISKS SET OUT BELOW COULD HAVE A MATERIAL ADVERSE EFFECT ON THE ISSUER'S, THE GUARANTOR'S AND THE GROUP'S BUSINESS, TRADING PROSPECTS, RESULTS OF OPERATIONS AND FINANCIAL CONDITION, AND, CONSEQUENTLY, ON THE ABILITY OF THE ISSUER TO FULFIL ITS OBLIGATIONS UNDER THE SECURITIES TO BE ISSUED IN TERMS OF THE PROSPECTUS AND OF THE GUARANTOR TO HONOUR ITS OBLIGATIONS UNDER THE GUARANTEE.

THE RISKS AND UNCERTAINTIES DISCUSSED BELOW ARE THOSE IDENTIFIED AS SUCH BY THE DIRECTORS OF THE ISSUER AS AT THE DATE OF THE PROSPECTUS, BUT THESE RISKS AND UNCERTAINTIES MAY NOT BE THE ONLY ONES THAT THE ISSUER AND THE GUARANTOR MAY FACE. 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 AND/OR THE GUARANTOR.

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, THE GUARANTOR OR THE NOMINEE AND PLACEMENT AGENT, 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 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 and/or Guarantor's strategies and plans relating to the attainment of their respective 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, accordingly, involve predictions of future circumstances.

Prospective investors can generally identify forward-looking statements by the use of terminology such as "may", "will", "should", "expect", "intend", "plan", "estimate", "anticipate", "believe", "forecast", "project" or similar phrases. Such forward-looking statements are inherently subject to a number of risks, uncertainties and assumptions, a few of which are beyond the Issuer's and/or Guarantor's control. 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.

The Issuer cautions prospective investors that these forward-looking statements are subject to risks and uncertainties that could cause actual events or results to differ materially from those expressed or implied by such statements, that such statements do not bind the Issuer and/or the Guarantor with respect to future results and no assurance is given that the projected future results or expectations covered by such forward-looking statements will be achieved.

Prospective investors are advised to read the Prospectus in its entirety and, in particular, all the risk factors set out in the Prospectus for a further discussion of the factors that could affect the Issuer's and Guarantor's future performance. In the light of these risks, uncertainties and assumptions, the events described in the forward-looking statements in the Prospectus may not occur. All forward-looking statements contained in the Prospectus are made only as at the date of the Prospectus. Subject to applicable legal and regulatory obligations, the Issuer and its Directors expressly disclaim any obligations to update or revise any forward-looking statements 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 Issuer's exposure to and dependence on the Group and its business

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 dependent on the business prospects of the Group and, consequently, the operating results of the Group have a direct effect on the Issuer's financial position.

Therefore, the risks intrinsic in the business and operations of Group companies have a direct effect on the ability of the Issuer and the Guarantor to meet their respective obligations in connection with the payment of interest on the Global Note and repayment of principal when due. 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.

Specifically, the Issuer is principally dependent, including for the purpose of servicing interest payments on the Global Note and the repayment of the principal amount on Redemption Date, on income derived from dividends receivable from Group companies and the receipt of interest payments and loan repayments from Group companies. The interest payments and loan repayments to be affected by Group companies are subject to certain risks.

More specifically, the ability of Group companies to affect payments to the Issuer will depend on the cash flows and earnings of such Group companies, which may be restricted by: changes in applicable laws and regulations; the terms of agreements to which they are or may become party; or other factors beyond the control of the Issuer and/or Guarantor.

Furthermore, the payment of inter-company loans and/or dividends by Group companies will depend on, among other factors, any future profits, financial position, working capital requirements, general economic conditions and other factors. Accordingly, any occurrence that could impede or otherwise delay the cash flow generation from the Group's business could have a detrimental impact on Group companies' ability to pay dividends, or repay inter-company loans, which, in turn, would have an adverse impact on the ability of the Issuer and the Guarantor to meet their respective obligations in connection with the payment of interest on the Global Note and repayment of principal when due.

The business activities of the Group are subject to general market and economic conditions, both locally and overseas. These conditions include, *inter alia*, consumer and business spending, financial market volatility, inflation, fluctuations in interest rates, exchange rates, direct and indirect taxation, recession, unemployment, credit markets, government spending and other general market and economic conditions. In the event that general market and economic conditions were to experience a downturn, these weakened conditions may have an adverse impact on the financial position and operational performance of the Group's business activities, potentially having a negative effect on the Issuer's financial position, cash flows, operational performance and its ability to fulfil its obligations in respect of the repayment of principal and interest under the Global Note punctually when due.

More specifically as regards the impact of the economy on Group operations, the Group operates across several jurisdictions and, as is the case with virtually all businesses, depends on the general financial and political situation in the world, as well as conditions unique to a specific region or country. Demand for the Group's products and services is dependent on the demand in the markets in which it operates, which, in turn, is driven by global trade, infrastructure construction as well as economic trends in applicable geographic markets. A weak economic trend in the whole or part of the world may, therefore, result in lower than expected market growth. Although the Group's business is well spread geographically, with a broad customer base within several market segments, there is a risk that the Group's operations, financial position and earnings could be adversely affected by a weak economic trend as well as cyclical patterns.

The Group is also subject to the timely completion of prospective developments and other budgetary constraints relative to its business. These include factors such as the level of investment across the property market, property prices and other economic and social factors affecting demand for real estate generally. The Group's hospitality operations could also be impacted in the event of an economic downturn, which would have an adverse effect on the tourism industry and constrain consumer spending, both of which would have a negative impact on the financial performance of the hospitality operations of the Group. Such factors may have an adverse impact on the financial condition of the Group and the ability of the Issuer and the Guarantor to meet their respective obligations under the Global Note.

2.3 Risks relating to the Group, including the Guarantor, and its business

2.3.1 Risks relating to real estate development and the realisation of benefits expected from property investments

One of the pillars of the Group's business is property development, targeted at the international commercial market. Renovating, refurbishing or otherwise improving existing properties to maintain the desired standards, and developing new and commercially viable properties, is key to the Group's business and growth strategy. All development projects are subject to a number of specific risks: the risk of cost overruns; the risk of insufficiency of resources to complete; the risk of sales transactions not materialising at the prices and the tempo envisaged; and the risk of sales delays resulting in a liquidity strain, higher interest costs and the erosion of revenue generation. If these risks were to materialise, they would have an adverse impact on the Group's revenue generation and cash flows.

There are a number of factors that commonly affect the real estate development industry, many of which are beyond the Group's control and which could adversely affect the economic performance and value of the Group's prospective development projects. Such factors include *inter alia*: (i) changes in the general economic conditions; (ii) changes in local market conditions, such as an oversupply of similar properties; (iii) possible structural and environmental problems; and (iv) acts of nature, such as earthquakes and floods, that may damage any of the properties or delay development thereof.

Any of the factors described above could have a material adverse effect on the Group's business, its financial condition and prospects and, accordingly, on the repayment of the Global Note and interest thereon by the Issuer and/or Guarantor, as applicable.

The Group has made and expects to continue making significant investments in the acquisition, development and improvement of its existing and new properties as deemed appropriate. Renovating and improving existing properties and acquiring and developing new and commercially viable properties is important to the Group's business. The Group is susceptible to experiencing cost over-runs relating to unanticipated delays in developing property and unanticipated liabilities associated with property under development. If these risks were to materialise, the Group may fail to realise the expected benefits from investments made in its properties and the Group's business, financial condition and results of operations may be adversely affected.

More specifically, delays in the time scheduled for completion of Group projects may also cause significant delays in the tempo of the revenues forecasted by the Group to be generated from such projects, which can have a significant adverse impact on the Group's financial condition and cash flows in future. Similarly, if the Group's development projects were to incur significant cost overruns that were not anticipated, the Group may have difficulties in sourcing the funding required for meeting such cost overruns and, therefore, may risk not completing the projects, which could have a material adverse impact on the ability of the Issuer to meet its Global Note Obligations.

The Group's ability to implement its business strategies is dependent upon, amongst other things, its ability to generate sufficient funds internally and to access external financing at acceptable costs. No assurance can be given that sufficient financing for its current and future investments will be available on commercially reasonable terms or within the timeframes required by the Group, also taking into account the need, from time to time, for the Group's properties to undergo renovation, refurbishment or other improvements as aforesaid. Any weakness in the capital markets may limit the Group's ability to raise capital for completion of projects that have commenced or for development of future investments. Failure to obtain, or delays in obtaining, the financing required to complete current or future developments on commercially reasonable terms, including increases in borrowing costs or decreases in loan funding, may limit the Group's growth and materially and adversely affect its business, financial condition, results of operations and prospects.

2.3.2 Risks relating to properties under development

The Group is also exposed to the risk of delays or refusals in obtaining the necessary planning permissions or other building and other required permits and authorisations, which is a risk commonly associated with property development projects. Delays or refusals in the issuance of development permits for projects earmarked by Group companies for construction would have an adverse effect on the business, financial condition and profitability of the Group.

Furthermore, the Group is subject to various counter-party risks, including the risk of counter-parties, such as contractors and sub-contractors engaged in the demolition, excavation, construction and finishing of developments in which the Group may be involved, and prospective lessors and/or purchasers, defaulting on their obligations with the Group. Such parties, which may include both third parties as well as related parties, may default or fail to perform on their obligations to the Group due to insolvency, lack of liquidity, market or economic downturns, operational failure or other reasons which are beyond the Group's control. Other third-party risks may include restrictions on the time to execute demolition and excavation, and risks associated with encountering protected sites whilst excavating. If such risks, many of which are common to the real estate industry, were to materialise, they could have an adverse impact on the Group's revenue generation, cash flows and financial performance.

The Group's ability to realise the full benefits that it expects from investments made in properties will depend on its ability to assess and minimise these risks in an efficient and cost-effective manner. No assurance can be given that the Group will be able to deal with these risks in an efficient and cost-effective manner.

2.3.3 Fluctuations in property values

As stated above, the Group is involved in the acquisition, development and disposal of properties. Property values are affected by and may fluctuate, *inter alia*, as a result of changing demand, changes in general economic conditions, changing supply within a particular area of competing space and attractiveness of real estate relative to other investment choices. The value of the Group's property portfolio may also fluctuate as a result of other factors outside the Group's control, such as changes in regulatory requirements and applicable laws, including in relation to taxation and planning, political conditions, the condition of financial markets, potentially adverse tax consequences, interest and inflation rate fluctuations and higher accounting and control expenses.

The Group's operating performance could be adversely affected by a downturn in the property market in terms of capital values. The valuation of property and property-related assets is inherently subjective, due to, among other things, the individual nature of each property and the assumptions upon which valuations are carried out. Accordingly, 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. Actual values may be materially different from any future values that may be expressed or implied by forward-looking statements set out in the relative valuation or anticipated on the basis of historical trends, as reality may not match the assumptions made.

2.3.4 The hotel industry, and the Group's activities generally, could be adversely affected by natural disasters, contagious disease, terrorist activity and war

Natural disasters, the spread of contagious disease, including Covid-19, industrial action, travel-related accidents, terrorist activity and war, and the targeting of hotels and popular tourist destinations in particular, have had a significant negative impact on the travel and hotel industry globally in the past and such events could have a similarly negative impact in the future. The Group's other operating activities, including principally real estate investments and property management, development and leasing, could, likewise, be negatively impacted by such events.

Such events occurring in the locations where the Group owns and/or operates hotels could directly or indirectly affect travel patterns and reduce the number of business and leisure travellers in affected countries and reduce the demand for hotel accommodation at the Group's hotels. In addition, concerns about air travel safety could substantially decrease the overall amount of air travel, including premium business travel, which is generally associated with the highest average daily rates at hotels. Such a decrease could have an adverse impact on occupancy levels in hotels owned and/or operated by the Group. Furthermore, actual or threatened war, terrorist activity, political unrest, civil strife and other geopolitical uncertainty may also reduce overall demand for business and leisure travel. The occurrence of any of these events or increasing concerns about these events could have a material adverse impact on the business, financial condition, results of operations and prospects of the Group.

With respect to the Group's operations in Poland (as detailed below in this Registration Document), including, *inter alia*, as a result of the current conflicts between Russia and Ukraine, an investment in Participation Notes carries the risk that, as a result of the said current political and military tensions between Russia and Ukraine, and the resulting economic sanctions imposed on Russia, as well as those imposed by Russia, the general economic conditions in Poland where the Group carries out part of its business could be adversely impacted.

While Poland is not directly involved in the current conflict between Russia and Ukraine, the Group is susceptible to the political and economic risks that may, from time to time, influence Poland's prospects. Any unexpected changes in the political, social, economic or other conditions in Poland and/or their surrounding territories may have an adverse effect on the operations and financial results of the Group and on any investments made by the Group in the region.

2.3.5 Competition

The hospitality business is competitive in nature and the number of players in this industry both locally and internationally is substantial, with competitors possibly having longer operating histories, greater name recognition, larger customer bases and greater financial, technical, marketing and other resources than the Group. The Group may face competition from existing competitors and/or from new market entrants. Additionally, new competitors may enter the market and control larger operations and may be able to provide services at lower rates. If the Group is not able to compete successfully, the Group's earnings could be adversely affected.

Whilst the Group already operates in a highly competitive market, this level of competition may increase as indicated above, which may limit the future ability of the Group to maintain its market share and revenue level. Some of these competitors may be able to respond more quickly, engage in more extensive promotional activities, offer more attractive pricing and terms to their customers and adopt more aggressive pricing policies. There can be no assurance that the Group will be able maintain or increase its market share and to compete effectively with current or future competitors or that the competitive pressures will not consequently have a material adverse effect on Group's business, financial condition, operational performance and, accordingly, on the Issuer's and Guarantor's ability to fulfil their respective obligations under the Global Note.

