REGISTRATION DOCUMENT

Dated 10 October 2022

This Registration Document is issued in accordance with the provisions of Chapter 4 of the Capital Markets Rules issued by the MFSA and of the Prospectus Regulation.

In respect of an issue of

€35,000,000 5% Unsecured Bonds 2032

of a nominal value of €100 per Bond issued at par by

VON DER HEYDEN GROUP

VON DER HEYDEN GROUP FINANCE P.L.C.

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

*Guaranteed by

TIMAN INVESTMENTS HOLDINGS LIMITED

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

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

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

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

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

Legal Counsel	Sponsor, Manager & Registrar
GVZH ADVOCATES	Calamatta Cuschieri YOUR PARTNER IN FINANCIAL SERVICES

APPROVED BY THE DIRECTORS

Antonio Fenech
in his capacity as Director of the Issuer and for and on behalf of
Javier Errejón Sainz de la Maza, Jozef Bronislaw Borowski, Joseph Muscat and Robert Aquilina

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IMPORTANT INFORMATION

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

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

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

THE PROSPECTUS DOES NOT CONSTITUTE, AND MAY NOT BE USED FOR PURPOSES OF, AN OFFER OR INVITATION TO SUBSCRIBE FOR SECURITIES: 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.

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

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

A COPY OF THE PROSPECTUS HAS BEEN SUBMITTED TO THE MFSA IN SATISFACTION OF THE CAPITAL MARKETS RULES, TO THE MALTA STOCK EXCHANGE IN SATISFACTION OF THE MALTA STOCK EXCHANGE BYE-LAWS AND HAS BEEN DULY FILED WITH THE REGISTRAR OF COMPANIES IN ACCORDANCE WITH THE COMPANIES ACT.

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

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

ALL THE ADVISORS TO THE ISSUER NAMED IN SUB-SECTION 4.3 OF THIS REGISTRATION DOCUMENT HAVE ACTED AND ARE ACTING EXCLUSIVELY FOR THE ISSUER IN RELATION TO THIS PUBLIC OFFER AND HAVE NO CONTRACTUAL, FIDUCIARY OR OTHER OBLIGATION TOWARDS ANY OTHER PERSON AND WILL, ACCORDINGLY, NOT BE RESPONSIBLE TO ANY INVESTOR OR ANY OTHER PERSON WHOMSOEVER IN RELATION TO THE TRANSACTIONS PROPOSED IN THE PROSPECTUS.

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

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

1. DEFINITIONS

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

2017 VDHG Bonds	the €25,000,000 4.4% unsecured bonds 2024 (ISIN: MT0001401208) of a nominal value of €1,000 per bond issued at par by the Issuer pursuant to a prospectus dated 30 January 2017, guaranteed by Timan Investments Holdings Limited, which are listed and trading on the Official List of the Malta Stock Exchange. Further details on the 2017 VDHG Bonds are set out in sub-section 5.1 of this Registration Document;
Act or Companies Act	the Companies Act, Chapter 386 of the laws of Malta;
Andersia Retail Sp. z o.o.	Andersia Retail Sp. z o.o., a subsidiary company of First Polish Real Estate B.V. (defined below), registered under the laws of Poland with company registration number 238196 and having its registered address at Pl. Andersa 7, 61-894 Poznań, Poland;
Authorised Intermediaries	the licensed financial intermediaries whose details are listed in Annex II of the Securities Note forming part of the Prospectus;
Bogenhausener Tor Immobilien S.à r.l.	Bogenhausener Tor Immobilien S.à r.l., an associate company of the Guarantor, registered under the laws of Luxembourg with company registration number B230258 and having its registered address at 6 rue Adolphe, L-1116 Luxembourg, Luxembourg;
Bond Issue	the issue of the Bonds;
Bond Obligations	the punctual performance by the Issuer of all of its obligations under the Bond Issue, including the repayment of principal and payment of interest thereon;
Bondholders	a holder of Bonds to be issued by the Issuer in terms of the Prospectus;
Bond(s)	a maximum of €35,000,000 unsecured bonds due in 2032 of a nominal value of €100 per bond issued at par by the Issuer and redeemable on the Redemption Date at their nominal value, bearing interest at the rate of 5% *per annum*, as detailed in the Securities Note. The Bonds are guaranteed by the Guarantor;
Capital Markets Rules	the capital markets rules issued by the Malta Financial Services Authority, as may be amended and/or supplemented from time to time;
Company or Issuer	Von der Heyden Group Finance plc, a public company registered under the laws of Malta with company registration number C 77266 and having its registered office at 14 East, Level 8, Sliema Road, Gzira GZR 1639, Malta;
Directors or Board	the directors of the Issuer at the date of the Prospectus whose names are set out in sub-section 4.1.1 of this Registration Document;
Donaupassage Hotel Passau Betriebs GmbH	Donaupassage Hotel Passau Betriebs GmbH, a subsidiary company of the Guarantor, registered under the laws of Germany with company registration number Amtsgericht Passau HRB 7582 and having its registered address at Bahnhofstrasse 24, 94032 Passau, Germany;
EBIT	an abbreviation used for earnings before interest and tax;
EBITDA	an abbreviation used for earnings before interest, tax, depreciation and amortisation;

Euro or €	the lawful currency of the Republic of Malta;
Financial Analysis Summary	the financial analysis summary dated 10 October 2022 compiled by the Sponsor in line with the applicable requirements of the MFSA Listing Policies, a copy of which is set out in Annex III of the Securities Note forming part of the Prospectus;
First Polish Real Estate B.V.	First Polish Real Estate B.V., a company registered under the laws of the Netherlands with company registration number 34209436 and having its registered office at Barbara Strozzilaan 101, 201, 1083HN, Amsterdam, Netherlands. The direct subsidiaries of First Polish Real Estate B.V. are Andersia Retail Sp. z o.o. (Polish registration number 238196), Andersia Property Sp. z o.o. (Polish registration number 58643), Dlugi Targ Hotel Management Sp. z o.o. (Polish registration number 610327) and Dlugi Targ Sp. z o.o. (Polish registration number 258097), all of which subsidiary entities are incorporated and registered in Poland;
Group	the Guarantor (parent company) and any subsidiary and associated company or entity, including the Issuer, in which the Guarantor has a controlling interest, as further described in sub-section 5.2 of this Registration Document, principally involved in real estate investments, property management, development and leasing, hospitality and tourism operations and hotel management across Europe, including Germany, Italy, Malta, Poland, Spain, the Netherlands, Portugal and Montenegro;
Guarantee	the guarantee dated 10 October 2022 granted by the Guarantor as security for the punctual performance of all the obligations undertaken by the Issuer under the Bonds and, without prejudice to the generality of the foregoing, the undertaking on the part of the Guarantor to pay all amounts of principal and interest which may become due and payable by the Issuer to Bondholders under the Bonds, within 60 days from the date such amount falls due and remains unpaid by the Issuer. A copy of the Guarantee and a description of the nature, scope and terms of the Guarantee are appended to the Securities Note as Annex I thereto;
Guarantor	Timan Investments Holdings Limited, a private limited liability company registered under the laws of Malta with company registration number C 63335 and having its registered office at 14 East, Level 8, Sliema Road, Gzira GZR 1639, Malta;
IBB Blue Hotel Betriebs GmbH	IBB Blue Hotel Betriebs GmbH, a subsidiary company of the Guarantor, registered under the laws of Germany with company registration number Amtsgericht Charlottenburg HRB 176072 and having its registered address at Groß-Berliner Damm 71, 12487 Berlin, Germany;
IBB Hammetts Operations Limited	IBB Hammetts Operations Limited, a private limited liability company registered under the laws of Malta with company registration number C 81213 and having its registered office at 14 East, Level 8, Sliema Road, Gzira GZR 1639, Malta;
IBB Hotel Collection Holding S.L.	IBB Hotel Collection Holding S.L., a subsidiary company of the Guarantor, registered under the laws of Spain with company registration number B07609258 and having its registered address at Plaza Explanada 57, 2° 07703 Mahón, Menorca, Spain;
IBB Hotels Deutschland Betriebs GmbH	IBB Hotels Deutschland Betriebs GmbH, a subsidiary company of the Guarantor, registered under the laws of Germany with company registration number Amtsgericht Passau HRB 9187 and having its registered address at Bahnhofstrasse 24, 94032 Passau, Germany;

IBB Hotel Management Europe Ltd	IBB Hotel Management Europe Ltd, a company registered under the laws of Malta with company registration number C 74696 and having its registered office at 14 East, Level 8, Sliema Road, Gzira GZR 1639, Malta;
Knight Frank Sp. z o.o.	Knight Frank Sp. z o.o., a company registered under the laws of Poland with company registration number 134273 and having its registered address at ulica Mokotowska 49, 00-542 Warsaw, Poland;
Lublin Grand Hotel Sp. z o.o.	Lublin Grand Hotel Sp. z o.o., a subsidiary company of the Guarantor, registered under the laws of Poland with company registration number 61774 and having its registered address at Wspólna 62, 00-684 Warsaw, Poland;
Lublin Grand Hotel Management Sp. z o.o.	Lublin Grand Hotel Management Sp. z o.o., a subsidiary company of the Guarantor, registered under the laws of Poland with company registration number 145390 and having its registered address at ul. Krakowskie Przedmieście 56, 20-002 Lublin, Poland;
Malta Stock Exchange or Exchange or MSE	Malta Stock Exchange plc, as originally constituted in terms of the Financial Markets Act, Chapter 345 of the laws of Malta, with company registration number C 42525 and having its registered office at Garrison Chapel, Castille Place, Valletta VLT 1063, Malta;
Memorandum and Articles of Association	the memorandum and articles of association of the Issuer in force at the time of publication of the Prospectus, and the terms “Memorandum of Association” and “Articles of Association” shall be construed accordingly;
MFSA	the Malta Financial Services Authority, established in terms of the Malta Financial Services Authority Act, Chapter 330 of the laws of Malta, in its capacity as the competent authority in terms of the Financial Markets Act, Chapter 345 of the laws of Malta, authorised to approve prospectuses and admissibility to listing and to monitor and supervise local regulated markets and participants thereof falling within the regulatory and supervisory remit of the MFSA;
MSE Bye-Laws	the MSE bye-laws issued by the authority of the board of directors of Malta Stock Exchange plc, as may be amended from time to time;
Official List	the list prepared and published by the Malta Stock Exchange as its official list in accordance with the MSE Bye-Laws;
Prospectus	collectively, the Summary, this Registration Document and the Securities Note published by the Issuer in connection with the issue of the Bonds all dated 10 October 2022 as such documents may be amended, updated, replaced and supplemented from time to time;
Prospectus Regulation	Regulation (EU) 2017/1129 of 14 June 2017 of the European Parliament and of the Council on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC, as may be amended and/or supplemented from time to time, and in accordance with the provisions of Commission Delegated Regulation No. 2019/979 and Commission Delegated Regulation No. 2019/980 issued thereunder;
Redemption Date	16 December 2032;
Registration Document	this document in its entirety issued by the Issuer dated 10 October 2022, forming part of the Prospectus;

Securities Note	the securities note issued by the Issuer dated 10 October 2022, forming part of the Prospectus;
Sponsor, Manager & Registrar	Calamatta Cuschieri Investment Services Limited, a private limited liability company registered under the laws of Malta having its registered office at Ewropa Business Centre, Triq Dun Karm, Birkirkara BKR 9034, Malta and bearing company registration number C 13729. Calamatta Cuschieri Investment Services Limited is authorised to conduct investment services by the Malta Financial Services Authority in terms of the Investment Services Act, Chapter 370 of the laws of Malta, and is a member of the MSE;
Subsidiaries	means all entities, including structured entities, over which the Issuer and/or the Guarantor, as applicable, has control. In terms of International Financial Reporting Standards (IFRS) as adopted by the European Union (EU), a group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. The term "Subsidiary" shall be construed accordingly;
Summary	the summary issued by the Issuer dated 10 October 2022, forming part of the Prospectus;
Trusthigh Holdings Limited	Trusthigh Holdings Limited, a company registered under the laws of Ireland with company registration number 546261 and having its registered office at Raffeen House, Ringaskiddy, Co., Cork, Ireland; and
Von der Heyden Group Holdings B.V.	Von der Heyden Group Holdings B.V., a company registered under the laws of Curaçao with company registration number 155289 and having its registered office at Landhuis Groot Kwartier, Groot Kwartierweg 12, Curaçao.

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

Unless it appears otherwise from the context:

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

2. RISK FACTORS

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

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

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

THE RISKS AND UNCERTAINTIES DISCUSSED BELOW ARE THOSE IDENTIFIED AS SUCH BY THE DIRECTORS OF THE ISSUER AS AT THE DATE OF THE PROSPECTUS, BUT THESE RISKS AND UNCERTAINTIES MAY NOT BE THE ONLY ONES THAT THE ISSUER AND THE GUARANTOR MAY FACE. ADDITIONAL RISKS AND UNCERTAINTIES, INCLUDING THOSE WHICH THE ISSUER'S DIRECTORS ARE NOT CURRENTLY AWARE OF, MAY WELL RESULT IN A MATERIAL IMPACT ON THE FINANCIAL CONDITION AND OPERATIONAL PERFORMANCE OF THE ISSUER AND/OR THE GUARANTOR.

NEITHER THE PROSPECTUS NOR ANY OTHER INFORMATION SUPPLIED IN CONNECTION WITH SECURITIES ISSUED BY THE ISSUER:

(I) IS INTENDED TO PROVIDE THE BASIS OF ANY CREDIT OR OTHER EVALUATION, NOR
(II) SHOULD BE CONSIDERED AS A RECOMMENDATION BY THE ISSUER, THE GUARANTOR, THE SPONSOR, MANAGER & REGISTRAR OR AUTHORISED INTERMEDIARIES THAT ANY RECIPIENT OF THIS PROSPECTUS OR ANY OTHER INFORMATION SUPPLIED IN CONNECTION THEREWITH, SHOULD PURCHASE ANY SECURITIES ISSUED BY THE ISSUER.

PROSPECTIVE INVESTORS SHOULD MAKE THEIR OWN INDEPENDENT EVALUATION OF ALL RISK FACTORS AND SHOULD CONSIDER ALL OTHER SECTIONS IN THIS DOCUMENT.

2.1 Forward-looking statements

The Prospectus and the documents incorporated therein by reference or annexed thereto contain forward-looking statements that include, among others, statements concerning the Issuer's and/or Guarantor's strategies and plans relating to the attainment of their respective objectives, capital requirements and other statements of expectations, beliefs, future plans and strategies, anticipated developments and other matters that are not historical facts and which may, accordingly, involve predictions of future circumstances.

Prospective investors can generally identify forward-looking statements by the use of terminology such as "may", "will", "should", "expect", "intend", "plan", "estimate", "anticipate", "believe", "forecast", "project" or similar phrases. Such forward-looking statements are inherently subject to a number of risks, uncertainties and assumptions, a few of which are beyond the Issuer's and/or Guarantor's control. Important factors that could cause actual results to differ materially from the expectations of the Issuer's directors include those risks identified under the heading "Risk Factors" and elsewhere in the Prospectus.

