

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 2019



VON DER HEYDEN GROUP FINANCE plc

Interim Report for the six months period ended 30 June 2019

CONTENTS

	<u>Page</u>
General information	2
Interim directors' report	3 - 4
Condensed interim statement of comprehensive income	5
Condensed interim statement of financial position	6
Condensed interim statement of changes in equity	7
Condensed interim statement of cash flows	8
Notes to the condensed interim financial statements	9 - 10



VON DER HEYDEN GROUP FINANCE plc

Interim Report for the six months period ended 30 June 2019

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
Robert Aquilina
Kevin Deguara
Lino Casapinta

Company secretary

Mr. Luke Coppini

Registered office

East 14
Level 8, Sliema Road
Gzira, GZR 1639
Malta

Bankers

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

Hamburg Commercial Bank AG (formerly HSH Nordbank AG)
Gerhart-Hauptmann-Platz 50
20095 Hamburg
Germany

Auditors

Ernst & Young Malta Limited
Regional Business Centre
Achille Ferris Street
Msida, MSD 1751
Malta



VON DER HEYDEN GROUP FINANCE plc

Interim Report for the six months period ended 30 June 2019

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 2019.

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 14 East, Level 8, Sliema Road, Gzira, GZR 1639, Malta. The Company Secretary is Mr. Luke Coppini.

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 2019, the Company had on-lent and made available from its net bond proceeds an amount of €22,096,745 to various companies of the Von der Heyden Group. The loans provided to the various related companies during the first six months of the 2019 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 €1,971,430 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 2019.



VON DER HEYDEN GROUP FINANCE plc

Interim Report for the six months period ended 30 June 2019

INTERIM DIRECTORS' REPORT - continued

Related party transactions

During the six months period ended 30 June 2019, 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 2019, 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

30 July 2019



VON DER HEYDEN GROUP FINANCE plc

Interim Report for the six months period ended 30 June 2019

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME For the six months period ended 30 June 2019

	01.01.2019 to 30.06.2019 (Unaudited)	01.01.2018 to 30.06.2018 (Unaudited)
	€	€
Revenue	839,700	749,170
Direct costs	(550,000)	(550,001)
Gross profit	289,700	199,169
Administrative expenses	(149,458)	(185,050)
Profit / (loss) before tax	140,242	14,119
Taxation	-	-
Net profit / (loss) for the period	140,242	14,119
Total comprehensive income / (loss) for the period	140,242	14,119
Earnings / (loss) per share	0.561	0.0565



VON DER HEYDEN GROUP FINANCE plc

Interim Report for the six months period ended 30 June 2019

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION As at 30 June 2019

	Note	30.06.2019 (Unaudited) €	31.12.2018 (Audited) €
ASSETS			
Non-current assets			
Loans receivable	3	<u>21,826,745</u>	<u>20,276,745</u>
Current assets			
Trade and other receivables		<u>1,681,740</u>	<u>4,108,036</u>
Cash and cash equivalents		<u>1,971,430</u>	<u>1,402,389</u>
		<u>3,653,170</u>	<u>5,510,425</u>
TOTAL ASSETS		<u>25,479,915</u>	<u>25,787,170</u>
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital		<u>250,000</u>	<u>250,000</u>
Accumulated losses		<u>(31,224)</u>	<u>(171,466)</u>
TOTAL EQUITY		<u>218,776</u>	<u>78,534</u>
Non-current liabilities			
Borrowings	4	<u>24,812,664</u>	<u>24,791,749</u>
Current liabilities			
Trade and other payables		<u>448,475</u>	<u>916,787</u>
TOTAL LIABILITIES		<u>25,261,140</u>	<u>25,708,636</u>
TOTAL EQUITY AND LIABILITIES		<u>25,479,915</u>	<u>25,787,170</u>



VON DER HEYDEN GROUP FINANCE plc

Interim Report for the six months period ended 30 June 2019

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY For the six months period ended 30 June 2019

