

BONDHOLDER CIRCULAR

14 OCTOBER 2022

This Circular is being issued by Von der Heyden Group Finance p.l.c. (C 77266) with registered office at 14 East, Level 8, Sliema Road, Gzira, GZR 1639, Malta (the “**Company**”) pursuant to the provisions of Chapter 6 of the Capital Markets Rules in connection with the proposed redemption of the €25,000,000 4.4% Unsecured Bonds 2024 (ISIN: MT0001401208) issued by the Company, guaranteed by Timan Investments Holdings Limited (C 63335) and admitted and trading on the Official List of the Malta Stock Exchange pursuant to a prospectus dated 30 January 2017 (hereinafter the “**2017 VDHG Bonds**”).



VON DER HEYDEN GROUP

IMPORTANT INFORMATION

THIS IS AN IMPORTANT DOCUMENT. THE DIRECTORS OF THE COMPANY HAVE AGREED ON THE ISSUES AND MATTERS DESCRIBED HEREIN BY MEANS OF A RESOLUTION IN WRITING. IN THE EVENT THAT BONDHOLDERS RECEIVING THIS DOCUMENT ARE IN ANY DOUBT AS TO THE IMPORT OF THIS DOCUMENT OR AS TO ANY OF THE CONTENT HEREIN, THEY ARE URGED TO CONSULT THEIR INDEPENDENT PROFESSIONAL ADVISERS.

All the Directors of the Company, whose names appear on page 4 of this Circular, accept responsibility for the information contained in this Circular. 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 Circular is in accordance with the facts and does not omit anything likely to affect the import of such information.

INTRODUCTION

This circular (the “**Circular**”) contains information about the resolution of the Directors of the Company that was taken by the said Directors on 22 September 2022 (the “**Directors Resolution**”). By means of the Directors Resolution, the Directors resolved to issue a maximum of €35 million unsecured bonds due in 2032 of a nominal value of €100 per bond to be issued at par by the Company and redeemable at their nominal value, bearing interest at the rate of 5% *per annum* and, for such purpose and prior thereto, to redeem the 2017 VDHG Bonds.

This Circular is being dispatched to all holders of the 2017 VDHG Bonds appearing on the applicable register of bondholders held at the Malta Stock Exchange Central Securities Depository as at 13 October 2022 (trading session of 11 October 2022), to enable them to understand better the nature of the proposed early redemption of the 2017 VDHG Bonds, the principal commercial terms thereof, and to provide other necessary information about the proposed early redemption of the 2017 VDHG Bonds to the holders thereof. This Circular is being dispatched in compliance with the requirements of Rules 6.1.6 and 6.14 of the Capital Markets Rules and complies therewith in respect of content and form.

Where any or all of the 2017 VDHG Bonds have been sold or transferred by the recipients of this Circular, then this Circular and any other relevant documents should be passed on to the person through whom the sale or transfer was effected for transmission to the purchaser or transferee.

As provided for in the Company Announcement issued by the Company on 10 October 2022, trading in the 2017 VDHG Bonds on the Official List of the Malta Stock Exchange ceased on close of business of 11 October 2022.

A copy of this Circular has been provided to the Malta Financial Services Authority in terms of Capital Markets Rule 6.41.



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1. DEFINITIONS

For the purposes of this Circular, the following capitalised terms shall have the meaning attributed thereto hereunder:

2017 Bond Transfer	the process by which 2017 Existing VDHG Bondholders may elect to subscribe for the 2022 Bonds through the transfer to the Company of all or part of the 2017 VDHG Bonds held by them as at the Cut-Off Date, including any Cash Top-Up necessary, resulting in 2022 Bonds being allocated to 2017 Existing VDHG Bondholders for the corresponding nominal value of 2017 VDHG Bonds transferred to the Company (including Cash Top-Up, where applicable);
2022 Bonds	a maximum of €35 million unsecured bonds due in 2032 of a nominal value of €100 per bond issued at par by the Company and redeemable at their nominal value, bearing interest at the rate of 5% <i>per annum</i> . The 2022 Bonds are to be guaranteed jointly and severally by the Guarantor (as defined below);
Applicant/s	any person or persons, natural or legal, who subscribes for the 2022 Bonds;
Authorised Intermediaries	the licensed financial intermediaries whose details are listed in Annex II of the Securities Note forming part of the Prospectus;
Bondholders Meeting	the meeting of the 2017 Existing VDHG Bondholders (as defined below) called by the Company on 31 October 2022 in terms of the 2017 VDHG Bonds Prospectus for the purpose of obtaining the approval of the 2017 Existing VDHG Bondholders for the early redemption of the 2017 VDHG Bonds;
Capital Markets Rules	the rules issued by the board of directors of the Malta Stock Exchange, in exercise of the powers conferred on it by the Financial Markets Act (Chapter 345 of the laws of Malta), regulating the main market of the Malta Stock Exchange;
CET	Central European Time;
Company	Von der Heyden Group Finance p.l.c., a public limited liability company registered and existing 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;
Companies Act	the Companies Act, Chapter 386 of the laws of Malta;
Cut-Off Date	close of business on 13 October 2022, trading session of 11 October 2022;
€ or Euro	the lawful currency of the Republic of Malta;
Exchange or Malta Stock 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;
2017 VDHG Bonds	the €25,000,000 4.4% Unsecured Bonds 2024 (ISIN: MT0001401208) issued by the Company, guaranteed by Timan Investments Holdings Limited (C 63335) and admitted and trading on the Official List of the Malta Stock Exchange pursuant to a prospectus dated 30 January 2017;
2017 Existing VDHG Bondholders	the holders of the 2017 VDHG Bonds as at the Cut-Off Date;
2017 VDHG Bonds Prospectus	the prospectus dated 30 January 2017 setting out the terms and conditions of the 2017 VDHG Bonds issued by the Company;
Guarantor	Timan Investments Holdings Limited (C 63335) as defined below in this section 1;
Intermediaries' Offer	in the event that following closing of the subscription for 2022 Bonds by Preferred Applicants there are 2022 Bonds which remain unallocated, such 2022 Bonds shall form part of an intermediaries' offer as set out in sub-section 6.4 of the Securities Note. In the event that the Intermediaries' Offer takes place and the aggregate of subscriptions



	received from Authorised Intermediaries pursuant to subscription agreements in terms of the Intermediaries' Offer is in excess of the amount of 2022 Bonds available for subscription, the Company, acting through the Registrar, shall scale down each subscription agreement received from Authorised Intermediaries in accordance with the allocation policy to be issued in terms of sub-section 6.6 of the Securities Note;
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;
Preferred Applicants	the 2017 Existing VDHG Bondholders;
Preferred Applicants Offer Period	the period between 08:30 hours CET on 1 November 2022 and 12:00 hours CET on 14 November 2022 during which the 2022 Bonds are available for subscription by Preferred Applicants;
Prospectus	collectively, the Summary, the Registration Document and the Securities Note published by the Company in connection with the issue of the 2022 Bonds, dated 10 October 2022, as such documents may be amended, updated, replaced and supplemented from time to time;
Registration Document	the registration document published by the Company dated 10 October 2022, forming part of the Prospectus;
Securities Note	the securities note issued by the Company dated 10 October 2022, forming part of the Prospectus;
Summary	the summary issued by the Company dated 10 October 2022, forming part of the Prospectus;
Timan Investments Holdings Limited	Timan Investments Holdings Limited, a private limited liability company registered and existing under the laws of Malta with company registration number C 63335 and having its registered office situated at 14 East, Level 8, Sliema Road, Gzira GZR 1639, Malta. Timan Investments Holdings Limited is the Guarantor of the 2022 Bonds; and
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.

2. RESPONSIBILITY STATEMENT

All of the Directors of the Company as at the date of this Circular, being Antonio Fenech, Javier Errejón Sainz de la Maza, Jozef Bronislaw Borowski, Joseph Muscat and Robert Aquilina, accept responsibility for the information contained in this Circular. To the best of their knowledge and belief (after having taken all reasonable care to ensure that such is the case), the information contained in this Circular is in accordance with the facts and does not omit anything likely to affect the import of such information.



3. INFORMATION ABOUT THE COMPANY

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

The Company has an authorised and issued share capital of two hundred and fifty thousand Euro (€250,000) divided into two hundred and forty-nine thousand and nine hundred and ninety-nine (249,999) Ordinary A shares of one Euro (€1.00) each, fully paid up, which are subscribed and held by Timan Investments Holdings Limited and one (1) Ordinary B share of one Euro (€1.00), fully paid up, which is subscribed and held by Von der Heyden Group Holdings B.V. (a company registered under the laws of Curaçao with company registration number 155289).