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

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

2.2 Risks relating to Issuer's exposure to and dependence on the Group and its business

The Issuer itself does not have any substantial assets and is essentially a special purpose vehicle set up to act as a financing company solely for the needs of the Group, and, as such, its assets are intended to consist primarily of loans issued to Group companies. The Issuer is dependent on the business prospects of the Group and, consequently, the operating results of the Group have a direct effect on the Issuer's financial position.

Therefore, the risks intrinsic in the business and operations of Group companies have a direct effect on the ability of the Issuer and the Guarantor to meet their respective obligations in connection with the payment of interest on the Bonds and repayment of principal when due. Accordingly, the risks of the Issuer are indirectly those of the Group, and, in turn, all risks relating to the Group are the risks relevant to the Guarantor.

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

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

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

The general upward trend in global inflation may cause an increase in the prices of materials, machinery and other inputs, especially for construction projects, while also causing a margin squeeze in the hotel and accommodation segments if the increase in prices cannot be passed on to end consumers.

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

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

The Group is also subject to the timely completion of prospective developments and other budgetary constraints relative to its business. These include factors such as the level of investment across the property market, property prices and other economic and social factors affecting demand for real estate generally. In the event that general economic conditions and property market conditions experience a downturn which is not contemplated in the Group's planning during the completion of its prospective real estate development projects. The Group's hospitality operations could also be impacted in the event of an economic downturn, which would have an adverse effect on the tourism industry and constrain consumer spending, both of which would have a negative impact on the financial performance of the hospitality operations of the Group. Such factors may have an adverse impact on the financial condition of the Group and the ability of the Issuer and the Guarantor to meet their respective obligations under the Bonds.

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

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

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

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

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

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

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

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

2.3.2 Risks relating to properties under development

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

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

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

2.3.3 Fluctuations in property values

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

The Group's operating performance could be adversely affected by a downturn in the property market in terms of capital values. The valuation of property and property-related assets is inherently subjective, due to, among other things, the individual nature of each property and the assumptions upon which valuations are carried out. Accordingly, there is no assurance that valuations of Group properties and property related assets will reflect actual market values that could be achieved upon a sale. Actual values may be materially different from any future values that may be expressed or implied by forward-looking statements set out in the relative valuation or anticipated on the basis of historical trends, as reality may not match the assumptions made.

2.3.4 Risks related to the availability of funding for completion of the Andersia Silver project

The Group secured the necessary bank financing from a consortium of three banks to part finance the construction and completion of the Andersia Silver project as detailed in sub-section 5.3 of this Registration Document. The drawdown of the bank financing is conditional to 50% pre-leasing of the office space. To date, the Group has fully secured close to 10% of office space leasing and is in advanced negotiations for another 2,500 sqm that would bring it to a total pre-lease of 15.65%.

Prolonged and/or unsuccessful negotiations with potential lessees and/or unfavourable conditions in the financial markets may adversely affect the Group's ability to satisfy the required 50% pre-leasing of the office space and would result in delays in the completion of the project.

Furthermore, the Group may not be able to secure alternative sufficient financing for the completion of the project. No assurance can be given that sufficient financing will be available on commercially reasonable terms or within timeframes required by the Group. Failure to obtain, or delays in obtaining, the capital required to complete the Andersia Silver project on commercially reasonable terms, including increases in borrowing costs or decreases in loan availability, may limit the Group's growth and materially and adversely affect its business, financial condition, results of operations and prospects. In addition, the Group may be exposed to a variety of financial risks associated with the unpredictability inherent in financial markets, including market risk (such as the risk associated with fluctuations in interest rates and fair values of investments), credit risk (the risk of loss by the Group due to its debtors not respecting their commitments), and interest rate risk (such as the risk of potential changes in the value of financial assets and liabilities in response to changes in the level of market interest rates and their impact on cash flows).

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

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

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

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

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

2.3.6 COVID-19 pandemic and possible similar future outbreaks

The widespread global pandemic of the infectious disease COVID-19 is continuing to take place in varying degrees across several countries and ensuing restrictions remain in force, albeit to a lesser extent than that experienced during 2020 and 2021. The pandemic caused state of emergencies being declared in various countries, travel restrictions being imposed, quarantines being established and various institutions and companies being closed, although over recent months such restrictions have been eased. The ongoing COVID-19 pandemic and any possible future outbreaks of viruses may have a significant adverse effect on the Group.

The full impact of the COVID-19 pandemic on the Group's business will depend on a range of factors, which the Issuer is not able to accurately predict as at the date of the Prospectus, including the duration and scope of the pandemic, the impact of possible new COVID-19 variants, the impact on economic activity and any future measures adopted by the governments in various jurisdictions to mitigate the impact of the COVID-19 pandemic, any of which may have a negative impact on the Group's suppliers and customers, or the economy as a whole and, could, in turn, have an adverse effect on the operations and financial results of the Group.

2.3.7 Competition

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

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

2.3.8 The Group may be exposed to risks relative to its insurance policies

Although the Group maintains insurance at levels determined to be appropriate in the light of the cost of cover and the risk profiles of the businesses in which the Group operates, there can be no assurance that its insurance coverage will be sufficient, or that insurance proceeds will be paid on a timely basis to the Group. In addition, the Group may not be able to recover the full amount from the insurer. No assurance can be given that the Group's current insurance coverage would be sufficient to cover all potential losses, regardless of the cause, nor can any assurance be given that an appropriate coverage would always be available at acceptable commercial rates or that risks presently covered by insurance policies would be insurable in future. Furthermore, a breach of warranty could result in the Group being unable to receive any sort of insurance coverage despite having an insurance policy in place. As a result, any loss or disruption to any of the Group's operations may have a material adverse effect on the Group's business, results of operations and financial condition.

2.3.9 Liquidity risk

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

2.3.10 Risks relating to fluctuations in exchange rates and other regional economic developments

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

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

Any unexpected changes in the political, social or economic conditions of certain countries may reduce leisure and business travel to and from those affected countries, which, in turn, may adversely affect relevant Group companies' room rates and/or occupancy levels and other income-generating activities, and could potentially lead to increased costs through increased taxes in those particular countries, ultimately resulting in the deterioration of the Group's business and/or operating results in the affected countries.

2.3.11 Risks associated with sustainability factors

The Company is committed to incorporating and maintaining environmental, social and corporate governance considerations on an on-going basis in investment processes to safeguard the interests of its clients and other relevant stakeholders, pursuant to applicable local and international regulations. Sustainability factors – such as environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters – may have a positive or negative impact on the financial performance of the Group's investments. Sustainability as a risk factor is relevant to all investments, where 'sustainability risk' is taken to refer to an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the Group's investments and its financial performance. Sustainability risks can be identified across asset classes, sectors and geographies. The relevance of a sustainability risk type for a portfolio depends on both the investment strategy and the risk type characteristics. Some sustainability risks may potentially have a negative impact on all investment strategies, while others may only affect specific companies or sectors. The time horizon, likelihood of occurrence, likely impact and ability to control some sustainability risks are often uncertain. Sustainability risks may become relevant and lead to pressure for action in the short term, as well as over the medium and long-term. While it is not believed, at present, that sustainability risks will likely have material negative impacts on the business activities and financial performance of the Group, any such negative impacts on the future returns of the Group cannot be excluded.

3. PERSONS RESPONSIBLE & AUTHORISATION STATEMENT

3.1 Persons responsible

This Registration Document includes information prepared in compliance with the Capital Markets Rules issued by the MFSA for the purpose of providing Bondholders with information with regard to the Issuer and the Guarantor. Each and all of the Directors of the Issuer whose names appear in sub-section 4.1.1 of this Registration Document accept responsibility for all the information contained in the Prospectus.

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

3.2 Authorisation statement

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

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

4.1 Directors

4.1.1 Directors of the Issuer

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

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

Antonio Fenech and Javier Errejón Sainz de la Maza occupy senior executive positions within the Group. The other three Directors, Joseph Muscat, Robert Aquilina and Jozef Bronislaw Borowski serve on the Board of the Issuer in a non-executive capacity, with Joseph Muscat and Robert Aquilina being considered as independent Directors since they are free of any business, family or other relationship with the Issuer, its controlling shareholder or the management of either, that could create a conflict of interest such as to impair their judgement. In assessing Mr Muscat's and Mr Aquilina's independence, due notice has been taken of Rule 5.119 of the Capital Markets Rules.

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

Karen Coppini is the company secretary of the Issuer.

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

Name: **Antonio Fenech**; Chairman and Executive Director

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

Name: **Javier Errejón Sainz de la Maza**; Executive Director

Mr Errejón presently holds the position of Managing Director and Chief Financial Officer of the Guarantor and Managing Director of IBB Hotel Management Europe Ltd. He joined the Group in September 2006 as its Chief Financial Officer and member of the management board responsible for finance. Prior to that he occupied several senior positions, including that of head of analysis and management control of Aldeasa S.A. and controller and financial management of Grupo Ferrovial. With a Bachelor in Law and a Master of Business Administration degree from IESE Business School, Mr Errejón is also a professor teaching finance and business valuation at various universities and business schools in Spain and other countries.

Name: **Jozef Bronislaw Borowski**; Non-executive Director

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

Name: **Joseph Muscat**; Independent, non-executive Director

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

Name: **Robert Aquilina;** Independent, non-executive Director

Mr Aquilina joined the family business, Salvo Grima Group, in 1973, a business established in 1860. In 1988 he was appointed as Managing Director and eventually Chairman and CEO of the group in 2003. During his tenure, Mr Aquilina was instrumental in growing the business from just ship suppliers to multiple business activities, including freight forwarding, freeport warehousing, travel retail outlets in Malta and Palma De Mallorca as well as a fast-moving-consumer-goods distribution company in the Netherlands. Outside the Salvo Grima Group, Mr Aquilina has served at public level as Chairman of the Malta Shipyards (leading to its privatisation) as well as a director at Enemalta Corporation, Malta Resources Authority and privately at Nordic Offshore Services A/S Denmark (NOS), Valletta Cruise Port plc and MelitaUnipol Insurance Agency Limited. In April 2016, he relinquished his position as CEO of the group and became non-executive Chairman of the Group in line with the family charter. Today Mr Aquilina is an authorised director, approved by the Malta Financial Services Authority to serve as a non-executive independent chairman or director on regulated or non-regulated entities. Amongst others, Mr Aquilina has been a member of the Malta Chamber of Commerce since 1983, a council member (10 years) and Senior Vice-President (5 years) at IMPA (the International Marine Purchasing Association) as well as a founding member of the Airport Tax Free Association and the Duty-Free Port Shops Association, Malta.

4.1.2 Directors of the Guarantor

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

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

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

Nicholas Formosa is the company secretary of the Guarantor.

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

Name: **Sven von der Heyden**; Chairman and executive director

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

Name: **Javier Errejón Sainz de la Maza**; Executive director

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

Name: **Antonio Fenech**; Executive director

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

4.2 Senior management

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

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

Name: **Robert Hendrik Rottinghuis**; Chief Executive Officer

Mr Rottinghuis joined the Group in 2016 as an executive director and member of the management board, after having serviced the Group in different roles working with corporate services providers and banks for over 10 years. Mr Rottinghuis also held the position of managing director of United International Management Malta and director in its Luxembourg office, primarily servicing private equity and real estate investment funds. Mr Rottinghuis holds a Masters in Business Administration degree.

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

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

Name: **Lorriane Mizzi**; Group Financial Controller

Ms Mizzi joined the Group in 2017 and is responsible for the financial division of the Group. Ms Mizzi is a warranted accountant and auditor and prior to joining the Group she was for 13 years in the auditing profession initially with Falzon and Falzon and her later years with RSM Malta.

Name: **Tiana Vella**; Director Human Resources

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

Name: **Theresienne Mifsud**; Head of Legal

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

Name: **Cristina Gomez-Cambronero**; Financial Controller IBB Hotel Collection

Ms Gómez-Cambronero joined the Group in 2002 and is responsible for the financial control of the hotel division since 2019. Prior to this role she was in charge of the accounts supervision and general administration of the Group's Spanish subsidiaries based in Menorca. Before joining the Group 20 years ago, she worked for 4 years with the Spanish hotel company Hoteles Globales in various roles within the company's properties in Menorca.

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

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

Name: **Alexandra Bondi**; Group Head of PR & Marketing

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

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

4.3 Advisors

Legal Counsel

Name: GVZH Advocates
Address: 192, Old Bakery Street, Valletta VLT 1455, Malta

Sponsor, Manager & Registrar

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

Financial Advisors

Name: Ernst & Young Limited (C 30241)
Address: Fourth Floor, Regional Business Centre, Achille Ferris Street, Msida MSD 1751, Malta

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

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

4.4 Auditors

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

The annual statutory financial statements of the Issuer for the financial years ended 31 December 2019, 2020, and 2021 have been audited by Ernst & Young Malta Limited of Fourth Floor, Regional Business Centre, Achille Ferris Street, Msida MSD 1751, Malta.

The annual statutory consolidated financial statements of the Guarantor for the financial years ended 31 December 2019, 2020, and 2021 have been audited by Ernst & Young Malta Limited of Fourth Floor, Regional Business Centre, Achille Ferris Street, Msida MSD 1751, Malta.

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

5. INFORMATION ABOUT THE ISSUER AND GUARANTOR

5.1 The Issuer

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

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

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

As at the date of the Prospectus, the Issuer has an authorised and issued share capital of €250,000 divided into 249,999 ordinary A shares of a nominal value of €1.00 each and 1 ordinary B share of a nominal value of €1.00, all being fully paid-up and subscribed for, allotted and taken up by the Guarantor, other than the 1 ordinary B share which is subscribed for, allotted and taken up by Von der Heyden Group Holdings B.V. Further details concerning the manner in which the shares in the Issuer are subscribed to are set out in sub-section 13.1 of this Registration Document.

The Issuer is not intended to undertake any trading activities itself apart from the raising of capital and the advancing thereof to members of the Group. Accordingly, the Issuer is economically dependent on the financial and operating performance of the businesses of Group entities, comprising of developing high-quality office buildings and residential buildings, owning and managing hotels in Europe, including Germany, Malta, Poland, Portugal and Spain, the holding of real estate properties for investment purposes, hotel accommodation and catering; asset management; and private equity and other ventures such as real estate brokerage, yacht dealership and chartering, low cost petrol stations operation and other venture capital and capital markets investments.

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

Since its incorporation, the Company issued one bond, which is currently listed and trading on the Official List of the Malta Stock Exchange, details of which are set out immediately below.

