

Company registration No.: C 77266



# VON DER HEYDEN GROUP FINANCE plc

**Interim Report**

**and**

**Condensed Interim Financial Statements**

for the six months ended 30 June 2018



# VON DER HEYDEN GROUP FINANCE plc

Interim Report for the six months period ended 30 June 2018

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# VON DER HEYDEN GROUP FINANCE plc

Interim Report for the six months period ended 30 June 2018

## **GENERAL INFORMATION**

### **Registration**

Von der Heyden Group Finance p.l.c. is registered in Malta as a public limited liability company under the Companies Act (Cap 386). The company's registration number is C 77266.

### **Directors**

Robert Hendrik Rottinghuis  
Sven von der Heyden  
Francis J. Vassallo (resigned on 27 June 2018)  
Robert Aquilina  
Kevin Deguara  
Lino Casapinta (appointed on 27 June 2018)

### **Company secretary**

Adrian Paul Sciberras

### **Registered office**

Spinola Palace  
46, St Christopher Street  
Valletta VLT 1464  
Malta

### **Bankers**

Lombard Bank Malta p.l.c.  
67, Republic Street  
Valletta VLT 1117  
Malta

### **Auditors**

RSM Malta  
Mdina Road  
Zebbug ZBG 9015  
Malta



# VON DER HEYDEN GROUP FINANCE plc

Interim Report for the six months period ended 30 June 2018

## **INTERIM DIRECTORS' REPORT**

The directors of the Company hereby present the interim report and the condensed interim financial statements for the six months period ended 30 June 2018.

### **General information**

Von der Heyden Group Finance p.l.c. is registered in Malta as a public limited liability company under the Companies Act (Cap 386). The Company was incorporated on 15 September 2016 with registration number C 77266. The Company is domiciled in Malta with its registered office at Spinola Palace, 46, St. Christopher Street, Valletta VLT 1464, Malta. The Company Secretary is Mr. Adrian Paul Sciberras.

### **Principal Activity**

The Company has been set up and established to act as a finance company through which the Von der Heyden Group, which principally specialises in the business of developing high quality office buildings and other property developments, as well as owning and managing hotel and residential properties in several European countries including Malta, will continue to finance its future projects.

### **Principal Risks and Uncertainties**

The Company is mainly dependent on the business prospects of the Von der Heyden Group, and consequently, the operating results of the Group have a direct effect on the Company's financial position and performance, including the ability of the Company to meet its payment obligations under the issued bonds.

The Company's assets consist principally of the loans advanced to the related companies and the accrued interest thereon. Therefore, the ability of these companies to affect payments to the Company under such loans will depend on their respective cash flows and earnings.

### **Review of the business**

The Company, as issuer of the bonds, does not have any substantial assets apart from the loans receivable from related companies and is essentially a special purpose vehicle set up to act as a financing company. The Company therefore serves as a vehicle through which the Von der Heyden Group will continue to finance its future projects and/or enabling the Von der Heyden Group to seize new opportunities arising in the market. The Company operates exclusively in and from Malta.

As at 30 June 2018, the Company had on-lent and made available from its net bond proceeds an amount of €21,908,400 to various companies of the Von der Heyden Group. The loans provided to the various related companies during the first six months of the 2018 financial year have been made in accordance with the parameters as set in the Company's Prospectus dated 30 January 2017. Further loan disbursements are planned to be made until the end of the year from the current €2,469,137 cash remaining available from the bond proceeds, interest payments and loan repayments, providing for a further increase of the positive net interest income for financial year 2018.



# VON DER HEYDEN GROUP FINANCE plc

Interim Report for the six months period ended 30 June 2018

## **INTERIM DIRECTORS' REPORT - continued**

### **Related party transactions**

During the six months period ended 30 June 2018, there have been no material related party transactions which have not been concluded under normal market conditions.

### **Statement Pursuant to Listing Rule 5.75.3 Issued by the Listing Authority**

To the best of our knowledge and that of the management of the Company, the condensed interim financial statements give a true and fair view of the financial position of the company as at 30 June 2018, and of its financial performance and cash flows for the six months period then ended, in accordance with International Financial Reporting Standards as adopted by the EU applicable to interim financial reporting (IAS 34).

Furthermore, the Interim Directors' Report includes a fair review of the information required in terms of Listing Rules 5.81 to 5.84.

The half-yearly interim financial report has not been audited or reviewed.

### **Events after the reporting period**

There have been no events after the reporting period that materially affected the financial position of the Company.