2.3.6 Risks relating to fluctuations in exchange rates

The Group's operations are, in part, exposed, in the case of transactions not denominated in Euro, to foreign currency risk on transactions, receivables and borrowings that are denominated in a currency other than the Euro. As a result, exchange gains and losses may arise on the realisation of amounts receivable and the settlement of amounts payable in foreign currencies.

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

3. PERSONS RESPONSIBLE & AUTHORISATION STATEMENT

3.1 Persons responsible

Each and all of the Directors of the Issuer whose names appear in sub-section 4.1.1 of this Registration Document accept responsibility for all the information contained in the Prospectus. To the best of the knowledge and belief of the Directors, who have taken all reasonable care to ensure that such is the case, the information contained in this Registration Document is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors of the Issuer hereby accept responsibility accordingly.

3.2 Authorisation statement

This Registration Document has been approved by the Malta Financial Services Authority as the competent authority under the Prospectus Regulation. The Malta Financial Services Authority only approves this Registration Document as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer or the Global Note.

4. IDENTITY OF DIRECTORS, SENIOR MANAGEMENT, ADVISORS AND AUDITORS

4.1 Directors

4.1.1 Directors of the Issuer

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

Antonio Fenech	Chairman and Executive Director
Javier Errejón Sainz de la Maza	Executive Director
Jozef Bronislaw Borowski	Non-executive Director
Joseph Muscat	Independent, non-executive Director
Karen Coppini	Independent, non-executive Director

Antonio Fenech and Javier Errejón Sainz de la Maza occupy senior executive positions within the Group. The other three Directors, Joseph Muscat, Karren Coppini and Jozef Bronislaw Borowski serve on the Board of the Issuer in a non-executive capacity, with Joseph Muscat and Karen Coppini being considered as independent Directors since they are free of any business, family or other relationship with the Issuer, its controlling shareholder or the management of either, that could create a conflict of interest such as to impair their judgement.

The business address of the Directors is 14 East, Level 8, Sliema Road, Gzira GZR 1639, Malta.

Karen Coppini is the company secretary of the Issuer.

The following are the respective *curriculum vitae* of the Directors:

Name: Antonio Fenech; Chairman and Executive Director

Mr Fenech presently holds the role of Executive Director of the Guarantor and Chairman of the Issuer and joined the Von der Heyden Group in January 2019. As member of the management board, he is responsible the Group's business development and acts as the Malta territory leader. Prior to his appointment with the Group Mr. Fenech occupied several directorship positions in investment funds and banks. A certified public accountant and auditor, Mr Fenech started his professional career with PricewaterhouseCoopers within the assurance division where he progressed to a Senior Manager position, and eventually moved into the Business Advisory service line as a Senior Consultant. Mr Fenech held political office as Malta's Parliamentary Secretary for Finance and subsequently Minister for Finance and the Economy for 9 years until March 2012, and has also served as Mayor of Birkirkara prior to his election to the Malta Parliament.

Name: Javier Errejón Sainz de la Maza; Executive Director

Mr Errejón presently holds the position of Managing Director and Chief Financial Officer of the Guarantor and Managing Director of IBB Hotel Management Europe Ltd. He joined the Group in September 2006 as its Chief Financial Officer and member of the management board responsible for finance. Prior to that he occupied several senior positions, including that of head of analysis and management control of Aldeasa S.A. and controller and financial management of Grupo Ferrovial.

With a Bachelor in Law and a Master of Business Administration degree from IESE Business School, Mr Errejón is also a professor teaching finance and business valuation at various universities and business schools in Spain and other countries.

Name: Jozef Bronislaw Borowski; Non-executive Director

Mr Borowski has been active on the Polish commercial property market for over 30 years. He is one of the shareholders of Knight Frank Sp. z o.o., the Polish arm of Knight Frank, the world's largest privately held property services firm, and has managed Knight Frank in Poland for *circa* 25 years, a team which is currently comprised of 130 professionals. Prior to establishing Knight Frank in Poland, Mr Borowski was a member of the Capital Markets and Real Estate Services teams of PricewaterhouseCoopers, Poland. Mr Borowski has closed substantial leasing and investment transactions during his property career in Poland for leading multinational corporations, financial institutions, institutional funds and family offices, across various property sectors including office, residential, retail, parking, hotel and land. Mr Borowski has a beneficial interest in some Group companies as detailed in sub-section 8.4 below.

Name: Joseph Muscat; Independent, non-executive Director

Mr Muscat is a Certified Public Accountant and a Fellow of the Chartered Association of Certified Accountants, United Kingdom (FCCA), having qualified as a member of the ACCA in 1981. Mr Muscat retired from PricewaterhouseCoopers in Malta on 31 December 2019 on reaching the firm's mandatory retirement age. He spent the majority of his professional career at the firm, the initial ten-year span in the firm's Assurance practice and, as from 1996 - on re-joining the firm after a six-year stint when he was engaged to oversee the finance function of a manufacturing company in Belgium - in the firm's Advisory line of service providing corporate finance and transaction advisory services across the wider spectrum of the private and public sectors in Malta. Mr Muscat was admitted to the PwC partnership in 2003 and over the years he has held various positions within the firm including those of Deals leader, Advisory service line leader and a member of the firm's Management Board.

Name: Karen Coppini; Independent, non-executive Director

Dr Coppini read a Doctor of Laws (LL.D.) degree from the University of Malta and was admitted to the bar in 2011. She later read a Master of Laws (LL.M.) degree from Queen Mary, University of London in Computer and Communications Law. She runs her own legal practice 'Coppini Legal' advising clients on corporate and commercial legal matters. She is also authorised by the MFSA to act as a director / company secretary (CSP).

Throughout her career Dr Coppini focused on regulated and licensed activities, particularly capital markets. She was appointed company secretary for various companies in Malta, including four of the listed companies forming part of the Hili Ventures group (2015 - 2018): Hili Properties plc, Hili Finance Company plc, 1923 Investments plc and Premier Capital plc. She is presently the Company Secretary of the Company, Juel Group plc and The ONA plc.

4.1.2 Directors of the Guarantor

As at the date of this Registration Document, the board of directors of the Guarantor is constituted by the following three persons:

Sven von der Heyden	Chairman and executive director
Javier Errejón Sainz de la Maza	Executive director
Antonio Fenech	Executive director

The business address of the directors of the Guarantor is 14 East, Level 8, Sliema Road, Gzira GZR 1639, Malta.

Nicholas Formosa is the company secretary of the Guarantor.

The following are the respective *curriculum vitae* of the directors of the Guarantor:

Name: Sven von der Heyden; Chairman and executive director

Mr von der Heyden is the founder the Group, responsible for its overall direction and strategy. Prior to the setting up of the Group in 1989, Mr von der Heyden was an institutional bond dealer. He was also a co-founder, the main shareholder as well as chairman of the Supervisory Board of the Iberia Motor Company S.A., the general exclusive importer of Seat cars in Poland, sold in 1998 with a revenue of €150 million. Mr von der Heyden has won various personal and project awards, including "Personality of the Year 2002" award granted by the readers of Construction Journal Poland, "Preservation of Historical Buildings" award granted to Mr von der Heyden by the Polish Minister of Culture in 2002 and multiple "Building of the Year" and "CEE Best Projects" awards in recognition of projects carried into effect by the Group over the years. Mr von der Heyden is resident in Malta since January 2014.

Name: Javier Errejón Sainz de la Maza; Executive director

The *curriculum vitae* of Mr Errejón Sainz de la Maza is set out in sub-section 4.1.1 above.

Name: Antonio Fenech; Executive director

The *curriculum vitae* of Mr Fenech is set out in sub-section 4.1.1 above.

4.2 Senior management

The Issuer does not have any employees of its own and is reliant on the resources which are made available to it by other Group entities.

In addition to the directors of the Issuer and the Guarantor, the key members of the Group's Executive Team are the following:

Name: Samuel Santos Gordillo; Director of Sales and Quality IBB Hotel Collection and Cugó Gran Collection

Mr Santos joined the Group in 2018 and is responsible for the hotel group sales, operations and development of the IBB Hotel Collection and the Cugó Gran Collection. Prior to him joining the Group, Mr Santos Gordillo was with H Hotels Collection and subsequently Meliá Hotels & Resorts International responsible or sales strategy of the luxury accommodation segment.

Name: Abdel Al-Rashid Taola; Group Head of Finance

Mr Taola joined the Group in 2021 and is responsible for the financial division of the Group. Mr Taola is a highly experienced qualified accountant and prior to joining the Group, he was a financial auditor for eight years combined with Ernst & Young Malta and RSM Malta.

Name: Tiana Vella; Director Human Resources

Ms Vella joined the Group in 2018 and is responsible for the Human Resource function of the Group. Prior to joining the Group, Ms Vella was Deputy Human Resource Manager at Allied Newspapers and subsequently as Human Resource Manager at the Hilltop Gardens within the AX Group.

Name: Herald Bonnici; Head of Operations

Mr Bonnici joined the Group in May 2023 and is responsible for the Operations of the Group. Prior to joining the Group, Mr Bonnici was former CEO of a public investment management entity and Director General at the Ministry for Finance. His expertise lies in strategic planning, business process re-engineering, ESG and alternative investments.

Name: Michael Amato; Country Manager Italy

Mr Amato joined the Group in June 2023 as Country Manager for Italy. Mr Amato holds a Masters Degree in Finance from the London Business School. Prior to joining the Group in July 2023, Mr Amato worked as a Senior Analyst for Deloitte Malta, moving to AB Finance plc, as Chief Operating Officer. More recently he was Sales Coordination Specialist for Benetti Yachts in Italy.

Name: Theresienne Mifsud; Head of Legal

Dr Mifsud joined the Group in 2021 as Head of Legal. Prior to joining the Group, Dr Mifsud was for more than 10 years Head of Legal and Regulatory Affairs for Melita Limited, a leading local telecommunications player, and also for a number of years a lawyer within the public sector on consumer and competition matters and a partner in a local legal firm mainly advising on telecommunications, media and data privacy.

Name: Yeraldin Duarte; Financial Controller IBB Hotel Collection

Ms Duarte joined the Group in 2021 taking up the position of accountant at the Group's headquarters in Malta, where she worked under the stewardship of the Head of finance of the Group. Ms Duarte has been recently appointed to the role of financial controller of the IBB Hotels Collection.

Name: Adam Karol Trybusz; Group Head of Real Estate Development, Poland

Mr Trybusz joined the Group in 1996 and is responsible for its real estate development projects in Poland, several of which have been award-winning projects. Mr Trybusz holds a Master degree from the Faculty of Computer Science and Management in Wroclaw University of Technology and is a member of the Royal Institute of Chartered Surveyors (RICS). Mr Trybusz has a beneficial interest in some Group companies as detailed in sub-section 8.4 below.

Name: Alexandra Bondi; Group Head of PR & Marketing

Ms Bondi joined the Group in 2017 and is responsible for the Marketing and Public Relations for the Group's corporate brand, providing marketing guidance to the Group's business Subsidiaries and complementary luxury segments. Prior to joining the Group, Ms Bondi gained experience in London working for listed multinationals including Microsoft, Viacom and Channel 5.

Name: Anuschka von der Heyden; Head of Sustainability

Ms von der Heyden, joined the Group in July 2022 and is responsible for the development and implementation of the Group's ESG strategy. Graduating from the University of Arts in London with a first-class honours degree she joins the Group following a five-year stint in marketing and PR in London where she worked on several household brands and stock listed multinationals. Ms von der Heyden leads the development and implementation of the Group's ESG (environment, social and governance) strategy which aims to incorporate sustainable principles across the Group's operations.

The Directors believe that the Group's present management organisational structures are adequate for the current activities of the Issuer and the Group generally. The Directors will maintain these structures under continuous review to ensure that they meet the changing demands of the Group's business and to strengthen the checks and balances necessary for optimum corporate governance and maximum operational efficiency.

4.3 Advisors

The persons listed hereunder have advised and assisted the Directors in the drafting and compilation of the Prospectus.

Legal Counsel

Name: VB Advocates
Address: 52, St. Christopher Street, Valletta VLT 1462, Malta

Nominee and Placement Agent

Name: Calamatta Cuschieri Investment Services Limited
Address: Ewropa Business Centre, Triq Dun Karm, Birkirkara BKR 9034, Malta

As at the date of the Prospectus, none of the advisors named under this sub-heading have any beneficial interest in the share capital of the Issuer or the Guarantor. Additionally, save for the terms of engagement relative to their respective services provided in connection with the preparation of the Prospectus, no material transactions have been entered into by the Issuer or the Guarantor with any of the advisors referred to above.

The organisations listed above have advised and assisted the Directors in the drafting and compilation of the Prospectus.

4.4 Auditors

Name: Ernst & Young Malta Limited (C 30252)
Address: Fourth Floor, Regional Business Centre, Achille Ferris Street, Msida MSD 1751, Malta

The annual statutory financial statements of the Issuer for the financial years ended 31 December 2020, 2021 and 2022 have been audited by Ernst & Young Malta Limited of Fourth Floor, Regional Business Centre, Achille Ferris Street, Msida MSD 1751, Malta.

The annual statutory consolidated financial statements of the Guarantor for the financial years ended 31 December 2020, 2021 and 2022 have been audited by Ernst & Young Malta Limited of Fourth Floor, Regional Business Centre, Achille Ferris Street, Msida MSD 1751, Malta.

Ernst & Young Malta Limited (accountancy board registration number AB/26/84/96) is a firm registered as a partnership of certified public accountants holding a practicing certificate to act as auditors in terms of the Accountancy Profession Act, 1979, Chapter 281 of the laws of Malta.