In January 2017, the Company issued €25,000,000 4.4% Unsecured Bonds 2024 of a nominal value of €1,000 per bond issued at par, the net proceeds of which were on-lent to Group companies to repay related party balances and to part-finance various acquisitions and developments of investment property, amongst others, in terms of a prospectus dated 30 January 2017. Unless previously re-purchased or cancelled, the 2017 VDHG Bonds are redeemable at their nominal value on 8 March 2024. Interest on the 2017 VDHG Bonds is repayable annually on the 8 March of each year between and including each of the years 2018 and the year 2024 at the rate of 4.4% *per annum*. As at the date of this Registration Document, the amount of €25,000,000 of the said 2017 VDHG Bonds remains outstanding, and it is the Issuer's intention that the 2017 VDHG Bonds are to be redeemed early upon the issue of the Bonds and admission to trading and listing of the Bonds on the Official List. Full details of the mechanics of the early redemption of the 2017 VDHG Bonds and the rights of holders of the 2017 VDHG Bonds upon such early redemption are set out in the Securities Note.

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

5.2 The Guarantor

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

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

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

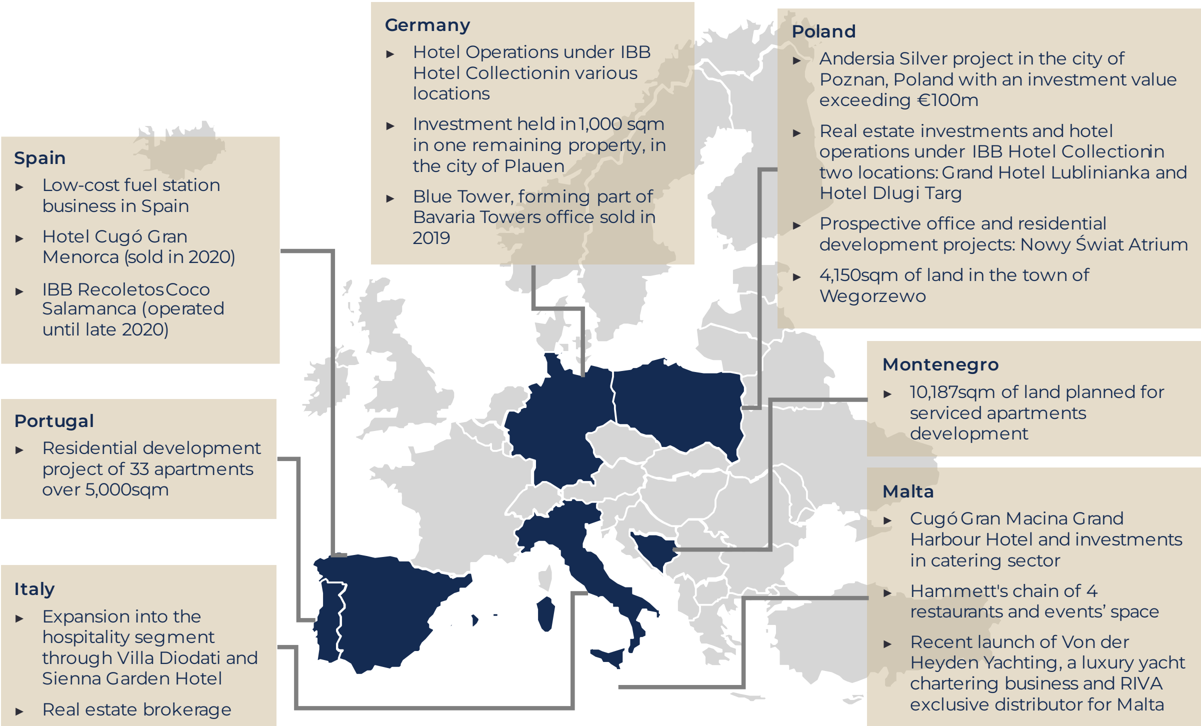
As at the date hereof, the Guarantor has an authorised share capital of €50,000,000 divided into 20,000,000 ordinary A shares of a nominal value of €1 each and 30,000,000 ordinary B shares of a nominal value of €1 each; and an issued share capital of €3,804,641 divided into 3,249,924 ordinary A shares of a nominal value of €1 each and 554,717 ordinary B shares of a nominal value of €1 each, all fully paid-up. At present, the shares in the Guarantor are subscribed to and held as indicated in sub-section 13.3 of this Registration Document.

The principal activity of the Guarantor is to hold investments in subsidiaries and associated entities for capital growth and income generation. The Guarantor also provides financing to the Group and related entities. The principal object of the Guarantor is to invest and deal with monies of the company in any shares, securities, commodities, derivatives and funds and in such manner as may, from time to time, be determined. The Guarantor is also empowered in terms of its Memorandum of Association to guarantee the payment of monies or the performance of any contract or obligation in which the Guarantor may be interested, even by the hypothecation of the Guarantor's property, whether present or future.

In terms of its Memorandum and Articles of Association, the Guarantor is controlled by Von der Heyden Group Holdings B.V. and, in turn, the Group is ultimately controlled by Mr Sven von der Heyden. The Guarantor acts as the parent company of the Group and its principal Malta registered subsidiaries are the Issuer and IBB Hotel Management Europe Ltd. The Group has representative offices in Ukraine (Kyiv), Poland (Warsaw, Poznań, Lublin and Gdansk), Germany (Berlin and Munich), Netherlands (Amsterdam), Spain (Madrid and Menorca), Italy (Sardinia), Portugal (Carvoeiro) and Malta (Gzira). The Group also recorded investments in the US (New York and Atlanta) and Germany (Dresden and Leipzig). As at 31 December 2021, the Group had 37 subsidiary entities 2 of which are immaterial and as such not consolidated) and 7 associated entities registered in Germany, Poland, Ukraine, Spain, Portugal, Italy, Malta, Montenegro, and the Netherlands. Amongst others, the Group's associates include Bogenhausener Tor Immobilien S.à r.l., a company that was involved in the development of the Bavaria Towers Munich project, and IBB Hammetts Operations Limited, an operator of food and beverage outlets and event facilities in Malta. With over 30 years of sound experience and continuing presence in European markets, the Group enjoys the trust of international financial institutions, funds and big market players, family offices as well as embassies and governmental institutions. More information on past, current and future projects may be found in sub-section 5.3 below.

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

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



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

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

Owning Company	Business Activity	Principal Assets / Operations	State, Country & Registered Office	% Ownership
Andersia Property Sp. z o.o. Reg No. 0000058643	Real Estate Investment	Holding Company (100% in Andersia Retail)	Plac Andersa 7, Poznań, Poland	66.67%
Andersia Retail Sp. z o.o. Reg No. 0000238196	Real Estate Investment	40,000sqm Poznań office development	Plac Andersa 7, Poznań, Poland	66.67%
Nowy Swiat 5 Sp. z o.o. Reg No. 0000063825	Real Estate Investment	Central Business District plot 3,750sqm	ul. Wspólna 62, Warsaw, Poland	100%
Von der Heyden & Partners Sp. z o.o. Reg No. 0000080543	Real Estate Investment	Owner - Plots of land, measuring 4,150sqm	ul. Wspólna 62, Warsaw, Poland	100%
Von der Heyden Development Sp. z o.o. Reg No. 0000228286	Real Estate Investment	Development Company	ul. Wspólna 62, Warsaw, Poland	100%
KASA Investments GmbH Reg No. HRB 138355	Real Estate Investment	Owner - 982sqm Residential Building	Devrientweg 26, 12207 Berlin, Germany	50%

Owning Company	Business Activity	Principal Assets / Operations	State, Country & Registered Office	% Ownership
DGDV Capital Limitada Reg No. 515098140	Real Estate Investment	Owner - 5,000sqm Residential Project	Sítio do Castelo do Sino, Vale Currais, Alfanzina, 8400-550-Carvoeiro, Lagoa, Portugal	25%
Hot Spot Real Estate d.o.o. Reg No. 50921297	Real Estate Investment	Owner - 10,187sqm plot of land in Budva	Bulevar Džordža Vašingtona Br. 108/A36, The Capital Plaza, Podgorica, Montenegro	100%
Donaupassage Hotel Passau Betriebs GmbH Reg No. HRB 7582	Hotel Management	Operator - IBB Hotel Passau (3*)	Neuburger Straße 79, 94036 Passau, Germany	99.59%
IBB Blue Hotel Betriebs GmbH Reg No. HRB 176072 B	Hotel Management	Operator- IBB Blue Hotel (3*) Berlin - Airport & IBB Blue Hotel Paderborn (3*)	Groß-Berliner Damm 71, 12487 Berlin, Germany	99.59%
IBB Hotel Deutschland Betriebs GmbH Reg No. HRB 49913	Hotel Management	Operator - (1) IBB Hotel Ingelheim (4*) & (2) IBB Hotel Altmühltal Eichstätt (4*)	Binger Straße 76, 55218 Ingelheim am Rhein, Germany	99.59%
Lublin Grand Hotel Management Sp. z o.o. Reg No. 0000145390	Hotel Management	Operator - IBB Grand Hotel Lublinianka (4*)	ul. Krakowskie Przedmiescie 56, Lublin, Poland	74.63%
Lublin Grand Hotel Sp. z o.o. Reg No. 0000061774	Real Estate Investment	Owner - IBB Grand Hotel Lublinianka	ul. Wspólna 62, Warsaw, Poland	75%
Długi Targ Hotel Management Sp. z o.o. Reg No. 0000610327	Hotel Management	Operator - IBB Hotel Dlugi Targ (4*)	Plac Andersa 7, Poznań, Poland	50%
Długi Targ Sp. z o.o. Reg No. 0000258097	Real Estate Investment	Owner - IBB Hotel Dlugi Targ	Plac Andersa 7, Poznań, Poland	66.67%
IBB España 2004 S.L. Reg No. B57245896	Hotel Management	Operator - IBB Recoletos Coco Salamanca (4*)	Plaza Explanada 57-2° 07703 Mahón, Baleares - España	99.59%
IBB Hotel Management Europe Ltd Reg No. C 74696	Hotel Management	Hotel management company for all IBB Hotels	14 East, Level 8, Sliema Road, Gzira GZR 1639, Malta	99.59%
Senglea Hotel Operations Limited Reg No. C 81041	Hotel Management	Operator - Cugó Gran Macina Grand Harbour	14 East, Level 8, Sliema Road, Gzira GZR 1639, Malta	99.59%

Owning Company	Business Activity	Principal Assets / Operations	State, Country & Registered Office	% Ownership
IBB Hammetts Operations Limited Reg No. C 81213	Hotel Management	Operator - Hammetts Gastro Bar, Hammetts Macina Restaurant, Sheer Bastion & Hammetts Mestizo	14 East, Level 8, Sliema Road, Gzira GZR 1639, Malta	50%
Urbelia Bailen S.L. Reg No. B88062450	Private Equity & Other Investments	Operator - Petrol Station Bailen	C CARNICERIA NUMERO 3, 2H, 28250 Torrelodones, Madrid, Spain	50%
Urbelia Ciudad S.L. Reg No. B8807331	Private Equity & Other Investments	Operator - Petrol Station Ciudad Real	Calle de la Carnicería, 3, 28231 Las Rozas, Madrid, España	50%
Asset Management Company Von der Heyden Group LLC Reg No. 43263811	Private Equity & Other Investments	Asset Management Company	01023, Kyiv, PL. SPORTYVNA, Building 1-A, Building A, Office 12, Kiev, Ukraine	100%
Von der Heyden Real Estate Services Srl Reg No. 02808480905	Private Equity & Other Investments	Real Estate Brokerage & Other Services	Arzachena (SS) Localita' Mirialvera Snc Cap 07021, Sardinia, Italy	50%
Von der Heyden Yachting Limited Reg No. C 97298	Luxury Yacht Chartering & Riva Yachts dealership	Ownership and yachting chartering	14 East, Level 8, Sliema Road, Gzira GZR 1639, Malta	100%
First Polish Real Estate B.V. Reg No. 34209436	Real Estate Development	Holds 100% Dlugi Targ Sp. z o.o., Holds 50% Dlugi Targ Hotel Management Sp. z o.o., Holds 63.75% in Andersia Property Sp. z o.o. and 100% Holding Company of Andersia Retail Sp. z o.o.	Barbara Strozzilaan 101, -201, 1083HN, Amsterdam, Netherlands	53.45%
Villa Diodati S.R.L. Reg No. 205085	Real Estate Development	Owner – 2,000 sqm villa	Santa Croce Sull'arno, (Pi) Largo Vittorio, Sereni 11 Cap 56029, Pisa, Italy	100%
Gzira 14 East Limited Reg No. C 80125	Real Estate Development	Office rental	14 East, Level 8, Sliema Road, Gzira GZR 1639, Malta	100%
IBB Polska Sp. z. o.o. Reg No. 000165326	Hotel Management	Hotel Management company for Poland	Plac Andersa 7, Poznań, Poland	99.59%
IBB Hotel Collection Holding S.L Reg No. B07609258	Hotel Operations	Holding company for all the operational hotel companies of the Group and 4.43% holding in Millennium Menorca Travel SL	Plaza Explanada 57-2° 07703 Mahón, Baleares - España	99.59%
IBB Management 2007 S.L. Reg No. B57479347	Hotel Operations	Company supporting the management structure of the hotel team in Menorca	Plaza Explanada 57-2° 07703 Mahón, Baleares - España	99.59%

Owning Company	Business Activity	Principal Assets / Operations	State, Country & Registered Office	% Ownership
Lvant Prospects Limited Reg No. C 98752	Asset Management	Feeder company set in the form of a club deal for investors	14 East, Level 8, Sliema Road, Gzira GZR 1639, Malta	100%
Von der Heyden Group Services Ltd Reg No. C 95013	Asset Management	Central services and procurements company	14 East, Level 8, Sliema Road, Gzira GZR 1639, Malta	100%
Urbelia Business S.L. Reg No. B87992699	Private Equity & Other Investments	Holds 100% equity in Urbelia Bailen S.L. and Urbelia Ciudad S.L.	Calle Carnicería, 3, 28250 Torrelodones, Madrid, España	50%
Timan Investments España S.L. Reg No. B57002388	Private Equity & Other Investments	Holds 73,42% shares in Millenium Menorca Travel SL	Plaza Explanada 57-2° 07703 Mahón, Baleares - España	100%
Viajes Menorca SL. Reg No. B57077224	Private Equity & Other Investments	Travel agency operation in Menorca	Avda Fort De L´Eau 129, 07701 Mahón-Menorca, España	88.97%

The remaining proportion of equity interest not held by the Company and/or the Group is the proportion held by non-controlling interests. The Group manages most of its large development projects through club deals, which are projects undertaken by the Group together with a number of investors and where the Group acts as the lead partner, even if the Group would not necessarily hold more than 50% of the company in question. In the case of operating companies where the Group holds 50% or less of the holding, the partner of the Group in that company would run the operation with the Group acting as an investing partner, this would be so for IBB Hammetts Operations Limited, Von der Heyden Real Estate Services Srl and Urbelia Business S.L.

