THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this Document, you should consult a person authorised under the Financial Services and Markets Act 2000 who specialises in advising on the acquisition of shares and other securities.

This Document comprises a prospectus relating to One Heritage Group plc (the "**Company**") prepared in accordance with the Prospectus Regulation Rules of the Financial Conduct Authority (the "**FCA**") made under section 73A of FSMA and approved by the FCA under section 87A of FSMA.

This Document has been filed with the FCA and made available to the public in accordance with Rule 3.2 of the Prospectus Regulation Rules. Applications have been made to the FCA to admit the Bonds in the Company to be issued to be admitted to the Official List of the FCA (the "**Official List**") (by way of a standard listing under Chapter 17 of the listing rules published by the FCA under section 73A of FSMA as amended from time to time (the "**Listing Rules**")) and to the London Stock Exchange plc (the "**London Stock Exchange**") for such Bonds to be admitted to trading on the London Stock Exchange's main market for listed securities (together, "**Admission**").

This Prospectus has been approved by the FCA as the competent authority under the UK version of Prospectus Regulation (EU) 2017/1129, which is part of UK law by virtue of the European Union (Withdrawal) Act 2018 ("**Prospectus Regulation**"). The FCA only approves this 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 quality of the securities that are the subject of this Document. Such approval should not be considered as an endorsement of the issuer that is the subject of this Document. Investors should make their own assessment as to the suitability of investing in the securities.

It is expected that Admission will become effective, and that unconditional dealings in the Bonds will commence, at 8.00 a.m. on 17 March 2022. Dealings in the Bonds before Admission will be on a "when issued" basis and will be of no effect if Admission does not take place and such dealings will be at the sole risk of the parties concerned.

THE WHOLE OF THE TEXT OF THIS DOCUMENT SHOULD BE READ BY PROSPECTIVE INVESTORS. YOUR ATTENTION IS SPECIFICALLY DRAWN TO THE DISCUSSION OF CERTAIN RISKS AND OTHER FACTORS THAT SHOULD BE CONSIDERED IN CONNECTION WITH AN INVESTMENT IN THE BONDS AS SET OUT IN THE SECTION ENTITLED "RISK FACTORS" BEGINNING ON PAGE 13 OF THIS DOCUMENT.

The Company and the Directors, whose names appear on page 27 accept responsibility for the information contained in this Document. To the best of the knowledge of the Directors and the Company the information contained in this Document is in accordance with the facts and this Document makes no omission likely to affect its import.

One Heritage Group plc
(Incorporated on 21 July 2020 and registered in England and Wales under the Companies Act 2006 with registration number 12757649)

ONE HERITAGE
• GROUP PLC •

Admission of £1,500,000 8.0 per cent. Unsecured Bonds due 2024 with an issue price at 100 per cent. to the Official List (by way of Standard Listing under Chapter 17 of the Listing Rules) and to trading on the London Stock Exchange's main market for listed securities.

The £1,500,000 8.0 per cent Unsecured Bonds due 2024 (the "**Bonds**") will be issued by One Heritage Group plc (the "**Issuer**"). The Bonds bear interest from and including 17 March 2022 at a rate of 8.0 per cent. per annum, payable semi-annually in arrears.

The information contained in this Document has been prepared solely for the purpose of Admission and is not intended to be relied upon by any subsequent purchasers of Bonds (whether on or off exchange) and accordingly no duty of care is accepted in relation to them. This Document does not constitute an offer to sell or the solicitation of an offer or invitation to buy Bonds in any jurisdiction where such an offer or solicitation is unlawful or would impose any unfulfilled registration, publication or approval requirements on the Company.

The Bonds have not been and will not be registered under the US Securities Act of 1933, as amended (the "**Securities Act**"), or the securities laws of any state or other jurisdiction of the United States or under applicable securities laws of Australia, Canada or Japan. Subject to certain exceptions, the Bonds may not be offered, sold, resold, transferred or distributed directly or indirectly, within, into or in the United States or to or for the account or benefit of persons in the United States, Australia, Canada, Japan or any other jurisdiction where such offer or sale would violate the relevant securities laws of such jurisdiction. This Document does not constitute an offer to sell or a solicitation of an offer to purchase Bonds in any jurisdiction in which such offer or solicitation is unlawful or would impose any unfulfilled registration, publication or approval requirements on the Company. The Bonds may not be taken up, offered, sold, resold, transferred or distributed, directly or indirectly within, into or in the United States except pursuant to an exemption from, or in a transaction that is not subject to, the registration requirements of the Securities Act. There will be no public offer in the United States.

One Heritage Holding Group Limited is marketing the securities on behalf of the Issuer. The Bonds will only be marketed to investors deemed to be professional, high net worth or sophisticated investors.

*None of the Bonds have been approved or disapproved by the United States Securities and Exchange Commission (the "**SEC**"), any state securities commission in the United States or any other regulatory authority in the United States, nor have any of the foregoing authorities passed comment upon or endorsed the merit of the offer of the Bonds or the accuracy or the adequacy of this Document. Any representation to the contrary is a criminal offence in the United States.*

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HOW TO USE THIS DOCUMENT

The Bonds described in this document will not be offered for sale by the Issuer to the public. There will be no opportunity to subscribe for the Bonds. The Issuer is applying for admission to trading on the London Stock Exchange's main market for listed securities, so the Bonds may be available for purchase if the original subscribers make available such Bonds for sale but there is no guarantee that this will be the case.

This document provides information on the Issuer, its business, risk relating to an investment in the Issuer and the terms of the Bonds. The information contained herein is correct at the date of this document and is intended to provide a brief overview of the various sections comprising the Prospectus. There is no obligation for the Issuer to update the information set out herein after Admission.

Investors should review this document carefully, in its entirety, and understand its contents and consult with their professional advisers before acquiring any Bonds.

The sections of this document are:

SUMMARY

Introduction, containing warnings

This summary should be read as an introduction to the prospectus issued by One Heritage Group plc (the "**Company**") on 14 March 2022 ("**Prospectus**") and any decision to invest in the securities should be based on a consideration of the Prospectus as a whole by the investor. The investor could lose all or part of the invested capital. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent, when read together with the other parts of the Prospectus, or where it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in such securities.

The securities to be admitted to trading on the regulated market of the London Stock Exchange plc ("**London Stock Exchange**") for officially listed securities ("**Main Market**") ("**Admission**") are the unsecured bonds of £1.00 each (ISIN: GB00BN72D889) ("**Bonds**").

The Company can be contacted by writing to the company secretary, Shaun Zulafqar, at 6th Floor, 60 Gracechurch Street, London, EC3V 0HR or by calling, within business hours, 020 7264 4444. The Legal Entity Identity number ("**LEI**") for the Company is 2138008ZZUCCE4UZHY23. The Prospectus was approved on 14 March 2022 by the Financial Conduct Authority of 12 Endeavour Square, London E20 1JN ("**FCA**"). Contact information relating to the FCA can be found at https://www.fca.org.uk/contact.

Key information on the issuer

1.1 *Who is the issuer of securities?*

The Company was incorporated with limited liability under the laws of England and Wales on 21 July 2020 with registered number 12757649 as a public company limited by shares under the Companies Act 2006 (the "**Act**") and regulations made thereunder. It is domiciled in the United Kingdom and is subject to The City Code on Takeovers and Mergers ("**City Code**"). The Company's LEI is 2138008ZZUCCE4UZHY23. The Company's Ordinary Shares were admitted to the standard segment of the Official List and to trading on the London Stock Exchange on 23 December 2020.

1.1.1 *Principal Activities*

The Group undertakes development and re-development of new and existing buildings ("**Development Activities**") to create Self-contained residential apartments, and the refurbishment of existing residential properties ("**Refurbishment Activities**") to create Co-living accommodation (together the "**Principal Activities**"). The Group will act as its own principal or as a development manager on behalf of third-party investors for both Development Activities and Refurbishment Activities. The Group also undertakes letting and property and facilities management ("**L&PFM**") services for these products. All Group activities are undertaken solely in the UK.

Developed or refurbished properties owned by the Group will then be sold or retained. Co-living properties will be sold on the open market primarily to investors through the Group's marketing network in Hong Kong. Schemes of Self-contained apartments will be sold to investors through the Group's marketing network in Hong Kong or through a forward sale agreement to institutional investors. Forward sales agreements would result in an investor paying the Group the value of the land, planning costs up front and funding the remaining development costs as they fall due with a profit payment made at completion.

Business strategy and execution

The Group undertakes its Principal Activities by deploying a design approach and L&PFM service levels that are attractive to younger socially mobile professionals and those seeking more flexible living arrangements. The Directors consider that the product range of Self-contained apartments and Co-living accommodation, allied with high quality L&PFM services, will provide a broad appeal to this demographic group.

The initial geographical focus of the Group's Principal Activities is primarily high demand areas in the North West of England. This demand will be underpinned by strong economic and employment growth in Manchester, which is forecast to be one of the UK's strongest performing cities over the next few years according to Ernst & Young LLP's Regional Economic Forecast. Data from the Office of National Statistics, predicts that the growth in the number of households in Greater Manchester between 2020 and 2038 will be 10.4 per cent. compared to 7.4 per cent. over the previous 10 years. This increased demand is twinned with structural undersupply of housing which, over the last 10 years, has shown that the number of net new dwellings is 15 per cent. less than the growth in households with the Greater Manchester Economic Forecasting Model showing an increase in employment of 10.7 per cent. over the same period.

The Group will focus on edge of city centre locations where there are good transport links or where there is a major local employer to underpin demand allowing a high-quality housing product to be delivered at a competitive price point.

Over the next three years, the Company intends to expand its activities to other locations throughout the UK that demonstrate similar characteristics to those currently identified in the North West of England, such as in Yorkshire and the East and West Midlands.

The Group will be involved in the full life-cycle of a property development, which includes:

- the acquisition of land or existing property;
- obtaining any required revisions to existing planning permission;
- undertaking development or refurbishment to deliver a high-quality living space;
- disposal of developed or refurbished property to investors; and
- provision of L&PFM services to those investors and to other owners of Self-contained apartments or Co-living accommodation.

The Group employs experienced development and letting professionals, and where appropriate supplements this experience with external providers in order to deliver the Group's Principal Activities. The structure of the business and its Principal Activities are intended to establish an alignment of interest with the Company's stakeholders that will ultimately drive a growing, stable income for shareholders.

Where the Group undertakes development or refurbishment on its own account, income will be derived from:

- profit made on the disposal of completed properties; and
- management fees from the provision of L&PFM services to investors who acquire the properties.

Where development and refurbishment works are carried out on behalf of third-party investors, additional income will be derived from:

- initial fees for sourcing and structuring land and property acquisitions;
- development and refurbishment management fees during the period of building works; and
- a fee on disposal of the completed properties.

The expectation is that the Group will leverage its marketing network in Hong Kong to pre-sell a significant number of units. This will de-risk the exit and improve the ability of the Group to secure debt finance where this is considered beneficial in improving risk-adjusted returns. The Directors believe that this strategy will enable the Group to establish a strong market position, and with its in-house capabilities, to generate new business opportunities. The Directors are focused on establishing the Group as a recognised provider of innovative and high-quality residential developments in the UK and to increase shareholder value (measured in terms of profitability, dividend income or increased share price), in the medium to long term.

1.1.2 *Major Shareholders*

The following persons, directly or indirectly, have an interest in the Company's capital or voting rights, which is notifiable under English Law:

Name	No. of Ordinary Shares	Per cent. of Ordinary Shares (%)
One Heritage Property Development Limited*	20,700,000	63.8
Keith Crews	1,588,477	4.9
Pak Hin Tang	1,200,000	3.7
Jason David Upton	998,000	3.1

***Yiu Tak (Peter) Cheung has an indirect interest in the Company through his 38.33 per cent. shareholding in One Heritage Holding Group Limited, which owns 100 per cent. of the Company's parent company, One Heritage Property Development Limited.

Details of current development activities

The Group has six existing developments that are at various stages of development. Four developments are under construction and are expected to complete between Quarter 2 2022 and Quarter 4 2022, with the remaining two developments to start construction in 2022 and complete a year later. The Group is expected to have pre-sold or have reservations over all of the units on completion. On completion of the site, the Group expects to receive the proceeds from the pre-sold and reserved units within two weeks.

Project	Location	Residential units	Commercial units	GDV[1] (£m)	Debt[2]	Expected Completion	Reservations
Lincoln House	Bolton	88	0	9.4	3.5	Q2 2022	38 (43%)
Churchgate	Leicester	15	1	3.6	-	Q2 2023	Not started
Oscar House	Manchester	27	0	6.3	3.5	Q3 2022	27 (100%)
Bank Street	Sheffield	23	0	3.8	2.0	Q3 2022	16 (70%)
St Petersgate	Stockport	18	1	3.2	-	Q4 2022	16 (89%)
Seaton House	Stockport	30	0	5.6	-	Q4 2023	Not started
		201	2	31.9	9.0		

[1]Gross Development Value: This is the total revenue expected on the sale of the units of a development before the repayment of any debts. These are based on internal valuations.

[2]Debt: This is the expected debt to be repaid on completion. It includes only construction debt that has been signed.

The Churchgate development has been delayed as a result of delays in receiving planning permission due to COVID-19. Planning permission for the St Petersgate development was also initially delayed due to Covid-19, however, permission was subsequently achieved in March 2022.

The Group is in the process of finding new sites to which it can recycle the earnings into that have been generated from the completion of the developments listed above.

In the ordinary course of business, the Group raises construction finance against developments to fund the completion with the remaining balance either through other debt in the Group or existing equity. This type of debt finance matches the cash outflows from developments with inflows of debt. Interest is accrued and paid at the earlier of the maturity date or as unit sales are made. 100 per cent. of the net sale proceeds of residential units are used to repay the loans. Further details on the development management agreements can be found in the Issuer's Annual Report for the year ended 30 June 2021. Please refer to pages 56 and 74. The below funding covers the developments until completion and it is intended that the Churchgate and Seaton House developments will be completed through a combination of the proceeds from the sale of the developments under construction and construction finance. St Petersgate, which has now received planning permission, is expected to be funded either through the proceeds from the completion of Lincoln House or through new construction finance that is yet to be agreed. If Lincoln House does not complete or construction finance is not raised, the shareholder loan facility will be utilised instead.

Project	Facility (£m)	Nominal interest rate	Maturity date[1]	Covenants	
				Debt to GDV[2]	Debt to GDC[2]
Lincoln House, Bolton	3.5	6.25%[3]	Aug 23	45.0%	44.0%
Oscar House, Manchester	3.5	9.6%	Nov 22	65.0%	71.0%
Bank Street, Sheffield	2.0	10.7%	Dec 22	70.0%	70.0%

[1]Repaid earlier with proceeds from completed unit sales on the development

[2]GDV – Gross development value; GDC – Gross development cost
[3]Plus SONIA with a floor of 0.75 per cent.

1.1.3 *Liquidation of One Heritage Maintenance Limited and One Heritage Design Limited*

The Group reported that One Heritage Maintenance Limited ("**OHML**") and One Heritage Design Limited ("**OHDL**") entered into creditors' voluntary liquidation on 23 September 2021 and 27 September 2021 respectively. Jason Upton is a director of both these entities, but has no role in day-to-day management. Both companies are subsidiaries of One Heritage Complete Limited, an associate of the Group.

One Heritage Complete Limited and its subsidiaries are managed independently from the Group by Peter Child. Jason Upton and Yiu Tak (Peter) Cheung are both directors of One Heritage Complete Limited but are not involved in the day-to-day management. Peter Child is a director of One Heritage Complete Limited, OHML and OHDL. He is also a majority shareholder in One Heritage Complete Limited, and therefore also an indirect shareholder in OHML and OHDL.

OHML and OHDL undertook refurbishment works for Robin Hood Property Development Limited, a related party due to its common director, Jason Upton and Yiu Tak (Peter) Cheung, who is a director of OHML and OHDL's parent company, One Heritage Complete Limited, and a majority shareholder in Robin Hood Property Development Limited.

The Group decided to impair the value of its stake in One Heritage Complete Limited as a result of the liquidations, and began to internalise its functions. The total impairment recognised in the period was £239,316. The Group did not incur any other costs. The internalisation was part of the long-term strategy. As developments completed, the Group would expand into other property services to become a vertically integrated solution. This would allow a seamless process for potential property investors to acquire a residential property and have it managed. A key value proposition was that it aligned interests between a potential property investor, wanting a quality income-generating asset, and the Group, wanting a consistent revenue stream stemming from the Principal Activities. Therefore, the Group is incentivised to build a quality product to ensure it retains management post-completion. As part of the internalisation the Group hired Alie Horton as the Property Operations Director.

These entities became insolvent due to poor decision-making management and improper record keeping by the finance function. These decisions included signing fixed price agreements that subsequently became loss making due to industrial cost pressures and inadequate resource allocation. In addition, a finance function that did not adequately account for expenses in line with accounting standards, which resulted in an unreported build-up of liabilities. As a result of the issues within these entities, the Group has taken a pro-active approach with other third party providers. This has included reviewing and, where required and possible, amending agreements to strengthen oversight provisions, conduct more regular reviews of credit and expand the scope of professionals that monitor the output of other third party providers.

1.1.4 *Directors*

The Issuer's Board is comprised of David Stewart Izett, Jeffrey Ian Pym, Jason David Upton, and Yiu Tak (Peter) Cheung.

David Stewart Izett is the Non-Executive Chairman and is a fellow of The Royal Institution of Chartered Surveyors with more than 40 years' experience of the real estate industry both in the UK and internationally. Jeffrey Ian Pym is a Non-Executive Director who will chair the Audit and Risk Committee being a qualified Chartered Accountant and highly experienced Chief Financial Officer with over 25 years' experience of the real estate industry. Both have experience of working in companies that have been listed on the London Stock Exchange. Jason David Upton is the Chief Executive Officer and Yiu Tak (Peter) Cheung is the Chief Investment Officer, both of whom are the founders of the Group's business in the UK, with Yiu Tak (Peter) Cheung being a founder of One Heritage in Hong Kong and a significant shareholder in the Issuer.

The leadership team includes the following individuals: Martin Crews, who is Development Director, with over 10 years of experience in property development; and Markus Luke Piggin, who is a qualified Chartered Accountant, a CFA Charterholder and is the Group's Finance Director. Markus Luke Piggin has previous listed company experience in a senior finance role. The Group recently hired Alie Horton, who has extensive property services experience, as the Property Operations Director.

1.1.5 *Statutory Auditors*

The Company has engaged KPMG Audit LLC as its statutory auditors.

1.2 ***What is the key financial information regarding the issuer?***

The Company only commenced operation on the acquisition of One Heritage Property Development (UK) Limited and its subsidiaries ("**Trading Group**") on 27 October 2020 and which has been trading since its incorporation on 7 May 2019. The tables below set out selected key financial information for the Company from incorporation on from the year to 30 June 2021.

The acquisition by the Company of the Trading Group is a common control transaction under IFRS 3. The consolidation of the Group has been prepared using the merger method. In the statement of financial position, the acquiree's identifiable assets and liabilities are recognised at their book values at the date of acquisition. The results of the merged operations, following the Group's restructure in the period, are included in the consolidated statement of comprehensive income as if the Group has always existed. Comparative figures are provided on the basis that the merged group always existed. One Heritage Property Development (UK) Limited was incorporated on 19 May 2019 and the comparative period is from incorporation of this entity to 30 June 2020.