5. INFORMATION ABOUT THE ISSUER AND GUARANTOR

5.1 The Issuer

Full legal and commercial name of the Issuer:	Von der Heyden Group Finance p.l.c.
Registered address:	14 East, Level 8, Sliema Road Gzira GZR 1639 Malta
Place of registration and domicile:	Malta
Registration number:	C 77266
Legal Entity Identifier:	391200IXSTHAHKXMJL91
Date of registration:	15 September 2016
Legal form:	The Issuer is lawfully existing and registered as a public limited liability company in terms of the Act
Telephone number:	+356 27792200
Email:	vdhbond@vdhgroup.com
Website*:	www.vonderheydengroup.com

**The information on the Issuer's website does not form part of the Prospectus, unless that information is incorporated by reference into the Prospectus.*

The Issuer was established on 15 September 2016 as a wholly-owned subsidiary of the Guarantor, the ultimate parent of the Group, save for 1 ordinary share which is held by Von der Heyden Group Holdings B.V., a Curacao company having company registration number 155289. The principal object of the Issuer is to purchase or otherwise acquire, under any title whatsoever, to hold and manage, by any title, assets, including, but not limited to, securities and other financial interests. The Offer falls within the objects of the Issuer. The Issuer's intended purpose is to raise finance for the business of the Group through the Guarantor. In this respect, the Issuer is mainly dependent on the business prospects of the Guarantor and the Group. The Issuer operates exclusively in and from Malta.

As at the date of the Prospectus, the Issuer has an authorised and issued share capital of €250,000 divided into 249,999 ordinary A shares of a nominal value of €1.00 each and 1 ordinary B share of a nominal value of €1.00, all being fully paid-up and subscribed for, allotted and taken up by the Guarantor, other than the 1 ordinary B share which is subscribed for, allotted and taken up by Von der Heyden Group Holdings B.V. Further details concerning the manner in which the shares in the Issuer are subscribed to are set out in sub-section 12.1 of this Registration Document.

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 on the financial and operating performance of the businesses of Group entities, comprising of developing high-quality office buildings and residential buildings, owning and managing hotels in Europe, including Germany, Malta, Poland, Portugal and Spain, the holding of real estate properties for investment purposes, hotel accommodation and catering, asset management, and private equity and other ventures such as real estate brokerage, yacht dealership and chartering, low cost petrol stations operation and other venture capital and capital markets investments.

The Issuer does not have any substantial assets and is essentially a special purpose vehicle set up to act as a financing company to provide Subsidiaries and associates within the Group with funding for project developments, strategic expansions and sustainable investments. 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 set out in detail in sub-section 5.3 of this Registration Document, as well as other projects that may be undertaken by its Subsidiaries and/or related companies enabling the Group to seize new opportunities arising in the market.

Since its incorporation, the Company issued two bonds on the Official List of the MSE, one of which is still listed and trading on the said Official List as at the date of this Registration Document:

a) in January 2017, the Issuer issued €25,000,000 4.4% unsecured bonds due in 2024 (ISIN: MT0001401208) of a nominal value of €1,000 per bond issued at par (the "**2017 VDHG Bonds**"), the net proceeds of which were on-lent to Group companies to repay related party balances and to part-finance various acquisitions and developments of investment property, amongst others, in terms of a prospectus dated 30 January 2017. Said 2017 VDHG Bonds were redeemed early in full in December 2022; and

b) in October 2022, the Issuer issued €35,000,000 5% unsecured bonds due in 2032 (ISIN: MT0001401216) of a nominal value of €100 per bond issued at par (the "**2022 VDHG Bonds**") in terms of a prospectus dated 10 October 2022, the net proceeds of which were on-lent to the Guarantor for the redemption of the 2017 VDHG Bonds and to part-finance the continued development of the Group's Andersia Silver project in Poznań, Poland, as well as for the general corporate funding purposes of the Group. The issue of the 2022 VDHG Bonds was subscribed in full, with said bonds being admitted to listing on the Official List of the MSE in December 2022. Interest on the 2022 VDHG Bonds at the rate of 5% *per annum* is payable annually in arrears on the 16 December of each year, with the first interest payment falling due on 16 December 2023. The 2022 VDHG Bonds are currently listed and trading on the Official List of the MSE.

There are no recent events particular to the Issuer which are, to a material extent, relevant to the evaluation of the Issuer's solvency.

5.2 The Guarantor

Full legal and commercial name of the Guarantor:	Timan Investments Holdings Limited
Registered address:	14 East, Level 8, Sliema Road Gzira GZR 1639 Malta
Place of registration and domicile:	Malta
Registration number:	C 63335
Legal Entity Identifier:	3912004RIUJ0D4BN4B86
Date of registration:	31 December 2013
Legal form:	The Guarantor is lawfully existing and registered as a private limited liability company in terms of the Act
Telephone number:	+356 27792200
Email:	vdhgroup@vdhgroup.com
Website*:	www.vonderheydengroup.com

**The information on the Guarantor's website does not form part of the Prospectus, unless that information is incorporated by reference into the Prospectus.*

The Guarantor was established in the Netherlands in 1999 and in 2013 was re-domiciled to Malta. The Guarantor principally acts as the investment holding company of the Group, holding shares in a number of Subsidiaries registered in Germany, Italy, the Netherlands, Poland, Spain, Malta, Portugal and Montenegro, primarily operating in the real estate development and hotel management sectors.

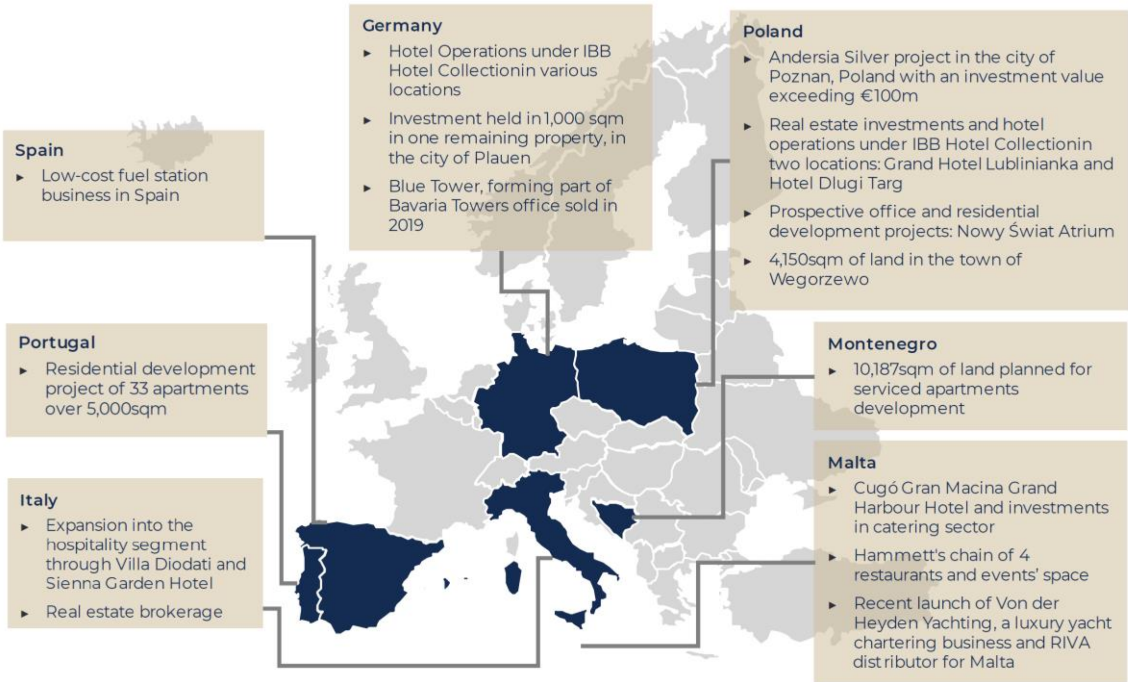
As at the date hereof, the Guarantor has an authorised share capital of €50,000,000 divided into 20,000,000 ordinary A shares of a nominal value of €1 each and 30,000,000 ordinary B shares of a nominal value of €1 each; and an issued share capital of €3,804,641 divided into 3,249,924 ordinary A shares of a nominal value of €1 each and 554,717 ordinary B shares of a nominal value of €1 each, all fully paid-up. At present, the shares in the Guarantor are subscribed to and held as indicated in sub-section 12.3 of this Registration Document.

The principal activity of the Guarantor is to hold investments in Subsidiaries and associated entities for capital growth and income generation. The Guarantor also provides financing to the Group and related entities. 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.

In terms of its memorandum and articles of association, the Guarantor is controlled by Von der Heyden Group Holdings B.V. and, in turn, the Group is ultimately controlled by Mr Sven von der Heyden. The Guarantor acts as the parent company of the Group and its principal Malta registered Subsidiaries are the Issuer and IBB Hotel Collection Holding Limited. The Group has representative offices and operations in Poland (Warsaw, Poznań, Lublin and Gdansk), Germany (Berlin and Munich), Netherlands (Amsterdam), Spain (Madrid and Menorca), Italy (Lucca, Tuscany and Sardinia), Portugal (Carvoeiro) and Malta (Gzira). The Group has in the past also recorded investments in the US (New York and Atlanta) and Germany (Dresden and Leipzig). As at 30 June 2023, the Group had 36 subsidiaries, and 6 associated entities, registered in Germany, Poland, Ukraine, Spain, Portugal, Italy, Malta, Montenegro and the Netherlands. Amongst others, the Group's associates include IBB Hammetts Operations Limited, an operator of food and beverage outlets and event facilities in Malta and Urbelia Business S.L., which is the holding company of several Subsidiaries operating petrol stations in Spain. With over 30 years of sound experience and continuing presence in European markets, the Group enjoys the trust of international financial institutions, funds and big market players, family offices as well as embassies and governmental institutions. More information on the Group's projects may be found in sub-section 5.3 below.

Historically the Group's main business activities related to the development of relatively significant real estate projects, which represent the key driver for the Group's financial performance and wealth accumulation. Over the years, the Group sought to diversify its activities and entered various other segments, including real estate services, accommodation and catering, yachting and other private equity type of investments, where the Group has an involvement or investment as an associate undertaking. Operations are spread across Germany, Poland, Spain, Portugal, Italy, Montenegro and Malta. The Group normally manages every venture through a dedicated company; within the Hotel segment the Group would keep the asset in a property company, while the operations are separately managed through a hotel operating company where it leases the hotel. Hotels, whether the asset is owned by the Group or whether leased, are managed under the "IBB" brand for the 3 to 5-star segment and the Cugó Gran Collection for the Boutique Hotel luxury segment. IBB Hotel Management Europe Ltd handles the management of all the portfolio of hotels held by the Group providing services such as corporate accounting, a common online booking platform, revenue management and marketing and sales.

The Guarantor has a direct or indirect presence in a number of key markets in Europe:



The Group has established itself as a niche boutique player targeting best-in-class results by developing high-quality office buildings, owning and managing hotel and residential properties in Europe. The Group's business activities are currently organised across three main lines of business – (i) real estate developments, investments and services; (ii) hotel accommodation and catering; and (iii) private equity, venture capital and capital markets.

The following table provides a list of the principal assets and operations owned by the respective trading Group companies as at the date of the Prospectus:

Owning Company	Business Activity	Principal Assets / Operations	State, Country & Registered Office	% Ownership
Andersia Property Sp. z o.o. Reg No. 0000058643	Real Estate Investment	Holding Company (100% in Andersia Retail)	Plac Andersa 7, Poznań, Poland	66.67%
Andersia Retail Sp. z o.o. Reg No. 0000238196	Real Estate Investment	40,000sqm Poznań office development	Plac Andersa 7, Poznań, Poland	66.67%

Owning Company	Business Activity	Principal Assets / Operations	State, Country & Registered Office	% Ownership
Asset Management Company Von der Heyden Group LLC Reg No. 43263811	Private Equity & Other Investments	Company inactive surrendered asset management licence	01023, Kyiv, PL. SPORTYVNA, Building 1-A, Building A, Office 12, Kiev, Ukraine	100%
Bogenhausener Tor Immobilien S.à r.l Reg No. B230258	Real Estate Investment	Company in Liquidation	6 rue Adolphe, L-1116 Luxembourg, Luxembourg;	37.75%
DGDV Capital Limitada Reg No. 515098140	Real Estate Investment	Owner - 5,000sqm Residential Project	Sítio do Castelo do Sino, Vale Currais, Alfanzina, 8400-550-Carvoeiro, Lagoa, Portugal	25%
Długi Targ Hotel Management Sp. z o.o. Reg No. 0000610327	Hotel Management	Operator - IBB Hotel Dlugi Targ (4*)	Plac Andersa 7, Poznań, Poland	50%
Długi Targ Sp. z o.o. Reg No. 0000258097	Real Estate Investment	Owner - IBB Hotel Dlugi Targ	Plac Andersa 7, Poznań, Poland	66.67%
Donaupassage Hotel Passau Betriebs GmbH Reg No. HRB 7582	Hotel Management	Operator - IBB Hotel Passau (3*)	Neuburger Straße 79, 94036 Passau, Germany	99.91%
First Polish Real Estate B.V. Reg No. 34209436	Real Estate Development	Holds 100% Dlugi Targ Sp. z o.o., Holds 50% Dlugi Targ Hotel Management Sp. z o.o., Holds 63.75% in Andersia Property Sp. z o.o. and 100% Holding Company of Andersia Retail Sp. z o.o.	Barbara Strozzilaan 101, -201, 1083HN, Amsterdam, Netherlands	53.45%
Gzira 14 East Limited Reg No. C 80125	Real Estate Development	Office rental	14 East, Level 8, Sliema Road, Gzira GZR 1639, Malta	100%
Hot Spot Real Estate d.o.o. Reg No. 50921297	Real Estate Investment	Owner - 10,187sqm plot of land in Budva	Bulevar Džordža Vašingtona Br. 108/A36, The Capital Plaza, Podgorica, Montenegro	100%
IBB Blue Hotel Betriebs GmbH Reg No. HRB 176072 B	Hotel Management	Operator- IBB Blue Hotel (3*) Berlin - Airport & IBB Blue Hotel Paderborn (3*)	Groß-Berliner Damm 71, 12487 Berlin, Germany	99.91%
IBB España 2004 S.L. Reg No. B57245896	Hotel Management	Operator - IBB Recoletos Coco Salamanca (4*)	Plaza Explanada 57-2º 07703 Mahón, Baleares - España	99.91%
IBB Hammetts Operations Limited Reg No. C 81213	Hotel Management	Operator - Hammetts Gastro Bar, Hammetts Macina Restaurant, Sheer Bastion & Hammetts Mestizo	14 East, Level 8, Sliema Road, Gzira GZR 1639, Malta	50%
IBB Hotel Deutschland Betriebs GmbH Reg No. HRB 49913	Hotel Management	Operator - (1) IBB Hotel Ingelheim (4*) & (2) IBB Hotel Altmühltal Eichstätt (4*)	Binger Straße 76, 55218 Ingelheim am Rhein, Germany	99.91%
IBB Hotel Management Europe Ltd Reg No. C 74696	Hotel Management	Hotel management company for all IBB Hotels	14 East, Level 8, Sliema Road, Gzira GZR 1639, Malta	99.91%

