REGISTRATION DOCUMENT

DATED 27 MAY 2025

This document is a Registration Document issued in accordance with the provisions of Chapter 4 of the Capital Markets Rules published by the Malta Financial Services Authority and in accordance with the provisions of the Prospectus Regulation.

MILLEMONT

MM Star Malta Finance p.l.c.

a public limited liability company registered under the laws of Malta with company registration number C 111281

with the joint and several guarantee of:

MM Star Holdco Limited

a company registered under the laws of England and Wales with company registration number CN 14171754

Sponsor	Manager & Registrar	Legal Counsel	Security Trustee
MZ INVESTMENTS	BOV Bank of Valletta	CAMILLERI PREZIOSI ADVOCATES	FINCO TRUST SERVICES LIMITED

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

THE MALTA FINANCIAL SERVICES AUTHORITY ACCEPTS NO RESPONSIBILITY FOR THE CONTENTS OF THE PROSPECTUS, MAKES NO REPRESENTATIONS AS TO ITS ACCURACY OR COMPLETENESS AND EXPRESSLY DISCLAIMS ANY LIABILITY WHATSOEVER FOR ANY LOSS 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 LISTED FINANCIAL INSTRUMENTS. A PROSPECTIVE INVESTOR SHOULD BE AWARE OF THE POTENTIAL RISKS IN INVESTING IN THE SECURITIES OF AN ISSUER AND SHOULD MAKE THE DECISION TO INVEST ONLY AFTER CAREFUL CONSIDERATION AND CONSULTATION WITH HIS OR HER OWN FINANCIAL ADVISOR.

APPROVED BY THE BOARD OF DIRECTORS

Demeter Kovacs	Winston J. Zahra

signing in their capacity as directors of the Issuer and on behalf of Albert Frendo, Kenneth Abela and Steven Coleiro

IMPORTANT INFORMATION

THIS REGISTRATION DOCUMENT CONTAINS INFORMATION ON MM STAR MALTA FINANCE P.L.C. (IN ITS CAPACITY AS ISSUER) AND MM STAR HOLDCO LIMITED (IN ITS CAPACITY AS GUARANTOR) IN ACCORDANCE WITH THE REQUIREMENTS OF THE CAPITAL MARKETS RULES OF THE MALTA FINANCIAL SERVICES AUTHORITY, THE COMPANIES ACT AND THE PROSPECTUS REGULATION.

NO BROKER, DEALER, SALESMAN OR OTHER PERSON HAS BEEN AUTHORISED BY THE ISSUER, 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 AND, OR ADVISORS.

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

THE PROSPECTUS DOES NOT CONSTITUTE, AND MAY NOT BE USED FOR PURPOSES OF, AN OFFER OR INVITATION TO SUBSCRIBE FOR SECURITIES ISSUED BY THE ISSUER BY ANY PERSON IN ANY JURISDICTION: (I) IN WHICH SUCH OFFER OR INVITATION IS NOT AUTHORISED; OR (II) IN WHICH THE PERSON MAKING SUCH OFFER OR INVITATION IS NOT QUALIFIED TO DO SO; OR (III) TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH OFFER OR INVITATION. THE DISTRIBUTION OF THE PROSPECTUS IN CERTAIN JURISDICTIONS MAY BE RESTRICTED AND, ACCORDINGLY, PERSONS INTO WHOSE POSSESSION IT IS RECEIVED ARE REQUIRED TO INFORM THEMSELVES ABOUT, AND TO OBSERVE, SUCH RESTRICTIONS.

THE PROSPECTUS AND THE OFFERING, SALE OR DELIVERY OF ANY 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.

THIS REGISTRATION DOCUMENT IS VALID FOR A PERIOD OF 12 MONTHS FROM THE DATE HEREOF. THIS REGISTRATION DOCUMENT IS VALID FOR A PERIOD OF 12 MONTHS FROM THE DATE HEREOF. THE ISSUER IS NOT OBLIGED TO PUBLISH A SUPPLEMENT TO THE PROSPECTUS IN THE EVENT OF SIGNIFICANT NEW FACTORS, MATERIAL MISTAKES OR MATERIAL INACCURACIES WHICH ARISE OR ARE NOTED FOLLOWING THE LAPSE OF THE PERIOD OF VALIDITY OF THE PROSPECTUS. PROVIDED THAT THE ISSUER SHALL NOT BE OBLIGED TO SUPPLEMENT THE PROSPECTUS SHOULD THE AFORESAID SIGNIFICANT NEW FACTORS, MATERIAL MISTAKES OR MATERIAL INACCURACIES ARISE OR ARE NOTED FOLLOWING THE LATER OF THE CLOSING OF THE OFFER PERIOD OR THE TIME WHEN TRADING ON THE OFFICIAL LIST BEGINS.

IT IS THE RESPONSIBILITY OF ANY PERSONS IN POSSESSION OF THIS DOCUMENT AND ANY PERSONS WISHING TO APPLY FOR ANY SECURITIES ISSUED BY THE ISSUER TO INFORM THEMSELVES OF, AND TO OBSERVE AND COMPLY WITH, ALL APPLICABLE LAWS AND REGULATIONS OF ANY RELEVANT JURISDICTION. PROSPECTIVE INVESTORS OF 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 THE PROSPECTUS AND THE OFFERING AND SALE OF SECURITIES.

A COPY OF THIS DOCUMENT HAS BEEN SUBMITTED TO THE MALTA FINANCIAL SERVICES AUTHORITY IN SATISFACTION OF THE CAPITAL MARKETS RULES AND TO THE MALTA STOCK EXCHANGE IN SATISFACTION OF THE MALTA STOCK EXCHANGE BYE-LAWS AND HAS BEEN DULY FILED WITH THE MALTA BUSINESS REGISTRY, IN ACCORDANCE WITH THE COMPANIES ACT.

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

ALL THE ADVISORS TO THE ISSUER NAMED UNDER THE HEADING ENTITLED "**ADVISORS TO THE ISSUER**" IN 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 INCORPORATED BY REFERENCE IN THIS REGISTRATION DOCUMENT, 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 WEBSITES AS THE BASIS FOR A DECISION TO INVEST IN THE BONDS.

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

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1 DEFINITIONS

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

Acquisition	has the meaning assigned to it in section 6.2.1 of this Registration Document;
ADR	average daily rate per occupied room;
Bond/s	has the meaning assigned to it in the Securities Note;
Bond Issue	the issue of the Bonds;
Capital Markets Rules	the capital markets rules published by the Malta Financial Services Authority in terms of the Financial Markets Act, as may be amended from time to time;
Companies Act	the Companies Act, Cap. 386 of the laws of Malta;
Clydesdale Bank plc	Clydesdale Bank plc (trading as Virgin Money) registered under the laws of Scotland with company registration number SC001111;
Data Protection Laws	any law, enactment, regulation, regulatory policy, by law, ordinance or subordinate legislation relating to the processing, privacy and use of personal data, that applies from time to time, including: (i) the Data Protection Act 2018; (ii) the Privacy and Electronic Communications (EC Directive) Regulations 2003; (iii) the General Data Protection Regulation (EU) 2016/679 ("**GDPR**") (including the EU GDPR and subsequently the UK GDPR, which took effect from 11pm on 31 December 2020); and (iv) any laws or regulations giving effect to or corresponding with (i) - (iii) above;
Directors or **Board of Directors**	the directors of the Issuer whose names are set out in section 4.1 of this Registration Document entitled "Directors of the Issuer";
Erskine OpCo	Erskine House Opco Limited, a company registered under the laws of England and Wales with company registration number CN: 11736604 and having its registered address at 111 Park Street, London W1K 7JL, United Kingdom;
Erskine PropCo	SOF-11 Erskine House Investment Lux S.A.R.L., a company registered under the laws of Luxembourg with company registration number LUX CN: B196447 and having its registered address at 42, rue de la Vallée, L-2661 Luxembourg;
Euro or **€**	the lawful currency of the Republic of Malta;
FF&E	furniture, fixtures and equipment at the Yotel Edinburgh;
Financial Markets Act	the Financial Markets Act, Cap. 345 of the laws of Malta;
Franchise Agreement	the franchise agreement entered into by and between Erskine OpCo, Erskine PropCo and Yotel Limited and dated 19 July 2024, described in section 6.2.9 of this Registration Document;
Group or **MM Star Group**	the Guarantor and its direct or indirect Subsidiaries;
Guarantee	the unconditional and irrevocable guarantee dated 27 May 2025 granted by the Guarantor undertaking to guarantee the due and punctual performance of the Issuer's payment obligations under the Bond Issue subject to the terms and conditions contained in the Security Trust Deed and as the same is held on trust for the benefit of the Bondholders by the Security Trustee. A copy of the Guarantee including a description of the nature, scope and terms of the Guarantee is appended to the Securities Note as Annex 1 thereof;
Guarantor or **MM Star HoldCo**	MM Star Holdco Limited, a company registered under the laws of England and Wales with company registration number CN 14171754 and having its registered office at 111 Park Street, London W1K 7JL, United Kingdom;
Head Lease Agreement	has the meaning assigned to it in section 6.2.5 of this Registration Document;
Hotel Management Agreement	has the meaning assigned to it in section 6.2.10 of this Registration Document;
Issuer	MM Star Malta Finance p.l.c., a public limited liability company registered under the laws of Malta with company registration number C 111281 and having its registered office at Level 3, Valletta Buildings, Triq Nofs in-Nhar, Valletta VLT 1103, Malta;
Landlord	has the meaning assigned to it in section 6.2.4 of this Registration Document;
Malta Financial Services Authority or **MFSA**	the Malta Financial Services Authority, established in terms of the Financial Markets Act as the competent authority to approve prospectuses of any offer of securities to the public in Malta;
Manager & Registrar	Bank of Valletta p.l.c., a public limited liability company registered under the laws of Malta with company number C 2833 and having its registered office at 58, Zachary Street, Valletta VLT 1130, Malta;
Memorandum and Articles of Association	the memorandum and articles of association of the Issuer in force at the time of publication of the Prospectus. The terms "**Memorandum**", "**Articles**" and "**Articles of Association**" shall be construed accordingly;
Millemont Capital Partners	Millemont Capital Partners Limited, a company registered under the laws of England and Wales with company registration number CN 13153091 and having its registered address at 111 Park Street, London W1K 7JF, United Kingdom;

Millemont Group	collectively, Millemont Holdings Limited and its direct or indirect Subsidiaries, including the MM Star Group;
Millemont Holdings Limited	Millemont Holdings Limited, a company registered under the laws of England and Wales with company registration number CN: 13152429 and having its registered address at 111 Park Street, London W1K 7JF, United Kingdom;
MM Star BidCo	MM Star Bidco Limited, a company registered under the laws of England and Wales with company registration number CN: 15443145 and having its registered address at 111 Park Street, London W1K 7JL, United Kingdom;
Occupational Lease Agreement	has the meaning assigned to it in section 6.2.6 of this Registration Document;
Prospectus	collectively, this Registration Document, the Securities Note and the Summary;
Prospectus Regulation	Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 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;
Registration Document	this document in its entirety;
RevPAR	revenue per available room;
Securities Note	the securities note issued by the Issuer dated 27 May 2025, forming part of the Prospectus;
Sponsor	M.Z. Investment Services Limited, a private limited liability company registered under the laws of Malta with company registration number C 23936 and having its registered office at 63, M.Z. House, St. Rita Street, Rabat RBT 1523, Malta, licensed by the MFSA and a member of the MSE;
Subsidiary	an entity over which the Guarantor has control. In terms of the International Financial Reporting Standards adopted by the European Union, 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 "**Subsidiaries**" shall collectively refer to the said entities;
Summary	the summary issued by the Issuer dated 27 May 2025, forming part of the Prospectus;
Security Trustee	Finco Trust Services Limited, a private limited liability company registered under the laws of Malta with company registration number C 13078 and having its registered office at The Bastions Office No. 2, Triq Emvin Cremona, Floriana, FRN 1281, Malta, duly authorized to act as a trustee or co-trustee in terms of article 43(3) of the Trusts and Trustees Act, Cap. 331 of the laws of Malta;
Security Trust Deed	the security trust signed between the Issuer, MM Star HoldCo, Erskine PropCo, Erskine OpCo and the Security Trustee dated 27 May 2025;
TROO	TROO Hospitality Limited, a company registered under the laws of England and Wales with company registration number CN 13785377 and having its registered office is at Serendipity Labs, Building 3,7 Exchange Quay, Manchester M5 3EP;
UK	the United Kingdom;
UK Companies Act 2006	the Companies Act 2006;
Valuation Report	the property valuation report on the Yotel Edinburgh dated 22 April 2025 incorporated by reference in the Prospectus;
YOTEL	the 'YOTEL' brand;
Yotel Branded Systems	the Yotel standards, Yotel technology (including Yotel reservation systems) and other systems that the Franchisor or its affiliates designate for Yotel branded hotels from time to time;
Yotel Edinburgh	the Yotel Edinburgh hotel located at 68-73, Queen Street, Edinburgh, EH2 4NF, Scotland together with the cellarage and sunk area in the front thereof, registered in the land register of Scotland under title number MID81822;
Yotel Limited or **Franchisor**	Yotel Limited, a company registered under the laws of England and Wales with company registration number CN 04930414 and having its registered address at 136 High Holborn, London WC1V 6PX; and
Yotel Marks	the marks and signs and other associated intellectual property rights, whether registered or unregistered, owned by the Franchisor and its affiliates for the purpose of operating the Yotel Edinburgh under the "YOTEL" hotel brand.

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 also include the feminine gender and *vice-versa*; and
(c) the word "may" shall be construed as permissive and the word "shall" shall be construed as imperative.

2 RISK FACTORS

AN INVESTMENT IN THE BONDS INVOLVES CERTAIN RISKS INCLUDING THOSE DESCRIBED BELOW. PROSPECTIVE INVESTORS SHOULD CAREFULLY CONSIDER WITH THEIR OWN FINANCIAL AND OTHER PROFESSIONAL ADVISERS, THE FOLLOWING RISK FACTORS AND OTHER INVESTMENT CONSIDERATIONS AS WELL AS ALL THE OTHER INFORMATION CONTAINED IN THIS PROSPECTUS, BEFORE MAKING ANY INVESTMENT DECISION WITH RESPECT TO THE ISSUER. SOME OF THESE RISKS ARE SUBJECT TO CONTINGENCIES WHICH MAY OR MAY NOT OCCUR AND NEITHER THE ISSUER, NOR THE GUARANTOR, IS IN A POSITION TO EXPRESS A VIEW ON THE LIKELIHOOD OF ANY SUCH CONTINGENCIES OCCURRING.

THE RISK FACTORS BELOW HAVE BEEN CATEGORISED UNDER TWO MAIN CATEGORIES, ACCORDING TO WHETHER THE RISK FACTORS RELATE TO: (I) THE ISSUER PER SE; OR (II) THE BUSINESS AND OPERATIONS OF THE GROUP.

THE RISK FACTOR FIRST APPEARING UNDER EACH CATEGORY CONSTITUTES THAT RISK FACTOR WHICH THE DIRECTORS HAVE ASSESSED TO BE THE MOST MATERIAL RISK FACTOR UNDER SUCH CATEGORY AS AT THE DATE OF THIS REGISTRATION DOCUMENT. IN MAKING THIS ASSESSMENT OF MATERIALITY, THE DIRECTORS HAVE EVALUATED THE COMBINATION OF: (I) THE PROBABILITY THAT THE RISK FACTOR OCCURS; AND (II) THE EXPECTED MAGNITUDE OF THE ADVERSE EFFECT ON THE FINANCIAL CONDITION AND PERFORMANCE OF THE ISSUER, OR THE GUARANTOR, IF THE RISK FACTOR WERE TO MATERIALISE.

IF ANY OF THE RISKS DESCRIBED BELOW WERE TO MATERIALISE, THEY COULD HAVE A SERIOUS ADVERSE EFFECT ON THE ISSUER'S AND/OR THE GUARANTOR'S FINANCIAL RESULTS, FINANCIAL CONDITION, OPERATIONAL PERFROMANCE, BUSINESS AND/OR TRADING PROSPECTS, AS WELL AS THE ABILITY OF THE ISSUER TO FULFIL ITS OBLIGATIONS UNDER THE SECURITIES ISSUED BY IT FROM TIME TO TIME, AND/OR THE ABILITY OF THE GUARANTOR TO FULFIL ITS OBLIGATIONS UNDER THE GUARANTEE. THE RISKS AND UNCERTAINTIES DISCUSSED BELOW ARE THOSE IDENTIFIED AS SUCH BY THE DIRECTORS AS AT THE DATE OF THIS REGISTRATION DOCUMENT, BUT THESE RISKS AND UNCERTAINTIES MAY NOT BE THE ONLY ONES THAT THE ISSUER AND/OR THE GUARANTOR FACES OR COULD FACE. ADDITIONAL RISKS AND UNCERTAINTIES, INCLUDING THOSE WHICH THE ISSUER'S DIRECTORS ARE NOT CURRENTLY AWARE OF, MAY WELL RESULT IN A MATERIAL ADVERSE IMPACT ON THE ISSUER'S AND/OR THE GUARANTOR'S FINANCIAL RESULTS, FINANCIAL CONDITION, OPERATIONAL PERFORMANCE, BUSINESS AND/OR TRADING PROSPECTS, AND ON THE ABILITY OF THE ISSUER TO FULFIL ITS OBLIGATIONS UNDER THE BONDS AND/OR ON THE ABILITY OF THE GUARANTOR TO FULFIL ITS OBLIGATIONS UNDER THE GUARANTEE. IN ADDITION, PROSPECTIVE INVESTORS OUGHT TO BE AWARE THAT RISK MAY BE AMPLIFIED DUE TO A COMBINATION OF RISK FACTORS.