1.2.1 *Summary statement of financial position of the Company*

£ unless stated	As at 30 June 2021 audited	As at 30 June 2020 unaudited
ASSETS		
Non-current assets		
Property, plant and equipment	442,706	165,301

Investment in associate	-	258,512
	442,706	423,813
Current assets		
Cash and cash equivalents	204,147	711,798
Inventory – developments	6,790,676	14,729,627
Inventory - trading property	435,820	1,179,657
Financial assets at fair value through profit or loss	397,796	897,002
Trade and other receivables	667,759	132,622
	8,496,198	17,650,706
TOTAL ASSETS	**8,938,904**	**18,074,519**
LIABILITIES		
Non-current liabilities		
Borrowings	2,276,079	4,117,403
	2,276,079	4,117,403
Current liabilities		
Trade and other payables	649,351	666,014
Borrowings	3,304,103	13,665,762
	3,953,454	14,331,776
TOTAL LIABILITIES	6,229,533	18,449,179
EQUITY		
Share capital	324,283	-
Share premium	3,568,725	-
Retained earnings	(1,183,637)	(374,660)
TOTAL EQUITY	2,709,371	(374,660)
-	-	-
TOTAL LIABILITIES AND EQUITY	**8,938,904**	**18,074,519**

1.2.2 *Summary statement of comprehensive income of the Group*

£ unless stated	Year to 30 June 2021 audited	Period to 30 June 2020 unaudited
Revenue - Development management	124,199	-
Revenue – Co-living	340,168	220,000
Cost of sales – Co-living	(26,400)	(197,558)
Gross profit – Co-living	313,768	22,442
Write-down in investment in associate	(239,316)	-
Other income	21,223	32,696
Administration expenses	(962,512)	(316,705)
Other expenses	(40,380)	(48,643)
Operating (loss) for the year/period	**(783,018)**	**(310,210)**
Profit on disposal of subsidiary	26,423	-
Finance expense	(52,382)	(64,428)
(Loss) before taxation for the year/period	**(808,977)**	**(374,638)**
Taxation	-	-
(Loss) after taxation for the year/period	**(808,977)**	**(374,638)**
Other comprehensive income	-	(22)
COMPREHENSIVE INCOME attributable to shareholders	**(808,977)**	(374,660)

1.2.3 *Summary statement of cash flows for the Group*

£ unless stated	As at 30 June 2021 audited	As at 30 June 2020 unaudited
Net cash used in operating activities	(6,177,673)	(15,364,867)

Net cash used in investing activities	(97,078)	(305,104)
Net cash used in financing activities	5,707,100	16,381,769
Net change in cash and cash equivalents	**(507,651)**	**711,798**
Opening cash and cash equivalents	711,798	-
Closing cash and cash equivalents	**204,147**	**711,798**

1.2.4 *Summary statement of changes equity for the Group*

£ unless stated	Share capital	Share premium	Retained earnings	Total Equity
Balance at 01 July 2020 (unaudited)	-	**-**	**(374,660)**	**(374,660)**
Loss for the period	-	-	(808,977)	(808,977)
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	**-**	**-**	**(1,183,637)**	**(1,183,637)**
Issue of share capital	324,283	3,964,217	-	4,288,500
Cost of share issue	-	(395,492)	-	(395,492)
Balance at 30 June 2021 (audited)	**324,283**	**3,568,725**	**(1,183,637)**	**2,709,371**

1.2.5 *Qualifications to audit report*

Not applicable. There are no qualifications in the accountant's report relating to the historical financial information.

1.3 ***What are the key risks that are specific to the issuer?***

The Group's borrowings may result in a loss if the Group were to default on the terms of a loan. The incurrence by the Group of substantial indebtedness in connection with Developments could result in loss arising from foreclosure on the Group's assets, accelerated or immediate repayment of debt including any accrued interest, and the inability of the Group to obtain additional debt finance. These factors may affect the Issuer's ability to repay the Bonds or interest on the Bonds.

The Company is newly formed, and its subsidiaries have limited operating history. The Issuer was incorporated in July 2020, and its subsidiaries have been incorporated in the last 24 months. The Group currently owns five residential development sites, with three currently under construction and the other one still going through planning. The Group will be undertaking development management for three additional sites, by way of a development management agreement. Construction on these sites has yet to commence. Companies with longer operating histories have long standing arrangements with suppliers are more likely to get favourable terms in a negative environment. This may affect the ability of the Group to source the materials and labour that it requires when there are supply pressures or may require the Group to pay more than it would have had it had a long-standing relationship. In addition, this may affect the ability of the Group to finish Developments on time and/or result in higher costs. This may affect the Issuer's financial position and/or ability to repay the Bonds or interest on the Bonds.

There is no assurance that the Group will complete land and build development opportunities ("Development" and together "Developments") in a timely manner or at all. The time taken to complete Developments is dependent on a number of external factors and failure to complete Developments in a timely manner or, at all, may reduce the level of return on such Developments and the Group may even incur a loss which may impact on the Issuer's ability to repay the Bonds or interest on the Bonds.

The Group will initially be exposed to a small number of Developments. The Group has acquired five sites that it intends to develop. With such a small number of Developments, any adverse financial performance of one or more of those projects may have a material impact on the financial performance and prospects of the Group. This adverse performance could include the gross development value being lower, the residential units not selling, the costs being higher and/or the Development taking longer than expected.

The Group outsources some activities to third party providers. Third party providers are used to undertake key services in order for the Group to complete its Principal Activities. There is a risk that these third parties may provide an inadequate service that affects the timing and/or profitability of these activities. Furthermore, third parties could have financial difficulties that makes them unable to complete services as expected. Following the issues related to One Heritage Complete Limited, the Group has reviewed and, where possible, amended agreements with key third parties to strengthen oversight and allow more proactive action to be taken if a provider is providing an inadequate service, is delayed in completing the workings, or the Group suspects it has financial issues that may impair service provision. This risk may affect the ability to repay the Bonds or interest on the Bonds. It is confirmed that the Issuer does have the appropriate systems and controls as is required for an issuer with securities listed on the FCA's Official List and which is subject to the Disclosure and Transparency Rules as a listed entity.

Evaluation of the financial returns from Developments requires the application of subjective assessment. The Group will apply a number of assumptions in evaluating the potential return from any Developments. These assumptions include the gross development value of residential units, the cost of finance and the expected construction and associated costs. The Group will seek appropriate professional advice in formulating such assumptions, but such assumptions may not necessarily involve a subjective assessment of future unknown events, such as the demand for and value of the completed Developments. The actual returns achieved may not be the same as those that were anticipated, which may reduce the cash available to the Group that can be used to repay the Bonds or service the interest on them.

The use of borrowing may expose the Group to interest rate risks and refinance risks. The Group anticipates incurring debt with fixed interest rates and fixed repayment dates. If Developments are not completed by the repayment date of the debt facility, the Group may have to repay such debt from cash reserves or refinance such debt on the terms available in the market at such time. Accordingly, there is no certainty that the terms of any refinance will be the same as those of the original facility, if refinance is available at all, and may result in increased costs, which may adversely affect the returns on a given development and may lead to a loss and therefore impact the availability of cash in order to repay or service the Bonds..

Key information on the securities

1.4 *What are the main features of the securities?*

1.4.1 *Description and class of securities*

The securities subject to Admission are the £1,500,000 8.0 per cent Unsecured Bonds due 2024, which will be registered with ISIN number GB00BN72D889 and SEDOL number BN72D88. The Bonds are denominated in UK Sterling and shall be issued in integral multiples of £1.00 nominal ("**Bond Price**") paid in UK Sterling. The Bonds bear interest from and including 17 March 2022 at a rate of 8.0 per cent. per annum, payable semi-annually in arrears.

1.4.2 *Rights attaching to the securities*

The rights and claims of the Bond Holders may, in the event of the winding-up or dissolution of the Issuer, be subordinated to the claims of creditors in respect of the Issuer's secured and unsecured borrowings such that, on such winding-up or dissolution, no payments (whether of principal or outstanding or accrued interest) will be made to the Bond Holders until payment in full has been made to all such creditors. The Bonds are freely transferable.

1.4.3 *Payout Policy*

Subject to any purchase and cancellation or early redemption, the Bonds will be redeemed by the Issuer on 15 March 2024 at 100 per cent. of their nominal value.

1.5 *Where will the securities be traded?*

Application has been made for the Bonds (to be issued) to be admitted to the Official List of the FCA by means of a standard listing under Chapter 17 of the Listing Rules ("**Standard Listing**") and to trading on the Main Market of the London Stock Exchange. It is expected that Admission will become effective and that unconditional dealings will commence on the London Stock Exchange at 8.00 a.m. on 17 March 2022.

1.6 *What are the key risks that are specific to the securities?*

The Bonds are unsecured. The Issuer is issuing the Bonds on an unsecured basis to the Bond Holders. The Group has other debt obligations that are secured on assets and, therefore, the proceeds in the event of any default are likely to be lower or could result in the bondholder losing their entire investment than if these assets were not secured as the secured debt obligations will be paid out of the Group assets prior to the Bond Holders and any other unsecured creditors.

An active secondary market in respect of the Bonds may never be established or may be illiquid and this would adversely affect the value at which an investor could sell its Bonds. The Bonds may have no established trading market when issued and one may never develop. If a market for the Bonds does develop, it may not be liquid and may be sensitive to changes in the financial markets. Therefore, investors may not be able to sell their Bonds easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market.

Risks associated with the interest rate of the Bonds. Fixed rate Bonds bear interest at a fixed rate and therefore involve the risk that subsequent changes in market interest rates may adversely affect the value of the Bonds.

The Issuer has the right to redeem any Bonds at its option, this may limit the market value of the Bonds concerned and an investor may not be able to reinvest the redemption proceeds in a manner which achieves a similar effective return. An optional redemption feature is likely to limit the market value of Bonds. During any period when the Issuer may elect to redeem the Bonds, the market value of the Bonds generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The Issuer may be expected to redeem its Bonds when its cost of borrowing is lower than the interest rate on the Bonds. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Bonds being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

Taxation – no gross up. The Issuer will not be obliged to pay any additional amounts to the holders to reimburse them for any tax, assessment or charge required to be withheld or deducted from payments in respect of the Bonds by the Issuer. Accordingly, in the event of a change of tax law, there may be an effect on the amount of principal or interest receivable by the holders under the terms of the Bonds.

Change of law. The structure of the Bonds are based on English law in effect as at the date of this Prospectus. The Issuer cannot provide assurance as to the impact of any possible change to English law (including any change in regulation which may occur without a change in primary legislation), tax treatment or administrative practice in the United Kingdom after the date of this Prospectus nor can any assurance be given as to whether any such change would adversely affect the ability of the Issuer to make payments under the Bonds.

The conditions of the Bonds contain provisions which may permit their modification without the consent of all investors. The Terms and Conditions contain provisions for calling meetings of Bond Holders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Bond Holders including Bond Holders who did not attend and vote at the relevant meeting and Bond Holders who voted in a manner contrary to the majority.

Key information on the offer of securities to the public and/or the admission to trading on a regulated market

1.7 *Under which conditions and timetable can I invest in the securities?*

1.7.1 *Terms and Conditions*

The Company has issued £1,500,000 Bonds in integral multiples of £1.00 nominal with an interest rate of 8.0 per cent. per annum, inter alia, upon Admission occurring and becoming effective by 8.00 a.m. London time on or prior to 17 March 2022 (or such later date as the Company may agree). The Bond Holders' commitment is irrevocable. The rights attaching to the Bonds will be uniform in all respects.

1.7.2 *Expected Timetable*

Action	Timeframe
Publication of the Prospectus	14 March 2022
Admission and commencement of dealings with the Bond	8.00 a.m. on 17 March 2022
Delivery of the Bonds into CREST	8.00 a.m. on 17 March 2022
Bond certificates despatched no later than	31 March 2022

1.7.3 *Details of Admission*

Application has been made for the Bonds (to be issued) to be admitted to the Official List of the FCA by means of a Standard Listing and to trading on the Main Market of the London Stock Exchange. It is expected that Admission will become effective and that unconditional dealings will commence on the London Stock Exchange at 8.00 a.m. on 17 March 2022.

1.7.4 *Distribution*

The Bonds will initially be issued in certificated form.

1.7.5 *Expenses of the Offer*

The total expenses incurred (or to be incurred) by the Company in connection with Admission are approximately £108,750 (inclusive of VAT). No expenses will be charged to investors.

1.8 ***Why is this prospectus being produced?***

1.8.1 *Reasons for the Admission, use and estimated net amount of proceeds*

The Issuer is seeking Admission for a corporate bond to diversify the funding sources available to it in order to support its Principal Activities. The Directors believe that a greater diversity of funding sources will reduce the overall risk in the Group and reduce the cost of capital.

The gross proceeds from the Bond will be £1,500,000 and the estimated net proceeds of the Bonds is £1,391,250, with the expenses incurred totaling £108,750 (inclusive of VAT). The VAT of £8,125 will be reclaimed by the Group in the following quarter. This cost includes a commission for marketing the Bonds at 4 per cent. of the gross proceeds, which equates to £60,000 and listing and legal fees totalling £48,750.

The proceeds from the Bonds will be used to repay the One Heritage SPC loan pursuant to a facility agreement dated 22 July 2020 that matures on 22 January 2023 and has no early repayment penalty. The repayment balance at this date will be £1,351,801. A further £39,449 will be applied in part by repaying the One Heritage SPC loan pursuant to a facility agreement dated 11 August 2020 that matures on 11 February 2023 and has no early repayment penalty. The repayment balance at this date will be £1,192,729 with the remaining balance of £1,153,280 to be repaid by the Group's Shareholder Facility. At the date of this Prospectus, the Group's Shareholder Facility had £2,000,452 of the balance undrawn.

Below is a table summarising the sources and uses of the issuance of the Bonds.

Sources	
Gross proceeds from issuance	£1,500,000
Listing and legal fees (inclusive of VAT)	£48,750
Marketing fees (inclusive of VAT)	£60,000
Net proceeds	£1,391,250
Uses	
Repayment of the One Heritage SPC loan dated 22 July 2020	£1,351,801
Part repayment of the One Heritage SPC loan dated 11 August 2020	£39,449
	£0

The offer is not subject to an underwriting agreement and is being marketed by One Heritage Corporate Management Services Limited, a subsidiary of One Heritage Holding Group Limited, which controls the Company through its indirect 63.8 per cent. Shareholding through One Heritage Property Development Limited.

1.8.2 *Payment of interest and repayment of principle*

The Group expects to service the interest on the Bonds from revenues generated by the Group, including from Co-living, development management and completed Developments. The Bonds are expected to be repaid by the completion of the Developments, but where there is a shortfall, the Group will utilise the loan facility provided by One Heritage Property Development Limited as set out in detail at paragraphs 10.1.1 and 10.1.4. The Issuer will administer the Bonds itself including repayment of interest and principle.

1.8.3 *Conflicts of interest*

There are no material conflicts of interest pertaining to the Admission.

14 March 2022

RISK FACTORS

Investment in the Group and the Bonds issued by the Issuer carry a significant degree of risk, including risks in relation to the Group's business strategy, potential conflicts of interest, risks relating to taxation and risks relating to the Bonds.

Prospective investors should note that the risks relating to the Group, its industry and the Bonds summarised in the section of this document headed "Summary" are the risks that the Directors believe to be the most essential to an assessment by a prospective investor of whether to consider an investment in the Bonds. However, as the risks which the Group faces relate to events and depend on circumstances that may or may not occur in the future, prospective investors should consider not only the information on the key risks summarised in the section of this document headed "Summary" but also, among other things, the risks and uncertainties described below.

The risks referred to below are those risks the Group and the Directors consider to be the material risks relating to the Group. However, there may be additional risks that the Group and the Directors do not currently consider to be material or of which the Group and the Directors are not currently aware that may adversely affect the Group's business, financial condition, results of operations or prospects. Investors should review this document carefully and, in its entirety, and consult with their professional advisers before acquiring any Bonds. If any of the risks referred to in this document were to occur, the results of operations, financial condition and prospects of the Group could be materially adversely affected. If that were to be the case, the trading price of the Bonds could decline significantly. Further, investors could lose all or part of their investment.

RISKS THAT MAY AFFECT THE ISSUER'S BUSINESS STRATEGY

The Group's borrowings may result in a loss if the Group were to default on the terms of a loan

The incurrence by the Group of substantial indebtedness in connection with Developments could result in:

(i) default and foreclosure on the Group's assets, if its cash flow from operations were insufficient to pay its debt obligations as they become due;

(ii) acceleration of its obligation to repay indebtedness, even if it has made all payments when due, if it breaches, without a waiver, covenants that require the maintenance of financial ratios or reserves or impose operating restrictions;

(iii) a demand for immediate payment of all principal and accrued interest, if any, if the indebtedness is payable on demand in the event of a breach of the loan agreement terms; or

(iv) an inability to obtain additional financing, if any indebtedness incurred contains covenants restricting its ability to incur additional indebtedness.

The Group anticipates that it will have high levels of debt until completion of the Developments. During this time, there is an increased risk that should any of the risks listed crystallise, the Group many not be able to raise further funds to the same extent as it would have been able to if it was not already indebted or that it may cause losses in the Group due to the terms of the default. These losses could be through a lender seizing an asset and disposing as a distressed asset and therefore not maximising the assets value. The Group's existing debt is not cross-collateralised and therefore if any of the risks above crystallise, it would not impact existing funding.

If the Group is unable to raise further funding, or has defaults on any loans, then this may, cause delays in completing Developments, or result in Developments, where the debt is secured, being seized by the funder. Furthermore, the reputational impact of this could negatively affect the ability of the Issuer to raise funding in the future or result in terms that are worse than they may have been. In such circumstances, there may be a resulting impact on the Issuer's financial position and/or ability to service or repay the principle on the Bonds.

The Issuer is newly formed and its subsidiaries have limited operating history

The Issuer was incorporated in July 2020, and its subsidiaries have been incorporated in the last 24 months. The Group currently owns five residential development sites, with three currently under construction and one still going through the planning process. The Group will be undertaking development management for three additional sites, by way of a development management agreement. Construction on these sites has yet to commence. Companies with longer operating histories have long standing arrangements with suppliers are more likely to get favourable terms in a negative environment. This may affect the ability of the Group to source the materials and labour it requires when there are supply pressures, or may require the Group to pay more than it would have had it had a long-standing relationship. In addition, this may affect the ability of the Group to finish developments on time and/or result in higher costs. This may affect the Issuer's financial position and/or ability to repay the Bonds or interest on the Bonds.

There is no assurance that the Group will complete land and build development opportunities ("Developments") in a timely manner or at all

The success of the Group's business strategy is dependent on its ability to develop its existing property assets and to acquire and develop additional assets. There is no assurance that the Group will develop its existing or future property assets in a timely manner. The time taken to complete Developments is dependent on a number of factors, including, but not limited to, the time taken to obtain planning permission and the availability and competence of contractors and other real estate professionals engaged by the Group to undertake Developments. Failure to complete Developments in a timely manner or, at all, may reduce the level of return on such Developments and the Group may even incur a loss which may impact on the Issuer's ability to repay the Bonds or interest on the Bonds.

The Group will initially be exposed to a small number of Developments

The Group has acquired five sites that it intends to develop. With such a small number of Developments, any adverse financial performance of one or more of those projects may have a material impact on the financial performance and prospects of the Group. This adverse performance could include the development value being lower, the residential units not selling, the costs being higher and/or the Development taking longer than expected. Examples of factors that could affect the value of a Development include the strength of the local economy, changes in quality of public services or the general perception of the area by potential or existing residents.

If a Development does not perform as expected, it may affect the ability of the Group to redistribute proceeds to new Development opportunities, or return surplus proceeds to shareholders. Should such a risk crystallise, this may affect the Issuer's ability to repay the Bonds or interest on the Bonds.

The Group outsources some of its Principal Activities to third party providers

Third party providers are used to undertake key services in order for the Group to complete its Principal Activities. There is a risk that these third parties may provide an inadequate service that affects the timing and/or profitability of these activities, which may result in the third parties not fulfilling the terms of the agreements that they may be a party to. Furthermore, third parties could have financial difficulties that makes them unable to complete services as expected. Following the issues related to One Heritage Complete Limited, the Group has reviewed and, where possible, amended agreements with key third parties to strengthen oversight and allow more proactive action to be taken if a provider is providing an inadequate service, or the Group suspects it has financial issues that may impair service provision. Consequently, the Group endeavours to include terms that allow the Group to replace third party providers. The potential liability would be limited to any works that have already been undertaken. Where a new third party provider is required, it may result in a replacement cost, which could include additional time to finish or cost, for example due to time in replacing the supplier or where the supplier charges more for the service than the previous provider. Any delays could result in developments taking longer than expected. If any or all of these issues crystallise, there is a risk that the Group's financial position or ability to repay the Bonds or interest on the Bonds will be negatively affected.

The Group does not consider that these factors were a failure of its own internal systems or processes. There were no indications that the management of One Heritage Complete Limited and its subsidiaries were engaged to undertake works that would cost more than the potential revenue nor that a finance function led by experienced personnel would inadequately monitor or report financial information.