5.3 Overview of the Group's business and investments

5.3.1 Real estate developments, investments and services

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

Real estate developments are cyclical in nature and represent one-off transactions. Over recent years, the Group benefitted from a number of developments, including, more recently, the sale of Bavaria Towers, Germany. The Group has further planned to benefit from relatively significant returns further to the development and disposal of Andersia Silver Tower in Poland.

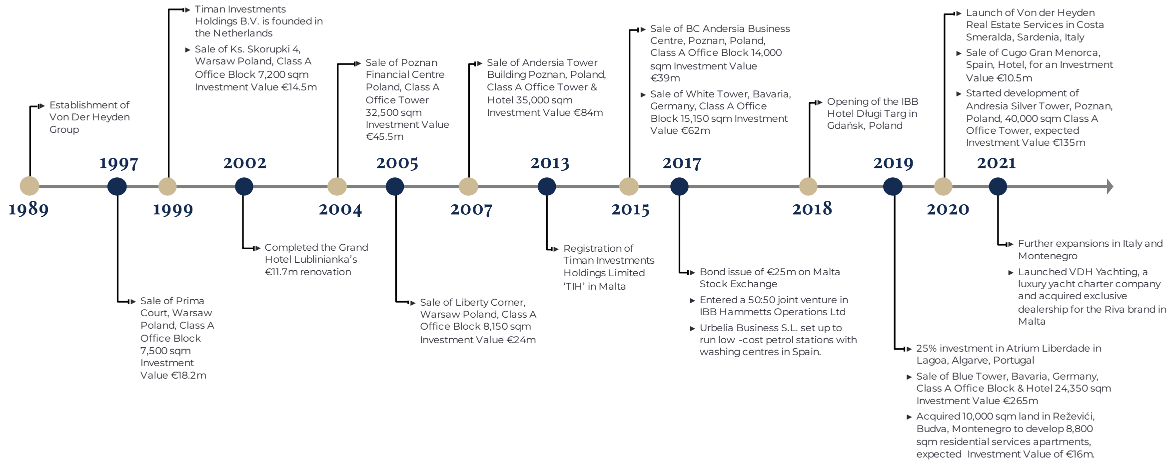
The Bavaria Towers complex, a most forward-looking real-estate development in the Bavarian capital in a top strategic location in Munich, arguably remains the Group's landmark real estate development project to date.

The complex covered a total area of approximately 23,000m² and was designed by *Nieto Sobejano Arquitectos* and comprising in total of four spectacular high-rises with inclined roofs and gently curved forms which are a striking addition to the Munich skyline and comprise of three office towers and a hotel, offering the perfect environment for discerning companies looking for stunning architecture, premium fixtures and fittings, and a high-end look and feel with a first-rate infrastructure.

The plot is the property of German registered company, Bogenhausener Tor Immobilien GmbH, co-owned by the Von der Heyden Group and an institutional investor. The Munich-based development company *Bayern Projekt GmbH* was tasked with project development and representing the interests of the owners.

2019 saw the successful completion and sale of the 18-storey Blue Tower, acquired from the Group with co-developers *BayernProjek*t and co-investors *Zurich Gruppe Deutschland,* the second highest tower of the four and sold at an investment value in excess of €265 million at a record yield of just less than 3%, registering the highest rate of return of equity for the Group in its A-Class building portfolio, after having secured long-term lease contracts. Total net sales proceeds from White Tower (hotel) and Blue Tower (office) amounted to just over €326 million. The White Tower refers to the third tower built in the Bavaria Towers complex that is today rented to H-Hotels with 345 rooms. The 15-storey tower has 15,150 sqm of rentable space and 140 underground parking spaces.

Hereunder is the timeline of the key real estate development projects over the Group's history:



Set out below are details concerning the Group's most recent key investment projects:

Andersia Silver

Andersia Silver tower becomes now the flagship project for the Group for the coming 3 years. The approximately 40,000 sqm of usable office and commercial space is spread over 26 floors above ground and 3 underground parking floors in the heart of the financial centre of the city of Poznań, Poland, projected to have a development cost in excess of €105 million. Andersia Silver will be the highest building in Poznań, completing what Poznań cityscape is today: a community-oriented bustling A-Class financial centre that offers a unique opportunity for businesses to claim a spot in one of the major thoroughfares of the city that offers tailored business solutions. With the planning in hand, the permit also included the possibility of the subsequent development of a *circa* 3,000m^2 plot into a 10,000m^2 smaller tower in the future.

At the heart of the city of Poznań, the fifth largest city in Poland, the Andersia Tower project is the Group's fourth and final major project around Andersia Square with a total investment value of €105 million, following the completion and sale of the Poznań Financial Centre Poland in 2004, a 32,500 sqm A-Class office tower with an investment value of €45.5m; the sale of Andersia Tower building in 2007, a 35,000 sqm A-Class office tower and hotel with an investment value of €84m and in 2015 the BC Andersia Business Centre, an A-Class office block comprising a 14,000 sqm development with an investment value of €39m.

The building is being designed by the *Architectural Design Studio's Ewa* and *Stanisław Sipiński* in Poznań. Andersia Silver is designed for gold-level LEED certification, with underground works having been completed in 2021 and above-ground works and the project generally expected to be completed in 2024.

The Group's interest is held through First Polish Real Estate B.V., in which the Guarantor holds 53.45% with the other shareholder being Adam Karol Trybusz a local partner who has acted as the Group's Managing Partner in the various developments the Group has completed in Andersia Square. First Polish Real Estate B.V. holds 63.75% in Andersia Property Sp. Z o.o., which in turn fully owns Andersia Retail Sp. Z o.o. the company that owns the land. The Municipality of Poznań holds 15% shares in Andersia Property Sp. z o.o, 25-year public-private partnership with the City of Poznań and the remaining 21.25% by Sopentar Holdings Limited whose managing director, Jozef Bronislaw Borowski, acts also as a non-executive Director on the Issuer.

The Andersia Silver project is progressing steadily with the underground works for the 251 car parking spaces spread over 3 underground floors completed. As at 31 December 2021 the asset had a carrying value at €28.2 million, that included the works carried out to date and the value of the land.

The Group secured the necessary bank financing from a consortium of three banks to part finance the construction and completion of the project, and which drawdown is conditional to 50% pre-leasing of the office space. In addition to the shareholders' funding and additional mezzanine financing, an amount of €4,000,000 of the Bond Issue net proceeds will be used for the purpose of part-financing the continued development of the project, as set out in sub-section 5.1 of the Securities Note.

Reževići, Montenegro Hotel/Residential Project

The Group set up a wholly-owned company in Montenegro, Hotspot Real Estate d.o.o., and acquired its first property in 2020 for €980,000 which comprises of a plot of land measuring 10,187m² in Blizikuce, Budva Municipality, Montenegro.

On the unique coast of Budva in Montenegro, the land constitutes one urban parcel which the Group aims to develop into an area of circa 8,000m² of serviced residential apartments with a boutique hotel. The site is on the coastal slopes of Blizikuce, Budva, benefiting from sea views over the famous Sveti Stefan Peninsula and close to the Crvena Glavica beach.

All planning permissions have been secured and the project is now at contracting stage. Works on the project are expected to commence in late 2022 with a total investment value of €16m and completion targeted for 2024.

Tuscany, Italy restoration of Villa

The Group set up a wholly owned company in Italy, Villa Diodati S.R.L., and acquired its first property in 2020 for €1.4 million which comprises of a historical villa and spacious gardens over a plot of land measuring 2,000m² in Lucca, Italy.

The 16th century villa stands imposing over the slopes of Ciciana overlooking the city of Lucca and the breath-taking views of Tuscany. The building permit was obtained in July 2021 and works commenced mid-October 2021. With renovations on schedule and underway, completion is expected for the first half of 2023, with an investment value of €7.5 million.

Atrium Liberdade Residences

The Group concluded a shareholder agreement in 2019 for a 25% investment in a 5,000m² residential development project in Lagoa, Algarve, Portugal, consisting of 33 apartments including 35 parking spaces and having an investment value of €5.5 million, for which a valid building permit has been granted and all architecture and engineering plans have been completed.

Financing for this project will be provided by a local bank and construction carried out by a Portuguese general contractor, using mostly locally sourced high-quality materials and equipment. The project qualifies as urban redevelopment (ARU) and, therefore, adds value to the local community.

As a result of COVID-19 and the change in residential demand patterns, the Group, together with the local architect and co-developer, prepared an alternative layout of the building, replacing the larger town houses and penthouses with smaller apartment units, essentially increasing the number of units, and slightly decreasing the average size of each.

The total development costs are projected at approximately €5.5m. All required planning permissions have been granted and construction as well as pre-sales are expected to start in the second half of 2022 and full completion is expected in the end of 2023.

Węgorzewo Project (Poland)

The Węgorzewo development project, through the Group's subsidiary company Von der Heyden & Partners Sp. z o.o., involves the construction of over 50 residential houses located on a moraine hill, right next to Święcajty Lake and a historic water tower in Węgorzewo. The complex will be characterized by modern architecture, referring to the traditional surrounding buildings. The residential development will be open, with public green areas, a children's playground, walking paths and bike trails.

The concept was prepared based on the analysis conducted by *Probuild Sp. o.o.* with participation from the local authorities and residents, while the urban and architectural design has been prepared by *Grupa 5 Architekci* based in Warsaw.

Five plots of land comprising of approximately 4,200m² have been sold and the six remaining plots of land which comprise of approximately 4,150m² are gradually being sold to individual buyers through a local estate agent.

Real estate services

The Group continued its strategy of involvement in luxury-related services and the leisure industry by expanding its geographic footprint into one of the world's most exclusive luxury locations, Costa Smeralda, Sardinia, Italy, through the setting up in 2020 of its real estate arm, Von der Heyden Real Estate Srl.

Many properties in Costa Smeralda were built in the 1980s and 1990s and present an opportunity for renovation of outdated designs. Von der Heyden Real Estate Srl also offers property management consultancy, enabling clients to maintain and increase the value of their properties. In addition, Von der Heyden Real Estate's agency prides itself in providing experiential holiday makers with superior and customized concierge services, including but not limited to yacht chartering or luxury short-let properties.

5.3.2 Accommodation and Catering

The Group's accommodation and catering segment has been a core segment driving EBITDA over recent years. This segment has been materially impacted by COVID-19 on account of restrictions imposed and lower occupancies across all hotel assets being operated by the Group.

The Group manages and operates its hotels through two brands, the IBB Hotel Collection for the 3 to 5-star Hotels and the Cugó Gran brand for the luxury boutique operations. The locally registered entity IBB Hotel Management Europe Ltd acts as the franchisor company, franchising each Group franchisee company in the different jurisdictions where hotel operations are located. The IBB Hotel Collection operates five 4-star hotels, three in Germany and two in Poland, as well as two 3-star hotels in Germany. The Collection's flagship Cugó Gran Brand luxury boutique hotel is situated in a 16th Century fortification on the water's edge in Malta's Grand Harbour.

Hotel management activities are mainly carried out through management agreements with third-party property owners. The Group is planning further expansion in Italy via the acquisition of a villa d'epoca in Lucca, Tuscany which is currently in the process of being renovated, to be operated as a luxury bed and breakfast. The Group is also in the process of acquiring a luxury property in Siena, Tuscany which it is planning to operate as a luxury hotel under the Cugó Gran brand.

On the basis of the experience garnered throughout the COVID-19 pandemic, IBB Hotel Collection commenced a process of repositioning the brand offering from the 3-star segment and expanding in the 4-star, 5-star and luxury segments. This led to ceasing operations of IBB Hotel in Passau City Centre in Germany as from April of 2020, and also the operation of Hotel Salamanca in Spain in late 2020, in both cases through an amicable agreement with the landlords.

IBB Hotel Cugó Gran Menorca became the very first 5-star luxury agrotourism hotel in the Balearic Islands after the rehabilitation of its 19th century old Menorcan 13-bedroom farmhouse perched on a stunning 100-hectare estate. In 2020 the Group sold the property to a private investor following the receipt of a very attractive offer of €10.5m.

The Group ceased to operate IBB Hotel Andersia, a 172 room 4-star hotel located in Andersia Tower, a tower completed and sold by the Group in August 2007 in the Poznan financial centre. The lease of the Hotel expired on 31 March 2022 and a handover given to the new operator identified by the owner of the Hotel following a bidding process.

Hotel operations in Germany

In Germany the Hotel group operates 3 hotels in the 4-star segment, IBB Hotel Ingelheim, IBB Hotel Altmühltal Eichstätt and IBB Hotel Passau Süd, 2 hotels in the 3-star segment, IBB Blue Hotel Berlin-Airport and IBB Hotel Paderborn.

IBB Hotel Ingelheim, operated by the Group through its subsidiary company IBB Hotels Deutschland Betriebs GmbH, of which the Guarantor is the sole shareholder, is a 4-star hotel comprising of 103 double rooms and 6 studios. Additional facilities include a boardroom hosting up to 12 guests, a breakfast restaurant, a bar and coffee shop. The hotel is located in the downtown city centre of Ingelheim called Neue Mitte, 300m from the train station and 3km from a motorway exit (A60).

IBB Hotel Altmühltal Eichstätt, operated by the Group through its subsidiary company IBB Hotels Deutschland Betriebs GmbH, of which the Guarantor is the sole shareholder, is a 4-star hotel which opened in July 2020 in the city of Eichstätt near Ingolstadt, which is where the headquarters and main production plant of Audi are located. The hotel comprises of 90 rooms, a modern Bavarian Wirtshaus (restaurant) and 40 underground parking spaces.

IBB Hotel Passau Süd, operated by the Group through its subsidiary company Donaupassage Hotel Passau Betriebs GmbH, of which the Guarantor is the sole shareholder, is a 4-star hotel located only 3km away from the historical city centre of Passau. The hotel offers 63 elegant rooms and 2 apartments, as well as a conference area that may host up to 85 guests.

The Group also operates IBB Blue Hotel Berlin-Airport in Germany, through its subsidiary company IBB Blue Hotel Betriebs GmbH, of which the Guarantor is sole shareholder. IBB Blue Hotel Berlin-Airport is a 3-star hotel which offers a comfortable stay in a convenient location, ten minutes away from Bradenburg Berlin Airport. This hotel forms part of the IBB Hotel Collection "Blue" brand, reserved for 3-star hotels providing high quality services in the most attractive locations at affordable prices. The hotel comprises of 84 double rooms, the 'Blue Lobby' bar, one bistro and two conference rooms.

IBB Hotel Paderborn is a 3-star hotel which opened in June 2017 in the heart of East-Westphalia, which is an interesting destination for business as well as tourists due to its easy accessibility and is located in a modern building in the city centre of Paderborn, in the west of Germany, close to the shopping area, university and train station. It comprises of 49 modern designed spacious rooms.