THE PROSPECTUS, THE DOCUMENTATION INCORPORATED BY REFERENCE HEREIN AND/OR ANY OTHER INFORMATION SUPPLIED IN CONNECTION WITH BONDS ISSUED BY THE ISSUER:

(I) IS NOT INTENDED TO PROVIDE THE BASIS FOR ANY CREDIT OR OTHER EVALUATION;

(II) IS NOT AND SHOULD NOT BE CONSIDERED AS A RECOMMENDATION BY THE ISSUER AND/OR THE GUARANTOR, THEIR RESPECTIVE DIRECTORS, ANY OF THE ADVISERS LISTED IN SECTION 4.3 BELOW, OR ANY OF THE AUTHORISED FINANCIAL INTERMEDIARIES THAT ANY RECIPIENT OF THIS PROSPECTUS, THE DOCUMENTATION INCORPORATED BY REFERENCE HEREIN, OR ANY OTHER INFORMATION SUPPLIED IN CONNECTION THEREWITH, SHOULD PURCHASE THE BONDS ISSUED BY THE ISSUER (AND THEREFORE PROSPECTIVE INVESTORS SHOULD MAKE THEIR OWN EVALUATION OF ALL RISK FACTORS, AND SHOULD CONSIDER ALL OTHER SECTIONS IN THIS REGISTRATION DOCUMENT); AND

(III) CONTAIN STATEMENTS THAT ARE, OR MAY BE DEEMED TO BE, "*FORWARD-LOOKING STATEMENTS*".

2.1 Forward-looking Statements

Forward-looking statements can be identified by the use of forward-looking terminology, including the terms ''*believes*'', ''*estimates*'', "*forecasts*", "*projects*", ''*anticipates*'', ''*expects*'', "*envisages*", ''*intends*'', ''*may*'', ''*will*'', or ''*should*'' or, in each case, their negative or other variations or comparable terminology. These forward-looking statements relate to matters that are not historical facts. They appear in a number of places within the Prospectus and include statements regarding the intentions, beliefs or current expectations of the Issuer's and/or the Guarantor's directors, amongst other things, the Issuer's and/or the Guarantor's strategy and business plans, financial condition and performance, results of operations, liquidity, prospects, investments, and the markets in which they operate.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may, or may not occur, in the future. Forward-looking statements are subject to numerous assumptions, risks and uncertainties. Many of these assumptions, risks and uncertainties are beyond the Issuer's and Guarantor's control. Forward-looking statements are not guarantees of future performance and should therefore not be construed as such. The Issuer's and/or the Guarantor's actual operational results, financial condition and performance, and trading prospects may differ materially from the impression created by the forward-looking statements contained in the Prospectus. In addition, even if the operational results, financial condition and performance, and trading prospects of the Issuer and/or the Guarantor are consistent with the forward-looking statements contained in the Prospectus, those results, or developments may not be indicative of results or developments in subsequent periods. Important factors that may cause these differences include, but are not limited to, those factors identified under this section 2 of this Registration Document and elsewhere in the Prospectus. There can be no assurance that (i) the Group has correctly measured or identified all of the factors affecting its business or the extent of their likely impact, (ii) the publicly available information with respect to these factors on which the Group's analysis is based is complete or accurate, (iii) the Group's analysis is correct or (iv) the Group's strategy, which is based in part on this analysis, will be successful. No attempt has been made by the Group to verify the forward-looking statements in this Prospectus. No representation is made that any of these statements, projections or forecasts will come to pass or that any forecasted result will be achieved. Where, in any forward-looking statement, the Group expresses an expectation or belief as to future results or events, such expectation or belief is expressed in good faith and believed to have a reasonable basis, but there can be no assurance that the expectation or belief will result or be achieved or accomplished.

All forward-looking statements contained in this Registration Document are made only as at the date hereof. Subject to applicable legal and regulatory obligations, the Issuer, the Guarantor, and their respective directors expressly disclaim any obligations to update or revise any forward-looking statement contained herein to reflect any change in expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

2.2 Risks relating to the Issuer

2.2.1 Risks associated with the dependence of the Issuer on the business of the Group and more specifically, on the revenue generated by the Yotel Edinburgh

The Issuer is a finance company, with one of its purposes being that of financing or re-financing the funding requirements of the business of the Group. Furthermore, the Group's primary revenue generating asset is the Yotel Edinburgh which asset has been leased to, and is operated by, Erskine OpCo in accordance with the Occupational Lease Agreement (as described in further detail in section 6.2.6 of this Registration Document). In this respect, the Issuer is mainly 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 and performance, and as such the risks intrinsic in the business and operations of the Group shall have a direct effect on the ability of the Issuer to meet its obligations in respect of principal and interest under the Bonds when due.

As a majority of the Issuer's assets will consist of receivables due in respect of loans to the Group, the Issuer is largely dependent, including for the purpose of servicing interest payments on the Bonds and the repayment of the principal on the maturity date, on receipt of interest and capital repayments from the Group. The interest and capital repayments to be effected by the Group in favour of the Issuer are subject to certain risks. More specifically, the ability of the Group to effect loan repayments will depend on its respective cash flows and earnings, which may be restricted or affected by changes in applicable laws and regulations, by the terms of agreements to which they are or may become party (including the indenture governing existing indebtedness), or by other factors beyond the control of the Issuer and the Group. The occurrence of any such factors could, in turn, negatively affect the ability of the Issuer to meet its obligations in respect of the repayment of principal and interest under the Bonds punctually when due.

2.3 Risks relating to the Business and Operations of the Group

2.3.1 Risks common to the hospitality and tourism industry

The Group's operations and the results thereof are subject to a number of internal and external factors that could adversely affect the Group's business, many of which are common to the hospitality and tourism industry and beyond the Group's control.

The following factors may have a negative impact on the hospitality sector of the Group's business:

- changes in travel patterns or seasonal variations, as well as consumer preferences concerning price, quality, location, and type of hospitality packages, any increase in or the imposition of new taxes or surcharges or other expenses relating to air travel and fuel, and cutbacks and stoppages on air or sea travel routes bound for countries in which the Group operates hotels, as well as the imposition of travel restrictions, bans or other measures by the relevant authorities which could have a bearing on the number of visitors arriving at such destinations;
- changes in laws and regulations, including those concerning the management and operation of hotels and other hospitality outlets, employment, catering and entertainment establishments, health and safety, alcohol licensing, environmental concerns, fiscal policies and zoning and development, and the related costs of compliance;
- the maintenance of licences and other authorisations, as may be required from time to time, to operate and manage hospitality establishments;
- the impact of increased threats of terrorism or actual terrorist events, impediments to means of transportation (including airline strikes and border closures, or other travel restrictions), extreme weather conditions, natural disasters, travel-related accidents, outbreaks of diseases and health concerns, or other factors that may affect travel patterns and reduce the number of business and leisure travellers;
- increases in operating costs due to general market conditions, inflation, employment costs, workers' compensation and healthcare related costs, utility costs, increased taxes and insurance costs which could impact margins and could therefore impact the viability (or otherwise) of the operations of the Group;
- socio-demographical changes (ageing markets, family life cycles and changing structures), and economical changes (recessions, increase in oil prices and exchange rates);

- changes in the sales terms and conditions of main sales channels, the respective fees and commissions payable to online travel agents; the termination, non-renewal and, or the renewal on less favourable terms of material contracts, including franchise agreements, management or operation agreements, travel agent or travel platform booking agreements, marketing agreements, services or supply agreements, and agreements entered into with tour operators;

- increased competition from providers of alternative accommodation, including web-based booking channels that allow private accommodation to be made available by private individuals or via online peer-to-peer platforms, and other hospitality models such as bed and breakfasts (B&Bs), room-sharing and flexi-renting, and short-term lets of private property which may be offered at competitive rates.

The impact of any of these factors (or a combination of them) may cause a reduction in the Group's revenue or profitability, including, but not limitedly as a result of a reduction of room rates and occupancy levels, which could have a material adverse effect on the Group's business, financial condition and results of operations.

2.3.2 Concentration risks

Given that a significant portion of the revenue generated by the Group is derived from its operations of the Yotel Edinburgh, which is located in the UK, the Group is subject to geographic-specific concentration risk. Accordingly, the Group is highly susceptible to the economic trends that may from time to time be felt in the UK, including fluctuations in consumer demand, financial market volatility, inflation, the property market, interest rates, exchange rates, direct and indirect taxation, wage rates, utility costs, government spending and budget priorities and other general market, economic and social factors. Negative economic factors and trends in the UK, particularly those having an effect on consumer demand, could have a negative impact on the business of the Group.

2.3.3 Risks relating to title over the Yotel Edinburgh

The Group acquired the Yotel Edinburgh in July, 2024 as a result of the acquisition by MM Star BidCo of Erskine PropCo and Erskine OpCo. The Acquisition was dependent on, amongst other things, the performance of a due diligence exercise on the good title over the Yotel Edinburgh. In doing so, the Group relied on third parties to conduct a significant portion of this due diligence exercise, including legal reports on root of title, property valuations, as well as building and environmental surveys. To the extent that the Group, or its third-party advisers, fail to identify any possible defects in title or erroneously assess the materiality or implication of the findings of the due diligence exercise, including environmental liabilities, structure or operational defects, or other material issues, the Group may be exposed to claims and, or liabilities relating to such issues.

Furthermore, following the Acquisition, the freehold title of the Yotel Edinburgh was sold to the Landlord and subsequently leased back to Erskine PropCo. As a result, Erskine PropCo currently holds the Yotel Edinburgh under leasehold title and sub-leases the Yotel Edinburgh to Erskine OpCo (as described in further detail in sections 6.2.5 and 6.2.6 of this Registration Document). In the event that Erskine PropCo fails to: (i) pay all or any part of the sums payable thereby in accordance with the terms of the Head Lease Agreement when due; or (ii) perform any of its obligations under the Head Lease Agreement and such failure to perform its material obligations has a material adverse effect on the Landlord's interest, the Landlord may terminate the Head Lease Agreement and may reclaim possession of the Yotel Edinburgh provided the breach is not remedied (if capable of remedy) within a minimum period of ninety (90) days from the date the Landlord serves notice on Erskine PropCo. Furthermore, if a breach under limb (ii) above is deemed incapable of remedy, Erskine PropCo has the opportunity to contest this determination and, if the parties cannot agree, the matter will be referred to an independent expert for resolution.

The breach of Erskine PropCo's material obligations under the Head Lease Agreement may have significant consequences at law, including the termination of the of the Head Lease Agreement (and as a result, the Occupational Lease Agreement) and, consequently, the loss of Erskine PropCo's title over the Yotel Edinburgh. This would, in turn, have a material adverse effect on the Group's operations and financial position.

2.3.4 Risks relating to the Franchise Agreement

The Group operates the Yotel Edinburgh under the YOTEL brand pursuant to a Franchise Agreement entered into with Yotel Limited (as Franchisor) for an initial term of 15 years (until 2039) which may thereafter be renewed (as described in further detail in section 6.2.9 of this Registration Document). In terms of the Franchise Agreement, the Franchisor granted Erskine OpCo a non-exclusive licence to use the Yotel Brand Systems and the Yotel Marks for the purpose of operating the Yotel Edinburgh. Accordingly, the Group's operations of the Yotel Edinburgh as a 'YOTEL' branded hotel are dependent on the continuity of the contractual relationship with the Franchisor under the Franchise Agreement.

Erskine OpCo (as franchisee) is required to comply with the terms and conditions stipulated in the Franchise Agreement, and any material default or material breach of these terms and conditions could result in, amongst other things, the termination of the Franchise Agreement prior to the expiration of its term or the suspension thereof. There is no guarantee that the Group will manage to secure the necessary renewals of the Franchise Agreement on similarly favourable terms or at all. Moreover, if any event of termination were to occur which allows the Franchisor to terminate the Franchise Agreement with immediate effect, and such agreement is so terminated, the Group will no longer be able to benefit from the reputation and standards of the YOTEL brand and may not manage to secure an alternative franchise of a same or similar standard and reputation within a short time frame. If such risks were to materialise, the Group's business operations and results of operation may be materially adversely affected.

2.3.5 *Risks relating to the Group's dependence on TROO*

The Group has appointed TROO to manage the Yotel Edinburgh pursuant to the Hotel Management Agreement (as described in further detailed in section 6.2.10 of the Registration Document). As a result of the day-to-day management and operations of the Yotel Edinburgh being delegated to TROO, the operations and profitability of the Group are dependent on TROO's performance in managing and operating the Yotel Edinburgh.

Despite outsourcing its operations, Erskine OpCo is not released from its obligations under the Franchise Agreement. Without prejudice to the obligation on the part of TROO to indemnify Erskine OpCo in the case of gross negligence or wilful misconduct, if TROO fails to meet operational standards and, or any contractual obligations, Erskine OpCo may be held liable for the performance of TROO. Accordingly, any operational shortcomings or mismanagement on the part of TROO could have a direct or indirect material adverse impact on the business operations and financial position of the Group.

Should either party terminate the Hotel Management Agreement prior to the expiry of its term, or, should TROO decide not to renew the agreement following the lapse of the term thereof, the Group would need to seek a new provider of management services. The appointment of an operator to manage the Yotel Edinburgh is subject to the prior approval of the Franchisor under the Franchise Agreement, which approval shall not be unreasonably withheld or delayed. If the Franchisor, acting reasonably, fails to approve the proposed operator, the parties will promptly discuss alternatives and use all commercially reasonable efforts to arrive at a resolution as soon as practicable. In the event that the appointed operator does not manage the Yotel Edinburgh in compliance with the YOTEL standards, there is a risk that the Franchisor revokes its approval.

While the Franchisor's approval cannot be unreasonably withheld or delayed, there is no guarantee that the transition in the management and operation of the Yotel Edinburgh will occur without disruptions, nor that the Group will be able to replace the services provided by TROO immediately and, or on equal or more favourable terms. If such an event were to materialise, this may cause disruptions in the operation and management of the Yotel Edinburgh, which in turn, could have a material adverse effect on the Group's business and results of operations.

2.3.6 *Risks relating to natural disasters, contagious disease, terrorist activity and war*

Natural disasters, the spread of contagious disease, 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 hotel industry globally and such events could have a similarly negative impact in the future.

Events such as the aforementioned 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 Yotel Edinburgh. 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 at the Yotel Edinburgh.

War and conflicts may from time to time occur in various parts of the world. The invasion of Ukraine by Russia, and the armed conflict in the Middle East, have significantly impacted global commodity and financial markets, leading to supply chain disruptions and increases in the price of energy, oil, gas, and raw materials. Changes in overall economic conditions, inflation, interest rates, consumer and business spending, recession, and other factors which are beyond the Group's control may have an adverse effect on the Group's business and financial performance.

Moreover, actual or threatened war, terrorist activity, political unrest, civil strife, and other geopolitical uncertainty may also reduce overall demand for business and leisure travel. Furthermore, because hotels in major city centres tend to be more vulnerable to these types of events and concerns, and the Yotel Edinburgh is located in the heart of Edinburgh, 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.

2.3.7 *Risks relating to reliance on third-parties*

In the day-to-day operations of its business, the Group engages with, and depends, to a great extent, on third-parties, some of which are key to the successful operations of the business including, but not limited to, online travel agents, I.T. services, and marketing services. Any disruptions to material agreements entered into with such third-parties could potentially have a negative impact on the Group's business operations and financial results, or its future prospects.

When one or more of such key suppliers defaults on their obligations to the Group, or where the Group experiences disruptions in these services for whatever reason, such default or disruption could negatively impact the Group's ability to provide its products and services, and to meet its obligations under applicable laws, as well as its obligations towards its customers, failure of which could result in the imposition of fines or penalties, loss of revenue, decline in customer loyalty levels, damage to the Group's reputation, and reduced profitability of the Group. Furthermore, there is no guarantee that the Group will be successful in recovering any losses suffered thereby as a result of the non-compliance of a third-party with their contractual obligations.

In addition, there is a risk of termination or non-renewal of these material agreements with key suppliers and the Group may encounter difficulties in seeking and contracting with alternative third-party suppliers in a timely and cost-effective manner and on the same or similar terms.

Where the risks arising from reliance on such third-party suppliers were to materialise, these would negatively affect the Group's reputation, market position, operations and financial condition.

2.3.8 Competition risk

The business of the Group is susceptible to strong and increasing local and global competition, influenced by a variety of determining factors including price, variety and quality of services, availability, reliability, after-sales service and logistical arrangements, and the fluctuations in demand and supply in respect of both competing or substitute goods and services. A decline in the relative competitive strength of the Group could adversely affect the Group's results of its operations, financial condition, and its prospects.

In particular, the Group may be compelled by the strength of its competitors that are able to supply goods and services at lower prices, to reduce its own prices. If this scenario were to materialise, the ability of the Group to maintain or increase its profitability will in turn be dependent on its ability to offset such decreases in the prices and margins of its goods and services.