Furthermore, it is confirmed that the Issuer does have the appropriate systems and controls as is required for an issuer with securities listed on the FCA's Official List and which is subject to the Disclosure and Transparency Rules as a listed entity.

Evaluation of the financial returns from Developments requires the application of subjective assessment

The Group will apply a number of assumptions in evaluating the potential return from any Developments. These assumptions include the gross development value of residential units, the cost of finance and the expected construction and associated costs. The Group will seek appropriate professional advice in formulating such assumptions, but such assumptions may not necessarily involve a subjective assessment of future unknown events, such as the demand for and value of the completed Developments. The actual returns achieved may not be the same as those that were anticipated, which may reduce the cash available to the Group that can be used to repay the Bonds or service the interest on them.

The Group's borrowings will likely include covenants to protect the lender

Any borrowings secured by the Group for a Development will likely include a range of covenants, such as maintaining certain levels of loan to valuation. Any fall in the value of the Group's assets could result in a breach of potential loan covenants with remedies including repayment of all or part of the loan, payment of higher rates of interest, additional fees and potentially the sale or forfeiture of the asset with any resulting losses being incurred by the Group. In such circumstances there may be a resulting impact on the Issuer's ability to service or repay the Bonds.

The Group typically sees loan-to-value caps of between 45 - 70 per cent., depending on the development size, location and the lender's own internal risk management. In the event that values are lower than expected, the Group would either drawdown less than expected, therefore increasing the cash contribution from the Group, or make direct repayments to reduce the outstanding loan balance to below the covenant. In the Group's annual report, it was noted that the Group sets out to target net debt to equity to 2.0 times.

The use of borrowing may expose the Group to interest rate risks and refinance risks

The Group anticipates incurring debt with fixed interest rates and fixed repayment dates. If Developments are not completed by the repayment date of the debt facility, the Group may have to repay such debt from cash reserves or refinance such debt on the terms available in the market at such time. Accordingly, there is no certainty that the terms of any refinance will be the same as those of the original facility, if refinance is available at all, and may result in increased costs, which may adversely affect the returns on a given development and therefore impact the availability of cash in order to repay or service the Bonds.

The Group may be subject to liability following the disposal of Developments

The Group may be exposed to future liabilities and/or obligations with respect to the disposal of any Developments. The Group may be required to set aside money for warranty claims or contingent liabilities in respect of disposals of Developments. The Group may be required to pay damages (including but not limited to litigation costs) to the extent that any representations or warranties that it has given to a purchaser prove to be inaccurate or to the extent that it has breached any of its covenants contained in the disposal documentation. In certain circumstances, it is possible that any incorrect representations and warranties could give rise to a right by the purchaser to unwind the contract in addition to the payment of damages. Further, the Group may become involved in disputes or litigation in connection with such disposed Developments. Certain obligations and liabilities associated with the ownership of Developments can continue to exist notwithstanding any disposal, such as environmental liabilities. Any such claims, litigation or obligations, and any steps, which the Group is required to take to meet the cost, such as sales of assets or increased borrowings, could have an adverse effect on the Group's financial condition and therefore the Issuer's ability to service or repay the Bonds.

Through the acquisition of Developments, the Group could be exposed to environmental-related liabilities

The Group views the assessment of environmental risk as an important element of its due diligence when acquiring Developments. However, there can be no guarantee that the Group will not incur unexpected liabilities such as clean-up costs and fines for environmental pollution in respect of Developments acquired by the Group. These additional liabilities may only become apparent after the acquisition of a site. This could result in significant additional costs and/or delays to Development completions. If the Group did not take adequate action to clean-up environment pollution, it could result in a fine. These additional costs and/or fines may affect the ability of the Group to service or repay the Bonds.

There could be reputational damage that may affect the Group's ability to dispose of residential units or affect the willingness of suppliers of goods and services to work with Group if there are unexpected environmental issues identified. Environmental issues that affect one site could affect the saleability of other sites that share the Group's branding. There is a risk that if these environmental issues appear after a sale, the Group could still be liable for any costs or penalties. A negative reputation may affect the Group's ability to complete and/or dispose of Developments, and to use any such proceeds to service or repay the Bonds.

The Group may incur losses in excess of insurance proceeds, if any, from uninsurable events

The Group will enter into insurance arrangements to cover material risks in relation to the Group's business. Insurance cover will only provide protection to the extent that it is available from insurers at a given time and may not cover all potential losses. Some potential losses from catastrophic events may not be insurable or not economically insurable. Any realised losses that are not covered by an insurance arrangement may have an adverse effect on the Group's financial performance.

The Group may be liable under the terms of the development management agreements it has entered into should it fail to fulfil its obligations

The Group has entered into three development management agreements whereby the Group manages the development of residential properties for external investors. The Group will only undertake arrangements where it believes that its employees have the requisite experience and qualifications to fulfil the terms of any agreement or that it is able to engage third party providers with sufficient experience and qualifications. These agreements provide a regular source of income to the Group. The development management fee income is not material to the Group, but it does however provide a regular cash inflow. If development management fees are no longer received from these arrangements then this may affect the ability of the Issuer to service the Bonds.

The Group may become liable and subject to litigation where it does not fulfil the terms of an agreement including all items that are agreed in the scope of work, or undertakes the services to an inadequate standard. For example, employing service providers or contractors that do not have the requisite experience and knowledge to complete the work, which could create a delay or cause costs to overrun, which in turn could impair the returns of a Development.

The Group maintains professional indemnity insurance in line with industry standards, which cover scenarios where the Group is liable for works carried out. Professional indemnity insurance cover will only provide protection to the extent that it is available from insurers at any given time and may not cover all potential losses. Any realised losses that are not covered by insurance may create a financial liability, which could have an adverse effect on the Group's financial performance and the ability of the Group to service and/or repay the Bonds. The Group may also suffer reputational damage that would impede its ability to generate new development management engagements, which could also affect the ability of the Group to service and/or repay the Bonds.

MACRO RISKS THAT MAY AFFECT THE ISSUER'S BUSINESS STRATEGY

The Group is exposed to the continued fallout from COVID-19

There continues to be economic uncertainty as a consequence of the COVID-19 outbreak which began in the UK at the beginning of 2020. The extent of the uncertainty is likely to persist for an unknown period as the economy adjusts to fallout.

Government support will eventually be withdrawn and there is a risk that it will impact the pace and duration of the economic recovery. This may result in the rate of employment and/or wages being negatively impact. The Government may also reduce or remove specific support to the residential property market which may have an adverse impact on prices and/or transaction volumes.

A combination of pent up demand caused by consumers spending excess savings accumulated prior to the easing of lockdown restrictions and disruption caused to global supply chains during the COVID-19 pandemic may result in an inflationary spike, which may increase the costs of Developments, or the availability of labour and materials needed to complete Developments. The ultimate scale and duration of this may cause Central Bank's to increase interest rates faster than expected, which has a negative correlation to residential property price, and may erode the income of existing or potential residential property owners if wages do not keep pace. The construction industry may also be adversely impacted as construction costs may increase and issues around the availability of materials to complete developments may cause delays.

The Government is currently undertaking an expansionary fiscal policy which may change. This could result in spending cuts that impact regions the Group invests in or taxation increases that impact the after tax profits that the Group expects to earn.

There is a risk that a new variant of the virus may appear that is resistant to current vaccinations. This may result in new restrictions on economic and social activity being put in place. This may impact the value, timing and cost of developments.

There is a risk that changes in working habits and demographical change may impact the demand for residential properties in regions that the Group invests. This may impact the desirability of an area which impacts the valuation and/or ability to dispose of completed units. Demographic change may further impact the construction industry by reducing the availability of skilled workers which may increase the construction time of developments and/or the cost.

There is a risk that a new variant of COVID-19 could result in delays to the Developments that are in excess of the maturity dates on existing finance. This may result in the Group entering into negotiations with lenders that prolong the terms of existing loans or expending the amount of indebtedness. If these negotiations failed, there is a risk of default, which may result in charges being exercised on Developments with construction debt. In the event that this risk materialised, the Issuer would rely on the Group's Shareholder Facility to service any shortfall or the entirety of the principle amount payable on the Bonds.

These factors whether individually or as a combination may cause operational issues such as not having the resources available to undertake the Group's Principal Activities, or financial issues as costs, values and/or expected timelines of Developments may negatively change. In such circumstances, there may be a resulting impact on the Group's ability to service or repay the Bonds.

The Group is exposed to the economic impact of BREXIT

The UK left the European Union on 20 January 2020 (commonly referred to as BREXIT) as set out in the Withdrawal Agreement signed by the UK and the EU. This Agreement set out a period of transition, which started at the date that the UK left the EU and that will end on 31 December 2020. During this period of transition, a trade agreement between the UK and the EU will be negotiated. The outcome of those negotiations is currently unknown, and this represents significant uncertainty as to the impact that this will have the UK economy.

If there is an adverse impact on the UK economy, there is a risk to the Group that this may reduce the level of growth in the number of households seeking accommodation, and the ability of those households to finance such accommodation, be that the purchase of, or the ability to pay rent for, a home. This has the potential to reduce demand for the residential property that the Group will construct in the future.

The terms of any trade agreement may adversely affect the construction industry, potentially reducing access to or increasing the cost of construction materials. It may also restrict the supply of labour to the construction industry, which may increase the cost of construction or delay the completion of construction.

Any reduction in demand, delay in construction, or increase in construction costs, may reduce the income of the Group and may result in financial loss.

The Group is exposed to the combined effect of COVID-19 and BREXIT

The risks to the Group from COVID-19 and BREXIT are set out above. These risks are the risks relating to these individual events. The current combination of both COVID-19 and BREXIT increases the uncertainty of both the extent and duration of the economic impact on the UK and on UK households.

This increases the inherent risks involved in the property development and residential services processes conducted by the Issuer, which may affect the Issuer's cash flow and therefore its ability to make payments and satisfy covenants under any of its Loan Facility Agreements as set out in Part VI. Any such impact on the Issuer's ability to meet any payment obligations under any of its Loan Facility Agreements would, in turn, have an adverse impact on the Issuer's ability to make payments in respect of the Bonds.

The Group is exposed to the residential property market

The Principal Activities of the Group are, to a greater or lesser degree, linked to the performance of residential property market. As such as negative changes to the market may impact the performance of the Group. The residential property market has performed well in the previous decade and last experienced a downturn during the global financial crisis of 2008. If there is a downturn in the price of residential properties in the UK it is likely that the Group may receive lower proceeds than expected at completion or may result in units being sold slower than expected. Furthermore, downturns in residential prices have historically been correlated to periods of reduce credit availability, which may impact the Group's ability to secure development finance on developments. This may have an adverse impact on the Group's financial position and/or the Issuer's ability to service and/or repay the Bonds.

FACTORS WHICH ARE MATERIAL FOR THE PURPOSE OF ASSESSING THE MARKET RISKS ASSOCIATED WITH BONDS ISSUED

The Bonds are unsecured

The Issuer is issuing the Bonds on an unsecured basis to the Bond Holders.

A secured bond would give security over an asset or assets within the Group, so that in the event that the Bonds default, a Bond Holder would have the first charge over the secured assets. This could allow a Bond Holder to realise the secured assets to repay some or all of the outstanding balance on the Bonds. In the event of default, a secured Bond will likely recover more value than an unsecured Bond. These Bonds are unsecured and, therefore, in the event of default, it is likely that a Bond Holder will recover less of the outstanding balance than if the Bonds were secured.

The Group uses construction finance, which is specific finance, which is secured against an individual development asset. As the Group does have debt that is secured on some of the Developments within its portfolio, the likely proceeds that an unsecured Bond Holder would recover in the event of a Group default, is likely to be lower than if the other debt was unsecured and involve the Bond Holder losing the entirety of their investment.

The Issuer does have other unsecured assets that may be available to Bond Holders, however these may be insufficient to repay all of the Bond Holders investment in the case of a default.

An active secondary market in respect of the Bonds may never be established or may be illiquid and this would adversely affect the value at which an investor could sell its Bonds.

The Bonds may have no established trading market when issued and one may never develop. If a market for the Bonds does develop, it may not be liquid and may be sensitive to changes in the financial markets. Therefore, investors may not be able to sell their Bonds easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market.

The Bonds pay a fixed rate of interest, and the value of the Bonds may therefore be affected by changes in prevailing interest rates in the market

Fixed rate Bonds bear interest at a fixed rate and therefore involve the risk that subsequent changes in market interest rates may adversely affect the value of the Bonds. Investors should note that inflation will reduce the real value of the Bonds over time, which may affect what investors can buy with their investments in the future and which may make the fixed interest rate on the Bonds less attractive in the future.

The Issuer has the right to redeem any Bonds at its option, this may limit the market value of the Bonds concerned and an investor may not be able to reinvest the redemption proceeds in a manner which achieves a similar effective return

An optional redemption feature is likely to limit the market value of Bonds. During any period when the Issuer may elect to redeem Bonds, the market value of the Bonds generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The Issuer may be expected to redeem its Bonds when its cost of borrowing is lower than the interest rate on the Bonds. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Bonds being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

The Bonds are not protected by the Financial Services Compensation Scheme

The Financial Services Compensation Scheme ("**FSCS**") is the UK statutory compensation fund of last resort for customers of authorised financial services firms. In the event of the failure of a bank or certain other institutions, the customers of the relevant institution may be able to obtain compensation from the FSCS for certain of their losses. For example, deposits in a bank account are protected by the FSCS up to certain limits.

However, unlike a bank deposit, the Bonds are not protected by the FSCS. If the Issuer is unable to pay any amounts in respect of the Bonds, investors will have no recourse to the FSCS for compensation or any other amounts. If the Issuer goes out of business or becomes insolvent, investors may lose all or part of their investment in the Bonds.

The Bonds do not contain a gross-up provision requiring the Issuer to pay any additional amounts to Bond Holders to reimburse them for any tax, assessment or charge required to be withheld or deducted from payments in respect of the Bonds

The Issuer will not be obliged to pay any additional amounts to the holders to reimburse them for any tax, assessment or charge required to be withheld or deducted from payments in respect of the Bonds by the Issuer. Accordingly, in the event of a change of tax law requiring any such withholding or deduction, there may be an adverse effect on the amount of principal or interest receivable by the Bond Holders under the terms of the Bonds.

Withholding tax on the Bonds

Provided that the Bonds carry a right to interest and are and continue to be "listed on a recognised stock exchange" (within the meaning of section 1005 of the Income Tax Act 2007), as at the date of this Prospectus no withholding or deduction for or on account of UK income tax will be required on payments of interest on the Bonds. However, there can be no assurance that the law in this area will not change during the life of the Bonds. Pursuant to paragraph 13 in Part III(A), the Issuer shall withhold or deduct from any payments it makes in respect of the Bonds any amounts on account of tax so required by the applicable law.

Change of law

The structure of the Bonds are based on English law in effect as at the date of this Document. The Issuer cannot provide assurance as to the impact of any possible change to English law (including any change in regulation which may occur without a change in primary legislation), tax treatment or administrative practice in the United Kingdom after the date of this Document nor can any assurance be given as to whether any such change would adversely affect the ability of the Issuer to make payments under the Bonds.

The conditions of the Bonds contain provisions which may permit their modification without the consent of all investors.

The terms and conditions of the Bonds contain provisions for calling meetings of holders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all holders including holders who did not attend and vote at the relevant meeting and holders who voted in a manner contrary to the majority.

The Issuer may propose a Restructuring Plan under Part 26A of the Companies Act 2006

Where the Issuer encounters, or is likely to encounter, financial difficulties that are affecting, or will or may affect, its ability to carry on business as a going concern, it may propose a Restructuring Plan (a "**Plan**") with its creditors under Part 26A of the Companies Act 2006 (introduced by the Corporate Insolvency and Governance Act 2020) to eliminate, reduce, prevent or mitigate the effect of any of those financial difficulties. Should this happen, creditors whose rights are affected are organised into creditor classes and can vote on any such Plan (subject to being excluded from the vote by the English courts for having no genuine economic interest in the Issuer or the Charity (as the case may be)). Providing that one class of creditors (who would receive a payment, or have a genuine economic interest in the Issuer or the Charity (as the case may be)) has approved the relevant Plan, and in the view of the English courts any dissenting class(es) who did not approve the relevant Plan are no worse off under such Plan than they would be in the event of the "relevant alternative" (such as, broadly, liquidation or administration), then the English court can sanction the relevant Plan where it would be a proper exercise of its discretion. A sanctioned Plan is binding on all creditors and members, regardless of whether they approved it. Any such sanctioned Plan in relation to the Issuer may, therefore, adversely affect the rights of Bond Holders and the price or value of their investment in the Bonds, as it may have the effect of modifying or disapplying certain terms of the Bonds (in the case of a sanctioned Plan relating to the Issuer) (by, for example, writing down the principal amount of the Bonds or modifying the interest payable on the Bonds, the maturity date or dates on which any payments are due). In the worst case scenario, the principal amount of the Bonds could be written down to zero. In either such case, Bond Holders may lose their entire investment in the Bonds.

Redemption prior to maturity

In the event that the Bonds are redeemed early or become repayable prior to their stated maturity and the Bonds are redeemed in full at their principal amount, plus accrued interest, in such circumstances, it may not be possible for an investor to reinvest the redemption proceeds at an effective yield as high as the interest rate on the Bonds.

RISKS RELATED TO THE MARKET GENERALLY

Set out below is a description of principal market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk.

An active secondary market in respect of the Bonds may never be established or may be illiquid and this would adversely affect the value at which an investor could sell their Bonds

The Bonds may have no established trading market when issued, and one may never develop. If a market for the Bonds does develop, it may not be very liquid and may be sensitive to changes in financial markets. Therefore, investors may not be able to sell their Bonds easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case should the Issuer be in financial distress, which may result in any sale of the Bonds having to be at a substantial discount to their principal amount or for the Bonds that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors.

Credit ratings assigned to the Issuer or any Bonds may not reflect all the risks associated with an investment in those Bonds

One or more independent credit rating agencies may assign credit ratings to the Issuer or the Bonds. Credit ratings of debt securities represent the rating agencies' opinions regarding their credit quality and are not a guarantee of quality.

The ratings may not reflect the potential impact of all risks discussed above, and other factors that may affect the value of the Bonds. Also, rating agencies may fail to make timely changes in credit ratings in response to subsequent events, so that an issuer's current financial condition may be better or worse than a rating indicates. A credit rating is not a recommendation to buy, sell or hold securities and may be revised, suspended or withdrawn by the rating agency at any time. If an investor in the Bonds elects or is required to sell its Bonds in the market, it may achieve a price for its Bonds which is significantly lower than the price it paid for them.

If an investor holds Bonds, which are not denominated in the investor's home currency, they will be exposed to movements in exchange rates adversely affecting the value of their holding. In addition, the imposition of exchange controls in relation to any Bonds could result in an investor not receiving payments on those Bonds

The Issuer will pay principal and interest on the Bonds in Sterling. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than Sterling. These include the risk that exchange rates may significantly change (including changes due to devaluation of Sterling or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Sterling would decrease (1) the Investor's Currency-equivalent yield on the Bonds, (2) the Investor's Currency equivalent value of the principal payable on the Bonds and (3) the Investor's Currency equivalent market value of the Bonds.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate or the ability of the Issuer to make payments in respect of the Bonds. As a result, investors may receive less interest or principal than expected, or no interest or principal.

IMPORTANT INFORMATION

In deciding whether or not to invest in the Bonds prospective investors should rely only on the information contained in this Document. No person has been authorised to give any information or make any representations other than as contained in this Document and, if given or made, such information or representations must not be relied on as having been authorised by the Company or the Directors. Without prejudice to the Company's obligations under the FSMA, the Prospectus Regulation Rules, Listing Rules, Disclosure Guidance and Transparency Rules and MAR, neither the delivery of this Document shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date of this Document or that the information contained herein is correct as at any time after its date.

Prospective investors must not treat the contents of this Document or any subsequent communications from the Company, the Directors, or any of their respective affiliates, officers, directors, employees or agents as advice relating to legal, taxation, accounting, regulatory, investment or any other matters.

The section headed "Summary" should be read as an introduction to this Document. Any decision to invest in the Bonds should be based on consideration of this Document as a whole by the investor. In particular, investors must read the sections headed 'What are the key risks that are specific to the issuer?' and 'What are the key risks specific to the securities?' of the Summary together with the risks set out in the section headed "Risk Factors" set out at page 13 of this Document.