Hotel operations in Poland

IBB Dlugi Targ Hotel

The IBB Długi Targ Hotel opened in January 2018 as a 4-star hotel following the conversion of three beautifully traditional narrow semi-detached city houses nestled amongst the multi-coloured historic buildings in the heart of old Town of Gdansk at the corner of Długi Targ Street and Mieszczanska Street, opposite the famous Neptun's Statue and the Dwor Artusa historical building. Behind its historical façade, the IBB Długi Targ Hotel comprises of 89 rooms, comfortable apartments, a fully equipped meeting room, gym, lobby bar and unmatched panoramic city views from its 5th-floor restaurant. The ground floor comprises of prime retail space of approximately 1,000m^2 which has been rented out to a casino operator. The property is partly owned by the Group (53.45%) through its subsidiary company First Polish Real Estate B.V.

IBB Grand Hotel Lublinianka

IBB Grand Hotel Lublinianka, comprising of an investment value of €12 million, is partly owned by the Group (75%) through its subsidiary company Lublin Grand Hotel Sp. z o.o. and operated by the Group's IBB Hotel Collection through its subsidiary company Lublin Grand Hotel Management Sp. z o.o, of which the Guarantor is a 74.77% shareholder. The 4-star hotel in the centre of Lublin, Poland is one of the most recognized, iconic and award-winning buildings in the city of Lublin, dating back to 1899 and has recently undergone a refurbishment between 2020 and 2021.

The Grand Hotel Lublinianka comprises of a 4-star interior design with 72 rooms, mostly double rooms, and 6 suites. There are also two restaurants, a banquet room and various fitness facilities, including a sauna, a gym and a Turkish steam bath.

It has won the *"Best Overall Development 2002*" award granted by *Construction Journal Poland*; the *"Laur Konserwatorski 2003*" (Laurel Conservator 2003) award granted by *Lublin Voivodship Conservator* under the patronage of the Polish Minister of Culture, Lublin Voivod and Marshal of the Lublin Voivodeship; the "*Zabytek Zadbany 2003*" (Monument Well Maintained 2003) award granted by the Polish Ministry of Culture; and the "*Kryształowa Cegła*" (Crystal Brick) prize under the patronage of the President of State Office for Housing and Urban Development granted by *Polskie Towarzystwo Mieszkaniowe* Lublin. Furthermore, for the Grand Hotel Lublinianka's original renovation project in 2002, Mr Sven von der Heyden received a personal award for '*Preservation of historical buildings*', granted by the Polish Minister of Culture.

Hotel operations in Malta

The Cugó Gran Macina Grand Harbour Hotel, a luxury boutique hotel situated in the historic Macina building nestled within the historical fortress walls of Senglea, Malta constructed by the Order of Saint John in 1554, has become a new icon of the Senglea Harbour, as the location where a 16th Century Maltese landmark meets modern interior design and bespoke luxury fittings. The Cugó Gran Macina Grand Harbour Hotel comprises of 21 fully refurbished double rooms and suites which range from 40 square metres to an impressive 130 square metres, built with high vaulted ceilings, hand-picked designer pieces and an uninterrupted view of the marina. The Hotel offers an exclusive rooftop swimming pool with a terrace with unparalleled views of Vittoriosa and Cospicua and which can accommodate up to 1,000 guests. Other features include airy communal spaces, a fully-fledged bar, an events rooftop with panoramic harbour views and a fully equipped boardroom for small conferences. The Group, through Von der Heyden Malta Properties Limited, has entered into a promise of sale agreement for the acquisition of the 80-year remaining concession of the Cugó Gran Macina Grand Harbour Hotel.

The award-winning Hammett's Macina Restaurant which forms part of the hotel provides a fine dining experience through a modern representation of traditional Mediterranean culinary influences that date back to the Phoenician times and received a Michelin Plate in 2021. The Group operates this hotel through its subsidiary company Senglea Hotel Operations Limited which, in turn, is wholly-owned by the Guarantor. The restaurant on the ground floor and the Sheer Bastion terrace are under management through its joint venture IBB Hammetts Operations Limited.

Food and Beverage operations in Malta

The Group, through its subsidiary IBB Hotel Collection Holding S.L., entered into a joint venture in May 2017 and today operates 4 restaurants in Malta through IBB Hammetts Operations Limited, Hammett's Gastro Bar, the Hammett's Macina Restaurant, Hammett's Mestizo and the latest addition Monastik in Sliema, as well as an events space, the Sheer Bastion, as referred to in further detail above in this sub-section. The Group has the ambition to further expand its food and beverage operations through any opportunities that may continue to arise in Malta or abroad in the future.

Hammett's Monastik restaurant is located in a unique spot in Sliema and opened during Q3 2021. The restaurant is pioneering a new sustainability concept for the Maltese market. Being inspired by old Monasteries traditions, the company wanted to work by growing and using their own food which is the purest form of sustainability. The menu concept is of a continental European nature and all the products are very seasonal. The restaurant already produces locally 99% of its kitchen supplies. The only element being used and not Maltese is the flour, which will be ready after the first harvest. Already 98% of the fruit and vegetables are grown using organic and biodynamic practices to take care of the land. All the meat being served is bought from local farmers.

Hammett's Mestizo Restaurant, which opened in September 2020, is a vibrant Meso-South American inspired fusion social dining and drinking experience, with culinary influences expanding from Central America to the Caribbean and from the Andes to Amazon and Patagonia. The menu is constructed by a multi-award-winning team, led by talented Venezuelan Head Chef Rommer 'Zulu' Ochoa and directed by Chef and restaurateur Chris Hammett.

Hammett's Gastro Bar opened in July 2017 and is a unique, city-inspired, Asian fusion social dining experience on the Sliema seafront in Malta. Directed by award winning Chef and restauranteur Chris Hammett, the menu offers a wildly innovative plates-to-share concept with culinary influences, classic ingredients and upscale imaginative cooking techniques from all over Asia. The decor has a club feel to it, with great music being a central part of the experience, with the main dining area featuring a prominent bar with an endless selection of spirits and a more detached area at the back, perfect for sit-down dinners with larger groups wanting to focus more on conversation.

Hammett's Maċina Restaurant at Cugó Gran Macina Grand Harbour Hotel, opened in December 2017, is a Michelin plate winning restaurant situated in a tentative UNESCO World Heritage site, named 'Luxury Heritage Restaurant' in Europe at the 2019 World Luxury Restaurant Awards and run by a multi-award-winning team. Drawing on the historical significance of the 16th Century Maltese landmark in which it is located, the gastronomical concept is a take on the island's succession of powers with a modern representation of traditional Mediterranean culinary influences that date back to the Phoenician times. The menu constructed by a multi-award-winning team led by talented Head Chef Jorge Lugo, is a taste of history derived from the island's Mediterranean-semitic roots, with a contemporary twist, created using only the finest local, seasonal produce.

The Sheer Bastion at Cugó Gran Macina Grand Harbour Hotel, opened in March 2018, forms part of the fortifications of Senglea built by The Knights of St. John in 1554, a tentative UNESCO World Heritage Site with unparalleled panoramic views of the Grand Harbour and Birgu City, giving way to stunning sunsets, exquisite firework displays and illuminated views of the cities. From its defensive and naval origins, it is today an events venue equipped with an elite kitchen team and a dedicated, attentive staff set.

Proposed hotels in Tuscany, Italy

In 2021 the Group concluded the acquisition of a 16th-century residential villa in Lucca through Villa Diodati S.R.L. with a total gross area of 2,000m² and 1,500m² of net residential area. The Group intends to operate the villa as a boutique luxury longer-term accommodation that includes five apartments on the right wing of the property for a luxury operation under the Cugó Gran Brand commencing operations Q2 2023. The property is primarily being developed as a value-added transaction within the Group's portfolio for eventual resale of the property at a capital gain as there are very few comparable properties in this segment.

Also, the Group is in negotiations in connection with acquiring a Hotel in Siena, Italy which the Group intends to convert into a 70-room luxury boutique hotel in 2024 also under the Cugó Gran brand with an investment value of €16 million. Further details on the financing of the potential acquisition are set out in the audited financial statements of the Guarantor for the financial year ended 31 December 2021, a copy of which is available for download on the Issuer's website and for inspection as indicated in section 17 of this Registration Document.

5.3.3 Asset Management

In Q4 2019 the Group had opened an office in Kyiv, Ukraine and hired a team of highly skilled real estate and asset management professionals to set up a licenced Asset Management Company in Ukraine. During 2020, the company obtained an asset management license and was in an advanced stage to receive a licence from the Ukrainian Authorities to establish a Real Estate Property fund dedicated mainly to Ukrainian commercial and residential assets in the cities of Kyiv and Lviv. On the 24 February 2022, Russian troops invaded Ukraine which had a significant impact on the continuation of this project.

The ongoing war has led, and continues to lead, to significant casualties, dislocation of the population, damage to infrastructure and disruption to economic activity in Ukraine. The Russian invasion of Ukraine has also resulted in sanctions by the international community being imposed on Russia.

The Company's directors and management will continue to monitor the situation in Ukraine, however due to the currently deteriorating situation, the Group has put on hold its plans for the Ukrainian subsidiary. The Group has not committed to any real estate transactions in Ukraine and will only pursue this venture if there is a solid political solution, that includes some form of multi-national guarantees towards Ukrainian sovereign integrity and stability for the future. Should this not be achieved in the forthcoming period, the Group will consider winding up its operations in Ukraine and surrendering the licence.

5.3.4 Private Equity and other investments

Fuel stations in Spain

Urbelia Business S.L. was incorporated in December 2017 to run low-cost petrol stations with washing centres and future electrical car loading stations in Spain. The initial objective was to build 2 low-cost petrol stations in Bailen and Ciudad Real, via *Urbelia Bailen S.L.* and *Urbelia Ciudad S.L.* respectively. The shareholders of *Urbelia Business S.L.* are the Guarantor (50%) and Urban Oil Wash S.L (50%). Both petrol stations in Bailen and Ciudad Real are up and running.

Through this venture the Group plans to further expand this operation and has secured the expansion of two further stations in 2022 - the third station is expected to become operational in October 2022 and the fourth station in January 2023. The Group's strategy is to scale up this business to around 15 stations in the coming three years. The strategy of the Group includes electric charging points in readiness for the green transport evolution underway.

Chartering of Yachts and Riva Dealership

Through Von der Heyden Yachting Limited, the Group has continued its strategy of investing in luxury related services and the leisure industry by expanding its operations to the luxury yachting industry through the operation of a chartering business by chartering yachts in Malta and Sardinia, principally through its own yacht a RIVA 63 Vanquish and acting as a broker for other Riva yachts in the Mediterranean.

Through a partnership agreement with Venture Yachts UK, in November 2021 Ferretti Group awarded the exclusive dealership for the prestigious Riva brand in Malta. As official Riva dealer, Von der Heyden Yachting now offers a combination of tailormade purchasing, selling, chartering, maintenance, management and assistance services for Riva motor yachts.

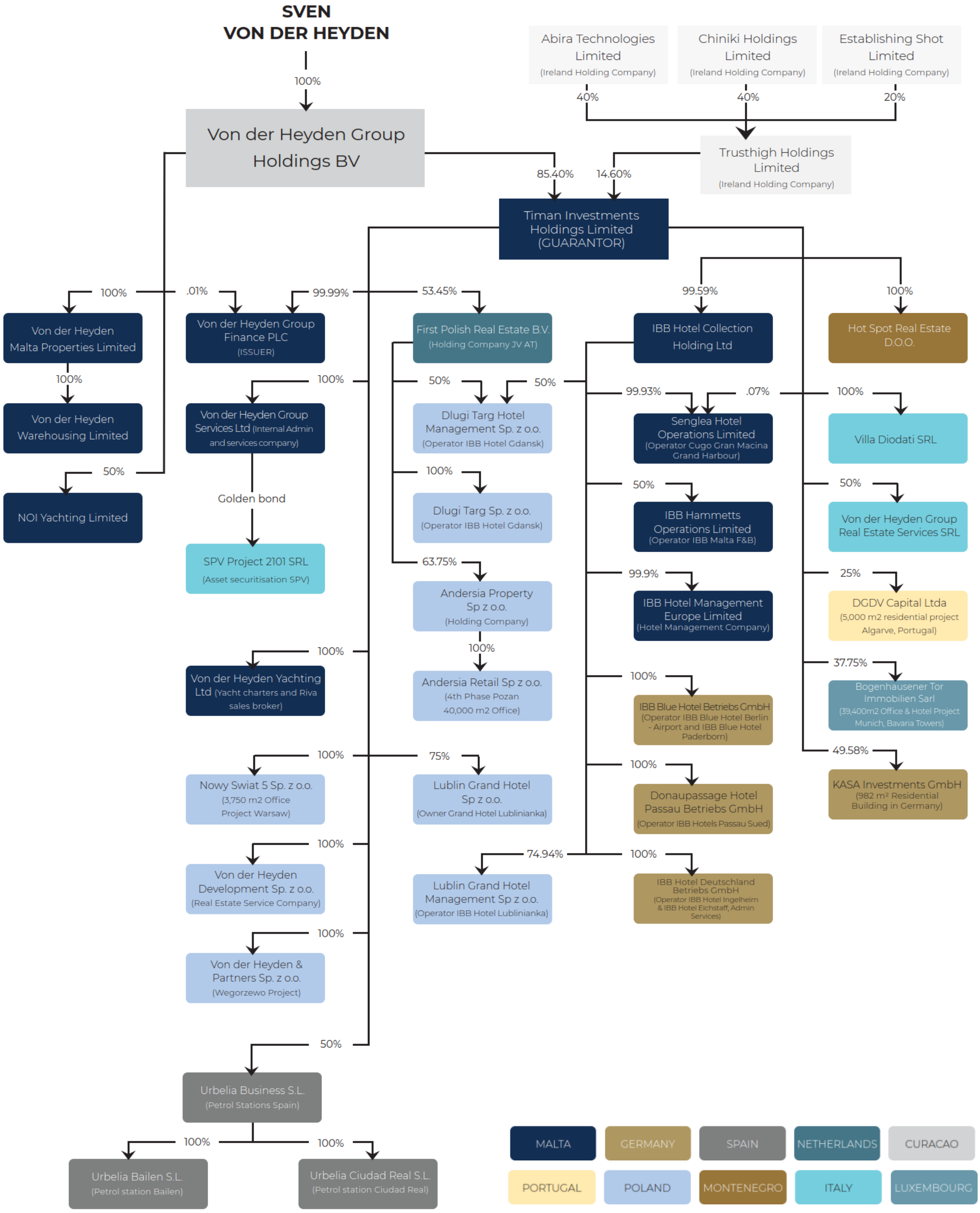
In addition to the investments detailed in this sub-section 5.3, the Group intends to expand its real estate investment portfolio in Malta and, in line with this strategy, the Group has secured a strategically located site in the south of the island to be developed into a multitenant A-Class warehousing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

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

5.4 Group organisational structure

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

The ultimate parent company of the Group, Von der Heyden Group Holdings B.V., has incorporated a new structure in Malta to allow for the Group to carry out real estate investments in Malta. Von der Heyden Malta Properties Limited (C 101501), which is owned directly by Von der Heyden Group Holdings B.V., will act as the holding company for any investments done in Malta in the real estate sector and allows the Group to segregate better this activity while ensuring full fiscal transparency. The Group is looking at a number of investment opportunities, including the accommodation sector and logistics.