2.3.9 Risks relating to the Group's indebtedness

As at the date of this Registration Document, the Group has a general banking facility which is secured over, *inter alia*, the leasehold title to the Yotel Edinburgh. Further to the Bond Issue, the Group intends to use the proceeds generated therefrom to refinance the aforementioned facility and to extinguish its obligations under the Facility Agreement and the Ancillary Security Agreements as further detailed in section 6.2.3 of this Registration Document and section 4.1 of the Securities Note.

Furthermore, the Group may incur additional debt in connection with its future growth. Increased debt funding may not be available on terms that are favourable to the Group, or could not be available at all. Debt financing may increase to a level that results in a substantial portion of the cash flows being allocated towards the servicing and repayment of such borrowings, potentially limiting the amount of cash that would otherwise be available for other uses such as operating costs, working capital, or dividends. Additionally, the debt agreements could impose operating restrictions and financial covenants. These restrictions and covenants could limit the Group's ability to obtain future financing, make capital expenditure, distribute dividends to its shareholders, withstand a future downturn in business or economic conditions generally or otherwise inhibit the ability to conduct necessary corporate activities.

2.3.10 Reputational risk

Reputational risk is the risk that any negative publicity regarding the Group's business practices, including adverse publicity affecting the YOTEL brand, whether true or not, and any damages experienced by the overall image of the YOTEL brand will cause a decline in the Yotel Edinburgh's accommodation rates, or lead to costly litigation or reductions in revenue, which could in turn have a material adverse effect on the Group's operations, earnings and financial position.

The industry in which the Group operates exposes it to a variety of risks associated with safety, security and crisis management, including but not limited to exceptional events such as adverse weather conditions, civil or political unrest, violence and terrorism, serious and/or organised crime, fraud, employee dishonesty, cyber-crime, pandemics, fire and day-to-day accidents, incidents, and petty crimes which impact the guest or employee experience, could cause loss of life, sickness or injury and may result in compensation claims, fines from regulatory bodies, litigation and a severe impact on the Group's reputation and operations. If any of these risks were to occur this would in turn have a negative effect on the Group's financial condition and cash flows.

2.3.11 Risks relating to exposure to claims and litigation

Since the Group operates in an industry which involves the continuous provision of services to customers and such operation necessarily requires continuous interaction with customers, suppliers, employees, regulatory authorities, and other stakeholders, the Group is exposed to the risk of litigation from such stakeholders. The potential publicity associated with such litigation may adversely affect the turnover generated by the Group regardless of whether such allegations are true or whether the Group is ultimately held liable.

All litigation is expensive, time consuming and may divert management's attention away from the operation of the business of the Group. In addition, the Group cannot be certain that its insurance coverage will be sufficient to cover one or more substantial claims. Furthermore, it is possible that if complaints, claims or legal proceedings such as the aforementioned were to be brought against a direct competitor of the Group, the latter could also be affected due to the adverse publicity brought against, and concerns raised in respect of the industry in general.

The Group is not involved in any governmental, legal or arbitration proceedings, so far as the Board of Directors are aware, which may have, or have had during the 12 months preceding the date of this Registration Document, a significant effect on the Group's financial condition or operational performance. No assurance can be given that disputes which could have such effect would not arise in the future. Exposure to litigation or fines imposed by regulatory authorities may affect the Group's reputation even though the monetary consequences may not be significant.

2.3.12 Risks relating to the Group's insurance policies

The Group maintains insurance at levels determined by the Group, following advice from industry experts, to be appropriate in light of the cost of cover and the risk profiles of the business in which the Group operates. With respect to losses for which the Group is covered by its policies, it may be difficult and may take time to recover such losses from insurers. In addition, the Group may not be able to recover the full amount claimed from the insurer. No assurance can be given that the Group's current insurance coverage would be sufficient to cover all potential losses, regardless of the cause, nor can any assurance be given that an appropriate coverage would always be available at acceptable commercial rates. In addition, changes in legislation or judicial interpretation, or the issuance or alteration of directives, orders or other measures (whether interim or otherwise), by the relevant authorities (including but not limited to governmental departments or authorities, planning authorities, health and safety authorities, environmental authorities, among others) may impact the ability to recoup losses under the applicable insurance coverage.

2.3.13 *Risks inherent in the valuation of the Yotel Edinburgh*

The only revenue generating asset of the Group consists of immovable real estate, which is inherently difficult to value with certainty as a result of fluctuations in the property and real estate markets. Property investments are subject to varying degrees of risks. Property and real estate values, including the value of leasehold interests, are affected, amongst others, by 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 Yotel Edinburgh and the associated long leasehold interest may also be adversely affected 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, planning and the property market in general), political conditions, the conditions of the financial markets, interest and inflation rate fluctuations and higher accounting and control expenses. Furthermore, the financial and operational performance of the Yotel Edinburgh may also influence the value of the long leasehold, which could fluctuate as a result of these factors.

Due to their nature, investments in immovable property, including long leasehold interests, are relatively illiquid and more difficult to realise than most equities or bonds traded publicly. If an asset cannot be liquidated in a timely manner, then it may be harder to attain a reasonable price.

Furthermore, the valuation of the long leasehold interest in the Yotel Edinburgh is intrinsically subjective and based on several assumptions at a given point in time. In providing a market value of the long leasehold interest, the architect has made certain assumptions which ultimately may cause the actual values to be materially different from any future values that may be expressed or implied by such forward-looking statements or anticipated on the basis of historical trends as reality may not match the assumptions or due to other changes such as deterioration in market and economic conditions and heightened market and financial markets volatility. Subsequently, the Group may have purchased or may in the future purchase, property and property-related assets on the basis of inaccurate valuations. There can be no assurance that such property valuations and property-related assets will reflect actual market values.

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

The Group believes that its growth is partially attributable to the efforts and abilities of the members of its executive management team and other key personnel. If one or more of the members of this team were unable or unwilling to continue in their present position, the Group might not be able to replace them within the short term, which could have a material adverse effect on the Group's business, financial condition and results of operations.

In common with many businesses, the Group will be relying heavily on the contacts and expertise of its senior management teams and other key personnel. Although no single person is solely instrumental in fulfilling the Group's business objectives, there is no guarantee that these objectives will be achieved to the degree expected following the possible loss of key personnel. The loss of the services of any of the key personnel could have, in the short term, a material adverse effect on the Group's business.

2.3.15 *The Group's reliance on non-proprietary software systems and third-party information technology providers*

The Group utilises, and is increasingly reliant upon, the efficient and uninterrupted operations of its computer systems, software and telecommunications networks, access to the internet, as well as the systems and services of other third parties (collectively, the "**IT Systems"**) for the running of its business, and is exposed to the risk of failure, disruption or other interruption of its IT Systems. Such events may arise as a result of a variety of factors that may be out of the Group's control, including, but not limited to, natural disasters, electricity outages and, or technical malfunctions. These may arise from malicious activity, negligence or force majeure events including, but not limited to, cyber-attacks (such as malware attacks, ransomware, phishing, hacking or any other form or type of cyber-attack), data theft or other unauthorised access or use of data. In addition, service level IT security and maintenance agreements and disaster recovery plans intended to ensure continuity and stability of these systems may not necessarily prove adequate to avoid any type of disruption to the Group's business. If such failure, disruption or other interruption, even temporary, were to occur, the activities of the Group could be affected for the period of time for which such event subsists, which lack of access could adversely affect the Group's operations and its ability to deal with its stakeholders in a timely, proper and effective manner. Disruptions of this nature, or lack of resilience in operational availability, could adversely affect the Group's relations with suppliers, customers and other stakeholders, the results of its operations and its financial condition.

2.3.16 *Liquidity risk*

The lack of liquidity and alternative uses of real estate investments could significantly limit the Group's ability to respond to adverse changes in the performance of its operations thereby potentially harming the Group's financial condition.

Furthermore, in terms of the Head Lease Agreement, Erskine PropCo is precluded from assigning, sub-letting or charging its interests in the Yotel Edinburgh (other than sub-letting parts which are permitted in accordance with the terms of the agreement), without having satisfied certain criteria outlined in the Head Lease Agreement, and without the prior written approval of the Landlord, which approval may be withheld in certain circumstances.

The Group's ability to sell, assign, or sub-lease, in a timely fashion, its asset in response to changing economic, financial and investment conditions, is limited, including as a result of restrictions outlined under the Head Lease Agreement. The real estate market is affected by many factors, such as general economic conditions, availability of financing, interest rate movements and other factors, including supply and demand, that are beyond the Group's control.

2.3.17 Foreign currency risk

The Issuer is exposed to foreign currency risk arising from transactions, receivables, and borrowings denominated in currencies other than the Euro. A significant portion of the Group's revenue is derived from its operations of the Yotel Edinburgh, generating income in Sterling. As a result, fluctuations in exchange rates between the Euro and other currencies, particularly Sterling, may lead to exchange gains or losses upon the settlement of payables and receivables. This exposure to foreign exchange risk may affect the monetary value of the Group's foreign currency–denominated assets, liabilities, income, and expenses in relation to the Euro, which may in turn have an adverse impact on the Group's financial condition.

2.3.18 Risks relating to the failure to implement environmental, social and governance considerations in the Group's business model

There is a growing expectation for enterprises to implement sustainability risks and consider sustainability factors in their day-to-day management and decision-making processes. With an increased emphasis on environmental, social and governance ("**ESG**") considerations at global level, the implementation of sustainable factors in the Group's business model is likely to come under increased scrutiny by investors, regulators, and the public at large. ESG considerations for the purposes of the Group's business may include, but are not limited to, energy performance, energy and resource efficiency, waste management, energy and water use, the use of renewables, as well as social and employment considerations of workers and the health and safety thereof.

In particular, risks relating to the impact of climate change, through physical and transitional channels, including but not limited to, physical risks related to severe weather events and other natural disasters and transition risks attributable to regulatory, technological, and market or pricing changes, could have economic, operational and financial impacts on the Group, and accordingly the failure by the Group to manage these risks over the short, medium, and long term could have a material adverse effect on the Group's business operations, financial performance and prospects.

From a governance perspective, risks may arise relating to lack of skilful management or good governance within the Group and the inadequacy of proper control. Said risks cover a wide spectrum of areas including financial crime, regulatory compliance, fraud, systems, and processes which would in turn affect income and capital. Failure to manage these risks may result in negative impacts on the Group's business and reputation.

The failure to implement sustainable factors in the Group's business operations may also have a material adverse effect on the Group's reputation, as well as its relationship with clients, suppliers, business partners, and other stakeholders. This in turn may have a material adverse impact on the Group's business activities, revenues, financial condition, and operations.

Moreover, the Issuer may, in future, become subject to certain sustainability reporting obligations of Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 as regards corporate sustainability reporting (the "**CSRD**"), and accordingly, the failure by the Issuer to transition to more sustainable practices in preparation for its upcoming sustai nability reporting obligations may expose the Issuer to regulatory fines and penalties. This in turn, may have an adverse impact on the business activities, revenues, financial condition, and operations of the Issuer, and as a result could negatively affect the Issuer's financial condition and, or prospects.

2.3.19 Risks relating to the collection, processing and storage of personal data

Whenever personal data is collected, processed and stored by Erskine OpCo, the activity conducted is subject to the rules governing the processing of personal data in terms of Data Protection Laws.

Erskine OpCo is subject to a number of obligations concerning the processing of personal data under such regulation which if breached, could result in Erskine OpCo being liable to fines that could affect the financial position thereof. In addition, any inquiries made, or proceedings initiated by the relevant regulator, could lead to negative publicity which could materially adversely affect its reputation and, as a result, its business, earnings and, or financial condition.

Erskine OpCo has adapted internal procedures to comply with Data Protection Laws. However, Erskine OpCo remains exposed to the risk that personal data collected could be damaged, lost, disclosed, or otherwise unlawfully processed for purposes other than as permitted under Data Protection Laws. The possible damage, loss, unauthorised processing or disclosure of personal data could have a negative impact on the Group's activities, including the need to incur costs for adapting to new regulations.

2.3.20 Risks relative to changes in laws

The Group is subject to taxation, environmental and health and safety laws and regulations. As with any business, the Group is at risk in relation to changes in laws and regulations and the timing and effects of changes in the laws and regulations to which it is subject, including changes in the interpretation thereof which cannot be predicted. No assurance can be given as to the impact of any possible judicial decision or change in law or administrative practice after the date of this Registration Document upon the business and operations of Group.

3 PERSONS RESPONSIBLE AND STATEMENT OF APPROVAL

The Directors of the Issuer, whose names are set out in section 4.1 of this Registration Document entitled "*Directors of the Issuer*" are the persons responsible for the information contained in this Registration Document. To the best of the knowledge and belief of the Directors, 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 and the Directors have taken all reasonable care to ensure that this is the case. The Directors accept responsibility accordingly.

This Registration Document has been approved by the MFSA as the competent authority in Malta under the Prospectus Regulation. The MFSA has only approved 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 Group as the subjects of this Registration Document.

4 IDENTITY OF DIRECTORS, MANAGEMENT, ADVISORS AND AUDITORS

4.1 Directors of the Issuer

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

Name	Designation	Date of Appointment
Demeter Peter Kovacs	Executive Director	27 February 2025
Winston J. Zahra	Executive Director	27 February 2025
Albert Frendo	Independent Non-Executive Director	27 February 2025
Kenneth Abela	Independent Non-Executive Director	27 February 2025
Steven Coleiro	Independent Non-Executive Director	22 April 2025

The business address of the Directors is the same as that of the Issuer.

Dr Malcolm Falzon, having the same business address as that of the Issuer, is the company secretary of the Issuer.

4.2 Directors of the Guarantor

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

Name	Designation	Date of Appointment
Ashley Edward Shaw	Executive Director and Chief Executive Officer	14 June 2022
Demeter Peter Kovacs	Executive Director and General Counsel	14 June 2022
John Emmanuel Bennett	Chairman	14 June 2022

The business address of the directors of the Guarantor is the same as that of the Guarantor.

4.3 Advisors to the Issuer

The persons listed under this section 4.3 have advised and assisted the Directors in the drafting and compilation of the Prospectus, but they do not make any representation or statement unless otherwise expressly stated in the Prospectus, and each of them disclaims any responsibility for any representations and other statements made in the Prospectus.

Legal Counsel

Name:	Camilleri Preziosi Advocates
Address:	Level 3, Valletta Buildings, South Street, Valletta VLT 1103, Malta

Financial Advisors

Name:	PwC Advisory Services Malta Limited
Address:	78, Mill Street, Zone 5, Central Business District, Qormi CBD 5090, Malta

Sponsor

Name:	M.Z. Investment Services Limited
Address:	63, M.Z. House, St. Rita Street, Rabat RBT 1523, Malta

Manager & Registrar

Name:	Bank of Valletta p.l.c.
Address:	58, Zachary Street, Valletta VLT 1130, Malta

4.4 Statutory Auditors of the Issuer

Name:	PricewaterhouseCoopers (PwC Malta)
Address:	78, Mill Street, Zone 5, Central Business District, Qormi CBD 5090, Malta

PwC Malta is a firm of certified public accountants holding a warrant to practice the profession of accountant in terms of the Accountancy Profession Act (Cap. 281 of the laws of Malta). The Accountancy Board registration number of PricewaterhouseCoopers Malta is AB/26/84/38.

The Issuer was set up on 27 February 2025 and, since incorporation up until the date of this Registration Document, no financial statements have been prepared.

4.5 Statutory Auditors of the Guarantor

Name:	PricewaterhouseCoopers CI LLP (PwC Jersey)
Address:	37, Esplanade, St Helier, Jersey JE1 4XA Jersey

PwC Jersey is a firm registered as a partnership of certified public accountants registered with the Institute of Chartered Accountants in England and Wales (ICAEW) with accountancy board registration number C001187983.

The consolidated audited financial information relating to the Guarantor for the six-month period ended 31 December 2024 was audited by PwC Jersey.

4.6 Security Trustee

Name:	Finco Trust Services Limited
Address:	The Bastions Office No. 2, Triq Emvin Cremona, Floriana FRN 1281, Malta

Finco Trust Services Limited is licensed by the MFSA to act as a trustee in terms of the Trusts and Trustees Act (Cap. 331 of the laws of Malta).

5 INFORMATION ABOUT THE ISSUER AND THE GUARANTOR

5.1 General information about the Issuer

Full Legal and Commercial Name of the Issuer:	MM Star Malta Finance p.l.c.
Registered Address:	Level 3, Valletta Buildings, Triq Nofs in-Nhar, Valletta VLT 1103, Malta
Place of Registration and Domicile:	Malta
Registration Number:	C 111281
Legal Entity Identifier:	98450001446DE5B0F856
Date of Registration:	27 February 2025
Legal Form:	Public limited liability company in terms of the Companies Act
Telephone Number:	+44 (0) 208 176 8200
Email:	mmstar.malta@millemont.co.uk
Website:	https://mmfinancemalta.com/

There are no recent events particular to the Issuer which are to a material extent relevant to an evaluation of its solvency.

The Directors are not aware of any material change in the Issuer's borrowing and funding structure since the date of its incorporation.

Unless it is specifically stated herein that particular information is incorporated by reference into the Prospectus, the contents of the Issuer's website or any other website directly or indirectly linked to the Issuer's website, or any other website referred to herein, 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 a basis for a decision to invest in the securities.