Any reproduction or distribution of this Document, in whole or in part, and any disclosure of its contents or use of any information herein for any purpose other than considering an investment in the Bonds hereby is prohibited.

This Document does not constitute, and may not be used for the purposes of, an offer to sell or an invitation or the solicitation of an offer or invitation to buy, Bonds by any person in any jurisdiction:

(i) in which such offer or invitation is not authorised;

(ii) in which the person making such offer or invitation is not qualified to do so; or

(iii) in which, or to any person to whom, it is unlawful to make such offer, solicitation, or invitation.

The distribution of this Document and the offering of Bonds in certain jurisdictions may be restricted. Accordingly, persons outside the United Kingdom who obtain possession of this Document are required by the Company and the Directors to inform themselves about, and to observe any restrictions as to the offer or sale of Bonds and the distribution of, this Document under the laws and regulations of any territory in connection with any applications for Bonds including obtaining any requisite governmental or other consent and observing any other formality prescribed in such territory. No action has been taken or will be taken in any jurisdiction by the Company or the Directors that would permit a public offering of the Bonds in any jurisdiction where action for that purpose is required nor has any such action been taken with respect to the possession or distribution of this Document other than in any jurisdiction where action for that purpose is required.

Neither the Company nor the Directors accept any responsibility for any violation of any of these restrictions by any other person.

The Bonds have not been and will not be registered under the Securities Act, or under any relevant securities laws of any state or other jurisdiction in the United States, or under the applicable securities laws of Australia, Canada, or Japan. Subject to certain exceptions, the Bonds may not be, offered, sold, resold, reoffered, pledged, transferred, distributed or delivered, directly or indirectly, within, into or in the United States, Australia, Canada or Japan or to any national, resident or citizen of the United States, Australia, Canada or Japan.

Investors may be required to bear the financial risk of an investment in the Bonds for an indefinite period. Prospective investors are also notified that the Company may be classified as a passive foreign investment company for United States federal income tax purposes. If the Company is so classified, the Company may, but is not obliged to, provide to US holders of Bonds the information that would be necessary in order for such persons to make a qualified electing fund election with respect to the Bonds for any year in which the Company is a passive foreign investment company.

Available information

The Company is not subject to the reporting requirements of section 13 or 15(d) of the U.S. Securities Exchange Act of 1934, as amended (the "**Exchange Act**"). For so long as any Bonds are "restricted securities" within the meaning of Rule 144(a)(3) of the Securities Act, the Company will, during any period in which it is neither subject to section 13 or 15(d) of the Exchange Act nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder, provide, upon written request, to Shareholders and any owner of a beneficial interest in Bonds or any prospective purchaser designated by such holder or owner, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act.

Investment considerations

In making an investment decision, prospective investors must rely on their own examination, analysis, and enquiry of the Company, this Document, and the terms of the Admission, including the merits and risks involved. The contents of this Document are not to be construed as advice relating to legal, financial, taxation, investment decisions or any other matter. Investors should inform themselves as to:

- the legal requirements within their own countries for the purchase, holding, transfer or other disposal of the Bonds;
- any foreign exchange restrictions applicable to the purchase, holding, transfer or other disposal of the Bonds which they might encounter; and
- the income and other tax consequences which may apply in their own countries as a result of the purchase, holding, transfer or other disposal of the Bonds or distributions by the Company, either on a liquidation and distribution or otherwise. Prospective investors must rely upon their own representatives, including their own legal advisers and accountants, as to legal, tax, investment or any other related matters concerning the Company and an investment therein.

It should be remembered that the price of the Bonds, can go down as well as up.

This Document should be read in its entirety before making any investment in the Bonds.

Forward-looking statements

This Document includes statements that are, or may be deemed to be, "forward-looking statements". In some cases, these forward-looking statements can be identified by the use of forward-looking terminology, including the terms "targets", "believes", "estimates", "anticipates", "expects", "intends", "may", "will", "should" or, in each case, their negative or other variations or comparable terminology. They appear in a number of places throughout the Document and include statements regarding the intentions, beliefs or current expectations of the Company and the Board concerning, among other things: (i) the Company's objective, acquisition and financing strategies, results of operations, financial condition, capital resources, prospects, capital appreciation of the Bonds; and (ii) future deal flow and implementation of active management strategies, including with regard to the Development. By their nature, forward-looking statements involve risks and uncertainties because they relate to events, and depend on circumstances that may or may not occur, in the future. Forward-looking statements are not guarantees of future performances. The Company's actual performance, results of operations, financial condition, distributions to shareholders and the development of its financing strategies may differ materially from the forward-looking statements contained in this Document. In addition, even if the Company's actual performance, results of operations, financial condition, distributions to shareholders and the development of its financing strategies are consistent with the forward-looking statements contained in this Document, those results or developments may not be indicative of results or developments in subsequent periods. Important factors that may cause these differences include, but are not limited to:

- the Company's ability to identify suitable acquisition opportunities or the Company's success in completing a Development;
- the Company's ability to ascertain the merits or risks of a land and build development opportunity;
- the Company's ability to deploy the Net Proceeds on a timely basis;
- the availability and cost of equity or debt capital for future transactions;
- currency exchange rate fluctuations, as well as the success of the Company's hedging strategies in relation to such fluctuations (if such strategies are in fact used); and
- legislative and/or regulatory changes, including changes in taxation regimes.

Prospective investors should carefully review the "Risk Factors" section of this Document for a discussion of additional factors that could cause the Company's actual results to differ materially, before making an investment decision.

Forward-looking statements contained in this Document apply only as at the date of this Document. Subject to any obligations under the Listing Rules, the Disclosure Guidance and Transparency Rules and the Prospectus Regulation Rules, the Company undertakes no obligation publicly to update or review any forward looking statement, whether as a result of new information, future developments or otherwise.

Third party data

Where information contained in this Document has been sourced from a third party, the Company and the Directors confirm that such information has been accurately reproduced and, so far as they are aware, and have been able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Currency presentation

Unless otherwise indicated, all references in this Document to "British pound sterling", "sterling", "£", "pounds" or "pence" are to the lawful currency of the UK.

No incorporation of website

The contents of any website of the Company or any other person do not form part of this Document.

Definitions

A list of defined terms used in this Document is set out in "Definitions" beginning at page 65.

Governing Law

Unless otherwise stated, statements made in this Document are based on the law and practice currently in force in England and Wales and subject to changes in relation to thereto.

DOCUMENTS INCORPORATED BY REFERENCE

The following document which has previously been published or is published simultaneously with this Prospectus shall be incorporated in, and form part of, this Prospectus:

1. The audited consolidated Annual Report for the year ended 30 June 2021 of the Issuer dated 19 October 2021 which can be found at https://www.oneheritageplc.com/wp-content/uploads/2021/10/Annual-Report-2021-2.pdf (oneheritageplc.com).

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Action	Timeframe
Publication of this Document	14 March 2022
Admission and commencement of dealings with Bonds	8.00 a.m. on 17 March 2022
Delivery of Bonds into CREST	8.00 a.m. on 17 March 2022
Bond certificates despatched no later than	31 March 2022

All references to time in this Document are to London time unless otherwise stated.

DEALING CODES

ISIN:	GB00BN72D889
SEDOL:	BN72D88
EPIC/TIDM:	OHG
LEI:	2138008ZZUCCE4UZHY23

DIRECTORS AND ADVISORS

Role	Name	Address
Directors	Jason David Upton *(Chief Executive Officer)* Yiu Tak (Peter) Cheung *(Chief Investment Officer)* David Stewart Izett *(Non-Executive Chairman)* Jeffrey Ian Pym *(Non-Executive Director)*	Each of: 80 Mosley Street St Peters Square Manchester M2 3FX
Auditors	KPMG Audit LLC	Heritage Court 41 Athol Street Douglas Isle of Man IM1 1LA
Solicitors	Shakespeare Martineau LLP	No 1 Colmore Square Birmingham B4 6AA
Bankers	Barclays Bank PLC	1 Churchill Place, London, E14 5HP
Registrars	Neville Registrars Limited	Neville House Steelpark Road Halesowen West Midlands B62 8HD
Registered Office	One Heritage Group plc	80 Mosley Street St Peters Square Manchester M2 3FX
Company Secretary	Shaun Zulafqar of SGH Company Secretaries Limited	6th Floor

		60 Gracechurch Street London EC3V 0HR

Part I - INFORMATION ON THE ISSUER, INVESTMENT OPPORTUNITY AND STRATEGY

1. **Who is the Issuer of Bonds?**

The Issuer was incorporated under the laws of England and Wales on 21 July 2020 for an unlimited period with registered number 12757649 as a public company limited by shares under the Companies Act and regulations made thereunder. The registered office and principal place of business in the United Kingdom is 80 Mosley Street, Manchester, United Kingdom, M2 3FX and the telephone number of the Issuer is 0161 806 1498. The Issuer's website address is www.oneheritageplc.com/. The Issuer is subject to The City Code on Takeovers and Mergers ("**City Code**"). The Issuer's LEI is 2138008ZZUCCE4UZHY23.

2. **Principal activities**

2.1 The Group undertakes development and re-development of new and existing buildings ("**Development Activities**") to create Self-contained residential apartments, and the refurbishment of existing residential properties ("**Refurbishment Activities**") to create Co-living accommodation (together the "**Principal Activities**"). The Group will act as its own principal or as a development manager on behalf of third-party investors for both Development Activities and Refurbishment Activities. The Group also undertakes letting and property and facilities management ("**L&PFM**") services for these products. All Group activities are undertaken solely in the UK.

2.2 Developed or refurbished properties owned by the Group will then be sold or retained. Co-living properties will be sold on the open market primarily to investors through the Group's marketing network in Hong Kong. Schemes of Self-contained apartments will be sold to investors through the Group's marketing network in Hong Kong or through a forward sale agreement to institutional investors.

2.3 Forward sales agreements would result in an investor paying the Group the value of the land, planning costs up front, and funding the remaining development costs as they fall due with a profit payment made at completion. The profit payment is the difference between the total development cost incurred and the value agreed at the start of the agreement.

2.4 When a development completes, the Group expects to receive the proceeds from any reserved units (where an investor has paid a reservation fee) or presold units (where an investor has exchanged on the residential property), within the two weeks following completion. The Group expects to have the majority, or all of units, reserved or presold at completion.

2.5 Where a development management agreement has been entered into, the Group receives a management fee for ongoing development management services and a profit share at completion.

3. **Business strategy and execution**

3.1 The Group undertakes its Principal Activities by deploying a design approach and L&PFM service levels that are attractive to younger socially mobile professionals and those seeking more flexible living arrangements. The Directors consider that the product range of Self-contained apartments and Co-living accommodation, allied with high quality L&PFM services, provides a broad appeal to this demographic group.

3.2 The geographical focus of the Group's Principal Activities is primarily high demand areas in the North West of England. This demand is underpinned by strong economic and employment growth in Manchester, which is forecast to be one of the UK's strongest performing cities over the next few years according to Ernst & Young LLP's Regional Economic Forecast. Data from the Office of National Statistics, predicts that the growth in the number of households in Greater Manchester between 2020 and 2038 will be 10.4 per cent. compared to 7.4 per cent. over the previous 10 years. This increased demand is twinned with structural undersupply of housing which, over the last 10 years, has shown that the number of net new dwellings is 15 per cent. less than the growth in households with the Greater Manchester Economic Forecasting Model showing an increase in employment of 10.7 per cent. over the same period.

3.3 The Group focuses on edge of city centre locations where there are good transport links or where there is a major local employer to underpin demand allowing a high-quality housing product to be delivered at a competitive price point.

3.4 Over the next three years, the Issuer intends to expand its activities to other locations throughout the UK that demonstrate similar characteristics to those currently identified in the North West of England, such as in Yorkshire and the East and West Midlands.

3.5 The Group is involved in the full life-cycle of a property development, which includes:

- the acquisition of land or existing property;
- obtaining any required revisions to existing planning permission;
- undertaking development or refurbishment to deliver a high-quality living space;
- disposal of developed or refurbished property to investors; and
- provision of L&PFM services to those investors and to other owners of Self-contained apartments or Co-living accommodation.

3.6 The Group employs experienced development and letting professionals, and where appropriate supplements this experience with external providers in order to deliver the Group's Principal Activities. The structure of the business and its Principal Activities are intended to establish an alignment of interest with the Issuer's stakeholders.

3.7 Where the Group undertakes development or refurbishment on its own account, income is derived from:

- profit made on the disposal of completed properties; and
- management fees from the provision of L&PFM services to investors who acquire the properties.

3.8 Where development and refurbishment works are carried out on behalf of third-party investors, additional income is derived from:

- initial fees for sourcing and structuring land and property acquisitions;
- development and refurbishment management fees during the period of building works; and
- a fee on disposal of the completed properties.

3.9 The Group leverages its marketing network in Hong Kong to pre-sell a significant number of units. This de-risks the exit and improves the ability of the Group to secure debt finance where this is considered beneficial in improving risk-adjusted returns. The Directors believe that this strategy enables the Group to establish a strong market position, and with its in-house capabilities, to generate new business opportunities. The Directors are focused on establishing the Group as a recognised provider of innovative and high-quality residential developments in the UK and to increase value for the Group's stakeholders (measured in terms of profitability, dividend income or increased share price), in the medium to long term.

4. Details of current development activities owned by the Group

4.1 The Group has six existing developments, which are all owned by the Group, that are at various stages of development. Four developments are under construction and are expected to complete between Quarter 2 2022 and Quarter 4 2022, with the remaining two developments to start construction in 2022 and complete a year later.

4.2 The Group is expected to have pre-sold or have reservations over all of the units on completion. On completion of the site the Group expects to receive the proceeds from the pre-sold and reserved units within two weeks.

Project	Residential units	Commercial units	GDV[1] (£m)	Debt[2] (£m)	Expected Completion	Reservations
Lincoln House, Bolton	88	0	9.4	3.5	Q2 2022	38 (43%)
Churchgate, Leicester	15	1	3.6	-	Q2 2023	Not started
Oscar House, Manchester	27	0	6.3	3.5	Q3 2022	27 (100%)
Bank Street, Sheffield	23	0	3.8	2.0	Q3 2022	16 (70%)
St Petersgate, Stockport	18	1	3.2	-	Q4 2022	16 (89%)
Seaton House, Stockport	30	0	5.6	-	Q4 2023	Not started

	201	2	31.9	9.0

[1]Gross Development Value: This is the total revenue expected on the sale of the units of a development before the repayment of any debts. These are based on internal valuations.
[2]Debt: This is the expected debt to be repaid on completion. It includes only construction debt that has been signed.

4.3 The Churchgate development has been delayed as a result of delays in receiving planning permission due to COVID-19. Planning permission for the St Petersgate development was also initially delayed due to Covid-19 however permission was subsequently achieved in March 2022.

4.4 The Group is in the process of finding new sites to which it can recycle the earnings into that have been generated from the completion of the developments listed above.

4.5 In the ordinary course of business, the Group raises construction finance against developments to fund the completion with the remaining balance either through other debt in the Group or existing equity. This type of debt finance matches the cash outflows from developments with inflows of debt. Interest is accrued and paid at the earlier of the maturity date or as unit sales are made. 100 per cent. of the net sale proceeds of residential units are used to repay the loans. The Group has signed three agreements, further details of which are available in the Issuer's Annual Report for the year ended 30 June 2021. Please refer to pages 63 to 67.

4.6 The below funding covers the developments until completion and it is intended that the Churchgate and Seaton House developments will be completed through a combination of the proceeds from the sale of the developments under construction and construction finance. St Petersgate, which has now received planning permission, is expected to be funded either through the proceeds from the completion of Lincoln House or new construction finance that is yet to be agreed. If Lincoln House doesn't complete or construction finance isn't raised, the shareholder loan facility will be utilised.

Project	**Facility (£m)**	**Nominal interest rate**	**Maturity date[1]**	**Covenants**	
				Debt to GDV[2]	**Debt to GDC[2]**
Lincoln House, Bolton	3.5	6.25%[3]	Aug 23	45.0%	44.0%
Oscar House, Manchester	3.5	9.6%	Nov 22	65.0%	71.0%
Bank Street, Sheffield	2.0	10.7%	Dec 22	70.0%	70.0%

[1]Repaid earlier with proceeds from completed unit sales on the development
[2]GDV – Gross development value; GDC – Gross development cost
[3]Plus SONIA with a floor of 0.75 per cent.

5. **Details of current development activities managed by the Group**

5.1 The Group has three development management agreements that are at various stages of development. The Group receives a mixture of management fees and profit share on each development.

Company	**Agreement**	**Residential units**	**Completion**
One Heritage Tower Limited	• 0.75% of development cost per annum • 10.0% profit share	545	Q2 2026
ACT Property Developments Limited	• 20.0% profit share	43	Q4 2022
One Heritage North Church Limited	• 2.0% of total development cost paid over the development • 15.0% net profit of the development • 1.0% of any capital raised	58	Q4 2022

5.2 Further details on the development management agreements can be found in the Issuer's Annual Report for the year ended 30 June 2021. Please refer to pages 56 and 74. These arrangements require no funding from the Group, with all of the funding raised by external investors.

6. **Liquidation of One Heritage Maintenance Limited and One Heritage Design Limited**

6.1 The Group reported that One Heritage Maintenance Limited ("**OHML**") and One Heritage Design Limited ("**OHDL**") entered into creditors' voluntary liquidation on 23 September 2021 and 27 September 2021 respectively. Jason Upton is a director of both these entities, but has no role in day-to-day management. Both companies are subsidiaries of One Heritage Complete Limited, an associate of the Group.

6.2 One Heritage Complete Limited and its subsidiaries are managed independently from the Group by Peter Child. Jason Upton and Yiu Tak (Peter) Cheung are both directors of One Heritage Complete Limited but are not involved in the day-to-day management. Peter Child is a director of One Heritage Complete Limited, OHML and OHDL. He is also a majority shareholder in One Heritage Complete Limited, and therefore also an indirect shareholder in OHML and OHDL.

6.3 OHML and OHDL undertook refurbishment works for Robin Hood Property Development Limited, a related party due to its common director, Jason Upton and Yiu Tak (Peter) Cheung, who is a director of OHML and OHDL's parent company, One Heritage Complete Limited, and a majority shareholder in Robin Hood Property Development Limited.

6.4 The Group decided to impair the value of its stake in One Heritage Complete Limited as a result of the liquidations, and began to internalise its functions. The total impairment recognised in the period was £239,316. The Group did not incur any other costs.

6.5 The internalisation was part of the long-term strategy. As developments completed, the Group would expand into other property services to become a vertically integrated solution. This would allow a seamless process for potential property investors to acquire a residential property and have it managed. A key value proposition was that it aligned interests between a potential property investor, wanting a quality income-generating asset, and the Group, wanting a consistent revenue stream stemming from the Principal Activities. Therefore, the Group is incentivised to build a quality product to ensure it retains management post-completion. As part of the internalisation the Group hired Alie Horton as the Property Operations Director.

6.6 These entities became insolvent due to poor decision-making management and improper record keeping by the finance function. These decisions included signing fixed price agreements that subsequently became loss making due to industrial cost pressures and inadequate resource allocation. In addition, a finance function that did not adequately account for expenses in line with accounting standards, which resulted in an unreported build-up of liabilities. As a result of the issues within these entities, the Group has taken a pro-active approach with other third party providers. This has included reviewing and, where required and possible, amending agreements to strengthen oversight provisions, conduct more regular reviews of credit and expand the scope of professionals that monitor the output of other third party providers.

7. **Reasons for the admission, use and estimated net amount of proceeds**

7.1 The Issuer is seeking Admission for a corporate bond to diversify the fund sources available to it in order to support its Principal Activities. The Directors believe that a greater diversity of funding sources will reduce the overall risk to the Group. Application has been made for the Bonds to be admitted to the standard segment of the Official List of the FCA and to trading on the London Stock Exchange.

7.2 The gross proceeds from the Bond will be £1,500,000 and the estimated net proceeds of the Bonds is £1,391,250, with the expenses incurred totaling £108,250 (inclusive of VAT). The VAT of £8,125 will be reclaimed by the Group in the following quarter. This cost includes a commission for marketing the Bonds at 4 per cent. of the gross proceeds, which equates to £60,000 and listing and legal fees totalling £48,750.