Signed on behalf of the Board of Directors by:

**Robert Hendrik Rottinghuis**  
Director

**Sven von der Heyden**  
Director

17 August 2018



# VON DER HEYDEN GROUP FINANCE plc

Interim Report for the six months period ended 30 June 2018

## CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME For the six months period ended 30 June 2018

	<b>01.01.2018 to 30.06.2018 (Unaudited)</b>	01.01.2017 to 30.06.2017 (Unaudited)
	€	€
<b>Revenue</b>	<b>749,170</b>	387,510
Direct costs	<b>(550,001)</b>	(348,333)
<b>Gross profit</b>	<b>199,169</b>	39,177
Administrative expenses	<b>(185,050)</b>	(192,780)
<b>Profit / (loss) before tax</b>	<b>14,119</b>	(153,603)
Taxation	-	-
<b>Net profit / (loss) for the period</b>	<b>14,119</b>	(153,603)
<b>Total comprehensive income / (loss) for the period</b>	<b>14,119</b>	(153,603)
<b>Earnings / (loss) per share</b>	<b>0.0565</b>	(0.6144)



# VON DER HEYDEN GROUP FINANCE plc

Interim Report for the six months period ended 30 June 2018

## CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION As at 30 June 2018

	Note	30.06.2018 (Unaudited) €	31.12.2017 (Audited) €
<b>ASSETS</b>			
<b>Non-current assets</b>			
Loans receivable	3	<u>21,638,400</u>	<u>21,700,000</u>
<b>Current assets</b>			
Trade and other receivables		1,045,996	874,477
Cash and cash equivalents		<u>2,469,137</u>	<u>3,098,627</u>
		<b>3,515,133</b>	<b>3,973,104</b>
<b>TOTAL ASSETS</b>		<b><u>25,153,533</u></b>	<b><u>25,673,104</u></b>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and reserves</b>			
Share capital		250,000	250,000
Accumulated losses		<u>(221,175)</u>	<u>(235,294)</u>
<b>TOTAL EQUITY</b>		<b><u>28,825</u></b>	<b><u>14,706</u></b>
<b>Non-current liabilities</b>			
Borrowings	4	<u>24,771,034</u>	<u>24,750,219</u>
<b>Current liabilities</b>			
Trade and other payables		<u>353,674</u>	<u>908,179</u>
<b>TOTAL LIABILITIES</b>		<b><u>25,124,708</u></b>	<b><u>25,658,398</u></b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b><u>25,153,533</u></b>	<b><u>25,673,104</u></b>



# VON DER HEYDEN GROUP FINANCE plc

Interim Report for the six months period ended 30 June 2018

## CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY For the six months period ended 30 June 2018

	Share capital	Accumulated losses	Total
	€	€	€
<b>Financial period ended 30 June 2017</b>			
Balance at 1 January 2017	50,000	(122,064)	(72,064)
Issuance of share capital	200,000	-	200,000
Total comprehensive loss for the period:			
<i>Loss for the period</i>	-	(153,603)	(153,603)
<b>Balance at 30 June 2017</b>	<b>250,000</b>	<b>(275,667)</b>	<b>(25,667)</b>
<b>Financial period ended 30 June 2018</b>			
Balance at 1 January 2018	250,000	(235,294)	14,706
Total comprehensive income for the period:			
<i>Profit for the period</i>	-	14,119	14,119
<b>Balance at 30 June 2018</b>	<b>250,000</b>	<b>(221,175)</b>	<b>28,825</b>