Since its incorporation, the Company issued one bond which is currently admitted and traded on the Official List of the Malta Stock Exchange.

Specifically, in January 2017, the Company issued to the public in Malta on the Official List of the Malta Stock Exchange €25,000,000 unsecured bonds due in 2024 of a nominal value of €1,000 per bond bearing an interest rate of 4.4% *per annum*, issued at par and redeemable on 8 March 2024 at their nominal value. The 2017 VDHG Bonds are guaranteed by the Guarantor. The said issue of the 2017 VDHG Bonds (ISIN: MT0001401208) is regulated by the terms and conditions set out in the 2017 VDHG Bonds Prospectus.

4. PURPOSE OF THIS CIRCULAR

As detailed in Company Announcement VDHGF68 issued on 10 October 2022, the Company has been granted authorisation for the admissibility to listing of €35,000,000 worth of unsecured bonds 2032 of a nominal value of €100 each to be admitted to listing and trading on the Official List of the Malta Stock Exchange, pursuant to and in terms of the Prospectus. The 2022 Bonds to be issued by the Company shall be due for redemption on 16 December 2032 and shall bear interest from and including 16 December 2022 to the date of redemption at a fixed rate of interest of 5% *per annum*, payable annually.

The issue and allotment of the 2022 Bonds is conditional upon: (i) the minimum amount of €25,000,000 being subscribed for; (ii) the Guarantee being granted in accordance with the terms of the Prospectus; (iii) the Company obtaining the approval of the 2017 Existing VDHG Bondholders for the early redemption of the 2017 VDHG Bonds pursuant to the Bondholders Meeting; and (iv) the Bonds being admitted to the Official List.

An amount of €25,250,000 of the net proceeds from the issue of the 2022 Bonds will be used by the Company for the redemption of the outstanding amount of 2017 VDHG Bonds remaining in issue as at 16 December 2022, being the expected date of redemption of the 2017 VDHG Bonds.

The Company shall allocate the 2022 Bonds on the basis of the following policy and order of priority:

- i. an amount of €10 million in nominal value of 2022 Bonds has been reserved for, and shall be allocated to, a number of Authorised Intermediaries in accordance with placement agreements entered into for the purpose;



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- ii. the remaining €25 million in nominal value of the 2022 Bonds has been reserved for 2017 Existing VDHG Bondholders during the Preferred Applicants Offer Period; specifically, to 2017 Existing VDHG Bondholders applying for 2022 Bonds by way of 2017 Bond Transfer, and subject to any Cash Top-Up¹ as and if applicable, in accordance with the terms of the Prospectus, and subject to a minimum application of €2,000, and, thereafter, the balance of the 2022 Bonds not subscribed for by 2017 Existing VDHG Bondholders limitedly by means of a 2017 Bond Transfer, and subject to any Cash Top-Up as and if applicable, if any, shall be made available for subscription to 2017 Existing VDHG Bondholders in respect of any additional 2022 Bonds applied for other than by 2017 Bond Transfer exceeding in value the nominal value of 2017 VDHG Bonds held by them as at the Cut-Off Date, *pari passu*, without priority or preference between them and in accordance with the allocation policy as determined by the Company; and
 - iii. any remaining balance of 2022 Bonds reserved for, and not taken up by, 2017 Existing VDHG Bondholders in terms of paragraph (ii) above, shall be allocated to Authorised Intermediaries pursuant to the Intermediaries' Offer. Subscription agreements received from Authorised Intermediaries through an Intermediaries' Offer, if any, shall be allocated without priority or preference and in accordance with the allocation policy as determined by the Company, acting through the Registrar, which will be communicated by latest 9 December 2022. Any amounts unallocated in terms of the subscription agreements shall be returned to the respective Authorised Intermediary by direct credit to the account indicated in the respective subscription agreement by latest close of business on 16 December 2022.

A 2017 Bond Transfer shall be without prejudice to the rights of 2017 Existing VDHG Bondholders to receive interest on the 2017 VDHG Bonds up to but excluding 16 December 2022. The 2017 VDHG Bonds shall be redeemed on 16 December 2022 as determined by the Company and duly notified to 2017 Existing VDHG Bondholders.

The transfer of 2017 VDHG Bonds to the Company in consideration for the subscription for 2022 Bonds shall cause the obligations of the Company with respect to such 2017 VDHG Bonds to be extinguished and shall give rise to obligations on the part of the Company under the 2022 Bonds.

Pursuant to the foregoing, the Company confirms that the purpose of this Circular is to provide 2017 Existing VDHG Bondholders with the necessary information in accordance with the Capital Markets Rules with respect to the Company's intention to obtain the approval of the 2017 Existing VDHG Bondholders for the early redemption of the 2017 VDHG Bonds during the Bondholders Meeting (as detailed in section 5 below), with a view to the proposed issue of the 2022 Bonds by the Company.

5. MEETING OF BONDHOLDERS AND EARLY REDEMPTION OF 2017 VDHG BONDS

In terms of the 2017 VDHG Bonds Prospectus, a meeting of the 2017 Existing VDHG Bondholders for the purpose of considering the early redemption of the 2017 VDHG Bonds is called by the Directors of the Company by giving all 2017 Existing VDHG Bondholders listed on the register of bondholders as at a date being not more than 30 days preceding the date scheduled for the meeting, not less than 14 days' notice in writing.

The notice itself (as well as the results of the Bondholders Meeting) shall also be announced to the market via company announcement and shall be available for viewing on the Company's website.

The quorum at the Bondholders Meeting is at least 2 bondholders present, in person or by proxy, representing not less than 50% in nominal value of the 2017 VDHG Bonds then outstanding. If a quorum is not present within 30 minutes from the time scheduled for the commencement of the meeting as indicated in the notice convening the same, the meeting shall stand adjourned to a place, date and time as shall be communicated by the Directors to 2017 Existing VDHG Bondholders present at that meeting and the Company shall within 2 days from the date of the original meeting publish by way of a company announcement the date, time and place where the adjourned meeting is to be held – the adjourned meeting shall be held not earlier than 7 days, and not later than 15 days, following the original meeting and at the adjourned meeting the number of 2017 Existing VDHG Bondholders present at the commencement of the meeting, in person or by proxy, shall constitute a quorum and

¹ 2017 Existing VDHG Bondholders applying for 2022 Bonds may elect to settle all or part of the amount due on the 2022 Bonds applied for by the transfer to the Company of 2017 VDHG Bonds at par value, subject to a minimum application of €2,000 in 2022 Bonds. Any 2017 Existing VDHG Bondholders whose holding in 2017 VDHG Bonds is less than €2,000 shall be required to pay the difference together with the submission of their application ("Cash Top-Up").



only the matters specified in the notice calling the original meeting shall be placed on the agenda of, and shall be discussed at and decided upon during, the adjourned meeting.

The proposal for the early redemption of the 2017 VDHG Bonds placed before the Bondholders Meeting shall only be considered approved if at least 60% in nominal value of the 2017 Existing VDHG Bondholders present at the meeting at the time when the vote is being taken, in person or by proxy, shall have voted in favour of the proposal.

In the event of the required majority of 2017 Existing VDHG Bondholders voting in favour of the aforesaid proposal during the Bondholders Meeting, upon redemption of the 2017 VDHG Bonds all 2017 Existing VDHG Bondholders will be afforded a premium in the form of payment of a redemption price of ten Euro (€10) per 2017 VDHG Bond held as at the Cut-Off Date (the "Redemption Premium"). 2017 Existing VDHG Bondholders will have the Redemption Premium settled in cash upon redemption of the 2017 VDHG Bonds, by direct credit into the 2017 Existing VDHG Bondholders' bank account.

2017 Existing VDHG Bondholders who do not elect to avail themselves of the possibility to exchange their investment in the 2017 Existing VDHG Bonds for an investment in the 2022 Bonds in terms of the procedure outlined in the Prospectus shall receive all capital and accrued interest to date, together with the Redemption Premium, on 16 December 2022.

The Bondholders Meeting for the purpose of obtaining the approval of the 2017 Existing VDHG Bondholders for the early redemption of the 2017 VDHG Bonds has been called by the Company on 31 October 2022 and the formal notice calling said Bondholders Meeting has been issued on 14 October 2022.

All details relative to the 2022 Bonds and the terms and conditions of issue of said 2022 Bonds are set out in the Prospectus, a copy of which is available on the Company's website www.vonderheydengroup.com.

6. DIRECTORS' CONFLICTS OF INTEREST

None of the Directors of the Company have any interest in the 2017 VDHG Bonds and there are no material conflicts of interest pertaining to the early redemption of the 2017 VDHG Bonds.