Owning Company	Business Activity	Principal Assets / Operations	State, Country & Registered Office	% Ownership
IBB Management 2007 S.L. Reg No. B57479347	Hotel Operations	Company supporting the management structure of the hotel team in Menorca	Plaza Explanada 57-2º 07703 Mahón, Baleares - España	99.91%
IBB Polska Sp. z. o.o. Reg No. 000165326	Hotel Management	Hotel Management company for Poland	Plac Andersa 7, Poznań, Poland	99.91%
KASA Investments GmbH Reg No. HRB 138355	Real Estate Investment	Owner - 982sqm Residential Building	Devrientweg 26, 12207 Berlin, Germany	50%
Lublin Grand Hotel Management Sp. z o.o. Reg No. 0000145390	Hotel Management	Operator - IBB Grand Hotel Lublinianka (4*)	ul. Krakowskie Przedmiescie 56, Lublin, Poland	74.63%
Lublin Grand Hotel Sp. z o.o. Reg No. 0000061774	Real Estate Investment	Owner - IBB Grand Hotel Lublinianka	ul. Wspólna 62, Warsaw, Poland	75%
Lvant Prospects Limited Reg No. C 98752	Asset Management	Feeder company set in the form of a club deal for investors	14 East, Level 8, Sliema Road, Gzira GZR 1639, Malta	100%
Nowy Swiat 5 Sp. z o.o. Reg No. 0000063825	Real Estate Investment	Central Business District plot 3,750sqm	ul. Wspólna 62, Warsaw, Poland	100%
Senglea Hotel Operations Limited Reg No. C 81041	Hotel Management	Operator - Cugó Gran Macina Grand Harbour	14 East, Level 8, Sliema Road, Gzira GZR 1639, Malta	99.91%
Timan Investments España S.L. Reg No. B57002388	Private Equity & Other Investments	Holds 73,42% shares in Millenium Menorca Travel SL	Plaza Explanada 57-2º 07703 Mahón, Baleares - España	100%
Urbelia Business S.L. Reg No. B87992699	Private Equity & Other Investments	Holds 100% equity in Urbelia Bailen S.L. and Urbelia Ciudad S.L.	Calle Carniceria 3 Planta 2, Puerta H, 28250 Torrelodones, Madrid, Spain	50%
Viajes Menorca S.L. Reg No. B57077224	Private Equity & Other Investments	Travel agency operation in Menorca	Avda Fort De L´Eau 129, 07701 Mahón-Menorca, España	88.9%
Villa Diodati S.R.L. Reg No. 205085	Real Estate Development	Owner – 2,000 sqm villa in Lucca, Tuscany, Italy	Santa Croce Sull'arno, (Pi) Largo Vittorio, Sereni 11 Cap 56029, Pisa, Italy	100%
Von der Heyden & Partners Sp. z o.o. Reg No. 0000080543	Real Estate Investment	Owner - Plots of land, measuring 4,150sqm	ul. Wspólna 62, Warsaw, Poland	100%
Von der Heyden Development Sp. z o.o. Reg No. 0000228286	Real Estate Investment	Development Company	ul. Wspólna 62, Warsaw, Poland	100%
Von der Heyden Group Services Ltd Reg No. C 95013	Asset Management	Central services and procurements company	14 East, Level 8, Sliema Road, Gzira GZR 1639, Malta	100%
Von der Heyden Real Estate Services Srl Reg No. 02808480905	Private Equity & Other Investments	Real Estate Brokerage & Other Services	Arzachena (SS) Localita' Mirialvera Snc Cap 07021, Sardinia, Italy	50%
Von der Heyden Yachting Limited Reg No. C 97298	Luxury Yacht Chartering & Riva Yachts dealership	Ownership and yachting chartering	14 East, Level 8, Sliema Road, Gzira GZR 1639, Malta	100%

The remaining proportion of equity interest not held by the Company and/or the Group is the proportion held by non-controlling interests. The Group manages most of its large development projects through club deals, which are projects undertaken by the Group together with a number of investors and where the Group acts as the lead partner, even if the Group would not necessarily hold more than 50% of the company in question. In the case of operating companies where the

Group holds 50% or less of the holding, the partner of the Group in that company would run the operation with the Group acting as an investing partner, this would be so for IBB Hammetts Operations Limited, Von der Heyden Real Estate Services Srl and Urbelia Business S.L.

5.3 Overview of the Group's business and investments

5.3.1 Real estate developments, investments and services

Real estate developments, investments and services represent the core business of the Group. Maintaining a solid pipeline of projects continues to drive the Group's growth prospects both in terms of value and profitability. The Group has a legacy and a reputation of being able to deliver major high-quality developments as the trusted lead partner.

Real estate developments are cyclical in nature and represent one-off transactions. Over recent years, the Group benefitted from a number of developments, including, more recently, the sale of Bavaria Towers, Germany and set out below are a number of the Group's most recent key investment projects:

- The Andersia Silver Tower, Poland;
- Villa Diodati, Italy (as explained in further detail below in this sub-section);
- Atrium Liberdade Residences, Portugal; and
- Węgorzewo Project, Poland.

The Group continued its strategy of involvement in luxury-related services and the leisure industry by expanding its geographic footprint into one of the world's most exclusive luxury locations, Costa Smeralda, Sardinia, Italy, through the setting up in 2020 of its real estate arm, Von der Heyden Real Estate Srl, which offers property management consultancy, enabling clients to maintain and increase the value of their properties. In addition, Von der Heyden Real Estate Srl provides holiday makers with superior and customized concierge services, including but not limited to yacht chartering or luxury short-let properties.

Villa Diodati, Tuscany

In 2021 the Group acquired a sixteenth-century residential villa and its spacious surrounding gardens, spread over a total gross area of 2,000m², on the hills overlooking the historical city of Lucca, Tuscany, Italy, through a wholly-owned subsidiary, Villa Diodati S.R.L.

The Group is in the process of renovating the property consisting of a main villa of 1,300 m² and five luxury apartments of around 75m² each, with swimming pools, a spa and other luxury services occupying around 325m². The renovation works are underway and on schedule, with completion expected by the end of 2023 and operations anticipated to commence by the end of Q2 2024. The intention of the Group is to operate the main villa as a boutique luxury longer-term accommodation, with the five apartments on the right wing of the property as a luxury B&B operation under the Cugó Gran Collection. The property is expected to generate a net operating income of around €700,000 *per annum*, with an average daily rate of €850 per suite and €1,600 for the villa once completed.

The uniqueness of the asset and its strategic position may also attract the interest of future international customers looking for a fully furnished villa of a luxury standard. With very few comparable properties in this segment within Tuscany, a region well sought after by high-net-worth individuals, the property is primarily being developed as a value-added transaction within the Group's portfolio for eventual resale of the property at a capital gain.

Renovated properties of this quality in Lucca are currently in high demand, with the present market not having much to offer potential buyers, who are forced to acquire property at a high price and having to invest further in the upgrade of the property.

With a total estimated project investment value of €10.5 million, the Group has to date secured and contributed an aggregate amount of €8.8 million towards the project comprising of bank financing and Group own funds. Part of the proceeds of the Offer (as set out in sub-section 5.1 of the Securities Note) shall be used for the purpose of refinancing part of the aforementioned investment made towards the development and finishing costs of the project. The remaining investment required for the completion of the project shall be financed, in due course, through general corporate funding.

5.3.2 Accommodation and Catering

The Group's accommodation and catering segment has been a core segment driving operational performance over recent years. The Group manages and operates its hotels through two brands, the IBB Hotel Collection for the 3 to 5-star hotels and the Cugó Gran Collection for the luxury boutique operations. The locally registered entity IBB Hotel Management Europe Ltd acts as the franchisor company, franchising each Group franchisee company in the different jurisdictions where hotel operations are located. Hotel management activities are mainly carried out through management agreements with third-party property owners.

The IBB Hotel Collection operates five 4-star hotels, the IBB Hotel Ingelheim, IBB Hotel Altmühltal Eichstätt and IBB Hotel Passau Süd in Germany and IBB Długi Targ Hotel and IBB Grand Hotel Lublinianka in Poland, as well as two 3-star hotels in Germany, the IBB Blue Hotel Berlin-Airport and IBB Hotel Paderborn. On the basis of the experience garnered throughout the Covid-19 pandemic, the IBB Hotel Collection has commenced a process of repositioning the brand offering from the 3-star segment and expanding in the 4-star, 5-star and luxury segments.

The Cugó Gran Collection includes the Cugó Gran Macina Grand Harbour Hotel situated in Malta and Villa Diodati in Lucca, Tuscany (as detailed in sub-section 5.3.1 above).

5.3.3 Food and Beverage operations in Malta

The Group, through its subsidiary IBB Hotel Collection Holding Limited, entered into a joint venture in May 2017 and today operates 3 restaurants in Malta through IBB Hammetts Operations Limited -Hammett's Gastro Bar, Hammett's Mestizo restaurant and Hammett's Monastik restaurant. The Group has the ambition to further expand its food and beverage operations through any opportunities that may continue to arise in Malta or abroad in the future. The first operation outside of Malta is the Hammett's Mestizo opened early this year in Mahon, Menorca and which is owned by IBB Hotel Collection Holding Limited and operated under the Hammett't franchise.

5.3.4 Private Equity and other investments

Urbelia Business S.L. was incorporated in December 2017 to run low-cost petrol stations with washing centres and future electrical car loading stations in Spain. Today the Group has 4 petrol stations up and running following the opening of the fourth petrol station in Q2 2023. The Group's strategy is to scale up this business to around 15 stations in the next few years and the strategy of the Group includes electric charging points in readiness for the green transport evolution underway.

5.3.5 Chartering of Yachts and Riva Dealership

Through Von der Heyden Yachting Limited (a company registered in Malta with registration number C 97298), the Group operates a chartering business by chartering yachts in the Mediterranean region, principally through acting as a broker for third-party chartering. Von der Heyden Yachting was awarded the dealership for the prestigious Riva brand in Malta and, as official Riva dealer, offers a combination of tailormade purchasing, selling, chartering, maintenance, management and assistance services for Riva motor yachts.

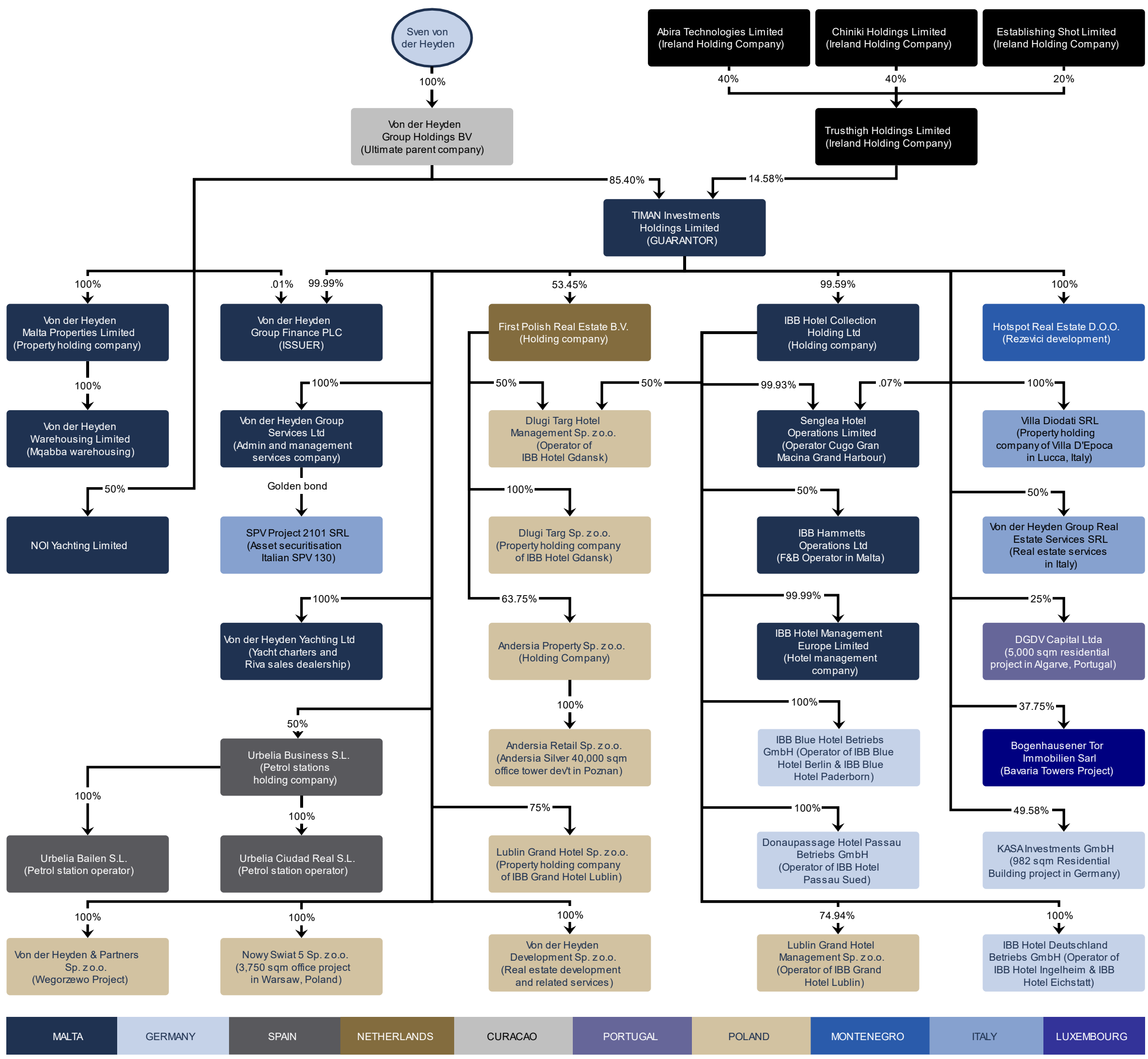
5.3.6 Warehousing facility

In addition to the investments detailed in this sub-section 5.3, the Group intends to expand its real estate investment portfolio in Malta and, in line with this strategy, the Group has secured a strategically located site in the south of the Island to be developed into a multi-tenant warehousing and logistics park.