# VON DER HEYDEN GROUP FINANCE plc

Interim Report for the six months period ended 30 June 2018

## CONDENSED INTERIM STATEMENT OF CASH FLOWS For the six months period ended 30 June 2018

	<b>01.01.2018 to 30.06.2018 (Unaudited) €</b>	01.01.2017 to 30.06.2017 (Unaudited) €
<b>Cash flows from operating activities</b>		
Profit / (loss) before tax	<b>14,119</b>	(153,603)
<b>Adjustments for:</b>		
Interest income	<b>(749,170)</b>	(387,510)
Interest expense	<b>550,001</b>	-
Amortisation of bond issue costs	<b>20,815</b>	-
<b>Loss from operations</b>	<b>(164,235)</b>	(541,113)
Increase in trade and other receivables	<b>(11,687)</b>	(423,917)
(Decrease) / Increase in trade and other payables	<b>(4,505)</b>	332,563
<b>Cash used in operating activities</b>	<b>(180,427)</b>	(632,467)
Interest received	<b>589,338</b>	387,510
Interest paid	<b>(1,100,001)</b>	(211,446)
<b>Net cash flows used in operating activities</b>	<b>(691,090)</b>	(456,403)
<b>Cash flows from investing activities</b>		
Loans to related parties	<b>(1,303,400)</b>	(20,479,837)
Receipts from loan repayments	<b>1,365,000</b>	-
<b>Net cash flows from / (used in) investing activities</b>	<b>61,600</b>	(20,479,837)
<b>Cash flows from financing activities</b>		
Proceeds from issuance of share capital	-	200,000
Proceeds from issuance of bonds	-	24,955,000
<b>Net cash flows from financing activities</b>	-	25,155,000
<b>Net movement in cash and cash equivalents</b>	<b>(629,490)</b>	4,218,760
Cash and cash equivalents at beginning of period	<b>3,098,627</b>	444
<b>Cash and cash equivalents at end of period</b>	<b>2,469,137</b>	4,219,204



# VON DER HEYDEN GROUP FINANCE plc

Interim Report for the six months period ended 30 June 2018

## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

### 1. BASIS OF PREPARATION

This report is being published pursuant to the terms of Chapter 5 of the Listing Rules and the Prevention of Financial Markets Abuse Act 2005.

The financial information being published has been extracted from the Von Der Heyden Group Finance P.L.C unaudited interim financial statements for the six months ended 30 June 2018, prepared in accordance with accounting standards adopted for use in the European Union for reported interim financial information (IAS 34 - Interim Financial Reporting). In terms of Listing Rule 5.75.5, this interim report has not been audited by the company's independent auditors.

### 2. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies used in the preparation of the interim financial information are consistent with those used in the annual financial statements for the year ended 31 December 2017.

### 3. LOANS RECEIVABLE

	<b>30.06.2018</b> <b>(Unaudited)</b>	31.12.2017 (Audited)
	€	€
Timan Investments Espana S.L.	<b>6,025,000</b>	6,025,000
Von Der Heyden Group Holdings S.A.R.L.	<b>5,750,000</b>	6,200,000
First Polish Real Estate B.V.	<b>3,000,000</b>	3,000,000
Timan Investments Holdings Limited	<b>1,750,000</b>	1,750,000
KASA Investments GmbH	<b>1,425,000</b>	1,425,000
IBB Hotel Management Europe Limited	<b>675,000</b>	600,000
IBB Hotel Deutschland Betriebs GmbH	<b>450,000</b>	565,000
IBB Hammetts Operations Limited	<b>400,000</b>	300,000
IBB Hotel Collection Holding S.L.	<b>400,000</b>	70,000
Lublin Grand Hotel Sp. Z o.o.	<b>350,000</b>	50,000
IBB Blue Hotel Betriebs GmbH	<b>310,000</b>	310,000
Hotel Sol Del Este S.L.	<b>250,000</b>	250,000
Urbelia Business S.L.	<b>248,400</b>	-
Senglea Hotel Operations Limited	<b>225,000</b>	-
IBB Management 2007 S.L.	<b>200,000</b>	200,000
IBB Espana 2004 S.L.	<b>180,000</b>	180,000
Gzira 14 East Limited	-	775,000
	<b><u>21,638,400</u></b>	<b><u>21,700,000</u></b>

Loans receivable pertain to loans advanced to related companies from the net proceeds of the bonds issue. They are subject to interest at an annual rate of 4.4% to 7.5%. The loans are repayable until 1 March 2024.



# VON DER HEYDEN GROUP FINANCE plc

Interim Report for the six months period ended 30 June 2018

## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS - continued

### 4. BORROWINGS

	<b>30.06.2018</b> <b>(Unaudited)</b>	31.12.2017 (Audited)
	€	€
25,000 Redeemable Bonds of €1,000 each	<b>25,000,000</b>	25,000,000
Unamortised bonds issue costs	<b>(228,966)</b>	(249,781)
	<b><u>24,771,034</u></b>	<b><u>24,750,219</u></b>

These bonds are redeemable on 8 March 2024 and bear interest of 4.4% per annum. These bonds are unsecured pursuant and subject to the terms and conditions in the prospectus dated 30 January 2017 and are guaranteed by the parent company, Timan Investments Holdings Limited.

The bonds are carried net of direct issue costs which are being amortised over the term of the bonds.

The quoted market price as at 30 June 2018 was €1,028 (31 December 2017: €995).

### 5. CONTINGENT LIABILITY

The Company has a contingent liability in favour of a group undertaking of €120,000. The pledge shall expire on 31 December 2021.