7.3 The proceeds from the Bonds will be used to repay the One Heritage SPC loan pursuant to a facility agreement dated 22 July 2020 that matures on 22 January 2023 and has no early repayment penalty. The repayment balance at this date will be £1,351,801. A further £39,449 will be applied in part by repaying the One Heritage SPC loan pursuant to a facility agreement dated 11 August 2020 that matures on 11 February 2023 and has no early repayment penalty. The repayment balance at this date will be £1,192,729 with the remaining balance of £1,153,280 to be repaid by the Group's Shareholder Facility. At the date of this Prospectus, the Group's Shareholder Facility had £2,000,452 of the balance undrawn.

Below is a table summarising the sources and uses of the issuance of the Bonds.

Sources	
Gross proceeds from issuance	£1,500,000
Listing and legal fees (inclusive of VAT)	£48,750
Marketing fees (inclusive of VAT)	£60,000
Net proceeds	£1,391,250
Uses	
Repayment of the One Heritage SPC loan dated 22 July 2020	£1,351,801
Part repayment of the One Heritage SPC loan dated 11 August 2020	£39,449
	£0

7.4 The offer is not subject to an underwriting agreement and is being marketed by One Heritage Group Management Services Limited, a subsidiary of One Heritage Holding Group Limited, which controls the Company through its indirect 63.8 per cent. shareholding through One Heritage Property Development Limited.

8. **Payment of interest and repayment of principle**

The Group expect to service the interest on the Bonds from revenues generated by the Group, including from Co-living, development management and completed Developments. The Bonds are expected to be repaid by the completion of the Developments, but where there is a shortfall, the Group will utilise the loan facility provided by One Heritage Property Development Limited as set out in detail at paragraphs 10.1.1 and 10.1.4.

9. **Order of return of assets on a winding up**

9.1 The Bonds are unsecured and will rank equally with all other unsecured creditors of the Issuer on a winding up of the Issuer.

9.2 Any secured creditors and preferential creditors shall be paid out of the assets of the Issuer first before the unsecured creditors are paid. Preferential creditors include employees arrears of wages and certain tax debts.

9.3 Security has been granted by the Issuer in relation to construction finance as set out in paragraphs 10.1.5 to 10.1.7 of Part V which will rank ahead of the Bondholders.

9.4 Please see the chart below for an overview of the ranking in priority of payments to the creditors of the Issuer in the event of the insolvency of the Issuer:

	Type of obligation	Examples of obligation
Higher ranking	Secured creditors to the extent of their security	For example, in the case of the Issuer, the providers of construction finance.
	Expenses of the liquidation	For example, the liquidators costs.
	Preferential creditors	For example, employees.
	Holders of floating charges to the extent of their security	For example, in the case of the Issuer, providers of construction finance, a floating charge covers items such as trading inventory.
	Unsecured creditors	For example, unsecured creditors, trade creditors and the Bond Holders.
Lower ranking	Ordinary shareholders of the Issuer	

Part II - INFORMATION ABOUT THE BONDS

Question	Answer	Reference
What is a bond?	A bond is a form of borrowing by a company seeking to raise funds from investors. The company that issues a bond promises to pay interest to each investor in the relevant bond periodically until the date when the relevant bond becomes repayable (usually on the specified maturity date, although a bond may also become repayable early in certain circumstances), at which time the company also promises to repay the amount borrowed. An investor does not have to keep a bond until the date when the bond matures. Unlike a typical bank loan, a bond is a tradable instrument, so can be sold to another investor in the market. The market price of a bond will fluctuate between the start of the bond's life and when it matures. This Prospectus relates to a proposed issue of unsecured 8.0 per cent. Bonds due by 15 March 2024 issued by One Heritage Group plc.	
Who is issuing the Bonds?	The Bonds will be issued by One Heritage Group plc.	Summary and Part I *("Information on the Issuer, Investment and Strategy")*
Why are the Bonds being issued? What will the proceeds be used for?	The gross proceeds of the loan will be £1,500,000 and the estimated net proceeds of the Issuer of the Bonds is £1,391,250, with the expenses incurred totalling £108,750 (inclusive of VAT). The VAT of £8,125 will be reclaimed by the Group in the following quarter. The proceeds from the Bonds will be used to repay the One Heritage SPC loan pursuant to a facility agreement dated 22 July 2020 that matures on 22 January 2023 and has no early repayment date. The repayment balance at this date will be £1,351,801. A further £39,449 will be applied in part by repaying the One Heritage SPC loan pursuant to a facility agreement dated 11 August 2020 that matures on 11 February 2023 and has no early repayment date. The repayment balance at this date will be £1,192,729 with the remaining balance of £1,153,280 to be repaid by the Group's Shareholder Facility. At the date of this Prospectus, the Group's Shareholder Facility had £2,000,452 of the balance undrawn.	Summary and paragraph 7 of Part I *("Information on the Issuer, Investment and Strategy")*

What are the terms of the Bonds?	The Bonds will be subject to Part III *("Terms of the Bonds ")*. The Bonds: • entitle the Bond Holders to receive semi-annual interest payments at a fixed rate of 8.0 per cent. • the Interest Period shall be the 6 months ending 30 June and 31 December each year commencing 30 June following the Issue Date up to and including the Maturity Date subject to Condition 9 (save that the first Interest Period will be the period from the issue date of the Bonds to 30 June 2022); • the first payment of interest in relation to the Bonds is due to be paid on 30 June 2022; • have a nominal amount of £1.00 per Bond; • are scheduled to be redeemed on the maturity date, namely 15 March 2024; • will be redeemed at 100 per cent. of their principal amount on 15 March 2024; • may be redeemed early by the Issuer; and • are intended to be admitted to trading on the London Stock Exchange's main market. By way of example on a holding of £100 a Bondholder can expect to receive an interest payment of £2.45 on the first payment of interest on 30 June 2022.	See paragraphs 10, 2, 9 and 10 of Part III(A) *("Terms of the Bonds – General Terms and Conditions")*
Will I be able to trade the Bonds?	The Issuer will make an application for the Bonds to be admitted to trading on the London Stock Exchange plc, on its main market. If this application is accepted, the Bonds are expected to commence trading on or around 17 March 2022. Once admitted to trading, the Bonds may be purchased or sold through a broker. The market price of the Bonds may be higher or lower than their issue price depending on, among other things, the level of supply and demand for the Bonds and movements in interest rates.	See paragraph 1.5 of the Summary and paragraph 7.1 of Part I *("Information on the Issuer, Investment Opportunity and Strategy")*
Can the Issuer borrow money that would have first call on the assets of the Issuer ahead of the Bond Holders?	Yes it can in certain circumstances. During the period the Bonds are outstanding the Issuer and its subsidiaries can borrow money and provide security over its assets (including future revenues and all other present and future assets) for such borrowing which would rank ahead of the Bond Holders however it can only do so where such borrowing and security would not have a material effect on the ability of the Issuer to pay either the interest or the principle	See paragraph 14 of Part III(A) *("Terms of the Bonds – General Terms and Conditions ")*

	on the due dates. For example security could be granted over a site to support construction finance of that site where the loan to value was such that there was sufficient value in that site available to the Bond Holders. Whereas general borrowing by the Issuer secured on all the assets of the Company would not be permitted. Security has been granted by the Issuer and the Group in relation to construction finance as set out in paragraphs 10.1.4 to 10.1.7 of Part V which will rank ahead of the Bondholders on a liquidation.	
What is the interest rate and can the interest rate change?	The Bonds bear interest from their date of issue at the fixed rate of 8.0 per cent. per annum. The yield of the Bonds is 8.0 per cent. per annum until the Maturity Date. Interest will be paid semi-annually in arrears on 30 June and 31 December in each year.	See paragraph 9 of Part III(A) *("Terms of the Bonds – General Terms and Conditions ")*
When will interest payments be made?	The first payment of interest in relation to the Bonds is due to be paid on 30 June 2022. Following the first payment, interest is expected to be paid on 30 June and 31 December in each year up to and including the date the Bonds are repaid.	See paragraph 9 of Part III(A) *("Terms of the Bonds – General Terms and Conditions")*
How is the amount of interest payable calculated?	The Issuer will pay a fixed rate of 8.0 per cent. interest per year in respect of the Bonds. Interest will be payable in two semi-annual instalments. Therefore, for each £1.00 nominal amount of Bonds that you buy on 17 March 2022, for instance, you will receive £0.04 and £0.04 on 30 June 2022 and 31 December 2022, and so on every six months until and including the Maturity Date (unless you sell the Bonds or they are repaid by the Issuer).	See paragraphs 2.1 and 9 of Part III(A) *("Terms of the Bonds – General Terms and Conditions")*
What is the yield on the Bonds?	On the basis of the issue price of the Bonds of 100 per cent. of their nominal amount, the initial yield (being the interest received from the Bonds expressed as a percentage of their nominal amount) of the Bonds on the Issue Date is 8.0 per cent. per annum until 15 March 2024.	
What will the Bonds Holders receive in a winding up of the Issuer?	The Bonds are unsecured and will rank equally with all other unsecured creditors of the Issuer on a winding up of the Issuer. Any secured creditors and preferential creditors shall be paid out of the assets of the Issuer first before the unsecured creditors are paid. Preferential creditors include employees arrears of wages and certain tax debts.	See paragraph 9 of Part I *("Information on the Issuer, Investment Opportunity and Strategy – Order of return of assets on a winding up")*

	Any remaining funds after these have been paid out will be distributed to unsecured creditors including the Bondholders. As a result the Bondholders could lose their entire investment. The full list setting out where the Bondholders rank in the list of creditors is set out in paragraph 9 of Part 1.	
Will the Bonds be rated by a credit rating agency?	No. Neither the Bonds nor the Issuer is rated by a credit rating agency, and the Issuer does not intend to seek a credit rating for the Bonds.	
When will the Bonds be repaid?	The Bonds are scheduled to be redeemed at 100 per cent. of their nominal amount on the Maturity Date. However, the Issuer may elect to repay the Bonds early. The Bond Holders cannot elect to have their Bonds redeemed early.	See paragraphs 4 and 5 of Part III(A) *("Terms of the Bonds – General Terms and Conditions")*
Do the Bonds have voting rights?	Bond Holders have certain rights to vote at meetings of Bond Holders, but are not entitled to vote at any meeting of shareholders of the Issuer.	Part III(C) *("Terms of the Bonds – Provisions for meetings of Bond Holders")*
Can the terms and conditions of the Bonds be modified?	The terms and conditions of the Bonds may be modified with the sanction of a Special Resolution of the Bond Holders and with the consent of the Issuer.	See paragraph 16.3 of Part III(A) *("Terms of the Bonds – General Terms and Conditions")*
Who are the Bonds being offered to?	The Issuer is offering the Bonds to investors based in Hong Kong that are existing clients of the Group's parent company, One Heritage Holding Group Limited. One Heritage Holding Group Limited is a wealth management company and licensed trustee, and is supervised by the relevant authorities in Hong Kong. The investors are not directly known to the Issuer and only indirectly through Yiu Tak (Peter) Cheung, a director of the Issuer who is also a director and shareholder in One Heritage Holding Group Limited. One Heritage Holding Group Limited is marketing the securities with its clients on an individual basis and in accordance with Hong Kong law. The Bonds will only be marketed to investors deemed to be professional, high net worth or sophisticated investors. The average investment is expected to be between £100,000 and £200,000. The Issuer will not offer the Bonds to investors in the UK. However, UK investors may be able to purchase the Bonds as and when they	

	become listed in the UK on the secondary market.	
Who will administer the Bonds?	The Issuer will administer the Bonds itself including payment of interest and repayment of principle.	
What if I have further queries?	If you are unclear in relation to any matter, or uncertain if the Bonds are a suitable investment, you should seek professional advice from your broker, solicitor, accountant or other independent financial adviser before deciding whether to invest.	

Part III - TERMS OF THE BONDS

A. GENERAL TERMS AND CONDITIONS

The Bonds were created by resolution of the Board of the Issuer dated 9 March 2022.

1. **AMOUNT OF BONDS**

1.1 The principal amount of the Bonds is limited to £1,500,000.

2. **DESCRIPTION OF BONDS**

2.1 The Bonds shall be known as 8.0 per cent. fixed rate unsecured bonds 2024 and shall be issued in integral multiples of £1.00 by the Company.

3. **STATUS OF BONDS**

3.1 The Bonds when issued shall rank pari passu equally and rateably without discrimination or preference among themselves and as an unsecured obligation of the Company.

4. **REPAYMENT OF BONDS**

4.1 When the Bonds become payable in accordance with the provisions of this instrument, the Company shall pay to the Bond Holders the full principal amount of the Bonds to be repaid together with any accrued interest on such Bonds (less any tax which the Company is required by law to deduct or withhold from such payment) up to and including the date of payment.

4.2 All payments under this instrument, whether of principal, interest or otherwise, shall be made by the Company to the Bond Holders entitled to such payments as provided in paragraph 9.1 of Part III(B).

4.3 Where any payment to a Bond Holder, whether of principal, interest or otherwise, is due in accordance with the terms of this instrument on a day that is not a Business Day, payment shall take place on the next succeeding Business Day. If that next succeeding Business Day is in the month following the month in which payment would otherwise be made, payment shall take place on the immediately preceding Business Day.

5. **VOLUNTARY EARLY REPAYMENT**

5.1 The Company may at any time, by giving the Bond Holders not less than one month's written notice, repay the principal amount of all or a portion of the Bonds on the date specified in such notice. If only part of the Bonds shall be redeemed this shall be the same proportion of Each Bond Holder's holding with any fractional redemptions being the absolute discretion of the Company.

5.2 The Company shall also pay to the Bond Holders all unpaid interest accrued on the Bonds to be redeemed up to and including the date of such redemption (in each case less any taxes required by law to be deducted or withheld from such payments).

5.3 Any payment made under the provisions of Condition 5.1 shall be treated as reducing the amount of the repayments under Condition 4.1 proportionately.

5.4 Any redemption of the Bonds under the provisions of Condition 5.1 shall be made pro rata to the holdings of all Bond Holders.

6. **PURCHASE**

6.1 The Company or any subsidiary of the Company may at any time purchase Bonds on any market of the London Stock Exchange (if the Bonds is then admitted to trading on any market of the London Stock Exchange) or on any other stock exchange on which the Bonds is for the time being listed or quoted or by tender (available to all Bond Holders alike) or by private treaty.

7. **CANCELLATION**

7.1 All Bonds repaid, prepaid or purchased by the Company shall be cancelled and the Company shall not reissue the same.

8. **INTEREST ON BONDS**

8.1 Until the Bonds are, interest shall accrue and be paid on the principal amount of the Bonds which are outstanding at the rate and in the manner set out in this Part III(A).

9. **PAYMENT OF INTEREST**

9.1 Interest on the principal amount of the Bonds outstanding from time to time shall accrue at the rate of 8.0 per cent. per annum compounded semi-annually on 30 June and 31 December in each year.

9.2 Interest on the Bonds shall commence on 17 March 2022 and the first interest payment on the Bonds will be paid to Bond Holders on 30 June 2022 for the period from issue to 30 June 2022.

9.3 The Company shall pay accrued interest via a bank transfer, in arrear to the persons who were registered as Bond Holders at the relevant Record Date 5 Business Days after the relevant Record Date.

9.4 Interest shall be calculated on the basis of the actual number of days elapsed in the relevant period and a 365 day year.

9.5 If the Company fails to pay any amount of interest or principal on any Bond when such amount is due, this would amount to an Event of Default by the Issuer under paragraph 11 of this Part III(A) and interest at the rate applicable under the Conditions in this Part III(A) plus 1 per cent. per annum shall accrue on the unpaid amount from the due date until the date of payment.

9.6 Interest on any Bonds repaid by the Company in accordance with the Conditions in this Part III(A) shall cease to accrue as from the date of such repayment.

10. **FORM, DENOMINATION AND TITLE**

Form and denomination

10.1 The Bonds will be issued in registered form in the denomination of £1.00 each. If and for so long as the Bonds are admitted to trading on the regulated market of the London Stock Exchange and admitted to CREST (or other applicable Central Securities Depositary), the Bonds will be in de-materialised form or, at the request of the relevant Bond Holder, a certificate will be issued.

Title

10.2 A register of the Bonds will be kept by the Registrar as the initial registrar ("**Registrar**") wherein there will be entered the names and addresses of the Bond Holders and particulars of the Bonds held by them respectively and a copy of such register will at all reasonable times during business hours be open to the inspection of the Bond Holders. If and for as long as the Bonds are admitted to trading on the London Stock Exchange and are admitted to CREST, a register shall also be maintained by Euroclear in respect of Bond Holders who hold their Bonds in paperless form. Title to Bonds shall pass by registration in the register maintained by the Registrar or, in the case of Bonds in paperless form, the register maintained by Euroclear and a person in whose name a Bond shall be registered shall (to the fullest extent permitted by law) be treated at all times and for all purposes as the absolute owner of such Bond regardless of any notice of ownership or trust.

Form

10.3 The Bonds may be held in certificated or uncertificated form.

10.4 Each certificate for Bonds shall:

10.4.1 bear a denoting number;

10.4.2 be issued to a Bond Holder in the form (or substantially in the form) set out in Part III(D) and shall be executed by the Company in accordance with the Companies Act 2006; and

10.4.3 have the Conditions endorsed on or attached to it.

10.5 Each Bond Holder shall be entitled to receive without charge one certificate for the Bonds registered in their name.

10.6 The Company shall not be bound to register more than four persons as the joint holders of any Bonds and, in the case of Bonds held jointly by several persons, the Company shall not be bound to issue more than one certificate. Delivery of a certificate to the person who is first named in the Register as Bond Holder shall be sufficient delivery to all joint holders of the Bonds in respect of which such certificate has been delivered.

10.7 When a Bond Holder transfers or redeems part only of their Bonds, the old certificate shall be cancelled and a new certificate for the balance of such Bonds shall be issued without charge.

10.8 Under and subject to the uncertificated securities rules, the Bonds may be evidenced otherwise than by certificate and title to the Bonds may be transferred by means of a relevant system. The Board may also, subject to compliance with the uncertificated securities rules, determine at any time that title to the Bonds may from a date specified by the Board no longer be evidenced otherwise than by a certificate or that title to the Bonds shall cease to be transferred by means of any particular relevant system.

10.9 The Bonds may be changed from uncertificated to certificated form, and from certificated to uncertificated form, in accordance with and subject as provided in the uncertificated securities rules.

10.10 Unless the Board determines otherwise, Bonds which a member holds in uncertificated form shall be treated as separate holdings from any Bonds which that member holds in certificated form.

10.11 The Company shall be entitled to assume that the entries on any record of securities maintained by it in accordance with the uncertificated securities rules and regularly reconciled with the relevant Euroclear register of securities are a complete and accurate reproduction of the particulars entered in the Euroclear register of securities and shall accordingly not be liable in respect of any act or thing done or omitted to be done by or on behalf of the Company in reliance on such assumption.