The prospective developments detailed in this sub-section 5.3 will be financed by the Group through equity, shareholder loans or bank financing, save for the part-funding of the Villa Diodati project from net proceeds of the Offer as detailed in sub-section 5.3.1 above.

5.4 Group organisational structure

As the holding company of the Group, the Guarantor is ultimately dependent upon the operations, performance and business prospects of its Subsidiaries. Similarly, the Issuer is dependent on the operations, performance and business prospects of the Group. The diagram below illustrates the principal Subsidiaries within the organisational structure of the Group as at the date of this Registration Document.



The complete list of Group companies and investments in associate companies is included in the audited consolidated financial statements of the Guarantor for the year ended 31 December 2022. The said financial statements are available for inspection as indicated in section 15 of this Registration Document.

6. KEY FINANCIAL REVIEW

6.1 The Issuer

The historical financial information included below is extracted from the audited financial statements of the Issuer for the financial years ended 31 December 2020, 2021 and 2022. Set out below are condensed extracts from the said consolidated financial statements for such years.

The Issuer acts as the finance company of the Group and, therefore, its income is exclusively linked to the loans granted by the Issuer to the Group's related companies and its expenditure is limited to the interest payable on the 2022 VDHG Bonds and other directly related administrative expenses.

Issuer's Income Statement for the years ended 31 December

	2020	2021	2022
	€000	€000	€000
Finance income	1,411	1,459	1,671
Finance costs	(1,142)	(1,142)	(1,165)
Net finance income	**269**	**317**	**506**
Administrative expenses	(236)	(158)	(229)
Loss on extinguishment of financial liability	-	-	(293)
Expected credit losses under IFRS 9	(28)	-	-
Profit/(Loss) before tax	**5**	**159**	**(16)**
Taxation	48	(55)	(10)
Profit/(Loss) after tax	**53**	**104**	**(26)**

Pursuant to a prospectus published by the Company in October 2022 the Company issued the 2022 VDHG Bonds mainly to redeem the 2017 VDHG Bonds and to obtain additional financing for the Group. The 2022 VDHG Bonds carry a coupon rate of 5% *per annum* payable every 16 December and maturing in 2032.

The average finance income for the three-year period amounted to €1.5m. The higher-than-average finance income in 2022 at €1.7m was due to the additional loans advanced to the Guarantor from the net proceeds of the 2022 VDHG Bonds and loans granted in 2021 which earned partial year interest compared to a full year interest earned in 2022. These resulted in a higher net finance income being generated in 2022 of €0.5m from the average of €0.3m in 2020 and 2021. Finance costs on the other hand averaged €1.1m *per annum*, with a slightly higher cost in 2022 due to the issuance of the 2022 VDHG Bonds with a higher nominal value and interest rate.

During the three years under review, administrative expenses averaged at €0.2m *per annum*, with a lower figure reported in 2021 due to lower staff cost. In 2022, administrative expenses increased due to costs incurred in relation to the 2022 VDHG Bonds as well as the remuneration of a new director appointed during the year.

Furthermore, in 2022, due to the early redemption of the 2017 VDHG Bonds, the Issuer paid a redemption premium of €250k which is reported as "Loss on extinguishment of financial liability" in the income statement. The other component of this line item is the unamortised portion of the bond issue costs of the 2017 VDHG Bonds amounting to €43k.

Consequently, the Issuer in 2022 reported a one-off loss after tax of €26k and over the three-year period made an average profit after tax of €44k *per annum*.

Issuer's Statement of Financial Position as at 31 December

	2020	2021	2022
	€000	€000	€000
Assets			
Non-current assets			
Loans receivable	13,340	21,815	27,844
Current assets			
Loans and other receivables	2,415	1,462	5,237
Cash and cash equivalents	10,367	3,051	2,126
Total current assets	12,782	4,513	7,363
Total assets	**26,122**	**26,328**	**35,207**
Equity and liabilities			
Equity			
Share capital	250	250	250
Retained earnings	73	178	152
Total equity	**323**	**428**	**402**
Non-current liabilities			
Debt securities in issue	24,875	24,917	34,380
Current liabilities			
Debt securities in issue	904	895	198
Trade and other payables	20	33	162
Income tax payable	-	55	65
Total current liabilities	924	983	425
Total liabilities	**25,799**	**25,900**	**34,805**
Total equity and liabilities	**26,122**	**26,328**	**35,207**

The Issuer's total assets are mainly made up of loans and receivables and cash and cash equivalents. Over the years presented, the Issuer's total assets increased to €35.2m by end of 2022 from €26.1m as at end of 2020. The loans receivable and other receivables, classified either current or non-current to reflect the maturity profile of the loans as at year-end, represent the loans granted to the Group and related companies and the related accrued interest receivable due from these loans at the end of each year.

The year-end 2020 reported the lowest amount of loans receivable at €15.0m (€13.3m non-current, €1.7m current). This was due to the receipt of two significant loan repayments totalling €9.6m, first from the associate company involved in developing the Bavaria Towers project, following the sale of the Blue Tower A-Class office and hotel development in the city of Munich, Germany, and second from a group company following the sale of the Cugó Gran Menorca property, Spain.

In 2021, the Issuer advanced €7.5m to the Guarantor in support of new investment initiatives while it received repayment of €750k from related parties and group companies. In addition, a loan receivable amounting to €975k was transferred from current to non-current classification following the extension of the repayment date.

In 2022, following the issue of the 2022 VDHG Bonds and early redemption of the 2017 VDHG Bonds, the Issuer on-lent €8.9m to the Guarantor to part-finance the Group's ongoing Andersia Silver 40,000m^2 A-class office tower project with a planned development cost of over €111.5m in the centre of Poznań, Poland. Furthermore, loans receivable totalling €2.9m were transferred from non-current to current classification as their maturity dates fall within 12 months after the year-end. These loans were extended to long-term subsequently after the 2022 year-end.

During the years under review other receivables within the loans and other receivables category increased from €690k in 2020 to €2.3m in 2022. The increase was mainly due to the accrued interest on loans receivable.

The reduction in cash and cash equivalents from €10.4m in the end of 2020 to €2.1m by the end of 2022, was due to the deployment of new loans to sustain the Group's investment program in line with the 2022 VDHG Bonds prospectus. The Issuer manages its liquidity in a manner to ensure that a sufficient cash balance is maintained to meet the obligations arising from the 2022 VDHG Bonds within the next 12 months.

The Issuer's total liabilities mainly consisted of the debt securities in issue which increased to €34.4m in 2022 following the issue of the 2022 VDHG Bonds, net of the unamortised portion of bond issue costs. In the previous two years, the debt securities in issue related to the redeemed 2017 VDHG Bonds, net of the unamortised portion of bond issue costs.

Within current liabilities, the amounts in debt securities in issue mainly related to the accrued interest payable on the 2022 VDHG Bonds, including balances relating to amounts held on behalf of bondholders pending instruction for payment. The accrued interest payable in 2020 and 2021 were higher as interest accrued covered almost ten months with interest payable by 8th March of each year, while in 2022, the interest accrued was only for 15 days with the interest being payable in mid-December.

Given the limited activity of the Issuer, trade and other payables in 2021 did not experience any significant movements from previous year, while in 2022, certain costs incurred in relation to the issue of the 2022 VDHG Bonds, closed in mid-December, were only settled in Q1 2023 which consequently caused a notable increase in this category when compared to the previous years.

Total equity increased year-on-year in 2021 reaching €428k with the profits generated in the year, while this slightly decreased in 2022 due to the €26k net loss reported during the year.

Issuer's Cash Flow Statement for the years ended 31 December

	2020	2021	2022
	€000	€000	€000
Net cash flows generated from/(used in) operating activities	1,219	(566)	(1,451)
Net cash flows generated from/(used in) investing activities	6,604	(6,750)	(8,900)
Net cash flows generated from financing activities	-	-	9,426
Net movement in cash and cash equivalents	**7,823**	**(7,316)**	**(925)**
Cash and cash equivalents at start of year	2,555	10,367	3,051
Movement in expected credit losses in cash and cash equivalents under IFRS 9	(11)	-	-
Cash and cash equivalents at end of year	**10,367**	**3,051**	**2,126**

In 2020, the Issuer generated €6.6m from its investing activities through the receipt of repayments of loans granted to related companies associated with the sale of the Blue Tower in Munich and the sale of the property of Cugó Gran Menorca, net of €3.0m advanced to the Group in relation to the Andersia Silver office tower project in Poznan, Poland. However, in 2021 the Issuer deployed €6.8m in investing activities mainly on account of the €7.5m loan advanced to the parent company in support of new investment initiatives, net of the repayment of €750k receivables from related parties and group companies. Similarly, in 2022, the Issuer deployed €8.9m in investing activities relating to the amount advanced to the Guarantor to part-finance the Andersia Silver office tower project and other corporate funding requirements.

The fluctuations in the net cash flows used in, or generated from, operating activities was correlated to settlement of interest payments, and that generally reflect movement in accrued interest. The positive position of 2020 was related to the recoverability of accrued interest fully repaid upon settlement of loans following the sale of assets referred to above.

Furthermore, in 2022, the Issuer generated net cash inflow of €9.4m from financing activities representing the net proceeds from the issue of the 2022 VDHG Bonds net of the redemption of the 2017 VDHG Bonds, the redemption premium paid and the other bond issue costs.

The cash and cash equivalents decreased from €10.4m in the end of 2020 to €2.1m by the end of 2022 mainly on account of the deployment of new loans during the years under review.

6.2 The Guarantor

The historical financial information included hereinafter is extracted from the audited consolidated financial statements of the Guarantor for the financial years ended 31 December 2020, 2021 and 2022.

Set out below are condensed extracts from the said consolidated financial statements for such years.

Group's Income Statement for the years ended 31 December

	2020	2021	2022
	€000	€000	€000
Revenue	23,506	11,519	15,234
Other operating income	3,223	4,739	2,649
Cost of sales	(3,556)	(2,674)	(1,262)
Operating expenses	(21,090)	(12,500)	(14,596)
Current EBITDA	**2,083**	**1,084**	**2,025**
Other gains	2,338	1,791	2,657
Share of profits of associates	3,121	1,409	36
EBITDA	**7,542**	**4,284**	**4,718**
Depreciation and amortisation	(1,099)	(842)	(901)
Depreciation under IFRS 16	(3,752)	(3,086)	(2,007)
EBIT	**2,691**	**356**	**1,810**
Expected credit losses	(53)	(10)	(11)
Interest and other related income	794	463	416
Interest and other related expense	(3,916)	(3,107)	(2,786)
Loss before tax	**(484)**	**(2,298)**	**(571)**
Income tax (charge)/credit	(1,264)	77	(529)
Loss for the year	**(1,748)**	**(2,221)**	**(1,100)**
Other comprehensive income			
Translation of foreign operations	(1,048)	(413)	(241)
Share of other comprehensive income of associate	-	512	83
Movement in fair value of property, plant and equipment	(1,034)	1,962	1,509
Total other comprehensive income/(loss)	**(2,082)**	**2,061**	**1,351**
Total comprehensive (loss)/income	**(3,830)**	**(160)**	**251**

The Group's turnover in 2020 reached €23.5m, of which €12.3m was generated from the real estate development activities, €8.3m from the accommodation and catering activities and €2.9m from other activities, mainly the fuel pumping stations operations in Spain.

The revenues generated from the real estate development activities was mainly on account of the promotion fee that the Group earned for its involvement in the sale of the Blue Tower in Bavaria Towers project in Q4 2019.

The accommodation and catering activities contributed only €8.3m revenues in 2020, a significant drop of €13.5m from €21.8m in 2019 as a direct consequence of the sudden halt of the tourism activities during the year caused by the lockdowns, travel restrictions and other measures taken by Governments to limit the spread of Covid-19. The Government has granted financial support in order to mitigate the business impact of the Covid-19, from which the Group has received a total of €6.4m over the three-year period which are reported in Other Operating Income. In addition, the Group also benefited from lease concessions which is reported within Other Operating Income, totalling €2.1m over the years due to Covid-19.
In 2021, the Group's revenue from 2020 saw a decrease to €11.5m due to lower revenues from the real estate segment and the full impact of Covid-19 on the accommodation and catering segment. 2022, on the other hand, showed strong signs of recovery with revenues increasing to €15.2m on the strength of the improved results in the accommodation and catering segment.

The real estate segment only generated €250k in revenues in 2021 and a further €1.1m in 2022. These revenues were related to the stepped distributions of promotion fees from the associate company, that developed and sold the Bavaria Towers in Germany, which is now in liquidation following the successful completion of the project. In line with the cyclical nature of real estate activity, 2021 and 2022 were development years as the Group started to invest in new projects following the completion and sale of the Bavaria Towers in Q4 2019. The Group started the development of another major office investment, the Andersia Silver tower, a €111.5m 40,000m^2 A-Class office tower in the City of Poznań, Poland, with the underground works completed in 2021 and the above-ground works now at 18th floor and progressing at a pace of two floors per month. The Group is also involved in the development stages for two projects, Villa Diodati in Tuscany, Italy, and the residential project in Algarve Portugal. In the meantime, the project in Rezevici, Montenegro has been placed as available for sale.

In 2021 the hospitality segment continued to suffer from the prolonged impact of Covid-19 and with the ongoing restructuring within the accommodation segment, these have impacted the total accommodation revenues of the IBB Hotel Collection segment within the Group.

In 2020 the Group initiated an ambitious restructuring process intended to reposition its hotel accommodation through the IBB Hotel Collection offering towards the 4-star, 5-star and luxury segments from the less profitable 3-star segment when taking into account operational costs and return on capital deployed. In 2020 the Group ceased operations of its IBB Hotel in Passau City Centre, Germany and Hotel Salamanca, Spain.

This meant that revenue in 2021 from the hotel accommodation segment for the hotels still under management improved by 11% when compared to 2020 to €7.3m from €6.5m. The catering segment also saw significant improvements, with an increase of 25% in sales to €2.2m from €1.8m in 2020.

Despite the continued operational challenges brought about by lower occupancy levels, the hotel Group performance in 2021 proved resilient through the Group's efforts to significantly limit the cash flow burn, through significant cost controls measures, the restructuring process and, in addition, tapping into several financial support schemes offered by various Governments, especially in Poland and Germany.

On the other hand, 2022 proved to be a year of recovery as lockdowns and travel restrictions eased. The recovery in the tourism sector was a key driver for the Group's improved results despite the impact of the increase in cost-of-living due to disruptions in logistical supplies and increased energy prices brought about by the Russian invasion of Ukraine.

During the year, the Group saw a 32% revenue increase reaching €15.2m from €11.5m in 2021. The Accommodation segment contributed to 84% of this increase, which itself saw a 43% (€3.1m) growth in revenue to €10.4m from €7.3m in 2021. The increase in accommodation revenue was across all markets, with the greatest increase coming from the German market that saw better occupancies and much improved rates. The catering segment also saw improvements, with an increase of 6% in sales to €2.4m in 2022 from €2.2m in 2021.

Other operating income over the three-year period mainly included Covid-related government grants, with the Group in total having received €6.4m. In 2020 and 2021, the Group also benefited from lease concessions and rebates totalling €2.1m after negotiations with the lessors due to the Covid-19 challenges. The fuel pumping stations operations in Spain stopped being consolidated from Q2 2021 as, while retaining its investment in this venture, the partner in the venture increased his capital portion to equal that of the Group. For this reason, the activity is no longer consolidated but is classified with income from associates.

Despite all the challenges detailed above, the Group managed to maintain a healthy EBITDA averaging €5.5m *per annum* and an EBITDA margin between 31.0% and 37.2% during the three-year period under review. This EBITDA measure excludes lease expenses in accordance with IFRS 16 whereby the impact of leases in the income statements are reflected in depreciation and interest expense accounts. Considering lease payments as operating expenses, EBITDA over the three-year period averaged €2.8m or 17% margin.

The Group's EBITDA includes other gains and share of profits in associates as the Group's directors' consideration is that this figure should not exclude the development of important and significant projects executed in partnership with other partners, like the Bavaria Towers, and which contribution to the results of the Group are core to assessing the Group's performance, but are excluded when reflected as share in profit of associates.

Over the three-year period cost of sales and operating expenses were reduced from €24.6m in 2020, to €15.2m in 2021 and only slightly increasing to €15.9m in 2022 despite the increased activity in the hospitality and catering segment.

In cost of sales, the Group saw a consistent decrease from €3.6m in 2020, to €2.7m in 2021 and to €1.3m in 2022. Operating expenses in 2021 dropped from €21m in 2020 to €12.5m. This drop was a direct consequence of the reduced activity in the Group's hotel and catering establishments due to Covid-19, that saw the Group implement cost reduction measures in staff costs and other operating costs in very extraordinary circumstances.

In 2022 operating expenses increased from €12.5m in 2021 to €14.6m in 2022. The 17% increase in costs was due to a 14% increase in staff costs from €5.1 in 2021 to €5.8m in 2022 and which accounted for 34% of the total increase in operating expenses. These increases were directly attributable to the increased activity in the accommodation and catering segment and also in part to the share of the promotion fee payable for the sale of the Bavaria Tower to a director within the real estate segment. The remaining increases in operating expenses such as utilities, cleaning and upkeep, commissions on sales and other operating expenses were due to the increased activity in the accommodation and catering segment and the inflationary impact.

Other gains for the year amounted to €2.3m in 2020, €1.8m in 2021 and €2.7m in 2022 and include the fair value revaluation gain on the investment properties that were significantly impacted by the development progress achieved on the Andersia Silver project and the improving economic conditions over the years contributed to improved assumptions in estimating the valuation upon completion of the project.

Share in profits of associates saw a significant reduction from 2020 at €3.1m to €40k in 2022 as the associate undertaking related to the Bavaria Towers project has already fully realised its earnings from the project and is now in the process of liquidation.

Despite the gains, the share in profits in associate companies in the Group and the Covid-19 grants and lease concession, the Group still has reported annual losses which totalled €5.1m over the three-year period presented. However, in 2022, the Group managed to significantly improve the loss for the year compared to the two preceding years even though Covid-19 grants received in the year were lower than in the preceding year coupled with the absence of lease concessions in the year, considerably high inflation experienced in the year, and the significantly lower development revenue recorded than in 2020. This is a substantial improvement which the Group expects to maintain over the coming years on the back of the upward trend in the travel and lodging industry along with cost-saving measures and stabilising energy costs.

Other comprehensive income over the three years under review saw a significant improvement. From a total other comprehensive loss of €2.1m in 2020 due to the negative movement in foreign translation reserve resulting from translation of foreign operations and decreases in valuation of the properties as a result of the impact of Covid-19 in valuation assumptions, the total other comprehensive income reached €2.1m in 2021, and a further €1.4m in 2022 mainly attributable to the recovering valuations of the Group's hotel properties, and then partially offset by movement in foreign translation reserve resulting from translation of foreign operations.

The Group's results over the three-year period showed a significant improvement in total comprehensive income from €3.8m loss in 2020 due to the fair value gains made on real estate investments and closing with an income figure of €251k in 2022. The Group managed a significant positive turnaround on the back of the economic recovery from the pandemic, which also positively impacted the valuation assumptions, coupled with containment of staff costs and other operating costs, as well as reduction in financing costs.

Group's Statement of Financial Position as at 31 December

	2020	2021	2022
	€000	€000	€000
Assets			
Non-current assets			
Intangible assets	132	66	38
Right of use assets	36,782	31,404	29,713
Property, plant and equipment	27,012	27,309	28,360
Investment properties	23,989	32,601	44,968
Investment in associates	3,601	2,981	897
Loans and other receivables	7,483	6,655	6,559
Other financial assets	1,082	1,924	2,511
Deferred tax assets	1,007	1,004	1,088
Total non-current assets	101,088	103,944	114,134
Current assets			
Inventories	139	90	65
Loans and other receivables	-	7,059	8,132
Trade and other receivables	5,774	5,298	6,996
Current tax receivable	49	2	-
Cash and cash equivalents	27,906	17,125	12,652
Total current assets	33,868	29,574	27,845
Total assets	**134,956**	**133,518**	**141,979**
Equity and liabilities			
Equity			
Share capital	3,805	3,805	3,805
Share Premium	4,445	4,445	4,445
Other reserves	3,363	4,877	5,595
Currency translation reserve	(1,350)	(1,616)	(1,729)
Retained earnings	16,339	14,272	12,326
Non-controlling interest	14,383	15,125	16,655
Total equity	**40,985**	**40,908**	**41,097**
Non-current liabilities			
Debt securities in issue	24,225	24,171	33,085
Borrowings	14,126	17,766	19,286
Finance lease liabilities	35,173	30,506	29,170
Deferred tax liabilities	4,392	5,002	5,940
Total non-current liabilities	77,916	77,445	87,481
Current liabilities			
Finance lease liabilities	5,059	2,771	2,741
Debt securities in issue	904	895	198
Borrowings	5,911	6,836	5,857
Trade and other payables	3,539	4,608	4,537
Current tax payable	642	55	68
Total current liabilities	16,055	15,165	13,401
Total liabilities	**93,971**	**92,610**	**100,882**
Total equity and liabilities	**134,956**	**133,518**	**141,979**

Over the three years under review, the Group's total assets increased from €135.0m in 2020 to €142.0m in 2022. Total assets include right-of use assets which is an intangible capital asset representing the privilege given to the Group to use the leased properties over the duration of the agreed term. Excluding the right-of-use, the Group's total assets increased by €14.1m from €98.2m in 2020 to €112.3m in 2022, mainly on account of the ongoing development of the Andersia Silver office tower project, revaluation and improving operational results.

	2020	2021	2022
	€000	€000	€000
Total assets	134,956	133,518	141,979
Less right of use assets	36,782	31,404	29,713
Total assets owned	98,174	102,114	112,266

As at 31 December 2022, the Group had cash and cash equivalents, trade receivables and other liquid financial assets totalling €27.3m. This saw a €7.5m reduction from the position at 31 December 2020 which stood at €34.8m mainly on account of the deployment of funds to the ongoing projects and ventures of the Group.

The gearing ratio, taking a prudent approach and including all liabilities including lease liabilities under IFRS 16 and trade payables (total net liabilities / total assets), have been maintained at less than 65% over the three years increasing from 49% in 2020 to 62% in 2022.

The Group's total debt ratio, excluding leases and right of use assets under IFRS 16, was around 0.50x (2020: 0.45x; 2021: 0.48x; 2022: 0.52x) signifying that almost half the assets of the Group are financed through debt. Debt-to-equity ratio in 2022 was of 1.42x from 1.08x in 2020 mainly due to the increase in debt in the end of 2022 by around €10m as the Group issued the 2022 VDHG Bonds to replace the 2017 VDHG Bonds. The lease liabilities are excluded when calculating the debt-to-equity ratio.

The gearing position of the Guarantor on a stand-alone basis is of 32.26%. It is the policy of the Group not to cross-collateralise debt within the Group or provide for material corporate guarantees by the holding company to secure any debt for any subsidiary or associate undertaking except for the 2017 VDHG Bonds and the 2022 VDHG Bonds. Also, the holding company has no direct debt financing facilities and all financing arrangements at subsidiary levels are ring-fenced at the borrowing company level, other than the Issuer that has the 2022 VDHG Bonds in issue.

Group's Cash Flow Statement for the years ended 31 December

	2020	2021	2022
	€000	€000	€000
Net cash flows generated from/(used in) operating activities	(2,333)	868	450
Net cash flows generated from/(used in) investing activities	34,309	(10,968)	(9,184)
Net cash flows generated used in financing activities	(11,263)	(761)	4,071
Effect of changes in foreign exchange	875	80	190
Net movement in cash and cash equivalents	**21,588**	**(10,781)**	**(4,473)**
Cash and cash equivalents at start of year	6,318	27,906	17,125
Cash and cash equivalents at end of year	**27,906**	**17,125**	**12,652**

The cash flow results of the Group were significantly impacted by the volatility in results that the Covid-19 pandemic caused particularly to the accommodation and catering segment.

In 2020, the Group experienced a significant cash outflow from operating income of €2.3m due to the abrupt disruption of accommodation and catering cash inflows as Covid-19 restrictive measures were implemented. 2021 saw an improvement in cash flows in the accommodation and catering segments despite the prolonged Covid-19 restrictions following the implementation of cost reduction measures by the Group and the financial support schemes introduced by Governments in Poland and Germany to alleviate the burden of Covid-19 on the hospitality industry. Consequently, the Group managed to increase cash from operating activities by €3.2m in 2021. In 2022, despite the lower Covid-related support from Governments, the Group managed to still generate positive cash inflows from operating activities of almost €0.5m mainly on the strength of the recovery in the accommodation and catering activities post pandemic.

While 2020 saw a net in cash inflows from investing activities of €34m mainly from the proceeds received from the distributed profits generated from the sale of the Bavaria Towers project and the cash received on the sale of Cugó Gran Menorca, the Group reinvested net of €19.2m in new investments over the next two years while maintaining a stable cash ratio (cash and cash equivalents and other financial assets / total current liabilities) of 1.43x as at 31 December 2022. This demonstrates that the Group has sufficient liquidity to meet the requirements of its short-term liabilities.

6.3 Historical Financial Information

The Issuer's historical financial information for the three financial years ended 31 December 2020, 2021 and 2022, as audited by Ernst & Young Malta Limited, and the auditor's reports thereon, are set out in the applicable audited financial statements of the Issuer.

The Guarantor's historical financial information for the financial years ended 31 December 2020, 2021 and 2022, as audited by Ernst & Young Malta Limited, and the auditor's reports thereon, are set out in the applicable audited consolidated financial statements of the Guarantor.