7. MARKET VALUE OF 2017 VDHG BONDS

First dealing day in month of	€
February 2022	100.01
March 2022	102.00
April 2022	99.50
May 2022	100.00
June 2022	101.40
July 2022	101.50
August 2022	100.00
As at 30 th September 2022	100.50



8. EXPECTED TIMETABLE

1	Meeting of 2017 Existing VDHG Bondholders	31 October 2022
2	Applications available to 2017 Existing VDHG Bondholders	01 November 2022
3	Placement Date	11 November 2022
4	Closing date for Applications to be received from 2017 Existing VDHG Bondholders	14 November 2022 (by 12:00 CET)
5	Intermediaries' Offer*	18 November 2022 – 2 December 2022 at 12:00 CET
6	Announcement of basis of acceptance through a company announcement	9 December 2022
7	Refunds of unallocated monies, if any	16 December 2022
8	Dispatch of allotment letters	16 December 2022
9	Expected date of early redemption of the 2017 VDHG Bonds	16 December 2022
10	Expected date of admission of the 2022 Bonds to listing	16 December 2022
11	Issue date of the 2022 Bonds	16 December 2022
12	Expected date of commencement of trading in the 2022 Bonds	19 December 2022
13	Commencement of interest	16 December 2022

**In the event that, in addition to the subscription of €10 million in nominal value of 2022 Bonds in full by Authorised Intermediaries in accordance with placement agreements, the total value of Applications received from 2017 Existing VDHG Bondholders reaches €25,000,000, the Intermediaries' Offer will not take place. In the event that the Intermediaries' Offer does take place, the Company reserves the right to close the Intermediaries' Offer before 2 December 2022 at 12:00 CET in the event that the 2022 Bonds are fully subscribed prior to said date and time. In the eventuality that the Intermediaries' Offer does not take place or, if it does take place, it is closed early as aforesaid, some of the events set out above may be brought forward and the Company will issue a company announcement accordingly.*

9. TAXATION

9.1. General

2017 Existing VDHG Bondholders are urged to seek professional advice as regards both Maltese and any foreign tax legislation which may be applicable to them in respect of the redemption of the 2017 VDHG Bonds and the subscription to 2022 Bonds, including their acquisition, holding and transfer, as well as any income/gains derived therefrom or made on their disposal. The following is a summary of the anticipated tax treatment applicable to the redemption of the 2017 VDHG Bonds in so far as taxation in Malta is concerned. This information does not constitute legal or tax advice and does not purport to be exhaustive.

The information below is based on an interpretation of tax law and practice relative to the applicable legislation, as known to the Company at the date of this Circular, in respect of a subject on which no official guidelines exist. Existing 2017 VDHG Bondholders are reminded that tax law and practice and their interpretation, as well as the levels of tax on the subject matter referred to in the preceding paragraph, may change from time to time.

This information is being given solely for the general information of Existing 2017 VDHG Bondholders. The precise implications for bondholders will depend, among other things, on their particular circumstances and on the classification of the 2017 VDHG Bonds from a Maltese tax perspective, and professional advice in this respect should be sought accordingly.



9.2. Maltese taxation on the Premium paid by the Company on the redemption on the 2017 VDHG Bonds

On the basis that the 2017 VDHG Bonds do not fall within the definition of “securities” in terms of article 5(1)(b) of the Income Tax Act, that is, *“shares and stocks and such like instrument that participate in any way in the profits of the company and whose return is not limited to a fixed rate of return”*, and to the extent that the 2017 VDHG Bonds are held as capital assets by the 2017 Existing VDHG Bondholder, no tax on capital gains shall be chargeable upon the receipt of the Redemption Premium upon redemption of the 2017 VDHG Bonds.

10. DOCUMENTS AVAILABLE FOR INSPECTION

Certified copies of the following documents will be available for inspection at the Company’s registered office up to and including the date of the Bondholders Meeting:

- a) the Memorandum and Articles of Association of the Company²; and
- b) the audited financial statements of the Company and the Guarantor for the year ended 31 December 2021 and the unaudited interim financial statements as at 30 June 2022 of the Company³.

² The latest Memorandum and Articles of Association of the Company is available on the Company’s website www.vonderheydengroup.com.

³ The audited financial statements of the Company and the Guarantor for the year ended 31 December 2021 and the unaudited interim financial statements as at 30 June 2022 of the Company are available on the Company’s website www.vonderheydengroup.com.