11. EVENTS OF DEFAULT

11.1 The following are events of default:

11.1.1 **Non-payment**: the Company fails to pay any principal or interest, pursuant to paragraph 9 of Part III(A), on any of the Bonds within 10 Business Days after the due date for payment thereof;

11.1.2 **Breach of undertaking**: the Company fails duly to perform or comply with any obligation (other than an obligation to pay principal or interest in respect of the Bonds) expressed to be assumed by it in this instrument and such failure continues for 10 days after written notice has been given by any Bond Holder requiring remedy thereof;

11.1.3 **Cross-default**: any indebtedness of the Company or any member of the Group is not paid when due or is declared to be or otherwise becomes due and payable prior to its specified maturity or any creditor of the Company or any member of the Group becomes entitled to declare any such indebtedness due and payable prior to its specified maturity;

11.1.4 **Insolvency**: the Company or any member of the Group is (or is, or could be, deemed by law or a court to be) insolvent or unable to pay its debts (as defined in section 123 of the Insolvency Act 1986), stops, suspends or threatens to stop or suspend payment of all or any material part of its indebtedness or commences negotiations with any one or more of its creditors with a view to the general readjustment or re-scheduling of all or any material part of its indebtedness (because of actual or anticipated financial difficulties) or makes a general assignment for the benefit of, or composition, compromise or arrangement with, any of its creditors (or any class of its creditors) or a moratorium is agreed or declared in respect of, or affecting, all or a material part of its indebtedness;

11.1.5 **Enforcement proceedings**: a distress, attachment, execution, sequestration or other legal process is levied, enforced or sued out on or against all or any part of the assets of the Company or any member of the Group and is not discharged or stayed within 10 days;

11.1.6 **Insolvency proceedings**: the Company or any member of the Group takes any corporate action or any steps are taken or legal or other proceedings are started for a suspension of payments, a moratorium in respect of any indebtedness, its winding-up, dissolution or re-organisation (whether using a voluntary arrangement, scheme of arrangement or otherwise, but not including a re-organisation for the purposes of a bona fide, solvent scheme of reconstruction or amalgamation previously approved by Special Resolution), a composition, compromise, assignment or arrangement with any creditor or the appointment of a receiver, administrator, administrative receiver, liquidator, trustee or similar officer of it or of any or all of its assets;

11.1.7 **Analogous proceedings**: anything analogous to or having a substantially similar effect to any of the events specified in clause 11.1.4 to clause 11.1.6 inclusive shall occur under the laws of any applicable jurisdiction;

11.1.8 **Encumbrance enforceable**: any encumbrance on or over the assets of the Company or any member of the Group becomes enforceable and any step (including the taking of possession or the appointment of a receiver, manager or similar person) is taken to enforce that encumbrance;

11.1.9 **Cessation of business**: the Company or any member of the Group ceases to carry on the business it carries on at the date of this instrument or a substantial part thereof; and

11.1.10 **Illegality**: it is or becomes or will become unlawful for the Company to perform or comply with any of its obligations under this instrument, or any such obligation is not or ceases to be legal, valid and binding,

(each an "**Event of Default**" and together, the "**Events of Default**").

11.2 Should an Event of Default occur the Bonds are, and they shall immediately become, due and payable at their nominal amount together with any accrued interest.

12. ACCELERATION

12.1 If, at any time and for any reason, any Event of Default has occurred, the Bond Holders may by Special Resolution or by written notice to the Company from Bond Holders holding more than 50 per cent. in nominal value of the Bonds then issued and outstanding, at any time while such Event of Default remains unremedied and has not been waived by a Special Resolution, direct that the principal amount of all Bonds, all unpaid accrued interest and any other sum then payable on such Bonds shall become due and payable immediately. If the Bond Holders give such a direction under this clause, then the principal amount of all Bonds, all unpaid accrued interest and any other sum then payable on such Bonds (in each case less any applicable taxes) shall be immediately due and payable by the Company and the Company shall immediately pay or repay such amounts to the Bond Holders.

13. NO SET-OFF

13.1 All amounts due under this instrument from the Company to the Bond Holders shall be paid in full without any set-off, counterclaim, deduction or withholding (other than any deduction or withholding of tax as required by law).

14. NEGATIVE PLEDGE

14.1 The Company and its subsidiaries shall not, while any sums are outstanding to the Bondholders:

14.1.1 Create, or permit to subsist, any mortgage, charge, pledge, lien or other form of encumbrance on or over any of its assets, current or future.

14.1.2 Sell, transfer or otherwise dispose of any of its assets on terms whereby such asset is or may be leased to or re-acquired or acquired by it.

14.1.3 Sell, transfer or otherwise dispose of any of its receivables on recourse terms.

14.1.4 Enter into any arrangement under which money or the benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts.

14.1.5 Enter into any other arrangement having a similar effect as 14.1.1 to 14.1.4 above.

that would have a material effect on the Company's ability to pay interest on the Bond or the Company's ability to repay the Bond on its Repayment Date.

15. **MEETINGS OF BOND HOLDERS**

15.1 The provisions for meetings of the Bond Holders set out in Part III(C) shall be deemed to be incorporated in this instrument and shall be binding on the Company and the Bond Holders and on all persons claiming through or under them respectively.

16. **ENFORCEMENT**

16.1 For so long as any amount is payable by the Company in respect of the Bonds, the Company undertakes that it shall duly perform and observe the obligations on its part contained in this Part III.

16.2 The Bonds shall be held subject to and with the benefit of the provisions of this Part III. All such provisions shall be binding on the Company and the Bond Holders and all persons claiming through or under them respectively, and shall enure for the benefit of all Bond Holders, their personal representatives, successors and permitted assigns.

16.3 The Bonds are enforceable by each Bond Holder and their personal representatives, successors and permitted assigns.

17. **MODIFICATION**

17.1 The provisions of this Part III and the Conditions and the rights of the Bond Holders may from time to time be modified, abrogated or compromised in any respect (including in any manner set out in paragraph 16.1 of Part III(C) with the sanction of a Special Resolution and with the consent of the Company.

18. **GOVERNING LAW AND JURISDICTION**

18.1 The Bonds and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with any of them or their subject matter or formation shall be governed by, and construed in accordance with, the law of England and Wales.

18.2 The courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with any Bond or their subject matter or formation.

B. PROVISIONS AS TO REGISTRATION, TRANSFER AND OTHER MATTERS

1. RECOGNITION OF BONDHOLDER AS ABSOLUTE OWNER

1.1 The Company shall recognise as absolute owner the registered holder of any Bonds. The Company shall not (except as ordered by a court of competent jurisdiction) be bound to take notice or see to the execution of any trust (whether express, implied or constructive) to which any Bonds may be subject. The receipt of the registered holder for the time being of any Bonds or, in the case of joint registered holders, the receipt of any of them, for the principal payable in respect of such Bonds and for the interest from time to time accruing due in respect of such Bonds or for any other moneys payable in respect of such Bonds shall be a good discharge to the Company notwithstanding any notice it may have (whether express or otherwise) of the right, title, interest or claim of any other person to or in such Bonds, interest or moneys. The Company shall not be bound to enter any notice of any express, implied or constructive trust on the Register in respect of any Bonds.

2. TRANSFERABILITY OF BONDS

2.1 The Bonds:

2.1.1 May be transferred which are in certificated form by instrument of transfer in writing in any usual form or in any form approved by the Board. Such instrument shall be executed by or on behalf of the transferor and (in the case of a transfer of a share which is not fully paid up) by or on behalf of the transferee. All instruments of transfer, when registered, may be retained by the Company.

2.1.2 May be transferred which are in uncertificated form by means of a relevant system in such manner provided for, and subject as provided in, the uncertificated securities rules.

3. REGISTRATION OF TRANSFERS

3.1 Where the Bonds are in certificated form every instrument of transfer shall be left for registration at the address where the Register is maintained for the time being accompanied by the Certificate(s) for the Bonds to be transferred, together with such other evidence as the Directors or other officers of the Company authorised to deal with the transfers may require to prove the title of the transferor or their right to transfer the Bonds and, if the instrument of transfer is executed by some other person on their behalf, the authority of that person to do so. All instruments of transfer which are registered shall be retained by the Company. Where the Bonds are held in uncertificated form transfers shall be registered in accordance with Euroclear's rules and procedures.

4. NO FEES FOR REGISTRATION OF TRANSFERS

4.1 No fee shall be charged for the registration of any transfer or for the registration of any confirmation, probate, letters of administration, certificate of marriage or death, power of attorney or other document relating to or affecting the title to any Bonds or for making any entry in the Register relating to or affecting the title to any Bonds.

5. RECOGNITION OF PERSONAL REPRESENTATIVES

5.1 The executors or administrators of a deceased Bondholder (not being one of several joint registered holders) and in the case of the death of one or more of several joint registered holders the survivor or survivors of such joint registered holders, shall be the only person(s) recognised by the Company as having any title to such Bonds.

6. TRANSMISSION OF BONDS

6.1 Any person who becomes entitled to any of the Bonds as a result of the death or bankruptcy of any Bond Holder, or of any other event giving rise to the transmission of such Bonds by operation of law may, upon producing such evidence that they sustain the character in respect of which they propose to act under this paragraph 6.1 or of their title as the Directors shall think sufficient, be registered themselves as the holder of such Bonds or, subject to the preceding Conditions as to transfer, may transfer such Bonds. The Company may retain any payments paid upon any such Bonds which any person under this provision is entitled to, until such person is registered as the holder of such Bonds or has duly transferred the Bonds.

7. PAYMENT OF INTEREST AND PRINCIPAL

7.1 Bonds in certificated form

7.1.1 Payment of interest will be made by either; transfer to a Sterling account (or other account to which Sterling may be credited) maintained by the Bond Holder with a bank in the City of London as previously notified to the Registrar, or; in the absence of a bank mandate, by cheque posted to the registered address of the first-named holder on the Bonds Register. Payment of the nominal amount will be made by cheque posted to the registered address of the first-named holder on the Bonds Register.

7.2 Bonds in uncertificated form

7.2.1 The Issuer shall pay or cause to be paid payments of nominal amount in respect of Bonds held in uncertificated form by way of a CREST assured payment in accordance with the CREST Regulations.

7.2.2 Payments of interest in respect of Bonds held in uncertificated form will be made by transfer to a Sterling account (or other account to which Sterling may be credited) maintained by the Bond Holder with a bank in the City of London where previously notified to the Registrar, or by cheque posted to the address of the first-named holder on the Bonds Register relating to Bonds held in uncertificated form, or by way of a CREST assured payment in accordance with the CREST Regulations.

7.2.3 All payments in respect of the Bonds are subject in all cases to any fiscal or other laws and regulations applicable thereto in the place of payment. No commissions or expenses shall be charged to Bond Holders in respect of such payments

7.2.4 Every cheque sent through the post shall be sent by first class post on or before the Business Day next preceding the due date of the relevant nominal and/or interest payment unless such due date is not a Business Day, in which event it shall be sent on or before the second Business Day next preceding the due date of the relevant payment. Where payment is to be made by transfer to a Sterling bank account, payment instructions (for value the due date or, if the due date is not a Business Day, for value the next succeeding Business Day) will be initiated on the due date for payment. A holder of Bonds shall not be entitled to any interest or other payment in respect of any delay in payment resulting from the due date for payment not being a Business Day.

7.2.5 When making payments of nominal amount and/or interest to Bond Holders, the relevant payment will be rounded down to the nearest whole penny.

8. PRESCRIPTIONS

8.1 The Company shall not be a trustee in respect of unclaimed principal and interest and will not be liable to pay interest on them. All principal and interest that remain unclaimed for 12 years after they first became due for payment shall (if the Board so resolves) be forfeited and shall cease to remain owing by the Company.

8.2 The Company shall use reasonable endeavors to trace a Bond Holder where principal and interest are unclaimed including, but not limited to, writing to the last know Bond Holder's address at least three times, and placing at least two advertisements, at least three months apart, in a national newspaper in the country in which the Bond Holder's last known address was located.

9. RECEIPT OF JOINT HOLDERS

9.1 If several persons are entered in the Register as joint registered holders of any Bonds then without prejudice to the provisions of paragraph 7 the receipt of any one of such persons for any interest or principal or other moneys payable in respect of such Bonds shall be as effective a discharge to the Company as if the person signing such receipt were the sole registered holder of such Bonds.

10. REPLACEMENT OF CERTIFICATES

10.1 If the Certificate for any Bonds is lost, defaced or destroyed it may be renewed on such terms (if any) as to evidence and indemnity as the Directors may require. In the case of defacement the defaced Certificate shall be surrendered before the new Certificate is issued.

11. NOTICE TO BOND HOLDERS

11.1 Any notice or other document (including Certificates for Bonds) may be given or sent to any Bond Holder by sending the same by post in a prepaid, first-class letter addressed to such Bondholder at their registered address in the United Kingdom or (if they have no registered address within the United Kingdom) to the address (if any) within the United Kingdom supplied by them to the Company for the giving of notice to them. In the case of joint registered holders of any Bonds a notice given to the Bondholder whose name stands first in the Register in respect of such Bonds shall be sufficient notice to all joint holders. Notice may be given to the persons entitled to any Bonds as a result of the death or bankruptcy of any Bond Holder by sending the same by post in a prepaid, first-class envelope addressed to them by name or by the title of the representative or trustees of such Bond Holder at the address (if any) in the United Kingdom supplied for the purpose by such persons or (until such address is supplied) by giving notice in the manner in which it would have been given if the death or bankruptcy had not occurred.

12. NOTICE TO THE COMPANY

12.1 Any notice or other document (including Certificates for Bonds and transfers of Bonds) may be given or sent to the Company by sending the same by post in a prepaid, first-class letter addressed to the Company at its registered office for the time being.

13. SERVICE OF NOTICES

13.1 Any notice, communication or document sent by post shall be deemed to have been delivered or received on the second Business Day following the day on which it was posted. In proving such delivery or receipt it shall be sufficient to prove that the relevant notice, communication or document was properly addressed, stamped and posted (by airmail, if to another country) in the United Kingdom.

C. PROVISIONS FOR MEETINGS OF BOND HOLDERS

1. CALLING OF MEETINGS

1.1 The Company may at any time and shall on the request in writing signed by any registered holder of the Bonds for the time being outstanding convene a meeting of the Bond Holders to be held at such place as the Company shall determine.

2. NOTICE OF MEETINGS

2.1 At least 14 clear days' notice specifying the place, day and hour of the meeting shall be given to the Bond Holders of any meeting of Bond Holders in the manner provided in Part III(B) Any such notice shall specify the general nature of the business to be transacted at the meeting thereby convened but, except in the case of a resolution to be proposed as a Special Resolution, it shall not be necessary to specify the terms of any resolutions to be proposed. The omission to give notice to any Bond Holder shall invalidate any resolution passed at any such meeting.

3. CHAIRMAN OF MEETINGS

3.1 A person nominated by the Company shall be entitled to take the chair at any such meeting and if no such nomination is made, or if at any meeting the person nominated shall not be present within 15 minutes after the time appointed for holding the meeting, the Bond Holders present shall choose one of their number to be chairman. The Directors and the secretary and legal advisers of the Company and any other person authorised in that behalf by the Directors may attend at any such meeting.

4. QUORUM AT MEETINGS

4.1 At any such meeting convened for any purpose, other than the passing of a Special Resolution, a person or persons holding or representing by proxy one-tenth in nominal value of the Bonds for the time being outstanding shall form a quorum for the transaction of business. At any meeting convened for the purpose of passing a Special Resolution persons (at least two in number) holding or representing by proxy a clear majority in nominal value of the Bonds for the time being outstanding shall form a quorum. No business (other than the choosing of a chairman) shall be transacted at any meeting unless the requisite quorum is present at the commencement of the meeting.

5. ABSENCE OF QUORUM

5.1 If within 30 minutes from the time appointed for any meeting of the Bond Holders a quorum is not present the meeting shall, if convened upon the requisition of the Bond Holders, be dissolved. In any other case it shall stand adjourned to such day and time (being not less than 14 days and not more than 42 days thereafter) and to such place as may be appointed by the chairman and at such adjourned meeting two Bond Holders present in person or by proxy and entitled to vote, whatever the principal amount of the Bonds held by them, shall form a quorum.

6. ADJOURNMENT OF MEETINGS

6.1 The chairman may with the consent of (and shall if directed by) any such meeting adjourn the same from time to time and from place to place. No business shall be transacted at any adjourned meeting other than business that might lawfully have been transacted at the meeting from which the adjournment took place.

7. NOTICE OF ADJOURNED MEETINGS

7.1 Notice of any adjourned meeting at which a Special Resolution is to be submitted shall be given in the manner provided for in this instrument. Such notice shall state that two Bond Holders present in person or by proxy and entitled to vote at the adjourned meeting whatever the principal amount of the Bonds held by them shall form a quorum.

8. RESOLUTION ON SHOW OF HANDS

8.1 Every question submitted to a meeting of Bond Holders shall be decided in the first instance by a show of hands. In case of an equality of votes the chairman shall not have a casting vote.

9. **DEMAND FOR POLL**

9.1 At any meeting of Bond Holders, unless (before or on the declaration of the result of the show of hands) a poll is demanded by the chairman or by one or more Bond Holders present in person or by proxy, a declaration by the chairman that a resolution has been carried or carried by a particular majority or lost or not carried by any particular majority shall be conclusive evidence of the fact.

10. **MANNER OF TAKING POLL**

10.1 If at any such meeting a poll is so demanded it shall be taken in such manner as the chairman may direct. The result of such poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn.

11. **TIME FOR TAKING POLL**

11.1 Any poll demanded at any such meeting shall be taken at the meeting without adjournment. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.

12. **PERSONS ENTITLED TO VOTE**

12.1 The registered holders of any of the Bonds or, in the case of joint holders, any one of them shall be entitled to vote in respect thereof either in person or by proxy and in the latter case as if such joint holder were solely entitled to such Bonds. If more than one of such joint holders be present at any meeting either personally or by proxy the vote of the senior who tenders a vote (seniority being determined by the order in which the joint holders are named in the Register) shall be accepted to the exclusion of the votes of the other joint holders.

13. **INSTRUMENT APPOINTING PROXY**

13.1 Every instrument appointing a proxy shall be in writing, signed by the appointor or their attorney or, in the case of a corporation, under its common seal, or signed by its attorney or a duly authorised officer and shall be in such form as the Directors may approve. Such instrument of proxy shall, unless the contrary is stated thereon, be valid both for an adjournment of the meeting and for the meeting to which it relates and need not be witnessed. A person appointed to act as a proxy need not be a Bond Holder.

14. **DEPOSIT OF INSTRUMENT APPOINTING PROXY**

14.1 The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified or office copy of such power or authority shall be deposited with the Company at the address where the Register is maintained for the time being or at such other place as may be specified in the notice convening the meeting before the time appointed for holding the meeting or adjourned meeting or the taking of a poll at which the person named in such instrument proposes to vote and in default the instrument of proxy shall not be treated as valid. A vote given in accordance with the terms of an instrument appointing a proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the instrument of proxy or of the authority under which the instrument of proxy is given or transfer of the Bonds in respect of which it is given unless previous intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at the address where the Register is maintained for the time being. No instrument appointing a proxy shall be valid after the expiration of 12 months from the date named in it as the date of its execution.

15. **VOTES**

15.1 On a show of hands every Bond Holder who (being an individual) is present in person or by proxy or (being a corporation) is present by a representative (not being themselves a Bond Holder) or by proxy shall have one vote (provided that a proxy appointed by more than one member should only have one vote or, where the proxy has been instructed by one or more of those members to vote for the resolution and by one or more other of those members to vote against it, such proxy shall have one vote for and one vote against the resolution). On a poll every Bond Holder shall have one vote for every £1.00 in nominal amount of the Bonds of which they are the holder. A Bond Holder (or a proxy or representative of a Bond Holder) entitled to more than one vote on a poll need not use all their votes or cast all the votes they use in the same way.

16. **POWER OF MEETINGS OF BOND HOLDERS**

16.1 In addition to any other powers it may have, a meeting of the Bond Holders may, by Special Resolution:

16.1.1 sanction any compromise or arrangement proposed to be made between the Company and the Bond Holders;

16.1.2 sanction any abrogation, modification or compromise or any arrangement in respect of the rights of the Bond Holders against the Company or its property whether such rights shall arise under this instrument or otherwise;

16.1.3 sanction any scheme for the reconstruction of the Company or for the amalgamation of the Company with any other company;

16.1.4 sanction any scheme or proposal for the sale or exchange of the Bonds for, or the conversion of the Bonds into, cash or shares, stock, debentures, debenture stock or other obligations or securities of the Company or any other company formed or to be formed, and for the appointment of a person with power on behalf of the Bond Holders to execute an instrument of transfer of the Bonds held by them in favour of the person to or with whom the Bonds are to be sold or exchanged (as the case may be);

16.1.5 assent to any modification or abrogation of the provisions contained in this instrument that shall be proposed by the Company and authorise the Company to execute an instrument supplemental to this instrument embodying any such modification or abrogation; and

16.1.6 give any authority or sanction which under the provisions of this instrument is required to be given by Special Resolution.

16.2 No resolution that would increase any obligation of the Company under this instrument or postpone the due date for payment of any principal or interest in respect of any Bond without the consent of the Company shall be effective.

17. **SPECIAL RESOLUTION BINDING ON ALL BOND HOLDERS**

17.1 A Special Resolution, passed at a meeting of Bond Holders duly convened and held in accordance with the provisions of this schedule, shall be binding on all the Bond Holders whether or not present at such meeting and each of the Bond Holders shall be bound to give effect to such Special Resolution accordingly. The passing of any such resolution shall be conclusive evidence that the circumstances justify the passing of such Special Resolution.