The afore-mentioned audited financial statements of the Issuer and the audited consolidated financial statements of the Guarantor are available for inspection as set out in section 15 below, are incorporated by reference and may be accessed on the Issuer's website www.vonderheydengroup.com.

	Information incorporated by reference in this Registration Document	Financial year ended 31 December 2020	Financial year ended 31 December 2021	Financial year ended 31 December 2022
		Page number in Annual Report		
Issuer	Statements of Comprehensive Income	Page 18	Page 10	Page 12
	Statements of Financial Position	Page 17	Page 9	Page 11
	Statements of Cash Flows	Page 20	Page 12	Page 14
	Notes to the Financial Statements	Pages 21 to 35	Page 13 to 28	Pages 15 to 29
	Independent Auditor's Report	Pages 10 to 16	Page 29 to 36	Pages 30 to 37
Guarantor	Statements of Comprehensive Income	Page 7	Page 20	Page 16
	Statements of Financial Position	Pages 8 to 9	Pages 21 to 22	Page 17
	Statements of Cash Flows	Pages 14 to 15	Pages 25 to 27	Pages 20 to 22
	Notes to the Financial Statements	Pages 16 to 62	Pages 28 to 89	Pages 23 to 76
	Independent Auditor's Report	Pages 63 to 66	Pages 90 to 94	Pages 77 to 80

There have been no significant adverse changes to the financial or trading position of the Issuer and/or the Guarantor since the end of the financial period to which their respective afore-mentioned last audited 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 Offer, other than the information contained and disclosed in the Prospectus.

7. BUSINESS DEVELOPMENT STRATEGY AND TREND INFORMATION

7.1 Trend information of the Issuer

There has been no material adverse change in the prospects or in the financial or trading position of the Issuer since the date of publication of its latest audited financial statements for the period ended 31 December 2022.

The Issuer is dependent on the business prospects of the Guarantor and, therefore, the trend information relating to the Guarantor has a material effect on its financial position and prospects.

7.2 The Guarantor

At the time of publication of this Registration Document, the Group considers that generally it shall be subject to the normal business risks associated with the industries in which the Group companies are involved and operate as disclosed in section 2 of this Registration Document. Barring unforeseen circumstances, the Group 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 Group companies and their respective businesses, at least with respect to the financial year 2023. However, investors are strongly advised to carefully read the risk factors disclosed in the Prospectus.

There has been no material adverse change in the prospects of the Guarantor since the date of its last published audited consolidated financial statements for the period ended 31 December 2022.

The following is an overview of the most significant recent trends affecting the Guarantor and the markets in which it operates, as derived from the macroeconomic forecasts published by the European Commission for the year[1]:

Despite the continued war in Ukraine and a challenging global context, the European economy continued to show resilience. Lower energy prices, abating supply constraints and a strong labour market supported moderate growth in the first quarter of 2023, dispelling fears of a recession. This better-than-expected start to the year lifts the growth outlook for the EU economy to 1.0% in 2023 and 1.7% in 2024. With persistent price pressures, inflation continues to be the main challenge estimated to reach 5.8% in 2023 in the euro area. Economic activity is expected to continue regaining traction with the summer tourism season.

Whereas prices of some commodities are retreating from recent peaks, the EU economy remains vulnerable to developments in energy markets that however have started to show signs of abatement as energy price pressures are starting to ease.

A record-strong labour market is bolstering the resilience of the EU economy. The EU unemployment rate hit a new record low of 6.0% in March 2023, and participation and employment rates are at record highs. Wage growth has also picked up since early 2022, however, still remained below inflation resulting in an anticipation that private consumption will still be low.

Risks to the forecast for economic activity are heavily dependent on the evolution of core inflation as this would continue restraining the purchasing power of households and force a stronger response of monetary policy and the continuing increase of interest rates with broad macro-financial ramifications.

Renewed episodes of financial stress could lead to a further surge in risk aversion, prompting a more pronounced tightening of lending standards. Government actions through expansionary fiscal policies to try and fuel more growth could lead to fuelling inflation further.

In addition, new challenges may arise for the global economy from further banking sector turmoil or related to wider geopolitical tensions. On the positive side, more benign developments in energy prices would lead to a faster decline in headline inflation, with positive spillovers on consumption by households. Finally, there are still persistent uncertainties stemming from Russia's ongoing invasion of Ukraine.

The main territories in which the Group’s hotels mainly operate, are Germany and Poland, both of which are currently experiencing continuing recovery. These hotels are situated in city centres and close to important locations, such as the Berlin airport or major industrial undertakings that generate significant corporate business that should continue to increase as the economy grows.

The recovery and continued positive growth rates in Poland also support an increased demand for the office market also in the city of Poznan in which the largest development project of the Group is situated.

[1] https://economy-finance.ec.europa.eu/economic-forecast-and-surveys/economic-forecasts_en

8. ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

8.1 The Issuer

8.1.1 Executive and Non-Executive Directors

The Memorandum of Association of the Issuer provides that the business and affairs of the Issuer shall be managed and administered by a Board of Directors to be composed of not less than 2 and not more than 5 Directors, who are appointed by the shareholders.

As at the date of the Prospectus, the Board of the Issuer is composed of the 5 individuals listed in sub-section 4.1.1 of this Registration Document. Furthermore, in line with generally accepted principles of sound corporate governance, at least 1 of the Directors shall be a person independent of the Group.

Directors of the Issuer are appointed by means of an ordinary resolution in general meeting. Accordingly, the Guarantor is empowered to appoint the Directors of the Issuer, thereby putting it in a position to appoint an absolute majority of the Directors of the Issuer and, accordingly, have control over the management and operations of the Issuer.

The Issuer is currently managed by a Board consisting of five Directors entrusted with its overall direction, including the establishment of strategies for future development. Its responsibilities include the oversight of the Issuer’s internal control procedures and financial performance, and the review of the Issuer’s business risks, thus ensuring such risks are adequately identified, evaluated, managed, and minimised. All the Directors have access to professional advice at the expense of the Issuer, should they so require.

The executive Directors of the Issuer are entrusted with the company’s day-to-day management. The executive Directors of the Issuer are Antonio Fenech and Javier Errejón Sainz de la Maza.

The main functions of the remaining non-executive Directors comprising the Board, two of whom are independent, are to monitor the operations of the executive Directors and their performance, as well as to review any proposals tabled by the executive Directors. The non-executive Directors are Jozef Bronislaw Borowski, Karen Coppini and Joseph Muscat, the latter two being independent of the Issuer.

None of the Directors have, in the last five years:

i. been the subject of any convictions in relation to fraudulent offences or fraudulent conduct;
ii. been associated with bankruptcies, receiverships or liquidations (other than voluntary) in respect of entities in respect of which they were members of administrative, management or supervisory bodies, partners with unlimited liability (in the case of a limited partnership with a share capital), founders or members of senior management;
iii. been the subject of any official public incrimination and/or sanctions by statutory or regulatory authorities, including designated professional bodies; or
iv. been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of a company or from acting in the management or conduct of the affairs of any company.

The Directors believe that the Issuer’s current organisational structure is adequate for its present activities. The Directors will maintain this structure under continuous review to ensure that it meets the changing demands of the business and to strengthen the checks and balances necessary for better corporate governance.

8.1.2 Directors’ service contracts

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

8.1.3 Aggregate emoluments of Directors

Pursuant to the Issuer’s Articles of Association, the maximum annual aggregate emoluments that may be paid to the Directors are approved by the shareholders in general meeting. The remuneration of Directors shall be deemed to accrue from day to day. The Directors may also be paid all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the Directors or any committee of the Directors or general meetings of the Issuer or in connection with the business of the Issuer.

The remuneration of Directors is a fixed amount *per annum* and does not include any variable component relating to profit sharing, share options or pension benefits. At present, the maximum aggregate emoluments of all the Company’s Directors is €102,000.

8.1.4 Loans to Directors

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

8.1.5 Appointment and removal of Directors

The Directors shall be appointed by means of an ordinary resolution of the shareholders of the Company in general meeting. In terms of the Issuer's Articles of Association, an election of Directors shall take place every year at the Company's Annual General Meeting. All Directors shall retire from office once at least in each 3 years but shall be eligible for re-election. The Directors of the Issuer currently in office are expected to remain in office at least until the next Annual General Meeting of the Issuer.

A Director may, unless he resigns, be removed by ordinary resolution of the shareholders as provided in article 140 of the Act.

8.1.6 Powers of Directors

By virtue of the provisions of the Articles of Association of the Issuer, the Directors are empowered to transact all business which is not by the said articles expressly reserved for the shareholders in general meeting.

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.

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

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 therefor, subject to such limit as may be established by the shareholders in general meeting.

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.

8.1.7 Employees

As at the date of the Prospectus, the Issuer has no employees and is reliant on the resources which are made available to it by the Group. As at 31 December 2022, the number of persons employed with the Group amounted to 191 (2021: 192 employees).

8.2 The Guarantor

8.2.1 Directors

The Guarantor is managed by a board of directors consisting of 3 directors that is entrusted with the responsibility of the direction and management of the Guarantor. A brief *curriculum vitae* of each of the current directors of the Guarantor is set out in sub-section 4.1.2 above.

8.2.2 Directors' service contracts

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

8.2.3 Loans to directors

As at the date of the Prospectus, there are no loans outstanding by the Guarantor to any of its directors, nor any guarantees issued for their benefit by the Guarantor.

8.2.4 Appointment and removal of directors

Directors shall be appointed by means of an ordinary resolution of the shareholders of the Guarantor in general meeting. In terms of the Guarantor's articles of association, every member of the Board of directors shall continue to act indefinitely. In the case of any director that is appointed by a class of shareholders, such director may be removed and/or replaced at any time by his class appointees at their sole discretion by a simple letter addressed to the company secretary. On the death, resignation or removal of a director, a new director shall be appointed in his/her stead by the members of the class, if any, who appointed the retiring director, and such director shall serve as a director indefinitely.

Directors of the Guarantor may, unless they resign, be removed by ordinary resolution of the shareholders as provided in article 140 of the Act.

8.3 Working Capital

As at the date of this Registration Document, the directors of the Issuer are of the opinion that working capital available to the Issuer is sufficient for the attainment of its objects and the carrying out of its business for the next 12 months of operations. The proceeds from the Offer have been taken into account when providing said clean working capital statement; said clean working capital statement would still apply if the proceeds from the Offer were not so included in the calculation of working capital.

8.4 Conflict of interest at Group level

As at the date of this Registration Document, besides being Directors of the Issuer, Antonio Fenech and Javier Errejón Sainz de la Maza are also directors of the Guarantor. Furthermore, Antonio Fenech and Javier Errejón Sainz de la Maza are also directors of various other Group companies.

Sven von der Heyden, apart from being a director of the Guarantor, is also a director of various other Group companies. Additionally, Mr von der Heyden is the ultimate beneficial owner of 85.42% of the Group.

Jozef Bronislaw Borowski, a non-executive Director on the Issuer, is the beneficial owner and managing director of Sopentar Holdings Limited which holds 21.25% of the capital of each of Andersia Property Sp. z o.o and Andersia Retail Sp. z o.o. Jozef Bronislaw Borowski, through Sopentar Holdings Limited, is also the beneficial owner of 25.06% of the capital of Lublin Grand Hotel Management Sp. z o.o. and 25% of the capital of Lublin Grand Hotel Sp. z o.o.

Adam Karol Trybusz, a member of the Group's Executive Team, is the beneficial owner of 46.55% of First Polish Real Estate B.V. (with the Guarantor holding the remaining 53.45%), as well as the beneficial owner of 21.25% of the capital of each of Andersia Property Sp. z o.o and Andersia Retail Sp. z o.o. Mr Trybusz also beneficially holds 50% of the share capital in each of Dlugi Targ Hotel Management Sp. z o.o. and Dlugi Targ Sp. z o.o. (in each case, with the Guarantor holding the remaining 50%).

In light of the foregoing, such directors are susceptible to conflicts between the potentially diverging interests of the Issuer and the Guarantor, as the case may be, and any of such other companies in transactions entered into, or proposed to be entered into, between them. 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 the directors are handled in the best interest of the Issuer and according to law. The fact that the Audit Committee is constituted in its majority by independent, non-executive Directors provides an effective measure to ensure that transactions vetted by the Audit Committee are determined on an arm's length basis.

As regards related party transactions generally, and in view of the listing on the Official List of the MSE of the 2022 VDHG Bonds, the Audit Committee operates within the remit of the applicable terms of Chapter 5 of the Capital Markets Rules regulating the role of the audit committee with respect to related party transactions.

Furthermore, the Directors are fully aware that the close association of the Issuer with the Guarantor and its other Subsidiaries is central to the attainment by the Issuer of its investment objectives and the implementation of its strategies. The Audit Committee ensures that transactions entered into between related parties are carried out on an arm's length basis and are for the benefit of the Issuer, and that the Issuer accurately reports all related party transactions in the notes to the Company's financial statements.

Additionally, the Audit Committee has, pursuant to the relative terms of reference, been granted express powers to be given access to the financial position of the Issuer, the Guarantor and all other entities comprising the Group.

No private interests or duties unrelated to the Issuer or the Group, as the case may be, have been disclosed by the general management team which may or are likely to place any of them in conflict with any interests in, or duties towards, the Issuer.

Save for the interests disclosed in this sub-section 8.4, senior management do not hold any shares in the Issuer or other entities comprising the Group.

To the extent known or potentially known to the Issuer as at the date of this Registration Document, other than the information contained and disclosed herein, there are no other conflicts of interest between any duties of the Directors and their respective private interests and/or their duties which require disclosure in terms of the Prospectus Regulation.

9. COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS

9.1 The Issuer

The Issuer has debt securities listed on the Official List of the Malta Stock Exchange – specifically, the 2022 VDHG Bonds – and, accordingly, is obliged to comply with the Capital Markets Rules. As such, the Issuer is subject to, and continues to support, the Code of Principles of Good Corporate Governance forming part of the Capital Markets Rules (the "**Code**"). The Board acknowledges that the Code does not dictate or prescribe mandatory rules but recommends principles of good practice. Nonetheless, the Board strongly believes that the Code is in the best interest of the shareholders and other stakeholders since it ensures that the Directors, management and employees of the Group adhere to internationally recognised high standards of corporate governance.

The Board considers that during the financial year ended 31 December 2022, the Issuer was in compliance with the Code, save for the following exceptions:

(i) Principle 7: "Evaluation of the Board's Performance"

The Company, due to its continuous oversight and communication with its shareholders, has not established a committee to carry out a performance evaluation of its role.

(ii) Principle 8: "Committees"

The Company, due to its limited operational function within the Von der Heyden Group, has not established a nomination or remuneration committee.

(iii) Principle 10: "Institutional shareholders"

This principle is not applicable to the Company since the Company is privately held and does not have any institutional shareholders.

As required by the Act and the Capital Markets Rules, the Issuer's financial statements are subject to annual audit by the Issuer's external auditors. Moreover, the non-executive Directors have direct access to the external auditors of the Issuer who attend at Board meetings at which the Company's financial statements are approved. Directors are entitled to seek professional advice at any time on any aspect of their duties and responsibilities, at the Issuer's expense.

In view of the reporting structure adopted by the Code, the Issuer, on an annual basis in its annual report, details the level of the Issuer's compliance with the principles of the Code, explaining the reasons for non-compliance, as applicable.

9.2 The Guarantor

In view of the fact that the Guarantor is not a public company having securities listed on a regular market, it is not bound by the provisions of the Code set out in the Capital Markets Rules. While the Guarantor is not required to adopt the provisions of the Code, the Audit Committee of the Issuer has been specifically tasked with keeping a watching brief over the financial performance of the Guarantor and other Group Subsidiaries, as set out in sub-section 8.4 above.

10. AUDIT COMMITTEE PRACTICES

The Board of Directors of the Issuer has, in addition to setting the Company's strategy, policies and objectives, established an Audit Committee in line with the requirements of the Capital Markets Rules in view of the 2022 VDHG Bonds listed on the Official List of the Malta Stock Exchange.

The Audit Committee's objective is to assist the Board in fulfilling its supervisory and monitoring responsibilities according to terms of reference that reflect the requirements of the Capital Markets Rules, as well as current good corporate governance best practices. The Audit Committee oversees the conduct of the external audit and acts to facilitate communication between the Board, management and the external auditors. The external auditors are invited to attend Audit Committee meetings. The Audit Committee reports directly to the Board of Directors.

The terms of reference of the Audit Committee, include 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 which set out 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 Board reserved the right to change the Audit Committee's terms of reference from time to time.

The primary purpose of the Audit Committee is to assist the Directors in conducting their role effectively so that the Issuer's decision-making capability and the accuracy of its reporting and financial results are maintained at a high level at all times. The main responsibilities of the Audit Committee include, but are not limited to, the following:

a. monitoring the financial reporting process and submitting recommendations or proposals to ensure its integrity;
b. monitoring the effectiveness of the Issuer's internal quality control and risk management system;
c. making recommendations to the Board in relation to the appointment of the external auditor and the remuneration and terms of engagement of the external auditor, following appointment by the shareholders during the Issuer's Annual General Meeting;
d. reviewing and monitoring the external auditor's independence;
e. evaluating the arm's length nature of any proposed transactions to be entered into by the Issuer and a related party, to ensure that the execution of such transaction is at arm's length, conducted on a sound commercial basis and in the best interests of the Issuer; and
f. assessing any potential conflicts of interest between the duties of the Directors and their respective private interests or duties unrelated to the Issuer.

The Audit Committee has the task of ensuring that any potential conflicts of interest that may arise at any moment pursuant to the different roles held by the Directors are handled in the best interest of the Issuer and according to law. Additionally, the Audit Committee has a crucial role in monitoring the activities and conduct of business of the Group's Subsidiaries, limitedly insofar as these may affect the ability of the Issuer to fulfil its Global Note Obligations.

As the Company's internal control system, the Audit Committee is designed to ensure proper quarterly and annual reporting implementation, implementation of the four-eyes principle to mitigate risks and compliance with local and international laws and regulations.

The Audit Committee is made up entirely of non-executive Directors, the majority of whom are also independent of the Issuer, and who are appointed for a period of one year, automatically renewable. Joseph Muscat, an independent, non-executive Director of the Issuer, acts as Chairman, whilst Jozef Bronislaw Borowski and Karen Coppini act as members of the Audit Committee. Joseph Muscat is considered to be the member competent in accounting and auditing matters. The Issuer considers that the members of the Audit Committee have the necessary experience and standing to hold office as members thereof and the Audit Committee, as a whole, is deemed to have relevant competence in the sector the Company operates in. The CVs of the said Directors may be found in sub-section 4.1.1 above.

11. LITIGATION PROCEEDINGS

There have been no governmental, legal or arbitration proceedings involving the Issuer or the Guarantor, including any such proceedings which are pending or threatened of which the Issuer or the Guarantor is aware, during the period covering 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, the Guarantor and/or the Group, taken as a whole.

12. MAJORITY SHAREHOLDERS AND ADDITIONAL INFORMATION

12.1 Share capital of the Issuer

The authorised and issued share capital of the Issuer is €250,000 divided into 249,999 ordinary A shares of a nominal value of €1 each and 1 ordinary B share of €1, all being fully paid-up and subscribed for, allotted and taken up specifically as follows:

Name of Shareholder	Number of shares held
Timan Investments Holdings Limited (C 63335)	249,999 ordinary 'A' shares of €1 each
Von der Heyden Group Holdings B.V. (155289)	1 ordinary 'B' share of €1

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

All ordinary shares in the Issuer, irrespective of the letter by which they are denominated, shall rank equally in all respects subject to the following exceptions:

a. the holder of the ordinary A shares shall be entitled to 1 vote in general meetings for each of such share held, whilst the holder of the ordinary B share shall not be entitled to any vote in respect to such share. Provided that both classes of shares shall entitle the holder to receive notice of general meetings of the Issuer in terms of the Articles of Association of the Company;
b. the ordinary B share shall not carry any dividend entitlement;

c. the holder of the ordinary A shares shall be entitled to any surplus assets of the Company on a winding up whilst the holder of the ordinary B share shall not be entitled to any surplus assets on winding up but shall have a prior claim over the holder of the ordinary A shares for the return of the nominal value of the said ordinary B share.

The shares of the Issuer are not listed on the Exchange. An application has not been filed for the shares of the Issuer to be quoted on the Official List of the Exchange. There is no capital of the Issuer which has been issued to the public during the 2 years immediately preceding the publication of the Prospectus.

It is not expected that the Issuer will issue any shares during the financial year ending 31 December 2023, whether fully or partly paid up, in consideration for cash or otherwise.

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. Furthermore, there are no arrangements in place as at the date of the Prospectus, known to the Issuer, the operation of which may at a subsequent date result in a change in control of the Issuer.

The Issuer adopts measures in line with the Code to ensure that the relationship of the Issuer with the rest of the Group and/or with the ultimate shareholders is retained at arm's length, including, in respect of the Issuer, adherence to rules on related party transactions set out in Chapter 5 of the Capital Markets Rules requiring the vetting and approval of any related party transaction by the Audit Committee. The Audit Committee has the task of ensuring that any potential abuse is managed, controlled and resolved in the best interests of the Issuer and according to law. The composition of the Board, including the presence of two independent, non-executive Directors, effectively minimises the possibility of any abuse of control by any major shareholder. With particular reference to the relationship between the Issuer and the ultimate shareholders, the Articles of Association of the Issuer require any director of the Issuer who in any way, whether directly or indirectly, has an interest in a contract, arrangement, transaction or proposal with the Issuer, to declare the nature of his interest to the Board of Directors of the Issuer. Furthermore, said Director shall not be permitted to vote at that meeting in respect of any contract, arrangement, transaction or any other proposal in which he has, either directly or indirectly, a personal material interest.

12.2 Memorandum and Articles of Association of the Issuer

The Memorandum and Articles of Association of the Issuer are registered with the the Malta Business Registry. The objects of the Issuer are set out in clause 4 of the Issuer's Memorandum of Association, with the principal object being 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 Offer falls within the objects of the Issuer.

The Memorandum and Articles of Association of the Issuer otherwise regulate matters customarily dealt with therein, including matters such as voting rights and restrictions thereof, and the appointment and powers of Directors, as detailed above in this Registration Document.

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 as set out in section 15 of this Registration Document and at the Malta Business Registry during the lifetime of the Company.

12.3 Share capital of the Guarantor

The authorised share capital of the Guarantor is €50,000,000 divided into 20,000,000 ordinary A shares of a nominal value of €1 each and 30,000,000 ordinary B shares of a nominal value of €1 each. The issued share capital of the Guarantor is €3,804,641 divided into 3,249,924 ordinary A shares of a nominal value of €1 each and 554,717 ordinary B shares of a nominal value of €1 each, all fully paid-up, which have been subscribed for, allotted and fully taken up as follows:

i. Von der Heyden Group Holdings B.V. (155289) 3,249,924 ordinary A shares of €1 each
ii. Trusthigh Holdings Limited (546261) 554,717 ordinary B shares of €1 each

The ultimate controlling beneficial owner of the Guarantor is Sven von der Heyden.

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

Each share, irrespective of the class by which it is designated, confers the right to one (1) vote at general meetings of the Guarantor. All ordinary shares rank *pari passu* in all respects.

In terms of the Guarantor's articles of association, resolutions in respect of: (i) amendments, alterations to and/or revocations of the memorandum and articles of association and additions thereto, including any share transfers, increase or reduction of or any other changes to the authorised and/or issued share capital or to the shareholding structure of the company, or any disposal of the company's assets; (ii) any proposed merger or amalgamation; and (iii) the voluntary liquidation of the company, shall require an extraordinary resolution signed or agreed to by all the shareholders as well as a unanimous resolution of the shareholders holding the ordinary A and B shares in the company.

Wherever a shareholders' extraordinary resolution is required, it shall be taken to mean a resolution which has been passed by a member or members having the right to attend and vote at the meeting holding in the aggregate not less than 75% in nominal value of the shares conferring that right to vote at the meeting. Resolutions in respect of decisions which either in terms of the above or in terms of law do not require an extraordinary resolution shall be taken by an ordinary resolution; that is, a resolution which has been taken by a member or members having the right to attend and vote and who, in the aggregate, hold a simple majority in nominal value of shares in the company. Accordingly, Von der Heyden Group Holdings B.V., as holder of 85.42% of the issued share capital of the Guarantor, is empowered, in its sole discretion, with the control of the Guarantor.

In terms of the Guarantor's articles of association, subject to the provisions of any shareholders' agreements, if at any time the share capital is divided into different classes of shares, the change of any shares from one class into another or the variation of the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class which is to be changed or the rights attached to which are to be varied, according to the case) may, whether or not the company is being wound-up, be made with the consent in writing of the holders of three-fourths of the issued shares of that class, and the holders of three-fourths of the issued shares of any other class affected thereby. Such change or variation may also be made with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of the issued shares of that class and of an extraordinary resolution passed at a separate general meeting of the holders of the issued shares of any other class affected thereby.

The shares of the Guarantor are not listed on the Exchange. Application has not been filed for the shares of the Guarantor to be quoted on the Official List of the Exchange.

It is not expected that shares in the Guarantor shall be issued during the financial year ending 31 December 2023, whether fully or partly paid up, in consideration for cash or otherwise.

There is no capital of the Guarantor which is currently under option, nor is there any agreement by virtue of which any part of the capital of the Guarantor is to be put under option. To the best of the Guarantor's knowledge, there are no arrangements in place as at the date of the Prospectus the operation of which may, at a subsequent date, result in a change in control of the Guarantor.

12.4 Memorandum and articles of association of the Guarantor

The memorandum and articles of association of the Guarantor are registered with the Malta Business Registry. The principal objects of the Guarantor are set out in clause 3 of the memorandum of association of the Guarantor and include, but are not limited to, investing and dealing 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 memorandum and articles of association of the Guarantor otherwise regulate matters customarily dealt with therein, including matters such as voting rights and restrictions thereof, and the appointment and powers of directors, as detailed above in this Registration Document.

A copy of the memorandum and articles of association of the Guarantor may be inspected during the lifetime of this Registration Document at the registered office of the Issuer as set out in section 15 of this Registration Document and at the Malta Business Registry during the lifetime of the company.

12.5 Commissions

There were no commissions, discounts, brokerages or other special terms granted during the 2 years immediately preceding the publication of the Prospectus in connection with the issue or sale of any capital of the Issuer or the Guarantor.

13. MATERIAL CONTRACTS

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

14. THIRD PARTY INFORMATION, STATEMENTS BY EXPERTS AND DECLARATIONS OF ANY INTEREST

The Prospectus does not contain any statement or report attributed to any person as an expert.

15. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents or certified copies thereof, where applicable, are available for inspection at the registered office of the Issuer at 14 East, Level 8, Sliema Road, Gzira GZR 1639, Malta during the term of the Offer during office hours:

a. the Memorandum and Articles of Association of the Issuer;
b. the memorandum and articles of association of the Guarantor;
c. the audited financial statements of the Issuer for the financial years ended 31 December 2020, 2021 and 2022;
d. the audited consolidated financial statements of the Guarantor for the financial years ended 31 December 2020, 2021 and 2022; and
e. the Guarantee.

The documents listed in (a) to (e) above, both included, are also available for inspection in electronic form on the Issuer's website www.vonderheydengroup.com.