The complete list of Group companies and investments in associate companies is included in the audited consolidated financial statements of the Guarantor for the year ended 31 December 2021. The said financial statements are available for inspection as indicated in section 17 of this Registration Document. Furthermore, a complete organisational structure of the Group as at the date of the Prospectus is included in the Financial Analysis Summary.

6. KEY FINANCIAL REVIEW

6.1 The Issuer

The historical financial information included below is extracted from the audited financial statements of the Issuer for the financial years ended 31 December 2019, 2020, and 2021. Set out below are condensed extracts from the said consolidated financial statements for such years.

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

Issuer's Income Statement for the years ended 31 December

	2019	2020	2021
	€000	€000	€000
Finance income	**1,645**	**1,411**	**1,459**
Finance costs	(1,145)	(1,142)	(1,142)
Net finance income	**500**	**269**	**317**
Administrative expenses	(264)	(236)	(158)
Expected credit losses on financial assets under IFRS 9	3	(28)	-
Profit before tax	**239**	**5**	**159**
Taxation	(48)	48	(55)
Profit after tax	**191**	**53**	**104**

The average finance income for the 3-year period amounted to €1.5 million. Due to the repayment of a number of loans, finance income dropped from €1.6 million in 2019 to around €1.4 million in 2021.

The Company incurred a corresponding finance costs of €1.1 million *per annum* for the years under review, with the net finance income for 2021 amounting to €317K. The reduction in the net finance income was in line with the reduction in gross finance income.

During the period under review administrative expenses were reduced from €264K in 2019 to €158K in 2021 registering a profit before tax of €159K (2020: €5K). The reduction in administrative expenses was the result of lower staff costs.

Consequently, the Issuer in 2021 generated a profit after tax of €104K and over the three years made an average profit after tax of €116K.

Issuer's Statement of Financial Position as at 31 December

	2019	2020	2021
	€000	€000	€000
Assets			
Non-current assets			
Loans receivable	19,049	13,340	21,814
Current assets			
Loans and other receivables	4,487	2,415	1,462
Cash and cash equivalents	2,555	10,367	3,051
Total current assets	**7,042**	**12,782**	**4,513**
Total assets	**26,091**	**26,122**	**26,327**
Equity and liabilities			
Equity			
Share capital	250	250	250
Retained earnings	20	73	178
Total equity	**270**	**323**	**428**
Non-current liabilities			
Debt securities in issue	24,833	24,875	24,917
Deferred tax liabilities	9	-	-
Total non-current liabilities	**24,842**	**24,875**	**24,917**
Current liabilities			
Trade and other payables	979	924	927
Income tax payable	-	-	55
Total liabilities	**25,821**	**25,799**	**25,899**
Total equity and liabilities	**26,091**	**26,122**	**26,327**

At the end of 2021, the Issuer's total assets amounted to €26.3 million mainly made up of loans and receivables and cash and cash equivalents. Loans and receivables represented the loans granted to the Group and related companies.

As at the end of 2021, the Issuer had on-lent and made available from its net bond proceeds an amount of €21.8 million as loans receivable. During the 3-years under review, 2020 was the year recording the lowest amount of loans receivable at €13.3 million. During 2020 the Company received €9.6 million loan repayments made by the associate company developing the Bavaria Towers project, following the sale of the Blue Tower A-Class office and hotel development in the city of Munich, Germany, as well as from the sale of the Cugó Gran Menorca property, Spain. In 2021 and 2019 the Company also received repayments of loans from related companies amounting to €750K and €2 million, respectively.

Following the repayment of these loans, the Company over the 3-year period advanced €7.5 million in 2021 to the parent company in support of the Group's general corporate funding requirements and in 2020 €3 million in relation to the Group's participation in the Andersia Silver project, an office tower with a planned development cost of over €105 million in the centre of Poznań, Poland.

During the period other receivables were reduced from €4.5 million in 2019 to €1.5 million in 2021. The reduction was due, among others, to the repayment of short-term portion of loans receivable and accrued interest on loans to related companies.

The reduction in cash and cash equivalents which decreased from €10.4 million in the end of 2020 to €3.1 million by the end of 2021, was due to the deployment of new loans during the same period, coming closer to the closing position in 2019 of €2.5 million, ensuring the optimum utilisation of the liquidity of the Issuer into interest earning activities.

Total liabilities mainly consisted of the Issuer's listed bonds. Given the limited trading activity of the Issuer, total liabilities in 2021 did not experience any significant movements from previous years. Total equity continued to increase year-on-year with the profits generated, reaching €428K in 2021.

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

	2019	2020	2021
	€000	€000	€000
Net cash flows generated from/(used in) operating activities	(399)	1,219	(567)
Net cash flows generated from/(used in) investing activities	1,552	6,604	(6,750)
Net movement in cash and cash equivalents	**1,153**	**7,823**	**(7,317)**
Cash and cash equivalents at start of year	1,402	2,555	10,367
Movement in expected credit losses in cash and cash equivalents under IFRS 9	-	(11)	-
Cash and cash equivalents at end of year	**2,555**	**10,367**	**3,051**

The Issuer in 2019 and 2020 generated €8.1 million from its investing activities through the settlement of loans granted to related companies associated with the sale of the Blue Tower and Cugó Gran Menorca amounting to €11.1 million, while advancing €3 million towards the Group's participation in the Andersia Silver project. In 2021 the Issuer advanced €7.5 million to the Group's parent company in support of new investment initiatives, partially offset by €800K of loan repayments from related companies.

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

Consequently, while the closing cash position of the Issuer in 2020 increased to €10.3 million, the closing cash position of the Issuer at the end of 2021 of €3.1 million realigned itself to the position of 2019, as the excess cash was redeployed towards new investment initiatives.

There were no significant changes to the financial or trading position of the Issuer since the date of its last published audited financial statements for the period ended 31 December 2021.

The said financial statements are available on the Issuer's website under the Investor Relations section (www.vonderheydengroup.com) and are also available for inspection at the Issuer's registered office as set out in section 17 of this Registration Document.

Information relative to the profit forecasts of the Issuer and the Guarantor is set out in the Financial Analysis Summary.

Set out below are the results registered by the Issuer during the first six months of the current year:

Issuer's Income Statement for the period ended 30 June

	Jan - Jun 2022 (Unaudited)	Jan - Jun 2021 (Unaudited)
	€000	€000
Finance income	**816**	**656**
Finance costs	(566)	(566)
Net finance income	**250**	**90**
Administrative expenses	(98)	(76)
Profit before tax	**152**	**14**
Taxation	(61)	-
Profit for the period	**91**	**14**
Total comprehensive income	**91**	**14**

The first half of the year saw a 24% increase in finance income when compared to the same period last year. This is mainly due to the higher levels of loans advanced to the Group when compared to the same period last year.

Issuer's Statement of Financial Position as at 30 June 2022 and 31 December 2021

	30 Jun 2022 (Unaudited)	31 Dec 2021 (Audited)
	€000	€000
Assets		
Non-current assets		
Loans receivable	21,815	21,815
Current assets		
Loans and other receivables	1,487	1,462
Cash and cash equivalents	2,646	3,051
Total current assets	**4,133**	**4,513**
Total assets	**25,948**	**26,327**

	30 Jun 2022 (Unaudited)	31 Dec 2021 (Audited)
	€000	€000
Equity and liabilities		
Equity		
Share capital	250	250
Retained earnings	269	178
Total equity	**519**	**428**
Non-current liabilities		
Debt securities in issue	24,938	24,917
Current liabilities		
Trade and other payables	376	928
Income tax payable	115	55
Total current liabilities	**491**	**983**
Total liabilities	**25,429**	**25,900**
Total equity and liabilities	**25,948**	**26,327**

The total assets for the first half of the year decreased marginally due to the reduction of cash and cash equivalents further to the lump sum settlement of the interest paid to bondholders in March 2022, offset by the interest payments received on advanced loans.

The movement in total equity mainly related to the profit for the period, with total liabilities decreasing mainly due to the lower accrued interest on the bonds in issue as at 30 June 2022, covering only four months while at 31 December 2021 the accrued interest calculation covered ten months.

Issuer's Cash Flow Statement for the period ended 30 June

	Jan - Jun 2022 (Unaudited)	Jan - Jun 2021 (Unaudited)
	€000	€000
Net cash flows used in operating activities	(404)	(883)
Net cash flows used in investing activities	-	(4,750)
Net movement in cash and cash equivalents	(404)	(5,633)
Cash and cash equivalents at start of period	3,051	10,367
Cash and cash equivalents at end of period	**2,646**	**4,735**

Net cash outflows for the six-month period ended 30 June 2022 are lower when compared to the same period last year due to improved collection of interests from loans advanced to the Guarantor and Group related companies.

The Company's interim report and interim condensed unaudited financial statements for the six months ended 30 June 2022 are available on the Issuer's website under the Investor Relations section (www.vonderheydengroup.com) and are also available for inspection at the Issuer's registered office as set out in section 17 of this Registration Document.

6.2 The Guarantor

The historical financial information included hereinafter is extracted from the audited consolidated financial statements of the Guarantor for the financial years ended 31 December 2019, 2020, and 2021.

In general terms, despite the continued operational challenges brought about by the on-going COVID-19 pandemic, performance proved resilient despite lower occupancy levels. The Group's hotel operations managed to continue improving their results and proving resilient by significantly limiting the cash flow burnout, through further cost controls, a continued restructuring process and, in addition, tapping into several support schemes offered by various Governments, especially in Poland and Germany which are the predominant accommodation markets for the Group.

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

Group's Income Statement for the years ended 31 December

	2019	2020	2021
	€000	€000	€000
Revenue	25,884	23,506	11,519
Cost of sales	(4,393)	(3,556)	(2,674)
Gross profit	**21,491**	**19,950**	**8,845**
Other operating income	542	3,223	4,739
Administrative expenses	(19,650)	(21,090)	(12,500)
Other gains	301	2,338	1,791
Share of profits of associates	3,145	3,121	1,409
EBITDA	**5,829**	**7,542**	**4,284**
Depreciation and amortization	(1,197)	(1,099)	(842)
Depreciation under IFRS 16	(3,815)	(3,752)	(3,086)
EBIT	**817**	**2,691**	**356**
Expected credit losses reversal/(charge)	703	(53)	(10)
Interest and other related income	701	794	463
Interest and other related expenses	(4,171)	(3,916)	(3,107)
Loss before tax	**(1,950)**	**(484)**	**(2,298)**
Income tax (charge)/credit	(253)	(1,264)	77
Loss for the year	**(2,203)**	**(1,748)**	**(2,221)**
Other comprehensive income			
Translation of foreign operations	109	(1,048)	(413)
Share of other comprehensive income of associates	-	-	512
Movement in fair value of land & buildings and yacht	1,445	(1,034)	1,962
Total other comprehensive income/(loss)	**1,554**	**(2,082)**	**2,061**
Total comprehensive loss	**(649)**	**(3,830)**	**(160)**

In 2019 the Group turnover reached a record high of €25.9 million, an increase of 8.6% over 2018. The year before the Covid-19 pandemic, the growth in revenues was registered in all the markets the Group operated in, with 84% of the revenue (€21.8 million) generated from the accommodation and catering segments.

	2019	2020	2021
	€000	€000	€000
Poland	10,800	16,743	5,344
Spain	3,948	2,289	520
Germany	10,034	4,078	4,381
Malta	1,102	396	1,274
	25,884	**23,506**	**11,519**

Despite the breakout of the Covid-19 pandemic in March 2020, the Group turnover for 2020 reached €23.5 million, slightly lower than 2019. The accommodation and catering segments were the sectors most impacted by the sudden lockdowns, travel restrictions and other mitigating measures taken by Governments. The first 2 months of 2020 were indeed promising with nearly all Group hotels meeting or exceeding budgets, however, overall, the revenue from the accommodation and catering segment in 2020, in line with Covid-19 global industry trends, saw a 63% drop to €6.5 million from €17.7 million in 2019 in the accommodation segment and a 57% drop to €1.8 million from €4.2 million in 2019 in the catering segment.

On the other hand, the Group had a very successful year in the real estate development segment generating €12.3 million in revenue. The Group's financial performance had, for the third year, been positively impacted by the associate Bogenhausener Tor Immobilien Sarl having successfully sold the Blue Tower in Q4 2019, the last phase of the Bavaria Towers office and hotel park in the city of Munich, Germany. The Blue Tower was sold at a record yield of less than 3%, registering the highest rate of return on equity for the Group in its A-Class real estate portfolio, with the main impact on the income statement reflected in 2018 as the project neared its completion and the asset being accounted for its fair value.

The Group's revenue for 2021 amounted to €11.5 million. While continuing to be impacted by the Covid-19 pandemic, revenue was also impacted by the cyclicality of the Group's real estate activity where 2021 can be described as a development year with revenues generated from the real estate segment only amounting to €250K. With the completion and sale of the Bavaria Towers in Q4 2019, the Group is presently in the development stage of another major office investment of approximately 40,000 sqm in the city of Poznan, Poland, the Andersia Silver project. Also, the Group is involved in the development stage in three residential projects, one in Algarve Portugal, one in Tuscany, Italy and one in Rezevici, Montenegro. However, revenues from these projects will start to mature in 2023 as they near their successful completion and are placed on the market.

In the hotel accommodation and caterings segment, 2021 continued to be a year faced by restrictive travel measures, the introduction of obligatory vaccination certificates and quarantine measures. As pandemic numbers fluctuated, countries differed in the measures applied. Despite the continued operational challenges brought about by lower occupancy levels, the hotel group performance proved resilient by significantly limiting the cash flow burnout, through significant cost controls measures, a restructuring process and, in addition, tapping into several financial support schemes offered by various Governments, especially in Poland and Germany.

In 2020, the IBB Hotel group set out an ambitious restructuring process intended to reposition its hotel accommodation offering towards the 4-star, 5-star and luxury segments from the less profitable three-star segment when taking into account operational costs and return on capital deployed. In 2020 the Group ceased operations of its IBB Hotel in Passau City Centre, Germany and Hotel Salamanca, Spain. The Group in December 2019 had already sold hotel Paradis Blau in Menorca, Spain.

This meant that revenue from the hotel accommodation segment improved by 11% over 2020 to €7.3 million from €6.5 million in 2020, the catering segment also saw significant improvements, with an increase of 25% in sales to €2.2 million from €1.8 million in 2020.

Other operating income increased by 47% to €4.7 million from €3.2 million in 2020 and included an increase of €2 million in Government support schemes in Germany and Poland due to the COVID-19 pandemic and income from lease concessions and rebates of €1.2 million. In 2020 the Group also secured close to €1 million in lease concessions and rebates.

The Group's EBITDA includes other gains and share of profits in associates as the Group's directors believe that this adjusted EBITDA provides a fairer reflection of the Group's recurring and core activities, as this figure should not exclude the development of important and significant projects executed in partnership with other partners like the Bavaria Towers and which contribution to the results of the Group are reflected as share in profit of associates.

During the 3-year under review, despite all the challenges the Group managed to maintain a healthy EBITDA averaging €5.9 million each year and actually improving EBITDA margin progressively from 22.5% in 2019 to 37.2% in 2021.

The Group results for 2021 showed a significant improvement in total comprehensive income from 2020 due to the fair value gains made on real estate investments and closing with the lowest loss for the year of €160K for the three years under review. The Group managed a significant positive turnaround of €3.6 million, through the containment of staff costs and other operating costs, reduction in financing costs and also benefiting from fair value gains. This was a significant achievement considering the challenging economic climate the Group was operating in.

Group's Statement of Financial Position as at 31 December

	2019	2020	2021
	€000	€000	€000
Assets			
Non-current assets			
Intangible assets	179	132	66
Property, plant and equipment	38,633	27,012	27,309
Right of use assets	41,167	36,782	31,404
Investment properties	17,681	23,989	32,601
Investment in associates	24,674	3,601	2,981
Loans and other receivables	10,642	7,483	6,655
Other financial assets	220	1,082	1,924
Deferred tax assets	672	1,007	1,004
Total non-current assets	**133,868**	**101,088**	**103,944**
Current assets			
Inventories	145	139	90
Loans and other receivables	-	-	7,059
Trade and other receivables	7,260	5,774	5,298
Current tax receivable	194	49	2
Cash and cash equivalents	6,318	27,906	17,125
Total current assets	**13,917**	**33,868**	**29,574**
Total assets	**147,785**	**134,956**	**133,518**
Equity and liabilities			
Equity			
Share capital	3,805	3,805	3,805
Share Premium	4,445	4,445	4,445
Other reserves	6,442	3,363	4,877
Currency translation reserve	(661)	(1,350)	(1,616)
Retained earnings	14,915	16,339	14,272
Non-controlling interest	15,314	14,383	15,125
Total equity	**44,260**	**40,985**	**40,908**

	2019	2020	2021
	€000	€000	€000
Non-current liabilities			
Debt securities in issue	24,832	24,225	24,171
Borrowings	16,218	14,126	17,766
Finance lease liabilities	38,595	35,173	30,506
Deferred tax liabilities	3,791	4,392	5,002
Total non-current liabilities	**83,436**	**77,916**	**77,445**
Current liabilities			
Finance lease liabilities	3,284	5,059	2,771
Borrowings	10,683	5,911	6,836
Trade and other payables	6,069	4,443	5,503
Current tax payable	53	642	55
Total current liabilities	**20,089**	**16,055**	**15,165**
Total liabilities	**103,525**	**93,971**	**92,610**
Total equity and liabilities	**147,785**	**134,956**	**133,518**

The Group managed to strengthen and retain a very strong liquidity position benefiting from the significant inflows resulting from the dividends received from Bogenhausener Tor Immobilien Sarl following the sale of the Blue Tower in Q4 2019, with cash and cash equivalents, trade receivables and other liquid financial assets amounting to €31.4 million in 2021, from €13.8 million in 2019.

Cash and cash equivalents of the Group overall increased x2.7 from €6.3 million in 2019 to €17.1 million in 2021. In 2020 the Group held a cash position of €27.9 million as it received the bulk of the dividends from Bogenhausener Tor Immobilien Sarl. This allowed the Group to redeploy its liquidity into new activities in the real estate segment, asset backed securities and other ventures including the launch of Von der Heyden Yachting, amongst others.

Despite the impact on fair values of assets held by the Group because of the Covid-19 pandemic and the prevailing geopolitical challenges brought about by the war in Ukraine, the total assets owned by the Group recovered in 2021 in excess of €102 million.

	2019	2020	2021
	€000	€000	€000
Total assets	**147,785**	**134,956**	**133,518**
Less right of use assets	41,167	36,782	31,404
Total assets owned	**106,618**	**98,174**	**102,114**

The gearing ratio, taking a prudent approach and including all liabilities including lease liabilities under IFRS16 and trade payables (total net liabilities / total assets), saw a significant improvement from 65.78% in 2019 to 56.54% in 2021. The Group managed to improve its gearing ratio despite the continued deployment of cash towards new investments on the strength of the sale of the Blue Tower and Cugó Gran Menorca.

The Group's total debt ratio, excluding leases and right of use assets under IFRS 16, amounted to 0.48x (2020: 0.45x) highlighting that less than half the assets of the Group are financed through debt. This is coupled with a stable debt to equity ratio of 1.19x, meaning that almost all the Group's debt is covered by the equity portion.

The gearing position of the Guarantor on a stand-alone basis is of 9.46%. It is the policy of the Group not to cross-collateralise debt within the Group or provide for material corporate guarantees by the holding company to secure any debt for any subsidiary or associate undertaking except for the bond issued by the Issuer in 2017. Also, the holding company has no direct debt financing facilities and all financing arrangements at subsidiary levels are ring-fenced at the borrowing company level.

In 2021 the Group closed the year with a positive total working capital position of €14.4 million from a negative position in 2019 of €6.2 million. This was primarily due the significant increase in cash and cash equivalents.

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

	2019	2020	2021
	€000	€000	€000
Net cash flows generated from/(used in) operating activities	2,699	(2,333)	868
Net cash flows generated from/(used in) investing activities	9,682	34,309	(10,968)
Net cash flows generated used in financing activities	(9,668)	(11,263)	(761)
Effect of changes in foreign exchange	(198)	875	80
Net movement in cash and cash equivalents	**2,515**	**21,588**	**(10,781)**
Cash and cash equivalents at start of year	3,803	6,318	27,906
Cash and cash equivalents at end of year	**6,318**	**27,906**	**17,125**

Due to the Covid-19 pandemic in 2021 the Group experienced a negative cash flow from operating activities. However, in 2021, following the improvement of the results in the accommodation and catering segments through the cost controls imposed, the continued restructuring process and the receipt of public funds through the Covid-19 support schemes offered in Poland and Germany, the Group managed to increase cash from operating activities by €3.2 million in 2021 to €0.866 million.

While 2019 and 2020 saw an increase in cash flows from investing activities totalling close to €44 million, in 2021 the Group reinvested €11 million in new investments while maintaining a strong cash position in anticipation of the redemption of the 2017 VDHG Bonds in Q1 2024.

The Group maintains sufficient liquidity to meet short-term liabilities, including the liabilities for leases under IFRS 16. Applying the cash ratio as a measurement of the Group's liquidity (total cash and cash equivalents, including marketable securities to its current liabilities) the Group has a cash ratio of 1.26x. This demonstrates that the Group has the ability to meet the liquidity requirements of its short-term liabilities.

As a confirmation of the Group's liquidity position, also applying the quick ratio, the Group has the ability to meet its short-term obligations including leases under IFRS 16 with its most liquid assets including trade receivables, with a ratio of 2.07x.

There were no significant changes to the financial or trading position of the Guarantor since 31 December 2021.

The said audited consolidated financial statements of the Guarantor are available on the Issuer's website under the Investor Relations section (www.vonderheydengroup.com) and are also available for inspection at the Issuer's registered office as set out in section 17 of this Registration Document.

Set out below are the results registered by the Guarantor during the first six months of the current year:

Group's Income Statement for the period ended 30 June

	Jan - Jun 2022 (Unaudited)	Jan - Jun 2021 (Unaudited)
	€000	€000
Revenue	**6,207**	**3,010**
Cost of sales	(1,084)	(1,255)
Gross profit	**5,123**	**1,755**
Other operating income	562	3,970
Administrative expenses	(6,030)	(5,940)
Other gains (losses)	(232)	202
Share of profits of associates	(53)	-
EBITDA	**(630)**	**(13)**

	Jan - Jun 2022 (Unaudited)	Jan - Jun 2021 (Unaudited)
	€000	€000
EBITDA	**(630)**	**(13)**
Depreciation and amortisation	(446)	(571)
Depreciation under IFRS 16	(984)	(1,796)
EBIT	**(2,060)**	**(2,280)**
Interest and other related income	214	249
Interest and other related expenses	(1,339)	(1,537)
Loss before tax	**(3,185)**	**(3,668)**
Income tax (charge)/credit	(21)	150
Loss for the period	**(3,206)**	**(3,518)**
Other comprehensive income		
Translation of foreign operations	(227)	(180)
Share of other comprehensive income of associates	(56)	-
Movement in fair value of property and equipment	251	(182)
Total other comprehensive loss	**(31)**	**(363)**
Total comprehensive loss	**(3,238)**	**(3,881)**

During the first six-months of 2022, the Group more than doubled the revenue generated in the first half of 2021. The increase was mainly due to the improvement in the hospitality segment brought about by the recovery in the tourism industry as governments withdrew travel restrictions imposed in response to the COVID-19 pandemic. The drop in other income was mainly due to the withdrawal of the temporary financial support measures granted by the German and Polish Governments due to COVID-19.

The overall costs and administrative expenses in the first half of 2022 have remained stable when compared to the first half of 2021. The increased operating costs brought about by the higher activity in the accommodation and catering segment were offset by the discontinuation of the operations of IBB Hotel Andersia and the reclassification of the Urbelia Business S.L. activities from subsidiary to associate, both around March 2021.

In the first half of 2022 other operating income was mainly government subsidies from the German government in relation to COVID-19 and gains made on the disposal of fixed assets upon the transfer of IBB Hotel Andersia to a new operator. The substantial decrease in other operating income compared to the first half of 2021 was due to the termination of support by the Polish Government in 2022 and the decreasing support of the German government as post COVID-19 trading activities are coming back to normality and restrictions substantially being lifted. Also, lease concessions granted by owners during the covid period came to an end by the end of 2021.

Other losses in the first half of 2022 of €232K relate to currency exchange differences on the Polish Zloty. The loss on currency exchange differences was partially offset by a positive fair value movement in other financial assets of €66K.

The movement in depreciation and amortisation, including IFRS 16 depreciation, was mainly impacted positively by the termination of the lease of Andersia Tower Hotel. In addition, the deconsolidation of Urbelia group in March 2021 saw fixed assets, right-of-use depreciation and interest expense included in first half of 2021 and not in 2022.

Income taxes for the period are recorded on a provisional basis. In the first half of 2022, some trading subsidiaries have reported positive results and consequently a tax provision has been accounted for.

In conclusion, consideration should be given to the fact that the interim period covers the first half of the year, whereas the Group's results for the second half of the year are projected to be much stronger, in line with general hospitality trends wherein summer is the strongest period of the year.

Group's Statement of Financial Position as at 30 June 2022 and 31 December 2021

	30 Jun 2022 (Unaudited)	31 Dec 2021 (Audited)
	€000	€000
Assets		
Non-current assets		
Intangible assets	56	66
Property, plant and equipment	26,924	27,309
Right of use assets	30,420	31,404
Investment properties	34,433	32,601
Investment in associates	2,569	2,981
Loans and other receivables	7,820	6,655
Other financial assets	2,458	1,924
Deferred tax assets	1,004	1,004
Total non-current assets	**105,683**	**103,944**
Current assets		
Inventories	60	90
Loans and other receivables	7,059	7,059
Trade and other receivables	5,070	5,298
Current tax receivable	-	2
Cash and cash equivalents	10,456	17,125
Total current assets	**22,645**	**29,574**
Total assets	**128,328**	**133,518**
Equity and liabilities		
Equity		
Share capital	3,805	3,805
Share Premium	4,445	4,445
Other reserves	5,073	4,877
Currency translation reserve	(1,843)	(1,616)
Retained earnings	11,066	14,272
Non-controlling interest	15,125	15,125
Total equity	**37,671**	**40,908**
Non-current liabilities		
Debt securities in issue	24,182	24,171
Borrowings	17,967	17,766
Finance lease liabilities	29,685	30,506
Deferred tax liabilities	5,032	5,002
Total non-current liabilities	**76,865**	**77,445**
Current liabilities		
Finance lease liabilities	2,771	2,771
Borrowings	6,941	6,836
Trade and other payables	4,077	5,503
Current tax payable	3	55
Total current liabilities	**13,792**	**15,165**
Total liabilities	**90,657**	**92,610**
Total equity and liabilities	**128,328**	**133,518**

At 30 June 2022, the Group's total assets stood at €128.3 million, of which 71.5% or €91.7 million are real estate assets and right-of-use assets.

Non-current assets increased by €1.7 million to €105.7 million mainly due to the additional costs incurred in the construction of Andersia Silver Project, the Rezevici development, the ongoing restoration of Villa Diodati, and the revaluation of Lublin Grand Hotel property. The Group's major properties carried in the books as at period end include, within investment properties, Andersia Silver Project (€29.3 million), Villa Diodati (€3 million) and the Rezevici development in Montenegro (€1.5 million), and within property, plant and equipment, the two hotels Dlugi Targ Hotel (€15.4 million), and Lublin Grand Hotel (€9.2 million).

Other movements within non-current assets include further investments in other financial assets and additional loans given to related parties of €1.2 million. These additions were offset by depreciation of €1.4 million, share in losses of associates of €100K and the impact of translating the non-current assets of foreign operations to the reporting currency of €700K.

On the other hand, total current assets have decreased by about €7 million mainly from the net decrease in cash and cash equivalents. Cash and cash equivalents during the period were mainly used on investing activities and resulted in the increase of non-current assets, followed by net cash used in financing activities, including the payment on bonds interest and other interest on borrowings, and payment of leases.

Total liabilities at 30 June 2022 decreased by about €2 million mainly due to the reduction of trade and other payables, including the repayment of the accrued interest expense on the bonds in issue.

Group's Cash Flow Statement for the period ended 30 June

	Jan - Jun 2022 (Unaudited)	Jan - Jun 2021 (Unaudited)
	€000	€000
Net cash flows used in operating activities	(1,240)	(1,580)
Net cash flows used in investing activities	(3,238)	(6,470)
Net cash flows generated from/(used in) financing activities	(2,400)	1,665
Effect of changes in foreign exchange	209	2
Net movement in cash and cash equivalents	**(6,669)**	**(6,383)**
Cash and cash equivalents at start of period	17,125	27,906
Cash and cash equivalents at end of period	**10,456**	**21,523**

Net cash used in operating activities during the first six months of 2022 decreased compared to the first six months of 2021 mainly due to the improved cash inflows from trading activities in 2022 as the market recovers from the COVID-19 pandemic.

Cash flows from investing activities were related to the continuation of the Andersia Silver Project, the Rezevici development in Montenegro, as well as the ongoing restoration of Villa Diodati in Italy.

The financing movement during the period related to lease payments, the repayment of the interest on the bonds in issue and other bank repayment, net of proceeds from related party repayments.

7. BUSINESS DEVELOPMENT STRATEGY AND TREND INFORMATION

7.1 Trend information of the Issuer

There has been no material adverse change in the prospects or in the financial or trading position of the Issuer since the date of publication of its latest audited financial statements for the period ended 31 December 2021.

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

7.2 The Guarantor

At the time of publication of this Registration Document, the Group considers that generally it shall be subject to the normal business risks associated with the industries in which the Group companies are involved and operate as disclosed in this Registration Document and, barring unforeseen circumstances, does not anticipate any trends, uncertainties, demands, commitments or events outside the ordinary course of business that could be deemed likely to have a material effect on the upcoming prospects of Group companies and their respective businesses, at least with respect to the financial year 2022. However, investors are strongly advised to carefully read the risk factors disclosed in the Prospectus.

There has been no material adverse change in the prospects of the Guarantor since the date of its last published audited consolidated financial statements for the period ended 31 December 2021.

The following is an overview of the most significant recent trends affecting the Guarantor and the markets in which it operates:

The protracted Russian invasion of Ukraine and the consequences for the global economy have set the EU economy on a path of lower growth and higher inflation. The rapid increase in energy and food commodity prices is feeding global inflationary pressures, eroding the purchasing power of households and triggering a faster monetary policy response than previously assumed.

Whereas prices of some commodities are retreating from recent peaks, the EU economy remains vulnerable to developments in energy markets due to its high reliance on Russian fossil fuels. Whereas businesses still eye an expansion of economic activity, they are less optimistic about the future, which will weigh on investment. Private consumption is also anticipated to suffer.

Economic activity is expected to have regained some traction during summer, thanks to a promising tourism season. In 2023, economic growth is expected to gather some momentum, on the back of a resilient labour market, moderating inflation and a still large amount of excess savings.

Risks to the forecast for economic activity and inflation are heavily dependent on the evolution of the war. The recent downward tendencies of oil and other commodities' prices could intensify, bringing about a faster deceleration in inflation. Moreover, private consumption could prove more resilient to increasing prices if households were to use more of their savings. Finally, COVID-19 remains a risk factor.

Private consumption and investment growth are set to be less buoyant than previously expected. Despite strong labour markets, as employment levels increased and unemployment levels reduced, high inflation is weighing on households' real disposable income and savings. Notwithstanding private consumption is projected to continue growing throughout the coming two years, but less than previously expected.

The recovery of the German and Polish markets, the region in which the Group's hotels mainly operate in, is set to continue. The Group's hotels are mainly in Germany and Poland, situated in city centres and close to important locations such as the Berlin airport or major industrial undertakings that generate significant corporate business that should continue to increase as the economy grows.

Poznań, the city in which the most important real estate development project of the Group is underway, is recognised as one of the most business-friendly cities in Poland. The Poznań office market has shown resilience over the past years both in terms of low vacancy rates and new office take up. With no new sizeable developments as yet commissioned to be completed after 2023, the city is likely to experience a supply gap especially in the prime office segment market, providing a unique opportunity to attract the right tenants seeking to secure new office space as from 2024. The Andersia Silver project is situated at the heart of the commercial centre just 7,5 km from the main airport and within very close proximity of the main railroad station, the City Hall and Old Market Square and the main shopping centres.

8. ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

8.1 The Issuer

8.1.1 Executive and Non-Executive Directors

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

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

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

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

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

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

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

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

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

8.1.2 Directors' service contracts

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

8.1.3 Aggregate emoluments of Directors

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

The remuneration of Directors is a fixed amount *per annum* and does not include any variable component relating to profit sharing, share options or pension benefits. During the Company's Annual General Meeting held on 17 May 2022 it was resolved to approve an increase in the maximum aggregate emoluments of all the Company's Directors in accordance with Article 11.K of the Articles of Association of the Company to €102,000 (2021: €40,000).

8.1.4 Loans to Directors

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

8.1.5 Appointment and removal of Directors

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

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

8.1.6 Powers of Directors

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

The Directors are vested with the management of the Issuer and their powers of management and administration emanate directly from the Memorandum and Articles of Association and the law. The Directors are empowered to act on behalf of the Issuer and, in this respect, have the authority to enter into contracts, sue and be sued in representation of the Issuer.

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

In terms of the Memorandum and Articles of Association, the Board of Directors may exercise all the powers of the Issuer to borrow money and give security therefor, subject to such limit as may be established by the shareholders in general meeting.

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

8.1.7 Employees

As at the date of the Prospectus, the Issuer has no employees and is reliant on the resources which are made available to it by the Group. As at 31 December 2021, the number of persons employed with the Group amounted to 192 (2020: 248 employees).

8.2 The Guarantor

8.2.1 Directors

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

8.2.2 Directors' service contracts

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

8.2.3 Loans to directors

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

8.2.4 Appointment and removal of directors

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

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

8.2.5 Powers of directors

By virtue of the Articles of Association of the Guarantor, the board of directors is empowered to exercise all the rights of the company except those rights as are expressly reserved for decision by the shareholders in general meeting.

8.3 Working Capital

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

8.4 Conflict of interest at Group level

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

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

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

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

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

As regards related party transactions generally, the Audit Committee operates within the remit of the applicable terms of Chapter 5 of the Capital Markets Rules regulating the role of the audit committee with respect to related party transactions.

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

Additionally, the Audit Committee has, pursuant to the relative terms of reference, been granted express powers to be given access to the financial position of the Issuer, the Guarantor and all other entities comprising the Group. To this effect, the Issuer, the Guarantor and all other entities comprising the Group are to submit to the Audit Committee bi-annual unaudited management accounts, as well as at least quarterly comparisons of actuals against projections.

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

Robert Hendrik Rottinghuis holds 25% shareholding in DGDV Capital Limitada. Save for the interests disclosed in this sub-section 8.4, senior management do not hold any shares in the Issuer or other entities comprising the Group.

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

9. COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS

9.1 The Issuer

The Issuer is subject to, and continues to support, the Code of Principles of Good Corporate Governance forming part of the Capital Markets Rules (the "Code"). The Board acknowledges that the Code does not dictate or prescribe mandatory rules but recommends principles of good practice. Nonetheless, the Board strongly believes that the Code is in the best interest of the shareholders and other stakeholders since it ensures that the Directors, management and employees of the Group adhere to internationally recognised high standards of corporate governance.

More specifically, on 4 November 2016, the Board of Directors of the Company in office at the time adopted a Code of Principles of Good Corporate Governance based on Appendix 5.1 and as referred to in Rules 5.94 - 5.97 of Chapter 5 of the Capital Market Rules. This code was endorsed by the new Board in office on 12 January 2017 and later endorsed by the current Board in August 2020. It is regularly discussed, and compliance thereto is verified, during the Company's board meetings.

The Board considers that during the financial year ended 31 December 2021, the Issuer was in compliance with the Code, save for the following exceptions:

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

Under the present circumstances, the Board does not consider it necessary to appoint a committee to carry out a performance evaluation of its role, as the Board's performance is evaluated on an ongoing basis by its shareholders and is subject to the continuous oversight and communication with its shareholders.

(ii) Principle 8: "Committees"

Due to its limited operational function with the Group, the Issuer does not have a remuneration committee or a nomination committee as recommended in Principle 8. Under the present circumstances the Board does not consider it necessary to appoint a nomination committee and a remuneration committee as decisions on these matters are taken at shareholder level. No part of the remuneration paid to the Directors is performance based.

(iii) Principle 10: "Institutional shareholders"

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

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

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

9.2 The Guarantor

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

10. AUDIT COMMITTEE PRACTICES

The Board of Directors of the Issuer has, in addition to setting the Company's strategy, policies and objectives, established an Audit Committee in line with the requirements of the Capital Markets Rules.

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

The terms of reference of the Audit Committee, adopted on 12 January 2017 and amended on 14 July 2021 and 5 September 2022, include support to the Board of Directors of the Issuer in its responsibilities in dealing with issues of risk, control and governance, and associated assurance. The Board has set formal terms of establishment and the terms of reference of the Audit Committee which set out its composition, role and function, the parameters of its remit, as well as the basis for the processes that it is required to comply with. The Board reserved the right to change the Audit Committee's terms of reference from time to time.

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

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

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

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

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

11. HISTORICAL FINANCIAL INFORMATION

The Issuer's historical financial information for the three financial years ended 31 December 2019, 2020, and 2021, as audited by Ernst & Young Malta Limited, and the auditor's reports thereon, are set out in the applicable audited financial statements of the Issuer.

The Guarantor's historical financial information for the financial years ended 31 December 2019, 2020, and 2021, as audited by Ernst & Young Malta Limited, and the auditor's reports thereon, are set out in the applicable audited consolidated financial statements of the Guarantor.

The afore-mentioned audited financial statements of the Issuer and the audited consolidated financial statements of the Guarantor are available for inspection as set out in section 17 below, are incorporated by reference and may be accessed on the Issuer's website www.vonderheydengroup.com.

	Information incorporated by reference in this Registration Document	Financial year ended 31 December 2019	Financial year ended 31 December 2020	Financial year ended 31 December 2021
		Page number in Annual Report		
Issuer	Statements of Comprehensive Income	Page 18	Page 18	Page 10
	Statements of Financial Position	Page 17	Page 17	Page 9
	Statements of Cash Flows	Page 20	Page 20	Page 12
	Notes to the Financial Statements	Pages 21 to 35	Pages 21 to 35	Page 13 to 28
	Independent Auditor's Report	Pages 10 to 16	Pages 10 to 16	Page 29 - 36
Guarantor	Statements of Comprehensive Income	Page 6	Page 7	Page 20
	Statements of Financial Position	Pages 7 to 8	Pages 8 to 9	Pages 21 to 22
	Statements of Cash Flows	Pages 13 to 14	Pages 14 to 15	Pages 25 to 27
	Notes to the Financial Statements	Pages 15 to 66	Pages 16 to 62	Pages 28 to 89
	Independent Auditor's Report	Pages 67 to 70	Pages 63 to 66	Pages 90 to 94

There have been no significant adverse changes to the financial or trading position of the Issuer and/or the Guarantor since the end of the financial period to which their respective afore-mentioned last audited financial statements relate.

Furthermore, the Issuer and the Guarantor hereby confirm that there has been no material change or recent development which could adversely affect potential investors' assessments in respect of the Bonds, other than the information contained and disclosed in the Prospectus.

12. LITIGATION PROCEEDINGS

There have been no governmental, legal or arbitration proceedings involving the Issuer or the Guarantor, including any such proceedings which are pending or threatened of which the Issuer or the Guarantor is aware, during the period covering 12 months prior to the date of the Prospectus which may have, or have had, in the recent past significant effects on the financial position or profitability of the Issuer, the Guarantor and/or the Group, taken as a whole.

13. MAJORITY SHAREHOLDERS AND ADDITIONAL INFORMATION

13.1 Share capital of the Issuer

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

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

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

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

a. the holder of the ordinary A shares shall be entitled to 1 vote in general meetings for each of such share held, whilst the holder of the ordinary B share shall not be entitled to any vote in respect to such share. Provided that both classes of shares shall entitle the holder to receive notice of general meetings of the Issuer in terms of the Articles of Association of the Company;
b. the ordinary B share shall not carry any dividend entitlement;
c. the holder of the ordinary A shares shall be entitled to any surplus assets of the Company on a winding up whilst the holder of the ordinary B share shall not be entitled to any surplus assets on winding up but shall have a prior claim over the holder of the ordinary A shares for the return of the nominal value of the said ordinary B share.

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

It is not expected that the Issuer will issue any shares during the financial year ending 31 December 2022, whether fully or partly paid up, in consideration for cash or otherwise.

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

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

13.2 Memorandum and Articles of Association of the Issuer

The objects of the Issuer are set out in clause 4 of the Issuer's Memorandum of Association, with the principal object being to purchase or otherwise acquire, under any title whatsoever, to hold and manage, by any title, movable and immovable property or other assets, including but not limited to securities and other financial interests. The issue of bonds falls within the objects of the Issuer.

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

A copy of the Memorandum and Articles of Association of the Issuer may be inspected during the lifetime of this Registration Document at the registered office of the Issuer as set out in section 17 of this Registration Document and at the Malta Business Registry during the lifetime of the Company.

13.3 Share capital of the Guarantor

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

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

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

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

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

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

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

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

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

It is not expected that shares in the Guarantor shall be issued during the financial year ending 31 December 2022, whether fully or partly paid up, in consideration for cash or otherwise.

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

13.4 Memorandum and articles of association of the Guarantor

The principal objects of the Guarantor are set out in clause 3 of the memorandum of association of the Guarantor and include, but are not limited to, investing and dealing with monies of the company in any shares, securities, commodities, derivatives and funds and in such manner as may, from time to time, be determined.

The Guarantor is also empowered in terms of its memorandum of association to guarantee the payment of monies or the performance of any contract or obligation in which the Guarantor may be interested, even by the hypothecation of the Guarantor's property, whether present or future.

The memorandum and articles of association of the Guarantor otherwise regulate matters customarily dealt with therein, including matters such as voting rights and restrictions thereof, and the appointment and powers of directors, as detailed above in this Registration Document.

A copy of the memorandum and articles of association of the Guarantor may be inspected during the lifetime of this Registration Document at the registered office of the Issuer as set out in section 17 of this Registration Document and at the Malta Business Registry during the lifetime of the company.

13.5 Commissions

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

14. MATERIAL CONTRACTS

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

15. DISCLOSURES UNDER MARKET ABUSE REGULATION

No information has been disclosed by the Issuer over the last 12 months which is relevant as at the date of the Prospectus under Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC.

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

Save for the Financial Analysis Summary reproduced in Annex III of the Securities Note, the Prospectus does not contain any statement or report attributed to any person as an expert.

The Financial Analysis Summary dated 10 October 2022 has been included in Annex III of the Securities Note in the form and context in which it appears with the authorisation of Calamatta Cuschieri Investment Services Limited of Ewropa Business Centre, Triq Dun Karm, Birkirkara BKR 9034, Malta, which has given and has not withdrawn its consent to the inclusion of said report herein.

Calamatta Cuschieri Investment Services Limited does not have any beneficial interest in the Issuer or the Guarantor. The Issuer has received confirmation from Calamatta Cuschieri Investment Services Limited that the Financial Analysis Summary has been accurately reproduced in the Prospectus and that there are no facts of which the Issuer is aware that have been omitted and which would render the reproduced information inaccurate or misleading.

17. DOCUMENTS AVAILABLE FOR INSPECTION

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

a. the Memorandum and Articles of Association of the Issuer;
b. the Memorandum and Articles of Association of the Guarantor;
c. the audited financial statements of the Issuer for the financial years ended 31 December 2019, 2020, and 2021;
d. the audited consolidated financial statements of the Guarantor for the financial years ended 31 December 2019, 2020, and 2021;
e. the interim unaudited financial statements of the Issuer for the six-month period 1 January to 30 June 2022;
f. the interim consolidated unaudited financial statements of the Guarantor for the six-month period 1 January to 30 June 2022;
g. the Financial Analysis Summary; and
h. the Guarantee.

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