18. **RESOLUTIONS IN WRITING**

18.1 A resolution in writing signed by all the holders of at least 75 per cent. in nominal value of the Bonds for the time being outstanding who are for the time being entitled to receive notice of meetings in accordance with the provisions contained in this instrument shall for all purposes be as valid and effectual as a Special Resolution. Such resolution in writing may be contained in one document or in several documents in like form each signed by one or more of the Bond Holders.

19. **MINUTES OF MEETINGS**

19.1 Minutes of all resolutions and proceedings at every such meeting of the Bond Holders shall be made and duly entered in books to be from time to time provided for that purpose by the Company. Any minutes which purport to be signed by the chairman of the meeting at which such resolutions were passed or proceedings held or by the chairman of the next succeeding meeting of the Bond Holders shall be conclusive evidence of the matters contained in such minutes. Unless the contrary is proved, every such meeting in respect of the proceedings of which minutes have been made shall be deemed to have been duly convened and held and all resolutions passed at such meetings to have been duly passed.

D. FORM OF BOND CERTIFICATE

Certificate No. [NUMBER]

Date of Issue [DATE]

Amount £[AMOUNT]

ONE HERITAGE GROUP PLC

£1,500,000 8.0% FIXED RATE UNSECURED BONDS 2024

Created pursuant to a resolution of the board of directors of the Company passed on 9 March 2022.

THIS IS TO CERTIFY THAT [NAME OF BONDHOLDER] is the registered holder of £[AMOUNT] of the £1,500,000 8.0% fixed rate unsecured bonds 2024. Such Bonds are issued with the benefit of and subject to the provisions contained in Prospectus dated 14 March 2022.

1. This Certificate must be surrendered before any transfer, whether of the whole or any part of the Bonds comprised in it, can be registered or any new certificate issued in exchange.

2. Any change of address of the Bondholder(s) must be notified in writing signed by the Bondholder(s) to the Company at its registered office from time to time.

3. The Bonds are transferable in amounts and in integral multiples of £1.00 in accordance with the terms of the Conditions.

4. Words and expressions defined in the Prospectus shall bear the same meaning in this Certificate.

5. The Bonds and any dispute or claim arising out of or in connection with any of them or their subject matter or formation (including non-contractual disputes or claims) shall be governed by, and construed in accordance with, the law of England and Wales.

6. The courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with the Bonds or their subject matter or formation (including non-contractual disputes or claims).

Executed by [NAME OF COMPANY] acting by [NAME OF FIRST DIRECTOR], a director and [NAME OF SECOND DIRECTOR/SECRETARY], [a director **OR** its secretary]	.... Director .... [Director **OR** Secretary]

Dated: [INSERT DATE]

Part IV- TAXATION

Taxation in the United Kingdom

The following is a summary of the expected tax treatment in the UK for UK resident Bond Holders. It does not constitute legal or tax advice. It is intended as a general and non-exhaustive guide only. The following summary outlines certain aspects of current UK tax law and the published practice as at the date of this document; no assurances can be given that courts or other authorities responsible for the administration of such laws will agree with this interpretation or that changes in such laws will not occur. The statements below apply only to Bond Holders who are the absolute beneficial owners of their Bonds and who hold their Bonds as investments and not in connection with any trade. The statements may not apply to certain categories of investor such as financial traders, pension funds, trustees of trusts, or persons who benefit from tax exemptions or persons who acquired their investment in the Issuer in connection with any office or employment. Special tax rules may apply to such investors. An update of this summary for subsequent changes or modifications of the law and regulations, or the judicial and administrative interpretations thereof, will not be made.

Any changes to the taxation environment or a change to the tax treatment of the Issuer or of any company in the Group may affect investment returns to Bond Holders and each Bond Holder will have to consider his own tax position and must take his own advice on the matter.

If you are in any doubt about your tax position, or if you may be subject to tax in a jurisdiction other than the UK, we recommend that you consult your professional adviser immediately.

1. **The Issuer**

1.1 The Issuer and its subsidiaries are resident in the United Kingdom for tax purposes and are subject to United Kingdom corporation tax on their worldwide income and gains.

2. **UK-resident Investors**

2.1 ***Bonds***

2.1.1 *Taxation of interest*

Payments of interest on Bonds may be made without deduction or withholding on account of UK income tax provided that the Bonds continue to the "quoted Eurobonds" for the purposes of section 987 of the Income Tax Act 2007. The definition of quoted Eurobond changed with effect from 31 December 2020 as a result of legislative amendments made in connection with BREXIT. Under the amended definition a Bond will be a quoted as Eurobond provided that it is admitted to trading on a "multilateral trading facility" operated by a "regulated recognized stock exchange". The International Securities Market is a multilateral trading facility for the purposes of the amended section 987, and the London Stock Exchange is expected to be a regulated recognised stock exchange.

Provided, therefore, that the Bonds remain so admitted to trading on a multilateral trading facility operated by a regulated recognised stock exchange, interest on the Bonds will be payable without deduction of or withholding on account of UK tax.

Interest payable under the Bonds will be treated as having a UK source for UK tax purposes and all payments of interest by or on behalf of the Issuer in respect of the Bonds shall be subject to the deduction of UK income tax at the basic rate (currently 20 per cent. for the 2021-22 tax year). However, where the interest is paid to a Bond Holder who is entitled to receive interest without deduction of tax, such as a UK resident company or UK registered pension scheme or charity or where an applicable double tax treaty.

Depending on a Bond Holder’s individual circumstances it may be possible to obtain credit for or repayment of some or all of any such tax withheld. It is recommended that Bond Holders should seek independent professional advice as to the tax implications for them of the tax withheld on a payment of interest on the Bonds.

The provisions of the accrued income scheme may apply to individuals transferring Bonds and to individuals to whom Bonds are transferred. In circumstances where the Bonds are transferred cum interest, the charge to tax on income that may arise to the transferor, and the relief which may be allowed to the transferee, will be in respect of an amount representing interest on the Bonds which has accrued since the preceding interest date. In circumstances where the Bonds are transferred ex interest, the charge to tax on income that may arise to the transferee, and the relief which may be allowed to the transferor, will be in respect of an amount representing interest on the Bonds which has accrued from the date of transfer to the following interest date. These amounts will be taken into account in calculating any chargeable gain or allowable loss arising on a disposal of the Bonds. It is recommended that Bond Holders should seek independent professional advice as to the tax implications for them of the application of the accrued income scheme on the transfer of any Bonds.

Individual Bond Holders who are resident in the UK will be subject to UK income tax on the interest at the rate of 20 per cent. for basic rate taxpayers, 40 per cent. for higher rate taxpayers, and 45 per cent. for additional rate taxpayers.

The UK tax treatment of a Bond Holder who is within the charge to UK corporation tax will depend on, among other things, the accounting treatment of Bonds in the Bond Holder's hands. Bond Holders within the charge to UK corporation tax should therefore consult their own accounting and tax advisers concerning the tax liabilities that may arise as a result of holding Bonds.

2.1.2 *Disposal*

UK resident individual Bond Holders may be subject to capital gains tax in the normal way on a disposal of their Bonds.

The UK tax treatment of a Bond Holder within the charge to UK corporation tax in respect of a disposal of Bonds will depend on, among other things, the accounting treatment of the Bonds in the individual entity accounts for the Bond Holder. Bond Holders within the charge to UK corporation tax should therefore consult their own accounting and tax advisers concerning the tax liabilities that may arise as a result of the disposal of Bonds.

2.1.3 *Stamp Duty and Stamp Duty Reserve Tax ("SDRT")*

No UK stamp duty or SDRT will be payable on the issue of the Bonds.

Subject to an exemption for certain low value transactions where the consideration is £1,000 or less, and processed as an off-market transaction (i.e. in certificated form) an instrument transferring Bonds will generally be subject to UK stamp duty.

Other agreements to transfer the Bonds will generally be subject to UK SDRT, whether or not the transactions are effected in certificated form or uncertificated through CREST.

2.1.4 *Provision of information*

Bond Holders should Bonds that HMRC has the power to obtain information (including the name and address of the beneficial owner of the interest) from any person in the UK who either pays interest to, or receives interest for, the benefit of an individual. Information so obtained may, in certain circumstances, be exchanged by HMRC with the tax authorities of the jurisdiction in which the Bond Holders are resident for tax purposes.

The above comments are intended as a guide to the general stamp duty and SDRT position and may not relate to persons such as charities, market makers, brokers, dealers, intermediaries and persons connected with depositary arrangements or clearance services to whom special rules apply.

THIS SUMMARY OF UK TAXATION ISSUES CAN ONLY PROVIDE A GENERAL OVERVIEW OF THESE AREAS AND IT IS NOT A DESCRIPTION OF ALL THE TAX CONSIDERATIONS THAT MAY

BE RELEVANT TO A DECISION TO INVEST IN THE COMPANY. THE SUMMARY OF CERTAIN UK TAX ISSUES IS BASED ON THE LAWS AND REGULATIONS IN FORCE AS OF THE DATE OF THIS DOCUMENT AND MAY BE SUBJECT TO ANY CHANGES IN UK LAWS OCCURRING AFTER SUCH DATE. LEGAL ADVICE SHOULD BE TAKEN WITH REGARD TO INDIVIDUAL CIRCUMSTANCES. ANY PERSON WHO IS IN ANY DOUBT AS TO HIS TAX POSITION OR WHERE HE IS RESIDENT, OR OTHERWISE SUBJECT TO TAXATION, IN A JURISDICTION OTHER THAN THE UK, SHOULD CONSULT HIS PROFESSIONAL ADVISER.

Part V - GENERAL INFORMATION

The Directors, whose names appear on page 27, and the Company, accept responsibility for the information contained in this Document. To the best of the knowledge of the Directors and the Company the information contained in this Document is in accordance with the facts and that this Document makes no omission likely to affect its import.

1. **The Company and its Share Capital**

1.1 The Company was incorporated and registered in England and Wales as a public limited company on 21 July 2020 under the Act with the name One Heritage Group plc and with a registered number 12757649. The registered office and principal place of business in the United Kingdom is 80 Mosley Street, Manchester, United Kingdom, M2 3FX and the telephone number of the Company is 0161 806 1498. The Company's website address is www.oneheritageplc.com/. The contents of any website of the Company or any other person do not form part of this Document. The Company has since the date of its incorporation operated in conformity with its constitution. The principal legislation under which the Company operates in the Companies Act 2006 (as amended, consolidated or re-enacted from time to time) and the regulations made thereunder. The registrars of the Company are Neville Registrars Limited who will be responsible for maintaining the register of members of the Company.

1.2 On incorporation 100 shares of 1p were in issue, all of which were paid up.

1.3 The issued share capital of the Company at the date of this Document is as follows:

Issued (Fully paid)	**Number**	**Nominal value**
Ordinary Shares of 1p each	32,428,333	£324,284.33

1.4 The Ordinary Shares in the capital of the Company rank pari passu in all other respects.

2. **Substantial shareholders**

2.1 The following persons, directly or indirectly, have an interest in the Company's capital or voting rights, which is notifiable under English Law:

Name	**No. of Ordinary Shares**	**Per cent. of Ordinary Shares (%)**
One Heritage Property Development Limited*	20,700,000	63.8
Keith Crews	1,588,477	4.9
Pak Hin Tang	1,200,000	3.7
Jason David Upton	998,000	3.1

*****Yiu Tak (Peter) Cheung has an indirect interest in the Issuer through his 38.33 per cent. shareholding in One Heritage Holding Group Limited, which owns 100 per cent. of the Issuer's parent company, One Heritage Property Development Limited.

The shareholders in paragraph 2.1 above do not have any different voting rights. The Directors are not aware of any persons who, directly or indirectly, jointly, or severally, exercise or could exercise control over the Company.

3. **Memorandum of Association**

3.1 The Company's objects are unrestricted.

4. **Articles of Association**

4.1 The Articles of Association are registered at Companies House under company number 12757649 and are available for inspection on the Company's website www.oneheritageplc.com/.

5. **The Board**

5.1 The Issuer's Board is comprised of David Stewart Izett, Jeffrey Ian Pym, Jason David Upton, and Yiu Tak (Peter) Cheung.

5.2 *David Steward Izett, 64, Non-Executive Chairman.* David is a fellow of The Royal Institution of Chartered Surveyors with more than 40 years' experience of the real estate industry both in the UK and internationally, including Russia and Central Asia. He was Chief Executive Officer ("**CEO**") of Colliers International UK plc from 2001 to 2010, including being EMEA Chairman of Colliers International UK plc from 2005 to 2010. David subsequently became a Business Development Partner for Cushman & Wakefield plc ("**Cushman & Wakefield**"), London, in 2011 prior to becoming Chief Operating Officer of Cushman & Wakefield Moscow in 2012. He was Chair of the Cushman & Wakefield affiliate in Georgia and Kazakhstan before returning to the UK in 2016, where he now holds a number of board and consultancy roles within businesses in the real estate industry and the third sector.

5.3 *Jeffrey Ian Pym ACA, 58, Non-Executive Director*. Jeffrey is a qualified Chartered Accountant and highly experienced Chief Financial Officer ("**CFO**") with over 25 years' experience in the real estate sector covering social housing, private rented residential accommodation, build to rent residential accommodation, logistics assets, commercial and retail property. He has experience in the UK and internationally, including Europe and Brazil. He was Group CFO at Delin Capital Asset Management, a pan-European logistics investor and developer, from 2018 to 2019. Prior to that, he was Group CFO at Tritax Management LLP, an investment management adviser, where he was part of the management team that successfully listed Tritax Big Box REIT, an investment company focused on the UK logistics sector, on the specialist funds market of the London Stock Exchange in December 2013. He was Group CFO of Squarestone Growth LLP from 2008 until 2011, where he was a member of the management team that successfully listed Squarestone Brasil, a developer and manager of shopping malls in Brazil, on AIM in April 2010. Jeffrey is a member of the Institute of Chartered Accountants in England and Wales and holds a bachelor's degree in Management Science and Physics.

5.4 *Jason David Upton, 35, Chief Executive Officer*. Jason has extensive management experience, specialising in Operations Management and Business Development with experience in the Debt Management, Financial Services, Banking and Property Development Industries. From 2009 to 2016, he was Operations Manager for Totemic Financial Services Limited in the United Kingdom. Subsequent to that role, from 2016 to 2019, he was CEO of J Upton Limited, working as a management consultant for the Financial Services and Banking Industry, notably within Nationwide Building Society, the world's largest building society. In June 2019, Jason became the CEO of One Heritage Property Development (UK) Limited. Jason graduated from the University of Lincoln in the UK with an Honours bachelor's degree in Business and Marketing.

5.5 *Yiu Tak (Peter) Cheung, 34, Chief Investment Officer.* Yiu is based in the UK and Hong Kong. He has extensive experience in business development, budget planning and operations management in wealth management industry. From 2009 to 2014, he was an Associate Director of Convoy Financial Services Limited, a listed financial services company on the Hong Kong Stock Exchange. Prior to that, from 2014 to 2016, he was a Senior Vice President of Hong Kong based Get Mdream Wealth Management Limited. The company is a diversified wealth management business focusing on the Asian market. In 2016, Yiu became CEO of One Heritage Property Development Limited. Yiu graduated from the University of Lincoln in the UK with an Honours bachelor's degree in Business and Marketing.

5.6 There are no potential conflicts of interest between any duties to the Issuer or the directors of the Issuer and their private interests and/or other duties.

6. **Key management**

6.1 *Markus Luke Piggin ACA CFA MBA, 35, Finance Director.* Luke is a Chartered Accountant with nine years post qualification experience, having trained with KPMG initially in audit before moving to transaction services. Prior to joining the Company in August 2020, Luke was senior manager to the Board of MAS Real Estate plc, a South African listed real estate company specialising in development and investment of assets located in the UK and Continental Europe Luke is an associate of the Institute of Chartered Accountants in England and Wales and a CFA Charterholder through the CFA Institute. He holds a Bachelor of Arts degree in Business

Economics from Liverpool University and a Master of Business Administration from the University of Chicago Booth School of Business.

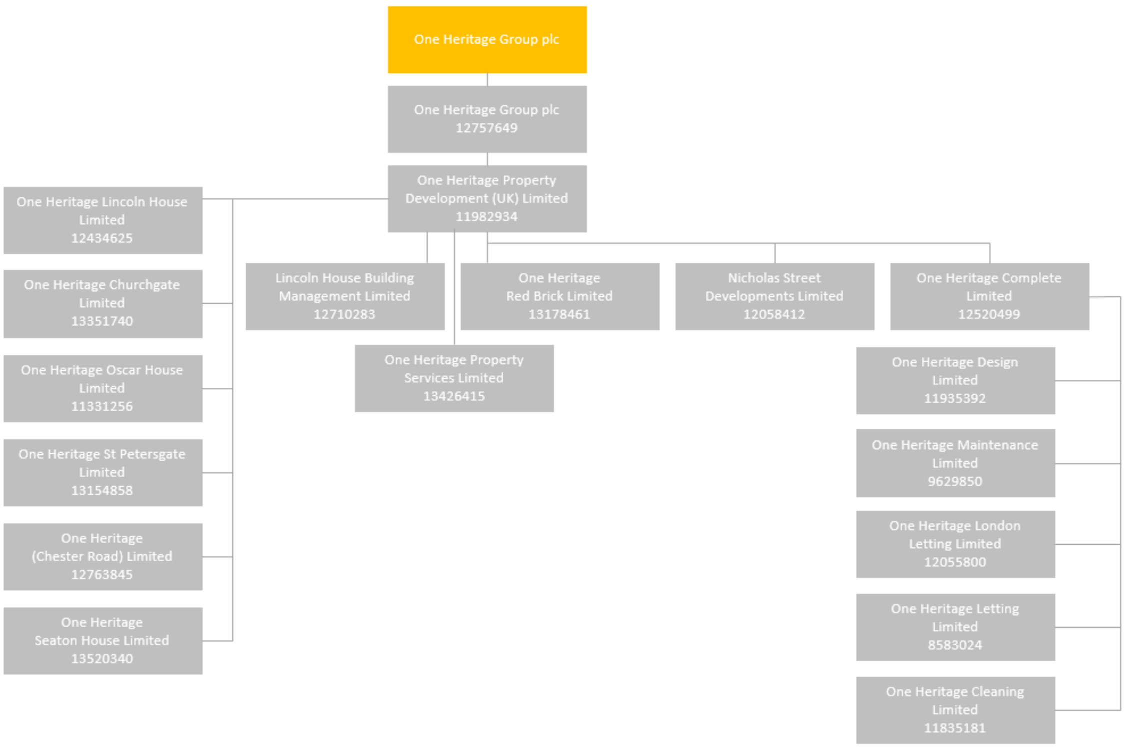
6.2 *Martin Crews MRICS, 40, Development Director*. Martin is a Chartered Building Surveyor with over 10 years' experience in project delivery and property development across a number of sectors. Having trained at international consultancy practices, Martin spent a number of years working for the Mansion Group, developing an expertise in purpose-built student accommodation. He then set up his own property development business delivering student accommodation to institutional investors before joining CityBlock Group as Development Director in April 2016. Martin has a Bachelor of Science degree in Geography from Liverpool University, a Master of Science degree in Building Surveying from Liverpool John Moores University and a post graduate diploma in the Conservation of the Historic Environment from the College of Estate Management.

6.3 *Alie Horton, 39, Property Operations Manager*. Alie has a career spanning 18 years in the property sector, which includes both commercial and residential leasing, development consultancy, property, and asset management. Prior to joining the Company, Alie spent 15 years at CBRE UK acting for a number of large-scale portfolio Landlords and publicly listed companies in London. During this time, Alie was deployed on secondment to Capital & Counties Properties plc as Head of Residential Leasing where she was responsible for the overall performance of the residential portfolio and developed her passion for enhancing the customer experience.

7. Majority shareholder and subsidiaries

7.1 One Heritage Group Holding Limited, registered in Hong Kong, is the holding company of the Group and is the ultimate beneficial owner of the Group.

7.2 One Heritage Property Development Limited, registered in Hong Kong, is a subsidiary of One Heritage Group Holding Limited and owns the Issuer through its indirect 63.8 per cent. Shareholding through One Heritage Property Development Limited.