5.2 General information about the Guarantor

Full Legal and Commercial Name of the Guarantor:	MM Star HoldCo Limited
Registered Address:	111 Park Street, London, United Kingdom W1K 7JL
Place of Registration and Domicile:	United Kingdom
Registration Number:	CN: 14171754
Legal Entity Identifier:	98450094EBBE392AFP51
Date of Registration:	14 June 2022
Legal Form:	Private company limited by shares in terms of the UK Companies Act 2006
Telephone Number:	+44 (0) 208 176 8200
Email:	contact@millemont.co.uk
Website:	https://millemont.co.uk/

There are no recent events particular to the Guarantor which are to a material extent relevant to an evaluation of their respective solvency.

The directors of the Guarantor are not aware of any material change in the Guarantor's borrowing and funding structure since the Guarantor's latest financial year ended 31 December 2024.

Unless it is specifically stated herein that particular information is incorporated by reference into the Prospectus, the contents of the Guarantor's website or any other website directly or indirectly linked to the Guarantor's website, or any other website referred to herein, 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 a basis for a decision to invest in the securities.

5.3 Historical Development of the Millemont Group and the MM Star Group

The Millemont Group was established in 2021 as a private equity real estate investment platform, focused on deploying capital into the UK hospitality sector, with an emphasis on sustainable hospitality assets in strategic UK locations.

Each of the Millemont Group's investments are held through distinctly, separate single-purpose UK fund structures. One of these fund structures forms the basis of the MM Star Group which group of companies, within the wider Millemont Group structure, was formed for the purposes of the Acquisition of the Yotel Edinburgh and its related investment cycle (i.e. the ownership and operation of the Yotel Edinburgh).

As at the date of this Registration Document, the Millemont Group has invested in three separate hospitality-related portfolios, which portfolios are held through three separate fund structures.

(i) Millemont 1 Limited Partnership, a private fund limited partnership established under English law which wholly owns MM Aurora Holdco Limited (CN: 13650151) and its subsidiary companies, collectively forming the MM Aurora group of companies (the **"MM Aurora Group"**);

(ii) Millemont 2 Limited Partnership, a private fund limited partnership established under English law which wholly owns MM Orbit Holdco Limited (CN: 13737774) and its subsidiary companies, collectively forming the MM Orbit group of companies (the "**MM Orbit Group**"); and

(iii) Millemont 3 Limited Partnership, a private fund limited partnership established under English law which wholly owns MM Star HoldCo (the Guarantor) and the Subsidiaries, collectively forming the MM Star Group.

Each of said fund structures have their own corresponding general partner entities, all of which are wholly-owned and wholly-controlled by the Millemont Group.

5.3.1 Key milestones of the Millemont Group within the hospitality sector

Since its incorporation in 2021, the Millemont Group has achieved the following milestones:

- In April 2022, the Millemont Group, through the MM Orbit Group, acquired a portfolio of three hotels, comprising 242 bedrooms, in key regional UK cities, namely Oxford, Stratford-upon-Avon and Aberdeen. The MM Orbit Group was established as the designated arm of the Millemont Group responsible for the acquisition, ownership and operation of the said portfolio of hotels, through its interests in operating subsidiary companies. In contrast to the investment in the MM Star Group, where the Yotel Edinburgh is a stabilised asset with strong performance and cash flows—making it an income investment—the Millemont Group adopted a different investment strategy for the MM Orbit Group. This investment was considered a value-add opportunity, necessitating an intensive capital expenditure program and asset repositioning.

The hotel portfolio of the MM Orbit Group is composed of the following hotels:

- The **Oxford hotel**, consisting of 81-bedrooms and trading under the '**Mercure Oxford Eastgate Hotel**' name, is located at 73 High Street, Oxford OX1 4BE;
- The **Stratford hotel**, with 78-bedrooms, is located at Chapel Street, Stratford-upon-Avon CV37 6ER. Previously trading under the '**Mercure Stratford upon Avon Shakespeare Hotel**' name, the hotel is currently closed to prepare for a major refurbishment plan to reposition the hotel as one of the most premium hotels in Stratford-upon-Avon;
- The **Aberdeen hotel**, with 83-bedrooms and trading under the '**Mercure Aberdeen Caledonian Hotel**' name, is located at 10-14 Union Terrace, Aberdeen AB10 1WE.

  The MM Orbit hotel portfolio is currently undergoing a repositioning process for the purpose of upgrading the three hotels from budget hotels into more premium, independent, lifestyle brand hotels.

- In December 2022, the Millemont Group, through the MM Aurora Group, acquired a hotel in the Lake District, UK. MM Aurora Group was established as the designated arm of the Millemont Group responsible for the acquisition, ownership and operation of the Lake District hotel, through its interests in operating subsidiary companies. The hotel portfolio of the MM Aurora Group is specific to the following hotel:

  The **Lake District Hotel**, trading under '*The Belsfield Hotel'* name and comprising 62 bedrooms, is located at Kendal Road, Bowness-on-Windermere, Windermere LA23 3EL. Similar to the MM Orbit Group, the MM Aurora Group investment was pursued as a value-add investment opportunity, involving a significant capital expenditure program.

  In March 2025, the MM Aurora Group successfully sold The Belsfield Hotel pursuant to a discreet, off-market sale. Whilst an early exit of this investment was not part of the MM Aurora Group's business plan, they managed to secure an attractive offer pursuant to an unsolicited approach from a local businessman, and having carefully considered the offer with Millemont's investors, a decision was taken to capitalise on the early exit opportunity.

- Between 2022 and 2024, MM Star HoldCo and MM Star BidCo were set up for the purpose of establishing a designated arm of the Millemont Group responsible for the acquisition, operation and management of the Yotel Edinburgh.
- In July 2024, the Millemont Group acquired Erskine OpCo and Erskine PropCo, the companies that hold the long leasehold interest in and operate the Yotel Edinburgh in Edinburgh, as further described in section 6.2 of this Registration Document. Following the Acquisition of Erskine OpCo and Erskine PropCo, the MM Star Group (as defined in this Registration Document) was established, with the Yotel Edinburgh its sole investment.

The Millemont Group is targeting the acquisition of a further ten hotels over the next three years, two of which are hotels located in the city of Edinburgh.

5.3.2 Business development strategy of the Millemont Group

The Millemont Group's vision is to become a leading independent hospitality investment platform with a well-diversified portfolio across the UK and Europe. While the Millemont Group continues to strengthen its presence in the UK, its expansion into European markets is part of a strategic, phased approach that will be pursued over time.

The Millemont Group seeks to achieve its vision through a number of key business strategies. Its core business strategy is to focus on: (i) acquiring income generating, lifestyle hotels in UK cities and employing an active asset management strategy to deliver strong risk-adjusted investment returns; and (ii) value-add and opportunistic hotels and to undertake extensive repositioning programmes to deliver above market returns.

The key business strategies of the Millemont Group are set out below:

(i) Management services

In collaboration with TROO, which is a boutique white-label hospitality management company formed as a joint venture between an experienced team of hotel operators led by Mr Winston Zahra, an entrepreneur in the hospitality industry (further detail on Mr Zahra's expertise can be found in his *curriculum vitae* set out in section 8.2 of this Registration Document) and Millemont Capital Partners, the Millemont Group aims to enhance its hotel portfolio by prioritising room rates over occupancy. This strategy is designed to drive higher revenue, improve operational margins, and increase profitability across its hotels. TROO takes a hands-on approach to focus on optimizing revenue management and reducing costs for each hotel.

For instance, at the Yotel Edinburgh, TROO plans to decrease the hotel's dependency on online travel agency bookings by expanding the group business during slower months. By concentrating on group bookings, which are typically secured at least six months in advance, TROO will secure a stable base occupancy for the hotel. With a solid base occupancy in place, TROO can adopt a more dynamic pricing strategy for transient bookings, which generally occur around 6 weeks prior to the stay.

Achieving a high business-on-books figure well in advance enables the hotel to increase rates for transient bookings, ultimately driving higher ADR and RevPAR. TROO also aims to strengthen the direct booking strategy by offering different promotions for direct bookings compared to those made through online travel agencies. Additionally, to drive revenues across all segments, TROO intends to introduce a 'Grab & Go' concept at Yotel Edinburgh to boost food and beverage revenues.

On the cost management front, TROO conducts a comprehensive review of all expense areas and supplier contracts to identify additional savings opportunities. For instance, at the Yotel Edinburgh, TROO has already identified several key areas where expenses can be reduced. These include laundry services, which currently exceed the portfolio benchmark; property maintenance; IT system costs, which could be lowered by switching to a new support provider; and guest supplies, leveraging TROO's buying power across its properties.

(ii) *Capital structuring*

The Millemont Group deploys a unique capital structure for acquisitions, combining ground rent funding (as further described in section 6.2.4 of this Registration Document) with traditional investor equity (coming from the Millemont Group investors via one of the Millemont Group managed funds) and a low-leveraged debt source. This approach allows each investment to operate at a lower leverage with a significantly cheaper cost of capital than the traditional equity and senior debt model. As a result, it generates higher free cash-flows, benefitting the Millemont Group and de-risking the model for its capital partners (such as debt providers). The Millemont Group has successfully implemented this capital structure model on most of its acquisitions and has built a strong network of capital partners with a view to continue this approach going forward.

(iii) *Sustainability strategy*

With sustainability being a key focus for its portfolio, Millemont Group has taken a number of actions through the development and, or the operation of its assets to significantly lower its carbon footprint and to operate as close to net zero as possible.

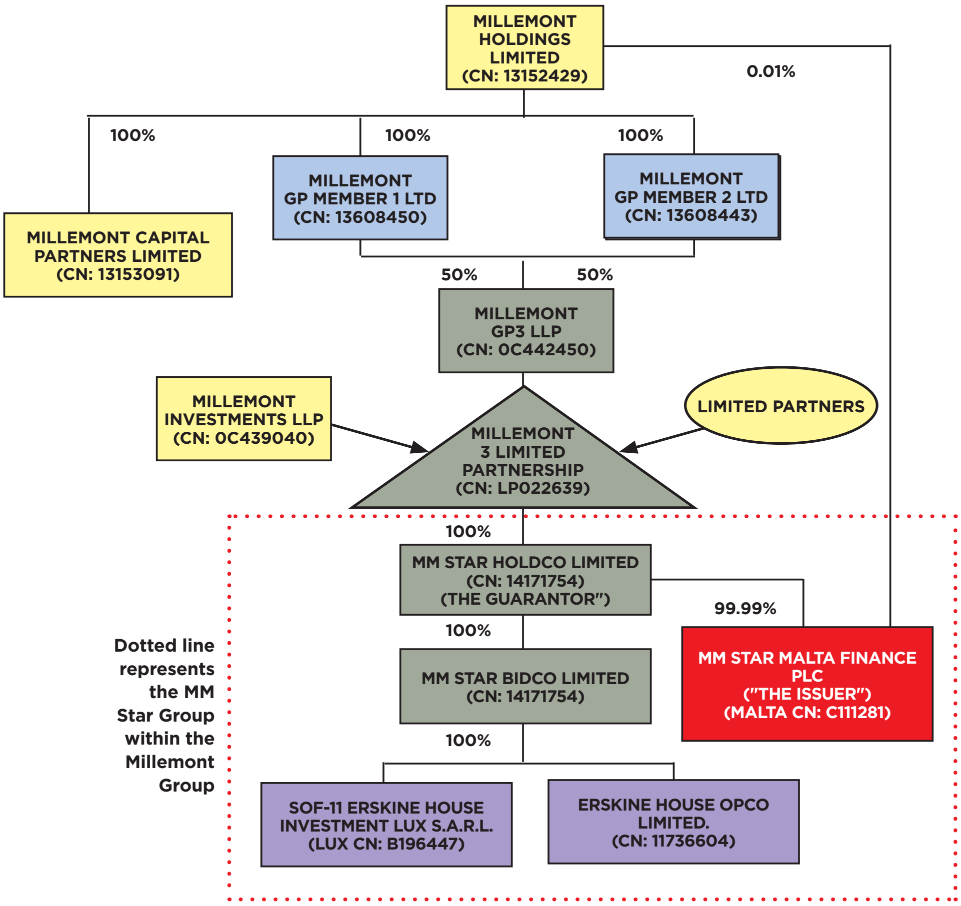
Insofar as the Yotel Edinburgh is concerned, the Millemont Group, through members of the MM Star Group, intends to make the Yotel Edinburgh more sustainable and to operate it as close to being 'net zero' as possible. The MM Star Group aims to work on potential operational improvements with a view to enhancing the Yotel Edinburgh's overall sustainability, which improvements are also expected to result in cost savings. The Millemont Group will also continue to work with third party advisers to implement the most effective technologies and systems to continue to reduce the carbon footprint of its hotels and improve their overall sustainable profile.

(iv) *Growth and diversification strategy*

The Millemont Group aims to expand its portfolio to 20 hotels in the UK over the next three to five years (the first ten of which over the next three years) before exploring acquisitions outside of the UK. The fundamentals of the UK hospitality investment remain solid, and the expectation is that this will only grow stronger in the coming years. A portfolio of more than ten hotel assets would enable the Millemont Group to drive further efficiencies through economies of scale and establish a well-diversified portfolio.

5.4 Organisational Structure of the MM Star Group

The organisational structure of the MM Star Group as at the date of this Registration Document is illustrated in the diagram below, indicating the position of the Issuer, the Guarantor and the MM Star Group within the Millemont Group.



The Issuer is a subsidiary company of the Guarantor. A brief overview of the business activities of the main group companies is set out below:

- **Millemont 3 Limited Partnership** (the "**Partnership**"): The Partnership is a limited partnership formed under English law pursuant to the Limited Partnership Act 1907 and is classified as a private fund limited partnership ("**PFLP**").

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  In turn, the ownership and control of the Partnership consists of Millemont GP3 (as "**General Partner**"), certain investors (as "**Limited Partners**") and Millemont Investments LLP (as the "**Carried Interest Partner**"). The General Partner was established specifically to act as the general partner of the Partnership and will be solely responsible for debts and obligations of the Partnership. Limited Partners will only be liable to third parties for the debts and obligations of the Partnership to the extent of their capital contributions to the Partnership.

  The Partnership constitutes a collective investment scheme as defined in the UK Financial Services and Markets Act 2000 ("**FSMA**"). Establishing, operating and winding-up a collective investment scheme is a 'regulated activity' for the purposes of FSMA. Consequently, the General Partner delegates certain of its functions to an investment manager, Gen II Management Company (UK) Limited (formerly known as Crestbridge) ("**Investment Manager**"); and an investment adviser Millemont Advisors LLP ("**Investment Adviser**").

- **MM Star Holdco Limited (CN: 14171754)**: MM Star HoldCo (the Guarantor) was incorporated on 14 June 2022. It is wholly owned by Millemont 3 Limited Partnership, and has been incorporated as a holding company of the MM Star Group.

- **MM Star Bidco Limited (CN: 15443145)**: MM Star BidCo was incorporated on 25 January 2024. It is a wholly owned subsidiary of the Guarantor, and has been incorporated as a holding company of the MM Star Group, holding 100% of the shares in Erskine OpCo and Erskine PropCo.

- **Erskine House Opco Limited (CN: 11736604)**: Erskine OpCo was incorporated on 20 December 2018. It is a wholly owned subsidiary of MM Star BidCo and owns the business of the Yotel Edinburgh. It is responsible for the operation and management of the Yotel Edinburgh and for employing all hotel staff.

- **Sof-11 Erskine House Investment Lux S.A.R.L. (LUX CN: B196447)**: Erskine PropCo was incorporated on 17 April 2015. It is a wholly owned subsidiary of MM Star BidCo and holds title to the Yotel Edinburgh, receiving intragroup rent from Erskine OpCo in respect of the property.

6 BUSINESS OVERVIEW

6.1 Principal Activities and Markets

The Issuer is a special purpose vehicle which has been incorporated for the purposes of this Bond Issue and does not itself carry on any trading activity other than for the purpose of funding the Group as and when the demands of its business so require. The Issuer is therefore economically dependent on the operations and performance of the Guarantor and other Group companies.

The Guarantor is the holding company of the MM Star Group which does not carry out any trading activity of its own. It is established solely and specifically for the purpose of investing in the acquisition, ownership, and operation of the Yotel Edinburgh by virtue of its shareholding in the Subsidiaries.

In terms of an inter-entity agreement, Millemont Capital Partners provides the Guarantor with certain intellectual property rights as well as various business support and management services. These rights and services generally include a non-exclusive license to use the 'Millemont' mark and logo; as well as strategic advisory, planning, management and governance services; financial and accountancy services; human resources services; marketing and business development services; risk and compliance services; know-how support services; and administrative support services. As the Guarantor has also entered into an inter-entity agreement with MM Star BidCo, in terms of which it provides MM Star BidCo with similar intellectual property rights as well as various business support and management services, the Guarantor is, in this regard, dependent on the provision of rights and services to it from Millemont Capital Partners.

6.2 Overview of the Business of the MM Star Group

6.2.1 Overview of the Yotel Edinburgh

The MM Star Group acquired the Yotel Edinburgh from an affiliate company of the Starwood Capital Group on 19th July 2024, as part of the acquisition by MM Star BidCo of two companies, namely, Erskine OpCo and Erskine PropCo (the "**Acquisition**").

In 2016, the Starwood Capital Group had carried out a conversion project pursuant to which the Edinburgh site, located at 68-73, Queen Street, was converted from an office block to a hotel, and in 2019, it began operations as the Yotel Edinburgh.

The Yotel Edinburgh is the third largest hotel in Edinburgh located in a prime location in Edinburgh's New Town. Spanning seven floors, the Yotel Edinburgh houses 276 rooms designed in a contemporary and innovative style, reflecting the signature YOTEL design. The rooms are available in five categories - Premium, Executive, First Class, VIP and DDA Cabin - ranging in size from 14 to 47 sqm. Furthermore, the hotel offers a wide-range of facilities, including food & beverages outlets, a fitness centre, a co-working space and a 360° screening room used for conferences and events.

6.2.2 Overview of the Edinburgh hotel market

Edinburgh is Scotland's capital city and is the second most visited UK destination after London. As Scotland's financial, cultural, and political centre, Edinburgh benefits from various demand generators from a leisure and corporate perspective, with year-round demand and balanced segmentation. Ranked as the seventh most competitive financial market in Western Europe, and the second largest financial centre in the UK, the city of Edinburgh is home to multiple corporate and government institutions, making it a frequent destination for business travellers. Over the years, the capital has developed into a tech hub, diversifying its corporate demand base beyond the traditional banking and insurance sectors. As an established global destination, it also attracts leisure visitors from across the world.

The Edinburgh Centre submarket encompasses the city's historical centre, financial and shopping districts, including Edinburgh's Old Town, a UNESCO World Heritage Site, and major attractions like Edinburgh Castle and the Royal Mile. It is the market's largest submarket in terms of room supply, with around 13,000 rooms, most of which are evenly spread across three classes - upper upscale, upscale and upper midscale.

Hotels in the Edinburgh Centre have outperformed the national average. The twelve-month average daily rate growth has been in double digits, only second to Oxford among all the UK submarkets, further underlining the submarket's strength.

The hotel submarket in Edinburgh has shown a robust recovery since the COVID-19 pandemic. According to CoStar, room demand in the first quarter of 2023 offset supply growth for the first time since 2019. Since then, hotel investment activity has surged, as a result of strong international demand and a robust schedule of events, reaching a six-year high in 2024. By November 2024, the twelve-month RevPAR was up by 13.7%, with both occupancy rates and average daily rates experiencing notable growth.[1]

In 2024, the Yotel Edinburgh generated £13.0m in revenues, converting at 39% EBITDAR (earnings before interest, tax, depreciation, amortisation and restructuring or rent costs, "**EBITDAR**") margin to £5.1m. By comparison, hotels in the same or similar markets typically have margins of around *circa* 30%. According to CoStar, in 2023, a market EBITDAR of 26.1% was noted.[2]

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[1] CoStar Hospitality Sub-Market Report, Edinburgh Centre (20.01.2025).

[2] CoStar Hospitality Sub-Market Report, Edinburgh Centre (20.01.2025).

Further information on recent trends, prospects and forecasts of the Edinburgh hotel market and the competitive standing of the MM Star Group, through its investment in the Yotel Edinburgh, within the said market, is set out in section 7.1 of this Registration Document, entitled '*Trend Information*'.

6.2.3 *Financing the Acquisition of the Yotel Edinburgh*

The Acquisition of the Yotel Edinburgh was initially financed through a combination of proceeds received from the sale-and-leaseback transaction referred to under section 6.2.4. of this Registration Document, a bank loan and advances from shareholders.

MM Star BidCo entered into a facility agreement with Clydesdale Bank plc on 19 July 2024 pursuant to which the bank granted a facility in the amount of £15.8 million to MM Star BidCo (the "**Facility Agreement**").

In addition, and ancillary to the Facility Agreement, on 19 July 2024:

(i) by way of an accession agreement, Erskine OpCo and Erskine PropCo acceded to the Facility Agreement and agreed to become 'Additional Guarantors' (for the purposes of the Facility Agreement) and to be bound by its terms;

(ii) by way of separate security agreements with Clydesdale Bank plc (trading as Virgin Money), MM Star BidCo, Erskine OpCo and Erskine PropCo agreed to provide additional security for the obligations undertaken by themselves under the Facility Agreement. Such additional security generally took the form, *inter alia*, of various charges constituted under English law, over assets belonging to MM Star BidCo, Erskine OpCo and Erskine PropCo including, *inter alia*, over the leasehold title to the Yotel Edinburgh; and

(iii) by way of a shareholder security agreement, the Guarantor (i.e. MM Star HoldCo) agreed to provide additional security for the obligations undertaken by MM Star BidCo, Erskine OpCo and Erskine PropCo under the Facility Agreement. Such additional security took the form of, *inter alia*, a charge constituted under English law, over its shares in MM Star BidCo.

(the aforementioned accession agreement, separate security agreements and shareholder security agreement shall collectively be referred to as the "**Ancillary Security Agreements"**).

Furthermore, pursuant to a funding agreement entered into on 19 July 2024, which was subsequently amended and restated on 26 February 2025, the Partnership granted an amount of £19,840,000 to MM Star HoldCo for the purpose of funding the Acquisition and to meet the working capital requirements of MM Star Group ("**Shareholders' Funding Agreement**").

This advance is interest-free, unsecured, and has no fixed repayment date. MM Star HoldCo may elect to repay the advance, in whole or in part, at any time, with the option to settle the repayment in cash or through the issuance of a fixed number of ordinary shares in MM Star HoldCo. The option to repay the advance, whether in whole or in part, is at the sole discretion of MM Star HoldCo and there are no circumstances which allow the Partnership to demand repayment of any part of the advance. If MM Star HoldCo elects to repay the advance, whether in whole or in part, through an issuance of ordinary shares in MM Star HoldCo, the ratio will be one ordinary share for each £1 of the advance.

As detailed in section 4.1 of the Securities Note, further to the Bond Issue, the Group intends to use the proceeds generated therefrom to refinance the aforementioned facility and to extinguish its obligations under the Facility Agreement and the Ancillary Security Agreements, and to partially repay the shareholders' advances under the Shareholders' Funding Agreement.

6.2.4 *Title to the Yotel Edinburgh*

Prior to the Acquisition, Erskine PropCo held the freehold title to the Yotel Edinburgh. Following the Acquisition, Erskine PropCo, entered into an agreement, dated 19 July 2024 pursuant to which Erskine PropCo transferred legal ownership of the Yotel Edinburgh to Aviva Reli 2 GP Limited (UK company registration number: 15595027), as general partner of, and trustee for, Aviva Reli 2 LP (a limited partnership registered in England with LP registration number LP023642) (the "**Landlord**"), for a consideration of £25,000,000. The Landlord subsequently leased the Yotel Edinburgh back to Erskine PropCo subject to, and with the benefit of, *inter alia*, the occupational lease granted by Erskine PropCo, as lessor, to Erskine OpCo, as lessee (as described in section 6.2.6 of this Registration Document). This arrangement, commonly referred to as a ground rent transaction, was implemented by the MM Star Group as a strategic funding mechanism to unlock capital in connection with the Acquisition of the Yotel Edinburgh. Through this approach, the Group avoided the financial conditions and restrictions typically associated with debt financing, reduced its dependence on debt, lowered financing costs, and enhanced financial stability. Pursuant to this arrangement, Erskine PropCo received an upfront capital sum from the Landlord and, in return, pays a relatively low annual ground rent while retaining all rights to occupy and operate the Yotel Edinburgh, similar to a freehold owner.

6.2.5 *Head Lease Agreement*

On 19 July 2024, the Landlord and Erskine PropCo entered into a lease agreement pursuant to which the Landlord granted Erskine PropCo a long leasehold interest in the Yotel Edinburgh for a term of 150 years, commencing on 19 July 2024 (the "**Head Lease Agreement**"). The Head Lease Agreement contemplates the option, in favour of Erskine PropCo, to purchase the Landlord's freehold interest for a nominal consideration of one pound sterling (£1), exercisable at Erskine PropCo's discretion at any time on or after 19 July 2089 (i.e. 65 years from the commencement date) subject to the terms and conditions set out in the Head Lease Agreement. This contractual right, commonly referred to as a buy-back option, enhances the liquidity of the Head Lease Agreement in favour of Erskine PropCo.

The rent payable by Erksine PropCo to the Landlord is £875,760, per annum, payable in advance in equal quarterly payments. The annual rent is revisable after the first five (5) years and every year thereafter, in accordance with the terms of the agreement (Consumer Price Index (CPI) increase plus 1%), and is subject to an adjustment within a minimum and maximum increase of 1% and 5% per annum, respectively, to protect against sudden spikes in rent levels.

The Head Lease Agreement, executed on an institutional-grade lease form and in accordance with prevailing market standard, contains provisions which oblige Erskine PropCo to, *inter alia*, consistently maintain the Yotel Edinburgh in good and substantial repair and condition and in compliance with the YOTEL brand standards; to repair, renew, rebuild and reinstate the Yotel Edinburgh at its own expense; not to effect any alterations or carry out redevelopment works without the Landlord's prior written approval (unless such alterations or redevelopment works are permitted in terms of the Head Lease Agreement); maintain sufficient insurance policies over the Yotel Edinburgh; and use the Yotel Edinburgh in accordance with the permitted use outlined under the Head Lease Agreement.

6.2.6 Occupational Lease Agreement

On 3 May 2019, Erskine PropCo, as lessor, and Erskine OpCo, as lessee, entered into a lease agreement, which, following the Acquisition, was subsequently amended and reinstated by a minute of alteration of lease dated 19 July 2024 (the "**Occupational Lease Agreement**"). Pursuant to the Occupational Lease Agreement, Erskine PropCo sub-leases the Yotel Edinburgh to Erskine OpCo for a period of 20 years commencing on 7 May 2019 (the "**Operating Term**"). The lease may be extended by the mutual agreement of the parties for up to four (4) additional terms, comprising an initial extension from 7 May 2039 until 31 August 2044, followed by three (3) additional extensions of five (5) years each.

The Occupational Lease Agreement constitutes an intragroup arrangement between fully-owned subsidiaries of MM Star BidCo, designed to enhance operational and financial efficiency. The provisions of the Occupational Lease Agreement replicate those set out in the Head Lease Agreement, ensuring alignment between the two agreements, without imposing any additional onerous, obligations on the Group. Pursuant to the Head Lease Agreement, Erskine PropCo is prohibited from varying or amending the terms of the Occupational Lease Agreement, without the Landlord's prior written consent, where such variation or amendment would have a material impact on the Landlord's interest in the Yotel Edinburgh.

The rent payable by Erskine OpCo under the Occupational Lease Agreement is an annual revisable amount, determined as the greater of: (i) a sum of £2,346,000; or (ii) the sum equal to 70% of the forecasted net operating income for the relevant financial period, subject to adjustment in accordance with the terms of the Occupational Lease Agreement.

6.2.7 Premises Licenses

The Yotel Edinburgh holds a premises licence, details of which are as follows:

(i) Premises licence number: 387696
(ii) Date of commencement of licence: 30 July 2018
(iii) Premises licence holder: Erskine PropCo
(iv) Designated Premises Supervisor: Mrs Margaret Auld

The premises licence also includes provision for other licensed activities. It confirms that entertainment services including recorded music, live performances, dance facilities, theatre, films, and televised sport will be provided on the premises during core licensed hours and outside core licenced hours, in addition to the supply of alcohol. Gaming and indoor/outdoor sports services will not be provided.

6.2.8 The 'YOTEL' brand

YOTEL is a hotel brand recognised for its innovative, modern, and efficient design, focused on offering guests all the essentials in a compact and thoughtfully designed space.

In 2006, YOTEL's first prototype cabin was designed and built to demonstrate it was possible to achieve a luxury feel in a compact space. Over the course of 2007 and 2008, 'YOTEL' opened its first hotels in London Gatwick, Heathrow and Amsterdam Schiphol airports. Since then, over 22 properties have opened using the YOTEL brand. The brand draws inspiration from luxury airline travel, which is reflected in its small but well-designed, tech-savvy rooms known as 'cabins'.

The YOTEL brand operates under three sub-brands:

(i) '*YOTELAIR*' is the brand designed for airport hotels featuring compact cabin-style rooms between 9 – 11 sqm with fewer facilities;

(ii) '*YOTELPAD*' is the brand designed for longer stays, offering bedrooms, internal seating areas and kitchenettes; and

(iii) 'Y*OTEL'* is the brand designed for urban hotels, with room sizes ranging from 13.5 – 22 sqm and a wide range facilities.

As at the date of this Registration Document, there are 23 hotels in operation under the YOTEL hotel brands, 15 of which (including the Yotel Edinburgh) operate under the "*YOTEL*" brand, five operate under the "*YOTELAIR*" brand and three operate under the "*YOTELPAD*" brand.

The domain name <yotel.com> is used by the Yotel Edinburgh and is centrally owned and managed by Yotel Limited.

The Franchise Agreement (further described in section 6.2.9 of this Registration Document) grants Erskine OpCo the right to operate the Yotel Edinburgh under the YOTEL brand. Yotel Limited, as the Franchisor, owns all right, title and interest in the YOTEL brand. Erskine OpCo is in possession of a non-exclusive licence to use the brand. as further described below.

6.2.9 The Franchise Agreement

Prior to the Acquisition, the Yotel Edinburgh was franchised and operated under a single agreement with Yotel Limited. Following completion of the Acquisition, that agreement was terminated, and replaced by two separate agreements with Yotel Limited, one regulating the franchise and the other regulating the management of the Yotel Edinburgh. While under the previous agreement Yotel Limited was responsible for all aspects of the operation and management of the Yotel Edinburgh, the new arrangement grants Erskine OpCo the right to appoint an operator of its choice.

The Franchise Agreement was entered by and between, amongst others, Yotel Limited, in its capacity as Franchisor, and Erskine OpCo, in its capacity as franchisee, on 19 July 2024. The agreement is for an initial term of 15 years, expiring in 2039, subject to early termination. The initial operating term may be extended for up to four periods of five years each by mutual agreement provided that notice is given no less than 18 months prior to the expiry of the initial term or the then-current renewal term, as applicable. The agreement includes a break clause exercisable after the tenth year, offering Erskine OpCo an early termination option subject to the payment of a a break fee equivalent to the total licence fees (described below) and reservation fees (described below) that would have been payable to the Franchisor for the remainder of the term.

Erskine OpCo has the sole right and responsibility to determine the manner and means by which the day-to-day operations of the Yotel Edinburgh is conducted for the purpose of achieving its business objectives. The Franchisor retention and exercise of the right to approve, inspect and enforce certain matters at the hotel exists only to the extent necessary to protect the Yotel Branded Systems and Yotel Marks.

(a) The non-exclusive licence

Pursuant to the Franchise Agreement, Erskine OpCo has been granted a limited, non-exclusive licence to use the Yotel Marks, and Yotel Branded Systems owned by the Franchisor and its affiliates for the purpose of operating the Yotel Edinburgh under the "*YOTEL*" hotel brand. In consideration for the grant of the non-exclusive licence, Erskine OpCo pays the Franchisor fees which are computed on a monthly basis in accordance with a fixed percentage of total revenue derived from the operation of the Yotel Edinburgh for the prior calendar month.

The Franchisor may from time to time change, add or remove parts of the Yotel Branded Systems, including the YOTEL standards, with a view to responding effectively to market trends, customer demands, economic conditions, technological advances and applicable law. In such event, Erskine OpCo will ensure to implement and comply with such modifications.

Erskine OpCo has, in addition to the licence described above, also been granted a non-exclusive royalty free licence to use any brand names, trademarks and other associated intellectual property that may be developed by the Franchisor from time to time in connection with the operation of the Yotel Edinburgh, on the same basis at the abovementioned licence.

(b) Reservation systems

Guest reservations for the Yotel Edinburgh are made through the YOTEL reservation system provided by the Franchisor or otherwise through online travel agencies (including, but not limited to, Booking.com and Expedia, further details of which may be found in section 6.2.11 of this Registration Document). Erskine OpCo pays the Franchisor a reservation fee per booking, which reservation fee varies based on whether the booking originates from online travel agents or via the Yotel Edinburgh's own reservation systems.

(c) Renovations

Erskine OpCo will, from time to time, carry out improvement or renovation works in relation to the Yotel Edinburgh, at its discretion or on demand of the Franchisor.

With regards to major improvements to be made to the Yotel Edinburgh, Erskine OpCo is required to obtain the Franchisor's prior approval, which approval shall not be unreasonably withheld, conditioned or delayed. Major hotel improvements include, but are not limited to, changes to the primary use of any part of the hotel; physical expansion or alteration to any portion of the hotel; and renovations that are inconsistent with the YOTEL standards. As at the date of this Registration Document, there are no major improvements proposed by Erskine OpCo in respect of any part of the Yotel Edinburgh.

The Franchisor may also demand Erskine OpCo to carry out renovations to the Yotel Edinburgh for the purpose of complying with YOTEL standards and applicable law. In such cases, Erskine OpCo shall complete the works in accordance with property improvement plans to be prepared by the Franchisor. In terms of the Franchise Agreement, property improvement plans may only be issued by the Franchisor on or after July 2029, every five years thereafter (but no more frequently than once in any five-year period), and, or upon a sale by Erskine OpCo.

(d) *Major systems services*

Major systems services which are generally mandated to YOTEL branded hotels (including, but not limited to, the following: HR platforms; brand standard audits; guest surveys; '*@yotel*' email address and loyalty schemes), are undertaken as and when required. Erksine OpCo pays the Franchisor all fees, costs and charges for the provision of said major systems services, which services may vary from time to time.

(e) *Relations with suppliers*

In terms of the Franchise Agreement, the Franchisor may designate certain suppliers for operating equipment and FF&E as approved suppliers, on a mandatory or optional basis, as specified in the YOTEL standards. In designating approved suppliers, the Franchisor ensures that the prices and terms of the products or services of such suppliers are competitive with those of other reputable and qualified unrelated third-party suppliers.

Erskine OpCo is nevertheless entitled to select alternative suppliers subject to the Franchisor's prior approval of the proposed supplier. The Franchisor, acting reasonably, assesses whether the products or services of such proposed supplier meet the applicable YOTEL standards.

(f) *Employees and training programs*

Throughout the term of the agreement, Erkine OpCo is responsible for ensuring that the Yotel Edinburgh is staffed with a sufficient number of qualified and trained individuals to operate the hotel in accordance with the Yotel standards. Erskine OpCo ensures that employees of the Yotel Edinburgh complete all training sessions designated as mandatory in terms of the YOTEL standards, at the sole expense of Erskine OpCo.

(g) *Marketing strategies*

Erskine OpCo engages in the marketing strategies implemented by the Franchisor in relation to the Yotel Edinburgh, in line with the YOTEL standards and requirements. In addition to promoting the Yotel Edinburgh specifically, Erskine OpCo is also required to display all marketing and other materials with respect to other Yotel branded hotels in guestrooms and designated public areas.

6.2.10 Hotel management services

The Franchise Agreement allows the MM Star Group to appoint its own choice of operator to manage the Yotel Edinburgh operations, subject to the Franchisor's prior approval.

Following the Franchisor's pre-approval pursuant to the Franchise Agreement, Erskine OpCo appointed TROO to operate, manage, market, and supervise the Yotel Edinburgh pursuant to a hotel management agreement entered into by and between TROO and Erskine OpCo on 19 July 2024 (the "**Hotel Management Agreement**"). The appointment is for an initial term of ten years with an automatic renewal at the end of the term for five years unless otherwise terminated with a minimum of six months' notice.

TROO acts as the sole and exclusive manager of the Yotel Edinburgh, and has exclusive control and discretion in the operation, management, marketing and supervision of the Yotel Edinburgh, subject to certain restrictive matters which require TROO to obtain prior written consent from Erskine OpCo.

TROO is required to comply with the conditions set out in the Hotel Management Agreement, including, but not limited to, the condition that TROO must operate the Yotel Edinburgh in accordance with the terms of the Franchise Agreement and the YOTEL standards, liaising with the Franchisor as and when required.

TROO has the sole right to appoint key personnel and all other hotel staff and to set their remuneration, emoluments, benefits and other terms and conditions of employment. TROO must obtain Erskine OpCo's approval of any individual to be appointed as the hotel manager. While TROO handles their appointment and remuneration, all hotel staff are employees of Erskine OpCo, save for those employees seconded to the hotel from time to time.

TROO is a boutique white label hospitality management company formed in April 2022. The company was founded by Mr Winston Zahra, an entrepreneur in the hospitality industry with over 30 years' experience in hotel ownership, development and operations, together with Millemont Capital Partners. Further detail on Mr Zahra's expertise can be found in his *curriculum vitae* set out in section 8.2 of this Registration Document.

As at the date of this Registration Document, TROO operates nine hotels in the UK and has a number of other pipeline hotels in negotiation. Among its properties are the 'Hotel Stock Exchange' and the 'Hotel Football' in Manchester, with 'Hotel Stock Exchange' consistently ranking among the top two hotels in Manchester on TripAdvisor. Additionally, TROO also manages a portfolio of three hotels for the Millemont Group and has signed agreements to manage a 400-room hotel in central London, as well as hotels in Stratford Upon Avon, Chester and Newcastle, bringing the total rooms under management to 1,300.

The three-hotel portfolio managed by TROO under the Millemont Group has seen a significant 12% increase in both revenue and gross operating profit since the Millemont Group replaced its previous management team with TROO. For the MM Star Group, and as of December 2024, TROO has successfully increased bookings at the Yotel Edinburgh for the summer months (June to August 2025), which typically account for *circa* one-third of the total room revenues for the year. The increase amounts to approximately £750,000 more than the same period last year (STLY) when the Yotel Edinburgh was under previous management. This achievement reflects TROO's capability to enhance the revenue and operating profit of its assets.

6.2.11 Agency agreements

As is common market practice in the hospitality industry, a portion of MM Star Group's revenue is derived from hotel bookings through online travel agency platforms, predominately Booking.com and Expedia. In the financial year ended 31 December 2023, bookings via online travel agencies represented 62.5% of hotel room revenues. The main terms of the agreements with Booking.com and Expedia are described below:

(a) Booking.com

An agency agreement was entered into by and between Booking.com BV (Dutch registration number 31047344) ("**Booking.com BV**") and Yotel Limited on 15 August 2019 for an indefinite period of time.

Pursuant to the agency agreement, Booking.com BV is granted a non-exclusive, royalty free and worldwide right and license to use, distribute, and display those agreed upon elements of the Yotel Edinburgh, including information relating to the accommodation, its amenities and services and the rooms available for reservation, details of the rates, and availability, cancellation and no-show policies and other policies and restrictions, as well as associated intellectual property rights which are necessary for Booking.com BV to exercise its rights and perform its obligations under this agreement.

For each reservation made via Booking.com, a commission is payable per reservation, equal to the multiple of: (i) the number of nights a guest stays at the hotel; (ii) the room price, inclusive of all extras which are included in the offered rate or accepted by the guest on Booking.com systems and VAT and any other relevant taxes; (iii) the number of rooms booked by the guests; and (iv) the local commission percentage.

Each party may terminate the agreement at any time and for any reason, by written notice to the other party with a notice period of 14 days. Either party may terminate the agreement with immediate effect and without a notice of default being required in the event of a material breach by the other party of any term of the agreement or in the event of bankruptcy, insolvency or suspension of payment in respect of the other party.

(b) Expedia

An agency agreement was entered into by and between Expedia Lodging Partner Services S.A.R.L. ("**Expedia**") and Yotel Limited on 19 January 2017, with an initial term of three years, automatically renewed for successive one-year terms ("**Expedia Agreement**").

The Yotel Edinburgh was incorporated and made part of the Expedia Agreement as a participating property pursuant to a property addendum dated 14 March 2019 ("**Property Addendum**"). As Erskine OpCo is a signatory to the Property Addendum, Yotel Limited may act for and on behalf of Erskine OpCo to extend the term of the Expedia Agreement or otherwise amend it during its term.

For each reservation made via Expedia systems, a commission is payable to Expedia, which commission may be subject to adjudgments in accordance with terms and conditions stipulated in the agreement.

Each party may terminate the Expedia Agreement with notice of intent not to renew at least 30 days prior to the end of the then-current term.

7 TREND INFORMATION AND FINANCIAL PERFORMANCE

7.1 Trend Information

There has been no material adverse change in the prospects of the Issuer since 27 February 2025 (being the date of incorporation of the Issuer) to the date of the Registration Document.

There has been no significant change in the financial performance and, or financial position of the Guarantor since 31 December 2024, being the end of the last financial period for which financial information has been published, to the date of this Registration Document.

The Directors are of the view that the Issuer and MM Star Group shall, generally, be subject to the normal business risks associated with the hospitality sector in Scotland. Barring any unforeseen circumstances or exceptional future occurrences, there are no indications that would make the Directors anticipate any likely material adverse effects on the Issuer's and MM Star Group's prospects, at least up to the end of financial year ended 31 December 2025.

The following is an overview of the most significant recent trends affecting the MM Star Group and the market in which it operates:

Economic Update [3]

Scotland's economy navigated a challenging environment in 2024, experiencing a strong start to the year before losing momentum in the second half. Economic growth stood at 1.1% for the year, marginally outpacing the UK's overall expansion of 1.0%. However, the final quarter of 2024 saw a significant slowdown, with GDP stagnating at 0%, down from 0.4% growth in Q3. This deceleration aligned with broader UK trends and reflected growing uncertainty among businesses and consumers which continued to weigh on economic activity into early 2025.

The services sector, a key pillar of Scotland's economy, continued to expand in the fourth quarter, albeit at a slower rate of 0.2%. Within this sector, business services and finance grew by 0.4%, while professional, scientific, and technical services saw a notable 2.4% increase. However, consumer-facing industries struggled, with the retail and hospitality sectors contracting by 0.6%, contributing to an overall 0.2% decline in consumer-facing services. The construction sector fared better, registering 0.5% growth, bolstered by steady activity despite economic headwinds. Meanwhile, the production sector saw a 1.1% contraction, largely driven by a 1.8% decline in manufacturing output reflecting weaker industrial demand and broader supply chain challenges.

Inflationary pressures persisted into 2025, with the annual inflation rate rising from 2.5% in December to 3.0% in January. This increase was primarily driven by higher transport costs, which rose by 1.7%, alongside an acceleration in food and non-alcoholic beverage prices which climbed 3.3% on an annual basis. Inflation trends varied significantly across different categories, with goods inflation remaining relatively modest at 1.0%, whereas services inflation remained elevated at 5.0%. Core inflation, which excludes volatile components such as energy, food, alcohol, and tobacco, rose to 3.7% in January 2025, up from 3.2% in December 2024.

Looking ahead, inflationary pressures are expected to persist, with the Bank of England projecting a rise to 3.7% in the second half of 2025. This outlook is shaped by factors such as rising energy costs and price increases in regulated sectors including utilities. Despite this, the Bank of England's Monetary Policy Committee reduced its reference rate from 4.75% to 4.5% in February, marking the lowest rate since May 2023. The decision reflected growing confidence in long-term price stability while acknowledging ongoing economic uncertainty. The trajectory of future interest rate adjustments is expected to be influenced by both economic sentiment and global market conditions.

Scotland's GDP growth is projected to strengthen in 2025, with forecasts ranging from 1.3% to 1.5%. However, risks remain, including weak business and consumer sentiment, ongoing geopolitical tensions, and inflationary pressures. The Bank of England anticipates inflation peaking at 3.7% in Q3 2025 before gradually easing towards the 2.0% target by late 2027. While short-term volatility is expected, fiscal stimulus and a more accommodative monetary policy stance could help stabilise economic activity, supporting stronger growth in the coming year.

Scottish Tourism and Hospitality

Tourism is an important component of Scotland's economy, significantly contributing to both the country's GDP and its employment landscape. The sector is underpinned by breathtaking natural landscapes (particularly the Highlands), a wealth of rich cultural heritage and history, vibrant cities, as well as a dynamic calendar of events. Among Scotland's key destinations, Edinburgh stands out, with its unique combination of history, arts, and world-renowned festivals such as the Edinburgh International Festival, the Edinburgh Fringe (which is the world's largest arts festival), and the Royal Edinburgh Military Tattoo. Moreover, apart from being Scotland's capital city, Edinburgh is the largest financial centre in the UK outside London and is also the second most visited UK destination after London. Edinburgh is home to multiple corporate and government institutions, making it a frequent destination for business travellers, and has one of the busiest airports

[3] *Office of the Chief Economic Adviser – The Scottish Government, 'Scottish Economic Bulletin', March 2025, available at https://www.gov.scot/publications/scottish-economic-bulletin-march-2025/documents/.*

in the UK which is connected to over 150 destinations worldwide.[4] In 2024, Edinburgh Airport achieved a new milestone by handling a record 15 million passengers (2023: 14.4 million)[5] – the highest annual figure ever recorded for a Scottish airport – thus surpassing the previous high of 14.7 million registered in 2019.[6]

In 2023, Scotland's tourism industry experienced a robust recovery, welcoming more than 16 million visitors when including domestic and international tourists. Notably, international visits increased by 23% year-on-year to just under 4 million tourists, marking a 15% increase from 2019 and indicating a strong resurgence of Scotland as an attractive travel destination. Additionally, international visitors spent *circa* £3.6 billion in 2023, representing a 41% increase from 2019 and a 13% rise from 2022.[7]

Edinburgh alone attracted 5 million overnight visits in 2023, while overnight tourism spend in the city surpassed GBP2 billion, making it the largest single contributor to Scotland's tourism economy.[8] The city retained its top position in Colliers' annual UK Hotel Market Index due to its strong performance in both occupancy and average daily room rates, as well as strong growth in RevPAR since 2019.[9] Moreover, a study by Christie & Co concluded that hotels in Edinburgh achieved an aggregate RevPAR score of 1.46 in 2023 (2022: 1.16), making it the second-best performing market in the UK after Belfast. This strong outperformance relative to market average was driven by a 45.5% increase in RevPAR, attributed to a sharp rise in the average daily room rate and a marked increase in demand.[10] As a result, the RevPAR achieved by Edinburgh hotels was 25% higher in real terms at the end of 2023 compared to 2019. This strong performance contributed to sustained investment in Edinburgh's hotel sector, with the city experiencing increased transactional activity and the HVS European Hotel Valuation Index reporting a 3.3% year-on-year increase in the valuation per key for Edinburgh hotels in 2023.[11]

Scotland's tourism sector continued to perform strongly in 2024. Nearly 2 million international tourists visited the country in the first half of 2024, marking a 14% increase compared to the same period in 2023 and a 46% rise from the same period in 2019. International visitors spent an estimated £1.5 billion in H1 2024, reflecting a 2% increase from 2023 and a 30% growth from 2019 in real terms (i.e. after adjusting for inflation). The robust growth was attributed to effective marketing campaigns by VisitScotland, particularly targeting the North American market. Indeed, the number of visitors from North American increased by 54% year-on-year and was 69% higher than the same period in 2019. Spending by North American tourists rose by 29% from 2023 and 48% from H1 2019 in real terms.[12]

Edinburgh's hotels also continued to register improved performance in 2024. A survey conducted by Cushman & Wakefield showed that revenue rose by 22% year-on-year in Q1 2024 whilst gross operating profit per available room increased by almost 69% notwithstanding a near 4% increase in the supply of hotel rooms and an increase of 11% in payroll costs partly due to the rise in the National Living Wage.[13] As a result, the profit margin increased from 20% in Q1 2023 to 27% in Q1 2024 while the profit margin on a twelve-month basis reached 42.2%.[14] Furthermore, more recent data show that the average RevPAR for all hotels in Scotland in October 2024 was 29% higher than the same month in 2023 whilst the average room occupancy rate for hotels in Edinburgh increased by more than 14 percentage points to 87% for the period between January 2024 and October compared to 73% in the same period in 2023.[15]

Scottish tourism, with Edinburgh as its linchpin, continues to thrive as a cornerstone of the nation's economy. The city's unique blend of historic charm, cultural vibrancy, and modern hospitality infrastructure positions it as a global tourism destination. Edinburgh's thriving hotel market, bolstered by strong trading and innovative redevelopment projects, exemplifies its adaptability and appeal to investors. While challenges such as rising costs and the introduction of a tourist tax must be navigated carefully, the city's focus on sustainability, strategic investment, and visitor experience ensures a promising future. With these strengths, Edinburgh remains not only a standout destination but also a driving force in Scotland's tourism success.

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[4] The infrastructure for business and corporate travellers improved significantly in recent years, with venues like the Edinburgh International Conference Centre hosting international conferences, trade shows, and related events that extend the tourism season beyond the traditional summer months.

[5] Edinburgh Airport, 'Record year for Edinburgh Airport', 27 December 2024, available at https://corporate.edinburghairport.com/record-year-for-edinburgh-airport.

[6] Business Traveller, 'Edinburgh Airport surpasses 15 million annual passengers for first time', 30 December 2024, available at https://www.businesstraveller.com/business-travel/2024/12/30/edinburgh-airport-surpasses-15-million-annual-passengers-for-first-time/.

[7] VisitScotland – https://www.visitscotland.org/research-insights/about-our-visitors/international/annual-performance-report.

[8] VisitScotland – https://www.visitscotland.org/research-insights/regions/edinburgh-lothians.

[9] Colliers International Group Inc., 'Edinburgh wins the UK Hotel Market Index top spot for occupancy and room rates', 13 May 2024, available at https://www.colliers.com/en-gb/news/25-04-24-edinburgh-wins-the-uk-hotel-market-index. RevPAR is a key performance measure used in the hospitality industry and is calculated by multiplying a hotel's average daily room rate by its occupancy rate.

[10] Christie & Co, 'UK Hotel Market Snapshot FY 2023', 4 November 2024, available at https://www.christie.com/news-resources/publications/uk-hotel-market-snapshot-fy-2023/.

[11] HVS Global Hospitality Services, 'Edinburgh Hotel Valuation Index', available at https://hvi.hvs.com/market/europe/Edinburgh.

[12] Travel and Tour World, 'Scotland Outpaces UK in Tourism Surge with 14% Growth in Visitors and North American Spending Power Driving the Economy', 21 October 2024, available at https://www.travelandtourworld.com/news/article/scotland-outpaces-uk-in-tourism-surge-with-14-growth-in-visitors-and-north-american-spending-power-driving-the-economy.

[13] Hospitality Net, 'Hotel Market Spotlight – Edinburgh Q1 2024: Edinburgh Hospitality Sector Outperforms UK', 6 June 2025, available at https://www.hospitalitynet.org/news/4122298.html.

[14] Cushman & Wakefield, 'Edinburgh Hotel Market Spotlight', 28 May 2024, available at https://www.cushmanwakefield.com/en/united-kingdom/15 VisitScotland, 'Scottish Accommodation Occupancy Survey – Hotels October 2024', January 2025, available at https://www.visitscotland.org/binaries/content/assets/dot-org/pdf/saos/scottish-accommodation-occupancy-survey-report-october-24-23-report-hotel.pdf.

[15] VisitScotland, 'Scottish Accommodation Occupancy Survey – Hotels October 2024', January 2025, available at https://www.visitscotland.org/binaries/content/assets/dot-org/pdf/saos/scottish-accommodation-occupancy-survey-report-october-24-23-report-hotel.pdf.

7.2 Historical Financial Information

The Issuer was registered and incorporated as a public limited liability company on 27 February 2025 as a special purpose vehicle to act as the financing arm of the Guarantor. No financial statements have been prepared for the Issuer since incorporation up until the date of this Registration Document.

The Guarantor was registered and incorporated as a private company limited by shares in England and Wales on 14 June 2022, and for the period to 30 June 2024 was exempted from preparing audited financial statements under section 480 of the Companies Act 2006 relating to dormant companies. Accordingly, the following historical financial information of the Guarantor is extracted from the first consolidated audited financial statements of the Guarantor for the period 1 July 2024 to 31 December 2024. The said financial statements, which are published on the Issuer's website https://mmfinancemalta.com/ and are available for inspection at its registered office as set out in section 16 of this Registration Document, shall be deemed to be incorporated by reference in, and form part of, the Prospectus. The Guarantor's financial statements have been prepared in UK-adopted International Financial Reporting Standards (IFRS) and with the requirement of the UK Companies Act 2006.

Erskine PropCo holds title to the Yotel Edinburgh, while Erskine OpCo is responsible for the operation and management of the Yotel Edinburgh and for employing all hotel staff. The historical financial information pertaining to Erskine PropCo and Erskine OpCo for the financial years ended 31 December 2022, 31 December 2023 and 31 December 2024 has been extracted from the respective audited financial statements. All the aforementioned financial statements are incorporated by reference in this Registration Document and may be accessed at the following hyperlink: http://mmfinancemalta.com/mmstarmaltafinanceplc/

The financial statements of Erskine OpCo have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law) and with the requirements of the UK Companies Act 2006.

The financial statements of Erskine PropCo have been prepared in accordance with Luxembourg legal and regulatory requirements (Luxembourg Accounting Standards and applicable law, including Luxembourg Law of 15 August 2012 on accounting and annual accounts) and with the requirements of the Luxembourg Law of 10 August 1915 on commercial companies.

The table below provides a cross-reference list to key sections of the financial statements of: (i) Erskine PropCo and Erskine OpCo for the financial years ended 31 December 2022, 31 December 2023 and 31 December 2024; and (ii) the Guarantor for the six-month period ended 31 December 2024.

	2022 Audited	**2023 Audited**	**2024 Audited**
Erskine PropCo			
Independent auditor's report	1 - 3	1 - 3	1 - 3
Profit and loss account	6	6	6 - 7
Balance sheet	4 - 5	4 - 5	4 - 5
Statement of cash flows	-	-	-
Notes to the financial statements	7 - 15	7 - 14	8 - 20
Erskine OpCo			
Independent auditor's report	4 - 6	6 - 8	4 - 6
Statement of comprehensive income	7	9	7
Statement of financial position	8	10	8
Statement of cash flows	-	12	-
Notes to the financial statements	10 - 17	13 - 22	10 - 20
MM Star HoldCo			
Independent auditor's report			5 - 7
Statement of comprehensive income			8
Statement of financial position			9 - 10
Statement of cash flows			14
Notes to the financial statements			15 - 36

Set out below are condensed extracts from the financial statements of the Guarantor for the period 1 July 2024 to 31 December 2024.

MM Star Holdco Limited	
Income Statement	
For the financial year 31 December	**2024**
	Actual
	6 months
	£'000
Revenue	6,412
Cost of sales	(2,217)
Gross profit	**4,195**
Net operating costs	(1,436)
EBITDA	**2,759**
Depreciation and amortisation	(1,065)
Operating profit	**1,694**
Net finance costs	(1,233)
Profit before tax	**461**
Taxation	(639)
Profit / (loss) after tax	**(178)**
Other comprehensive income	
Revaluation of property, plant, and equipment, net of tax	11,330
Total comprehensive income	**11,152**

The MM Star Group came into effect in July 2024 with the Acquisition of YOTEL Edinburgh. As such, the FY24 results of MM Star HoldCo reflect the operational performance of YOTEL Edinburgh for the six-month period ended 31 December 2024. Refer to section 7.3 of this Registration Document for the full year operational results of Yotel Edinburgh.

In FY24, the MM Star Group recognised an uplift in the fair value of YOTEL Edinburgh amounting to £11.33 million, net of tax.

MM Star Holdco Limited

Statement of Financial Position

For the financial year 31 December	**2024**
	Actual
	£'000
ASSETS	
Non-current assets	
Property, plant and equipment	76,100
Deferred tax assets	76
	76,176
Current assets	
Inventories	20
Trade and other receivables	437
Cash at bank and in hand	735
	1,192
Total assets	**77,368**
EQUITY	
Called up share capital	-
Revaluation reserve	11,330
Shareholders' advances	19,545
Retained profits	(178)
	30,697
LIABILITIES	
Non-current liabilities	
Debt securities	-
Bank borrowings	14,417
Other financial liabilities	25,062
Deferred tax liabilities	4,050
	43,529
Current liabilities	
Bank borrowings	700
Trade and other payables	2,442
	3,142
Total liabilities	**46,671**
Total equity and liabilities	**77,368**

Total assets of the MM Star Group as at 31 December 2024 amounted to £77.37 million and principally comprised the YOTEL Edinburgh with a value of £76.10 million. The property is recognised at its full freehold value, while the sale-and-leaseback transaction is accounted for as a financial liability in non-current liabilities (£25.06 million). The YOTEL Edinburgh was acquired for £60.15 million in July 2024 and subsequently revalued to £76.10 million as at 31 December 2024.

Total liabilities amounted to £46.67 million and mainly included the above-mentioned financial liability and a bank loan of £15.12 million, proceeds of which were used for the Acquisition. Deferred tax liability of £4.05 million resulted from the revaluation uplift of the property.

Equity of £30.70 million comprised:

- Share capital of £1;
- Shareholders' advances of £19.55 million represents funding from MM Star HoldCo's immediate parent company Millemont 3 LP, out of an original facility of £20.50 million drawn down in connection with the acquisition of YOTEL Edinburgh as well the working capital requirement of the Group. The loan is interest-free, unsecured and has no repayment date;
- Revaluation reserve of £11.33 million relates to the increase in fair value of the property;
- Accumulated losses of £0.18 million.

MM Star Holdco Limited Statement of Cash Flows For the financial year 31 December	2024 Actual 6 months £'000
Net cash from operating activities	3,557
Net cash used in investing activities	(62,454)
Free cash flow	**(58,897)**
Net cash from financing activities	59,629
Net movement in cash and cash equivalents	**732**
Cash and cash equivalents at beginning of period	2
Cash and cash equivalents at end of period	**734**

Net cash from operating activities in FY24 amounted to £3.56 million and related to the operation of YOTEL Edinburgh for the six-month period ended 31 December 2024.

Net cash used in investing activities principally reflects the Acquisition of YOTEL Edinburgh. Cash inflows in financing activities relate to the financing thereof and comprise shareholders' advance (£19.55 million), sale-and-leaseback transaction (£25.00 million) and bank loan (£15.08 million). Further information on the hotel transaction is included in sections 5.2.2 and 5.2.3 of this Registration Document.

7.3 Pro Forma Financial Information

The MM Star Group came into existence in July 2024 following the acquisition by MM Star BidCo of Yotel Edinburgh through the acquisition of two companies, namely, Erskine OpCo and Erskine PropCo. The pro forma financial information has been prepared for illustrative purposes only to demonstrate how the Group's consolidated statement of comprehensive income would have appeared if the said acquisition had been hypothetically carried out as at 1 January 2024. Due to its nature, the pro forma financial information reflects a hypothetical situation and does not represent the Group's actual statement of comprehensive income as at the date mentioned above.

Details relating to the basis for preparation and the pro forma adjustments for the compilation of the pro forma financial information are available for review on the Issuer's website and available for inspection as detailed in section 16 of this Registration Document.

The afore-mentioned consolidated pro forma financial information comprises the aggregation of all Subsidiaries for the financial year ended 31 December 2024 and together with the independent accountant's report are incorporated by reference in this Registration Document. The table below provides a cross-reference list to key sections of the pro forma consolidated statement of comprehensive income:

The tables and narrative included hereinafter in this sub-section 7.3 contain certain alternative performance measures (as defined by the European Securities and Markets Authority (ESMA)) that Group management and other competitors in the industry use. These non-International Financial Reporting Standards financial measures are presented as supplemental information as: (i) they represent measures that the Group believe may be relevant for certain investors, securities analysts and other parties in assessing the Group's operating and financial performance and may contribute to a fuller understanding of the cash generation capacity and the growth of the combined business; and (ii) they may be used by the Group's management as a basis for strategic planning and forecasting.

MM Star Holdco Limited
Pro Forma Consolidated Statement of Comprehensive Income
For the financial year 31 December 2024

	Audited £'000	**Adj. 1 £'000**	**Adj. 2 £'000**	**Adj. 3 £'000**	**Adj. 4 £'000**	**Adj. 5 £'000**	**Adj. 6 £'000**	**Adj. 7 £'000**	**Adj. 8 £'000**	**Pro Forma £'000**
Revenue	6,412	6,711	95							13,218
Cost of sales	(2,217)	(1,748)		41	(62)					(3,986)
Gross profit (loss)	**4,195**	**4,963**	**95**	**41**	**(62)**	**-**	**-**	**-**	**-**	**9,232**
Administrative expenses	(2,501)	(2,401)	(1,161)	314	(571)	(16)				(6,336)
Operating profit (loss)	**1,694**	**2,562**	**(1,066)**	**355**	**(633)**	**(16)**	**-**	**-**	**-**	2,896
Net finance costs	(1,233)	(86)	(1,973)				2,059	(713)	(815)	(2,761)
Profit (loss) before tax	**461**	**2,476**	**(3,039)**	**355**	**(633)**	**(16)**	**2,059**	**(713)**	**(815)**	**135**
Taxation	(639)			(88)	158	4	(515)	178	204	(698)
Profit (loss) after tax	**(178)**	**2,476**	**(3,039)**	**267**	**(475)**	**(12)**	**1,544**	**(535)**	**(611)**	**(563)**
Other comprehensive income										
Revaluation on property, net of tax	11,330									11,330
Total comprehensive income	**11,152**	**2,476**	**(3,039)**	**267**	**(475)**	**(12)**	**1,544**	**(535)**	**(611)**	**10,767**

The pro forma adjustments include the following:

(1) Being the pre-Transaction pre-tax profit generated by Erskine OpCo over the period 1 January 2024 to 18 July 2024, amounting to £2.5 million, which comprises operating revenue of £6.7 million, cost of sales of £1.7 million, administrative expenses of £2.4 million and finance costs of £86,000, and excludes intercompany transactions which are eliminated on consolidation, based on Erskine OpCo's financial statements and management reporting;

(2) Being the pre-Transaction pre-tax loss generated by Erskine PropCo over the period 1 January 2024 to 18 July 2024, amounting to £3.0 million, which comprises an operating loss of £1.1 million and net finance costs of £2.0 million, and excludes intercompany transactions which are eliminated on consolidation, based on Erskine PropCo's financial statements and management reporting;

(3) Being the reversal of actual management fees, licence fees, and recharged expenses amounting to £355,000 paid by the Erskine OpCo to YOTEL Limited pre-Transaction, under an incumbent hotel management agreement which was terminated and replaced by a new franchise agreement in place with YOTEL Limited and a new hotel management agreement in place with TROO Hospitality Limited on 19 July 2024. The tax effect of this adjustment has been included, being a tax charge of 25% of the adjustment value;

(4) Being the inclusion of pro forma management fees, licence fees, and recharged expenses amounting to £634,000, which would have been payable by the Erskine OpCo under the new franchise agreement in place with YOTEL Limited and the new hotel management agreement in place with TROO Hospitality Limited as of 19 July 2024. The estimated expense is based on the actual rates set out in these agreements and actual hotel performance metrics for the period 1 January 2024 to 18 July 2024. The tax effect of this adjustment has been included, being a tax credit of 25% of the adjustment value;

(5) Being the estimated incremental operating expenses which would have been incurred by MM Star HoldCo and MM Star BidCo had the companies been utilised for a full-year, amounting to £16,000, based on Management's estimate. The tax effect of this adjustment has been included, being a tax credit of 25% of the adjustment value;

(6) Being the reversal of net finance costs incurred by Erskine OpCo and Erskine PropCo over the period 1 January 2024 to 18 July 2024 under the pre-Transaction funding structure, amounting to £2.1 million, and the corresponding tax shield amounting to £0.5 million;

(7) Being the inclusion of incremental finance costs amounting to £713,000, which would have been payable by the MM Star Group under the facility agreement with Clydesdale Bank plc entered on 19 July 2024 in connection with the Transaction, had the Transaction occurred on 1 January 2024. This estimate assumes that the facility would have hypothetically been drawn down on 1 January 2024, and quarterly repayments effected over the period 1 January 2024 to 18 July 2024. The tax effect of this adjustment has been included, being a tax credit of 25% of the adjustment value;

(8) Being the inclusion of incremental finance costs amounting to £815,000, which would have been payable by the MM Star Group under the agreement with Aviva Reli 2 GP Limited in connection with the transfer and operational leaseback of the YOTEL Edinburgh entered on 19 July 2024 in connection with the Transaction, had the Transaction occurred on 1 January 2024. This estimate assumes that the transaction would have hypothetically been executed on 1 January 2024, and quarterly repayments effected over the period 1 January 2024 to 18 July 2024. The tax effect of this adjustment has been included, being a tax credit of 25% of the adjustment value.

The main revenue streams of YOTEL Edinburgh are room nights sold and sales of food and beverages to guests and visitors. Room revenue represents the largest contributor, accounting for *circa* 90% of total revenue.

In FY2024, YOTEL Edinburgh achieved an occupancy rate of 88.20% and revenue amounted to £13.22 million. Gross profit amounted to £9.26 million, thereby reporting a gross profit margin 70%. After accounting for administrative expenses and net finance costs, the Guarantor registered a profit before tax of £135,000.

During the reviewed financial year, the MM Star Group recognised an uplift in the fair value of YOTEL Edinburgh amounting to £11.33 million, net of tax.

8 ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

8.1 Board of Directors of the Issuer

The Board of Directors consists of five directors who are entrusted with the overall direction, administration, and management of the Issuer and which currently consists of two executive directors and three non-executive directors. As at the date of this Registration Document, the Board of Directors consists of the individuals named in section 4.1 of this Registration Document.

8.1.1 Executive Directors

The executive directors of the Issuer are entrusted with the day-to-day management of the Issuer. The executive directors are supported in this role by several consultants and key management, and benefit from the know-how gained by members and officers of the Group.

The executive directors are Mr Demeter Peter Kovacs and Mr Winston J. Zahra.

8.1.2 Non-Executive Directors

The non-executive directors' main functions are to monitor the operations and performance of the executive directors, as well as to review any proposals tabled by the executive directors, bringing to the Board of Directors the added value of independent judgment.

The non-executive directors are Mr Albert Frendo, Mr Kenneth Abela and Mr Steven Coleiro.

8.2 *Curricula Vitae* of the Directors of the Issuer

Demeter Peter Kovacs	Mr Demeter Peter Kovacs is the co-founder of the Millemont Group and acts in his capacity as General Counsel and principal administrative director for the Millemont Group, providing legal, structural and execution expertise to the business. Mr Kovacs oversees all transactions of the Millemont Group, including coordination of the Millemont's third party advisers (legal, finance, tax, etc.) and acts as the principal contact. Mr Kovacs is a practicing solicitor of the courts of England and Wales and an experienced real estate finance lawyer who previously worked with Brown Rudnick LLP, an international law firm. Mr Kovacs has acted as lead counsel, transaction manager and primary client contact on numerous complex commercial real estate transactions, both within the UK and internationally, with a strong focus on hospitality assets, totalling several billion pounds in value. Mr Kovacs holds a Bachelor of Laws (LLB) degree from the London Metropolitan University.
Winston J. Zahra	With over 30 years of experience in the hospitality industry, Mr Winston J. Zahra is the former co-owner and CEO of Malta-based Island Hotels Group Holdings plc ("**IH Group**"). Mr Zahra played a pivotal role in the IH Group's development and growth and, in 2009, successfully took the IH Group public and thereafter, in 2015, managed its sale to International Hotel Investments (IHI) plc, where he continued as managing director for Malta and Spain for two years. In 2018, he joined GG Hospitality Management to lead a company restructuring process and drive future growth. The following year, GG Hospitality Management invested in the Stock Exchange Hotel in Manchester. In 2022, Mr Zahra founded TROO Hospitality together with Millemont Capital Partners, further showcasing his commitment to innovation and excellence in the hospitality sector.
Albert Frendo	Mr Alfred Frendo is an accountant by profession with *circa* 40 years of experience in banking, primarily in senior management and executive roles. His responsibilities varied from financial control and reporting, stewardship of the cost management function, credit risk monitoring and enterprise risk management. He was also responsible for the bank's credit function. The pinnacle of Mr Frendo's career was marked by a 12-year tenure on the executive committee of Bank of Valletta plc, during which he served as Chief Officer responsible for lending, with a particular focus on the commercial arm.

	Following his retirement from Bank of Valletta plc in February 2023, Mr Frendo held and continues to hold the role of a business consultant with an advisory and oversight function, driving a strong governance culture underpinned by an enhanced stewardship in financial, risk, strategic management and change management transformation.
Kenneth Abela	Mr Kenneth Abela is a certified public accountant with over 36 years of experience in the hospitality sector. After a few years at KPMG, Mr Abela began his 28-year long career with IH Group, the last five of which through the Corinthia Group (following the takeover of IG Group). In July 2020, Mr Abela took up a new challenge at Dizz Group, as Group CFO and company secretary. Most recently, Mr Abela joined AX Group plc, assuming the role of CEO Designate. AX Group plc is a locally listed company and is one of Malta's highly respected businesses focused on hospitality, elderly care, construction & real estate and renewable energy. Mr Abela holds a B.A. honors degree in accountancy from the University of Malta and is a fellow of the Malta Institute of Accountants.
Steven Coleiro	Mr Steven Coleiro is a qualified chartered accountant (ACCA) currently working with BDO Malta in the role of audit supervisor. Mr Coleiro has worked with some of Malta's largest corporate service providers, delivering engagement across diverse industries including but not limited to the hospitality industry, investment management funds, shipping and gaming. Beyond his practice within the core profession, Mr Coleiro co-founded the 'Investment Hub', an initiative aimed at creating a project that fosters open communication between professionals and the retail investor. At its peak, the Investment Hub had a community of up to 2,000 members, attracting professionals in the field as well as directors of locally listed companies.

8.3 Board of Directors of the Guarantor

As at the date of this Registration Document, the board of directors of the Guarantor consists of the individuals named in section 4.2 of this Registration Document.

8.4 *Curricula Vitae* of the Directors of the Guarantor

Ashley Edward Shaw	Mr Ashley Edward Shaw is the Former Head of Origination & Debt Advisory of Brown Rudnick LLP's Special Situations team. He has advised on the sourcing and structuring of several billion pounds in CRE transactions across an array of asset classes, geographies and capital structures, with a primary focus on hospitality assets. Mr Shaw is an investment professional leading the Millemont Group, where he oversees the origination, underwriting, and asset management of the Millemont Group's investments throughout their lifecycle.
Demeter Peter Kovacs	The *curriculum vitae* of Mr Demeter Peter Kovacs may be found in section 8.2 above.
John Emmanuel Bennett	Mr John Emmanuel Bennett is an experienced deal maker and distinguished adviser as a partner of the international law firm, Bryan Cave Leighton Paisner ("**BCLP**") and its predecessor firms for nearly 35 years. He played a pivotal role in the successful growth of BCLP as global head of the corporate practice between 1996 and 2013. Although Mr Bennett advises across various sectors, he specialises in real estate and alternative assets, acting as a trusted commercial adviser across the capital stack to owners, operators, managers and innovators. Mr Bennett serves as chairman of the board of directors of several companies within the Millemont Group. In his role he oversees all investment and advisory activities of the Millemont Group, provides specialist advice to the deal team at both the transactional and portfolio/investment levels. Mr Bennett holds a Bachelor of Laws (LLB) degree from Southampton University.

8.5 Management of the Group

In the day-to-day operations of the MM Star Group, the executive Directors are supported by members of the Group's management team.

The management team of the MM Star Group is the same highly experienced team that supports the wider Millemont Group, bringing a wealth of expertise in the hospitality sector, with years of experience in managing and overseeing a diverse range of hotel and hospitality projects.

8.6 *Curricula Vitae* of Members of Management

At the date of this Registration Document, the management team is composed as follows:

Ashley Edward Shaw	*Co-founder and CEO*	The *curriculum vita*e of Mr Ashley Edward Shaw may be found in section 8.4 above.
Demeter Peter Kovacs	*Co-founder and General Counsel*	The *curriculum vitae* of Mr Demeter Peter Kovacs may be found in section 8.2 above.
Guy Rowles	*Associate Director*	Mr Guy Rowles is a qualified chartered accountant. Prior to joining the Millemont Group, he held the position of Financial Planning & Analysis (FP&A) Manager at Octopus Investments and previously worked in Deloitte's Investment Management & Private Equity division. At Millemont Group, Mr Rowles is responsible for sourcing and assessing opportunities both at inception as well as asset management throughout the lifecycle of the investments, ensuring ESG integration in the underwriting processes.
John Emmanuel Bennett	*Chairman*	The *curriculum vitae* of Mr John Emmanuel Bennett may be found in section 8.4 above.
Miguel Costa	*Associate*	Mr Miguel Costa is a chartered structural engineer with experience on large residential and commercial projects and, prior to joining the Millemont Group, Mr Costa completed his MBA at HEC Paris. As an associate at the Millemont Group, Mr Costa is involved in aspects of all investment opportunities, market research, transaction execution and asset management, with a focus on sustainability and reducing embodied carbon throughout the lifecycle of the Millemont Group's projects.
Ross Archibald	*Finance Manager*	Mr Ross Archibald is a qualified chartered accountant with eight years' experience in the asset management and wider financial services sectors. Before joining the Millemont Group, Mr Archibald worked with a multi-strategy private investment office focussed on both debt and real estate and was responsible for the performance and reporting of a cross-border real estate portfolio. Prior to this, Mr Archibald spent four years in BDO's asset management and capital markets team working with listed and private clients. At the Millemont Group, Mr Archibald is responsible for the financial control, treasury, compliance and reporting of the Millemont Group's platform. Mr Archibald is also responsible for working with the hotel operators to drive improvements in the operational performance of the Millemont Group's portfolio assets as well implementing ESG best practices across the portfolio.

8.7 Potential Conflicts of Interest

Save as stated below, as at the date of this Registration Document, the Directors and the members of management of the Group are not aware of any potential conflicts of interest which could relate to their roles within the Issuer:

(a) Mr Ashley Edward Shaw, member of the board of directors of the Guarantor and ultimate beneficial owner of the Issuer, is also a member of management;

(b) Mr Demeter Peter Kovacs, a member of the Board of Directors of the Issuer, and ultimate beneficial owner of the Issuer, is also a member of other group companies forming part of the Group, including the Guarantor;

(c) Mr Demeter Peter Kovacs and Mr John Emmanuel Bennet, members of the board of the directors of the Guarantor are also members of management; and

(d) Mr Winston J. Zahra, a member of the Board of Directors of the Issuer, is also a member of the management team of TROO.

8.8 Board Practices

Audit Committee

The Audit Committee's primary objective is to assist the Board of Directors in fulfilling its oversight responsibilities over the financial reporting processes, the system of internal controls, the audit process and the process for monitoring compliance with applicable laws and regulations. The Audit Committee oversees the conduct of the internal and external audit and acts to facilitate communication between the Board of Directors, management, and the internal and external auditors. The external auditors are invited to attend the 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 in its responsibilities in dealing with issues of risk, control and governance, and associated assurance of the Issuer. The Board of Directors 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.

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

- its monitoring responsibility over the financial reporting processes, financial policies, and internal control structures;
- maintaining communications on such matters between the Board of Directors, management, and the external auditors; and
- preserving the Issuer's assets by assessing the Issuer's risk environment and determining how to deal with those risks.

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

Furthermore, the Audit Committee has the role of 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 is made up of non-executive directors, the majority of whom must be independent. The appointment of members to the Audit Committee shall remain effective for a period of one year, renewable for further periods of one year each, unless their appointment is terminated earlier by the Board of Directors, or unless they are removed or resign from their position as director of the Issuer earlier.

The Audit Committee is chaired by Mr Albert Frendo (independent non-executive Director), and its other members are Mr Kenneth Abela (independent non-executive Director) and Mr Steven Coleiro (independent non-executive Director). The Chairman of the Audit Committee, appointed by the Board of Directors, is entrusted with reporting to the Board on the workings and findings of the Audit Committee. All three members of the Audit Committee are considered by the Board of Directors to be competent in accounting and, or auditing in terms of the Capital Markets Rules. Pursuant to its terms of reference, the Audit Committee's remit covers the Issuer, the Guarantor and the Group as a whole, as appropriate.

Compliance with the Code of Corporate Governance

Prior to the present Prospectus, the Issuer was not regulated by the Capital Markets Rules and accordingly was not required to comply with the Code of Principles of Good Corporate Governance forming part of the Capital Markets Rules (the "**Code**"). As a consequence of the Bond Issue, in accordance with the terms of the Capital Markets Rules, the Issuer is required to comply with the provisions of the Code. The Issuer declares its full support of the Code and undertakes to fully comply with the Code to the extent that this is considered complementary to the size, nature, and operations of the Issuer.

The Issuer supports the Code and is confident that the application thereof shall result in positive effects accruing to the Issuer.

Going forward, in view of the reporting structure adopted by the Code, the Issuer shall, on an annual basis in its annual report, explain the level of the Issuer's compliance with the principles of the Code, in line with the "comply or explain" philosophy of the Code, explaining the reasons for non-compliance, if any.

As at the date of this Registration Document, the Board of Directors considers the Issuer to be in compliance with the Code save for the following exceptions:

Principle 7 (Evaluation of the Board's Performance): The Board of Directors does not consider it necessary to appoint a committee to carry out a performance evaluation of its role, as the Board of Directors's performance is evaluated on an ongoing basis by, and is subject to the constant scrutiny of the Board of Directors itself (half of which is composed of independent non-executive Directors), the Issuer's shareholders, the market and all of the rules and regulations to which the Issuer is subject as a company with its securities listed on a regulated market.

Principle 8 (Committees): The Board of Directors considers that the size and operations of the Issuer do not warrant the setting up of remuneration and nomination committees. In particular, the Issuer does not believe it is necessary to establish a nomination committee as appointments to the Board of Directors are determined by the shareholders of the Issuer in accordance with the appointment process set out in the Issuer's Memorandum and Articles of Association. The Issuer considers that the members of the Board of Directors possess the level of skill, knowledge and experience expected in terms of the Code.

Principle 9 (Relations with Shareholders and with the Market): currently there is no established mechanism disclosed in the Memorandum and Articles of Association of the Issuer to trigger arbitration in the case of conflict between the minority shareholders and the controlling shareholders. In any such cases, should a conflict arise, the matter is dealt with in meetings of the Board of Directors and through the open channel of communication between the Issuer and the minority shareholders via the office of the company secretary.

9 MAJOR SHAREHOLDERS

9.1 Major Shareholders of the Issuer

As at the date of this Registration Document, MM Star HoldCo (the Guarantor) holds 99.99% of the entire issued share capital of the Issuer, with the remaining 0.01% held by Millemont Holdings Limited.

As set out in this Registration Document, and in line with sound governance procedures and relevant regulatory requirements, measures have been instituted to ensure that the control exercised by MM Star HoldCo, as major shareholder, is not abused. These measures include:

(a) the composition of the Board of Directors, which includes a balanced mix of executive directors and experienced, independent non-executive directors; and

(b) the adoption of the governance rules set out in section 8.8 above of this Registration Document.

To the best of the Issuer's knowledge, there are no arrangements in place as at the date of this Registration Document the operation of which may at a subsequent date result in a change in control of the Issuer.

9.2 Major Shareholders of the Guarantor

The entire issued share capital of the Guarantor is held by Millemont 3 Limited Partnership.

Measures are in place to ensure that control within the Partnership is not abused, as explained in section 5.4 above of this Registration Document, through the implementation of a structured governance framework. As a private fund limited partnership established under English law, the Partnership is subject to the regulatory provisions of the Limited Partnership Act 1907 and the UK Financial Services and Markets Act 2000. To further ensure that control is not abused of, regulatory oversight is provided by an independent third-party investment manager, Gen II Management Company (UK) Limited. There are no arrangements in place as at the date of this Registration Document, the operation of which may at a subsequent date result in a change in control of the Guarantor.

10 LEGAL AND ARBITRATION PROCEEDINGS

There have been no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened or of which the Issuer or the Guarantor are 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 Group's financial position or profitability.

11 SHARE CAPITAL

11.1 Share Capital of the Issuer

The authorised share capital of the Issuer is €250,000. The issued share capital is €250,000 divided into 249,999 ordinary 'A' shares and one under ordinary 'B' share, each of a nominal value of €1.00, fully paid up.

In terms of the Issuer's Memorandum and Articles of Association, none of the capital shall be issued in such a way as would effectively alter the control of the Issuer without the prior approval of the Issuer in a general meeting.

The shares of the Issuer are not listed on the Malta Stock Exchange and no application has been filed for the shares of the Issuer to be quoted on the Malta Stock Exchange.

To the best of the Board of Directors' knowledge, 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.

11.2 Share Capital of the Guarantor

The memorandum and articles of association of the Guarantor do not specify an authorised share capital, subject to a minimum of one ordinary share being in existence. The issued share capital is £1 divided into one ordinary share of a nominal value of £1, fully paid up.

In terms of the Guarantor's memorandum and articles of association, none of the capital shall be issued in such a way as would effectively alter the control of the Guarantor without the prior approval of the Guarantor in a general meeting.

The shares of the Guarantor are not listed or traded on an exchange and no application has been filed for the shares of the Guarantor to be quoted on an exchange.

To the best of the knowledge of the Guarantor's board of directors, 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.

12 MEMORANDUM AND ARTICLES OF ASSOCIATION

12.1 The Issuer

The Memorandum and Articles of Association of the Issuer are registered with the Registrar of Companies at the Malta Business Registry. A full list of the objects for which the Issuer is established is set out in clause 3 of the Memorandum of Association. These objects include, but are not limited to, the following:

(a) carrying on the business of a finance and investment company in connection with the ownership, development, operation and financing of hotels, leisure facilities, mixed-use properties and tourism related activities and such other activities as may from time to time be ancillary or complementary to the foregoing whether in Malta or overseas;

(b) issuing bonds, commercial paper or any other instruments creating or acknowledging indebtedness and selling or offering the same to the public;

(c) subscribing for, taking, purchasing, participating in or otherwise acquiring, holding, managing, selling or otherwise disposing of, and dealing in any manner whatsoever in, shares, stock, debentures, bonds, notes or other securities whatsoever solely for and on behalf of the Issuer, and options, warrants or other rights or interests whatsoever in any such securities of, and any interests whatsoever in, any company in any other part of the world as the Issuer may determine and in such manner, under such terms and conditions and for such consideration as the Issuer may think fit;

(d) borrowing or raising money in such manner and under such terms and conditions as the Issuer may deem fit, and in particular, by way of bank loans and overdrafts, or undertake any obligation without limitation as to the limit of indebtedness and to guarantee the performance of any obligation of a third party, jointly and severally with such third party and/or with others in such a manner as the Issuer shall think fit inclusive by the issue of debentures; and

(e) to secure and guarantee the repayment of any money which is borrowed or raised by the Issuer or the performance of any obligation undertaken by the Issuer, whether principal or ancillary, in any manner, including that of hypothecation, general or particular, mortgage, charge or lien, pledge of the whole or part of the immovable or movable property or assets of the Issuer, whether present or future, including the Issuer's uncalled capital.

12.2 The Guarantor

The memorandum and articles of association of the Guarantor are registered with the Companies House in England and Wales.

13 MATERIAL CONTRACTS

The entities forming part of the Group, including albeit not limited to, the Issuer and the Guarantor, have not entered into any material contracts that are not in the ordinary course of their respective business and which could result in either of the said entities being under an obligation or entitlement that is material to the Group as at the date of this Registration Document.

14 PROPERTY VALUATION REPORT

The Issuer commissioned architect Christian Spiteri on behalf of C&K Architecture to issue a property valuation report on the Yotel Edinburgh (the "**Valuation Report**"). The following are the details of the architect:

Business Address: 27, Triq San Gorg, Il-Gzira GZR 1336.
Qualifications: B.E.&A. (Hons) A.&C.E.

The Valuation Report is incorporated by reference to the Prospectus and is accessible at the following hyperlink: http://mmfinancemalta.com/mmstarmaltafinanceplc/.

15 STATEMENTS BY EXPERTS AND DECLARATIONS BY EXPERTS AND DECLARATIONS OF ANY INTEREST

Save for the Valuation Report incorporated by reference to the Prospectus, the Prospectus does not contain any statement or report attributed to any person as an expert.

The Valuation Report has been included in the form and context in which it appears with the authorisation of Architect Christian Spiteri of C&K Architecture, who has given and has not withdrawn his consent to the inclusion of the report herein. Architect Christian Spiteri does not have any material interest in the Issuer.

The Issuer confirms that the Valuation Report has been accurately reproduced in the Prospectus and as far as the Issuer is aware and is able to ascertain from the information contained therein, no facts have been omitted which render the reproduced information inaccurate or misleading.

16 DOCUMENTS AVAILABLE FOR INSPECTION AND INCORPORATED BY REFERENCE

For the duration of this Registration Document, the following documents are available for inspection at the registered address of the Issuer:

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

(b) Audited consolidated financial statements of the Guarantor for the six-month period ended 31 December 2024;

(c) Audited financial information of Erskine PropCo and Erskine OpCo for the financial years ended 31 December 2022, 31 December 2023 and 31 December 2024;

(d) Pro forma financial information of the Group and independent accountant's report;

(e) Financial analysis summary prepared by the Sponsor dated 27 May 2025;

(f) The Guarantee;

(g) The Security Trust Deed; and

(h) The Valuation Report.

These documents are also available for inspection in electronic form on the Issuer's website: https://mmfinancemalta.com/.