	Share capital	Accumulated losses	Total
	€	€	€
Financial period ended 30 June 2018			
Issuance of share capital	250,000	(235,294)	14,706
Total comprehensive loss for the period:			
<i>Loss for the financial period</i>	-	14,119	14,119
Balance at 30 June 2018	250,000	(221,175)	28,825
Financial period ended 30 June 2019			
Balance at 1 January 2019	250,000	(171,466)	78,534
Total comprehensive income for the period:			
<i>Profit for the period</i>	-	140,242	140,242
Balance at 30 June 2019	250,000	(31,224)	218,776



VON DER HEYDEN GROUP FINANCE plc

Interim Report for the six months period ended 30 June 2019

CONDENSED INTERIM STATEMENT OF CASH FLOWS For the six months period ended 30 June 2019

	01.01.2019 to 30.06.2019 (Unaudited) €	01.01.2018 to 30.06.2018 (Unaudited) €
Cash flows from operating activities		
Profit / (loss) before tax	140,242	14,119
Adjustments for:		
Interest income	(1,547,404)	(749,170)
Interest expense	550,000	550,001
Amortisation of bond issue costs	20,815	20,815
Loss from operations	(836,347)	(164,235)
Decrease in trade and other receivables	3,244,971	(11,687)
(Decrease) / Increase in trade and other payables	(468,312)	(4,505)
Cash used in operating activities	1,490,312	(180,427)
Interest received	728,729	589,338
Interest paid	(1,100,000)	(1,100,001)
Net cash flows used in operating activities	2,119,041	(691,090)
Cash flows from investing activities		
Loans to related parties	-	(1,303,400)
Receipts/Payments from loan repayments	1,000,000	1,365,000
Net cash flows from / (used in) investing activities	1,000,000	61,600
Cash flows from financing activities		
Proceeds from issuance of share capital	-	-
Proceeds from issuance of bonds	-	-
Net cash flows from financing activities	-	-
Net movement in cash and cash equivalents	569,041	(629,490)
Cash and cash equivalents at beginning of period	1,402,389	3,098,627
Cash and cash equivalents at end of period	1,971,430	2,469,137



VON DER HEYDEN GROUP FINANCE plc

Interim Report for the six months period ended 30 June 2019

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 2019, 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 2018.

3. LOANS RECEIVABLE

	30.06.2019 (Unaudited)	31.12.2018 (Audited)
	€	€
Timan Investments Espana S.L.	6,025,000	6,025,000
Von der Heyden Group Holdings S.A.R.L.	4,750,000	5,750,000
First Polish Real Estate B.V.	3,000,000	3,000,000
Timan Investments Holdings Limited	2,250,000	-
KASA Investments GmbH	1,425,000	1,425,000
IBB Hotel Management Europe Limited	675,000	600,000
IBB Hotel Deutschland Betriebs GmbH	410,000	410,000
IBB Hammetts Operations Limited	400,000	400,000
IBB Hotel Collection Holding S.L.	552,000	552,000
Lublin Grand Hotel Sp. Z o.o.	500,000	500,000
IBB Blue Hotel Betriebs GmbH	310,000	310,000
Hotel Sol Del Este S.L.	250,000	250,000
Urbelia Business S.L.	450,000	450,000
Senglea Hotel Operations Limited	225,000	-
IBB Management 2007 S.L.	200,000	200,000
IBB Espana 2004 S.L.	180,000	180,000
Nowy Swiat Sp. Z o.o.	224,745	224,745
	<u>21,826,745</u>	<u>20,276,745</u>

Loans receivable pertain to long term loans (non-current assets) 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 2019

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS - continued

4. BORROWINGS

	30.06.2018 (Unaudited)	31.12.2018 (Audited)
	€	€
25,000 Redeemable Bonds of €1,000 each	25,000,000	25,000,000
Unamortised bonds issue costs	283,535	283,535
Accumulated amortisation	(96,199)	(75,384)
	<u>24,812,664</u>	<u>24,791,849</u>

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 2019 was €1,021.50 (31 December 2018: €1,024.80).

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.