7.3 The Issuer has the following subsidiaries, which are private limited companies.

Issuer name	Issuer Number	Incorporation Date	Registered address	Persons with Significant Control (PSC)	Proportion of ownership interest
One Heritage Property Development (UK) Limited	11982934	7 May 2019	80 Mosley Street, Manchester, England, M2 3FX	One Heritage Group plc	100%
One Heritage Lincoln House Limited	12434625	30 January 2020	80 Mosley Street, Manchester, England, M2 3FX	One Heritage Property Development (UK) Limited	100%
One Heritage Churchgate Limited	12114319	22 July 2019	80 Mosley Street, Manchester, England, M2 3FX	One Heritage Property Development (UK) Limited	100%
One Heritage Oscar House Limited	11331256	26 April 2018	80 Mosley Street, Manchester, England, M2 3FX	One Heritage Property Development (UK) Limited	100%
One Heritage St Petersgate Limited	13154858	25 January 2021	80 Mosley Street, Manchester, England, M2 3FX	One Heritage Property Development (UK) Limited	100%
One Heritage Bank Street Limited	12763845	23 July 2020	80 Mosley Street, Manchester, England, M2 3FX	One Heritage Property Development (UK) Limited	100%
Lincoln House Building Management Limited	12710283	1 July 2020	Suite 7b 80 Mosley Street, Manchester, United Kingdom, M2 3FX	One Heritage Property Development (UK) Limited	100%
One Heritage Red Brick Limited	13178461	4 February 2021	80 Mosley Street, Manchester, England, M2 3FX	One Heritage Property Development (UK) Limited	100%
Nicholas Street Developments Limited	12058412	19 June 2019	80 Mosley Street, Manchester, England, M2 3FX	One Heritage Property Development (UK) Limited	100%
One Heritage Property Services Limited	13426415	28 May 2021	80 Mosley Street, Manchester, England, M2 3FX	One Heritage Property Development (UK) Limited	100%

One Heritage Complete Limited	12520499	17 March 2020	80 Mosley Street, Manchester, England, M2 3FX	One Heritage Property Development (UK) Limited Peter Child	47% 53%
One Heritage Design Limited	11935392	9 April 2019	22 St Johns North, St Johns, Wakefield, United Kingdom, WF1 3QA	One Heritage Complete Limited Robert Watson	93% 7%
One Heritage Letting Limited	08583024	25 June 2013	10 Cliff Parade, Wakefield, West Yorkshire, WF1 2TA	One Heritage Complete Limited Michael Aspinal Robert Watson Gary Johnston Kirsty Child	60% 16% 12% 6% 6%
One Heritage Maintenance Limited	9629850	9 June 2015	31 Larkspur Way, Alverthorpe, Wakefield, United Kingdom, WF2 0FD	One Heritage Complete Limited Gary Johnston Robert Watson David Cox John Holland	72% 10% 10% 7% 1%
One Heritage Cleaning Limited	11835181	19 February 2019	1 Church Crescent, Netherton, Wakefield, West Yorkshire, United Kingdom, WF4 4HF	One Heritage Complete Limited Joanne May Robert Watson	60% 30% 10%
One Heritage London Letting Limited	12055800	18 June 2019	10 Cliff Parade, Wakefield, England, WF1 2TA	One Heritage Complete Limited Sophie Klineberg Gints Gaune	51% 24.5% 24.5%

One Heritage Construction Limited	13761479	23 November 2021	80 Mosley Street, Manchester, England, M2 3FX	One Heritage Property Development (UK) Limited	100%
One Heritage Seaton House Limited	13520340	20 July 2021	80 Mosley Street, Manchester, England, M2 3FX	One Heritage Property Development (UK) Limited	100%

8. **Material adverse change**

8.1 On 15 December 2021, the Group signed a construction finance arrangement with Shawbrook Bank Limited for its Lincoln House, Bolton development. The gross finance was £3.51 million for a term of 20 months with a nominal interest rate of 6.25 per cent. above the Sterling Overnight Index Average (subject to a minimum of 0.75 per cent.). The facility will be drawn down as construction costs are incurred on the development. The repayment of the loan is the earlier of 20 months from signing or on completion of the development where the proceeds from the unit sales will be used to repay the finance. As at 31 December 2021, the Group has 38 units totalling £4.7 million that are reserved or exchanged, and the development is expected to complete in Q2 2022 with funds to be received in the following weeks in order to repay the loan.

8.2 On 11 January 2022, the Group signed an agreement to acquire Seaton House, Stockport, for £675,000, with a deposit of £67,500 on signing and the remaining balance to be paid in 12 months. The site has permitted development rights for 12 apartments but the Group is submitting a planning application for up to 30 units, which will have a GDV of £5.6 million. Construction is expected to start in Q4 2022 with completion in Q4 2023. This site will be funded from proceeds from the completion of Oscar House and Bank Street developments.

8.3 Other than as set out above in paragraphs 8.1 to 8.2 there has been no material change to the Issuer's borrowing and funding structure since 30 June 2021.

8.4 There has been no material adverse change in the prospects of the Issuer since 30 June 2021, the date to which the most recent consolidated financial information on the Issuer incorporated by reference was prepared.

9. **Significant change**

9.1 Other than as set out below in paragraph 9.2, there has been no significant change in the financial position or financial performance of the Group since 30 June 2021, the date to which the most recent consolidated financial information on the Issuer incorporated by reference was prepared.

9.2 On 23 September 2021, a subsidiary of the Group, One Heritage Maintenance Limited was put into compulsory voluntary liquidation ("**CVL**"), and a further subsidiary of the Group, One Heritage Design Limited, was put into CVL on 27 September 2021. One Heritage Maintenance Limited and One Heritage Design Limited are subsidiaries of One Heritage Complete Limited, which was managed independently from the Group. These entities undertook refurbishment works for a related party, Robin Hood Property Development Limited. The total impairment recognised in the period was £239,316. The Group did not incur any other costs. The internalisation was part of the long-term strategy. As developments completed, the Group would expand into other property services to become a vertically integrated solution. This would allow a seamless process for potential property investors to acquire a residential property and have it managed. A key value proposition was that it aligned interests between a potential property investor, wanting a quality income-generating asset, and the Group, wanting a consistent revenue stream stemming from the Principal Activities. Therefore, the Group is incentivised to build a quality product to ensure it retains management post-completion. As part of the internalisation, the Group hired Alie Horton as the Property Operations Director.

Further details can be found in Part I – 6. Liquidation of One Heritage Maintenance Limited and One Heritage Design Limited.

10. **Material contracts**

The following are summaries of each of all material contracts that are not entered into in the ordinary course of the Issuer's business, which could result in any Group member being under an obligation or an entitlement that is material to the issuer's ability to meet its obligations to security holders in respect of the securities being issued.

10.1 **Loan facility agreements**

10.1.1 By an agreement dated 21 September 2020, One Heritage Property Development Limited has granted a loan facility to One Heritage Property Development (UK) Limited of up to £5,000,000, the Group's Shareholder Facility along with the Deed of Variation referred to at paragraph 10.1.4, which increased the facility to £7,500,000. At the date of this document the undrawn balance totalled £5,499,548. The loan can be repaid early and redrawn but is ultimately repayable on 31 December 2025. The loan is subject to an interest rate of 7 per cent. payable quarterly in arrears and is subject to usual events of default under which it becomes repayable. The primary use of this facility is for working capital purposes during periods where inflows from Principal Activities are lower than outgoings this can include the payment of interest or principle on the Bonds if required, or to fund Developments where other sources of finance are not available or prohibitively expensive.

10.1.2 By an agreement dated 22 July 2020, One Heritage SPC has granted an 18 month loan facility to One Heritage Property Development (UK) Limited of up to £1,135,000. At the date of this document there is outstanding £1,351,801, which includes accrued interest due on repayment of the loan. The loan can be repaid early and redrawn. The loan is subject to an interest rate of 12 per cent., which is due on repayment of the loan. On 21 January 2022, the loan was extended on the same terms for a further 12 months. The maturity date is now 22 January 2023 and there is no early repayment fee.

10.1.3 By an agreement dated 11 August 2020, One Heritage SPC has granted an 18 month loan facility to One Heritage Property Development (UK) Limited of up to £1,007,000, which includes accrued interest due on repayment of the loan. At the date of this document there is outstanding £1,192,729. The loan can be repaid early and redrawn. The loan is subject to an interest rate of 12 per cent., which is due on repayment of the loan. On 21 January 2022, the loan was extended on the same terms for a further 12 months. The maturity date is now 11 February 2023 and there is no early repayment fee.

10.1.4 By a Deed of Variation dated 17 June 2021, One Heritage Property Development Limited increased its facility signed on 21 September 2020 from £5,000,000 to £7,500,000. This increase expires on 31 December 2022. The terms are otherwise as stated in 10.1.1. At the date of this document the undrawn balance totalled £5,499,548.

10.1.5 On 21 May 2021, the Group signed a construction finance arrangement with Lyell Trading Limited for its Oscar House, Manchester development. The gross finance amount was £4.0 million for an 18 month term with a nominal interest rate of 9.6 per cent. The facility will be drawn down as construction costs are incurred on the development. This is secured by a share charge over the shares in One Heritage Oscar House Limited. The loan, principle and accrued finance costs are to be repaid at the earlier of 20 November 2022, or when sufficient sale proceeds are received to repay the principle and accrued finance costs.

10.1.6 On 17 June 2021, the Group signed a construction finance arrangement with Together Commercial Finance Limited for its Bank Street, Sheffield development. The gross finance amount was £2 million for a term of 18 months with a nominal interest rate of 10.7 per cent. The facility will be drawn down as construction costs are incurred on the development. The facility is secured by a fixed and floating charge over all of the assets of One Heritage Bank Street Limited. The loan, principle and accrued finance costs are to be repaid at the earlier of 16 December 2022, or when sufficient sale proceeds are received to repay the principle and accrued finance costs.

10.1.7 On 15 December 2021, the Group signed a construction finance arrangement with Shawbrook Bank Limited for its Lincoln House, Bolton development. The gross finance was £3.51 million for a term of 20 months with a nominal interest rate of 6.25 per cent. above the Sterling Overnight Index Average (subject to a minimum of 0.75 per cent.). The loan is secured by a fixed and floating charge over all of the assets of One Heritage Lincoln House Limited. The facility will be drawn down as construction costs are incurred on the development. The loan, principle and accrued finance costs are to be repaid at the earlier of 14 August 2023, or when sufficient sale proceeds are received to repay the principle and accrued finance costs.

10.2 **Other Material Contracts**

10.2.1 By an agreement dated 7 March 2022, the Company has entered into a marketing agreement with One Heritage Corporate Management Services Limited whereby One Heritage Corporate Management Services Limited has agreed to act as the Company's agent in seeking subscribers for the Bonds in return for a commission at a rate of 4 per cent of the aggregate value of the Bonds subscribed for.

11. **Other information**

11.1 There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) since incorporation which may have or have had in the recent past significant effects on the Issuer or Group's financial position or profitability.

11.2 The Company does not conduct research and development. Further there are no patents or other intellectual property rights, licences or particular contracts which are of fundamental importance to the Company's business. As a consequence, the Company does not engage any technical staff other than the Directors.

11.3 There are no significant investments made, none are in progress and, so far as the Company is aware, none are proposed.

11.4 No exceptional factors have influenced the Company's activities.

11.5 The expenses of the Admission to Official List are estimated at £108,750, including VAT and are payable by the Company.

11.6 Copies of the following documents:

11.6.1 The Prospectus;

11.6.2 The Memorandum of Association and Articles of Association;

11.6.3 The Terms and Conditions of the Bonds;

11.6.4 The Issuer's 2020 prospectus dated 23 December 2020; and

11.6.5 The Issuer's Interim Report for the six month period ended 31 December 2020;

11.6.6 The Issuer's Annual Report for the year ended 30 June 2021; and

11.6.7 The Trading Group's audited financial statements for the period from incorporation to 30 June 2020,

will be available for inspection free of charge, during normal office hours, Saturday and Sundays excepted, for 14 days following the admission of the Bonds to trading on the Official List and will be available for inspection on the Company's website www.one-heritageplc.com/.

Dated 14 March 2022

Part VI - NOTICE TO INVESTORS

The distribution of this Document may be restricted by law in certain jurisdictions and therefore persons into whose possession this Document comes should inform themselves about and observe any restrictions, including those set out below. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

General

No action has been or will be taken in any jurisdiction that would permit a public offering of the Bonds, or possession or distribution of this Document or any other offering material in any country or jurisdiction where action for that purpose is required. Accordingly, the Bonds may not be offered or sold, directly or indirectly, and neither this Document nor any other offering material or advertisement in connection with the Bonds may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any and all applicable rules and regulations of any such country or jurisdiction. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. This Document does not constitute an offer to subscribe for any of the Bonds offered hereby to any person in any jurisdiction to whom it is unlawful to make such offer or solicitation in such jurisdiction.

This Document has been approved by the FCA, as competent authority under Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act. The FCA only approves this Document as meeting to the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129. Such approval should not be considered as an endorsement of the quality of the securities that are the subject of this Document. Such approval should not be considered as an endorsement of the issuer that is the subject of this Document. Investors should make their own assessment as to the suitability of investing in the securities. No arrangement has however been made with the competent authority in any other EEA State (or any other jurisdiction) for the use of this Document as an approved prospectus in such jurisdiction and accordingly no public offer is to be made in such jurisdiction. Issue or circulation of this Document may be prohibited in countries other than those in relation to which notices are given below. This Document does not constitute an offer to sell, or the solicitation of an offer to subscribe for, or buy, bonds in any jurisdiction in which such offer or solicitation is unlawful.

For the attention of all Investors

The Bonds are only suitable for acquisition by a person who: (a) has a significantly substantial asset base such that would enable the person to sustain any loss that might be incurred as a result of acquiring the Bonds; and (b) is sufficiently financially sophisticated to be reasonably expected to know the risks involved in acquiring the Bonds.

For the Attention of European Economic Area Investors

In relation to each member state of the European Economic Area (each, a "**Relevant Member State**"), an offer to the public of the Bonds may only be made once the prospectus has been passported in such Relevant Member State in accordance with the Prospectus Regulation Rules. For the other Relevant Member States an offer to the public in that Relevant Member State of any Bonds may only be made at any time under the following exemptions under the Prospectus Regulation Rules:

- solely to qualified investors as defined under the Prospectus Regulation Rules;
- to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation Rules) in such Relevant Member State; or
- in any other circumstances falling described in Rule 1.2.3 of the Prospectus Regulation Rules, provided that no such offer of Bonds shall result in a requirement for the publication by the Company of a prospectus pursuant to Rule 1.2.1 of the Prospectus Regulation Rules.

For the purposes of this provision, the expression an "offer to the public" in relation to any offer of Bonds in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and any Bonds to be offered so as to enable an investor to decide to purchase or subscribe for the Bonds and the expression "Prospectus Regulation" means Regulation (EU) 2017/1129 (and any amendments thereto, and includes any relevant implementing measure such as Commission Delegated Regulation (EU) 2019/980 of 14 March 2019) .

This Document may not be used for, or in connection with, and does not constitute, any offer of Bonds or an invitation to purchase or subscribe for any Bonds in any member state of the European Economic Area in which such offer or invitation would be unlawful.

The distribution of this Document in other jurisdictions may be restricted by law and therefore persons into whose possession this Document comes should inform themselves about and observe any such restrictions.

For the Attention of UK Investors

This Document has been approved by the FCA, as competent authority under Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act. The FCA only approves this Document as meeting to the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129. Such approval should not be considered as an endorsement of the quality of the securities that are the subject of this Document. Such approval should not be considered as an endorsement of the issuer that is the subject of this Document. Investors should make their own assessment as to the suitability of investing in the securities. This Document has been filed with the FCA and made available to the public in accordance with Rule 3.2 of the Prospectus Regulation Rules.

Part VII - DEFINITIONS

"**Act**" or "**Companies Act**"	the Companies Act 2006 (as amended);
"**Admission**"	the admission of the Bonds to trading on the Main Market becoming effective;
"**Articles**" or "**Articles of Association**"	the articles of association of the Company;
"**Auditors**"	the auditors of the Issuer from time to time;
"**Board**" or "**Directors**"	the directors of the Company, being Jason David Upton (Chief Executive Officer), Yiu Tak (Peter) Cheung, David Stewart Izett and Jeffrey Ian Pym (and each a "**Director**");
"**Bonds**"	8.0 per cent. unsecured loan stock of the Issuer, with the rights described in Part III of this document;
"**Bond Holder(s)**"	holder(s) of Bonds;
"**Bonds Register**"	the register of Bond Holders maintained on behalf of the Issuer;
"**Business Day**"	a day on which banks generally are open for business in London excluding Saturdays and Sundays and public holidays;
"**certificated form**"	not in uncertificated form;
"**Company**" or "**Issuer**"	One Heritage Group plc incorporated with number 12757649;
"**CREST**"	the relevant system (as defined in the CREST Regulations) for the paperless settlement of share transfers and the holding of shares in uncertificated form which is administered by Euroclear;
"**CREST Regulations**"	the Uncertificated Securities Regulations 2001 (SI 2001/3755) (as amended);
"**Conditions**"	means the conditions as set out in Part III(A);
"**Document**" or "**Prospectus**"	means this prospectus;
"**EEA**"	The European Economic Area;
"**Euroclear**"	Euroclear UK & Ireland Limited;
"**Enlarged Group**"	One Heritage Group plc and the Trading Group;
"**FCA**"	the UK Financial Conduct Authority;
"**FSMA**"	the Financial Services and Markets Act 2000 (as amended);
"**Group**"	the Company and its subsidiaries from time to time;

"Group's Shareholder Facility"	the loan facility agreement dated 21 September 2020 between One Heritage Property Development Limited and One Heritage Property Development (UK) Limited and the subsequent agreement dated 17 June 2021 as set out at paragraph 10 of Part V of the Prospectus;
"**HMRC**"	Her Majesty's Revenue & Customs;
"**Listing Rules**"	the Listing Rules made by the FCA under Part VI of the FSMA;
"**London Stock Exchange**" or "**LSE**"	London Stock Exchange plc;
"**Main Market**"	the regulated market of the London Stock Exchange for officially listed securities;
"**Maturity Date**"	15 March 2024;
"**Net Proceeds**"	the funds received in relation to the issue of the Bonds prior to the date hereof less any expenses paid or payable in connection with Admission;
"**Official List**"	the Official List of the FCA;
"**Ordinary Shares**"	ordinary shares of 1p each in the Company;
"**Premium Listing**"	a premium listing under Chapter 6 of the Listing Rules;
"**Prospectus Regulation**"	Regulation (EU 2017/1119) of the European Parliament and of the Council dated 14 June 2017 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market;
"**Prospectus Regulation Rules**"	the Prospectus Regulation Rules issued by the FCA and made under Part VI of FSMA and pursuant to the Prospectus Regulation;
"**Record Date**"	close of business on 30 June and 31 December each year;
"**Register**"	the register of Bond Holders kept and maintained by the Company;
"**Registrar**"	Neville Registrars Limited a company registered under company number 04770411 whose registered office is at Neville House, Steelpark Road, Halesowen, West Midlands, United Kingdom, B62 8HD whose business is that of registration services;
"**relevant system**"	means a computer-based system which allows units of securities without written instruments to be transferred and endorsed pursuant to the uncertificated securities rules;
"**RIS**"	a Regulatory Information Service;

"**SDRT**"	stamp duty reserve tax;
"**Shareholders**"	holders of Ordinary Shares from time to time, each individually being a ("**Shareholder**");
"**Special Resolution**"	a resolution passed at a meeting of Bond Holders and carried by a majority of not less than three-fourths of the persons voting thereat;
"**Standard Listing**"	a Standard Listing under Chapter 17 of the Listing Rules;
"**Trading Group**"	One Heritage Property Development (UK) Limited and its subsidiaries;
"**UK**"	the United Kingdom of Great Britain and Northern Ireland;
"**uncertificated bond**"	means a bond title to which is recorded on the Register as being held in uncertificated form and references in this instrument to a bond being held in uncertificated form shall be construed accordingly;
"**uncertificated securities rules**"	means any provision of the Companies Acts relating to the holding, evidencing of title to, or transfer of uncertificated securities and any legislation, rules or other arrangements made under or by virtue of such provision;
"**United States**" or "**US**"	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia.