

**Prospectus for**  
**the public offer of**  
**GREEN FINANCE CAPITAL AG SUBORDINATED STEP-UP BOND 2020**  
**of**  
**GREEN FINANCE CAPITAL AG**

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**SUMMARY**

**Section A**

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***Introduction and warnings***

This Prospectus relates to the public offering in the Principality of Liechtenstein, Austria, Germany, Luxembourg, Czech Republic, Hungary, Bulgaria, Italy and in the Slovak Republic by Green Finance Capital AG of “**Green Finance Capital AG Subordinated Step-Up Bond 2020**” with an aggregate principal amount of up to EUR 10,000,000.00, which is divided into registered, fixed- interest partial bonds with a nominal amount of EUR 1.00 per Partial Bond and with a maturity on 21 April 2028 (“**Maturity Date**”). The term of the Partial Bonds ends on 14 April 2028. The Partial Bonds constitute direct, unsecured and subordinated obligations of the Issuer, ranking pari passu among themselves.

***Warnings***

This summary should be read as an introduction to the Prospectus. Any decision to invest in the Partial Bonds should be based on consideration of the Prospectus as a whole by an investor. Investors could lose all or part of the invested capital. Where a claim relating to the information contained in the Prospectus is brought before a court, a plaintiff investor might, under national law, have to bear the costs of translating this Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary, including any translation thereof, but only where this 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 the Partial Bonds.

***The name and international securities identification number (ISIN) of the Partial Bonds***

The name of the Partial Bonds is **Green Finance Capital AG Subordinated Step-Up Bond 2020**. The international securities identification number (ISIN) is: LI0540683989.

***The identity and contact details of the Issuer, including its legal entity identifier (LEI)***

The Issuer is Green Finance Capital AG. The address and other contact details of the Issuer are FL-9490 Vaduz, Fürst-Franz-Josef-Straße 68, Principality of Liechtenstein, telephone number 00423 376 44 88, e-mail: office[at]greenfinance.at. The legal entity identifier (LEI) of the Issuer is: 52990003C6FKCKSZS240

***The identity and contact details of the competent authority approving the prospectus and, where***

***different, the competent authority that approved the registration document or the universal registration document***

This Prospectus has been approved by the Financial Market Authority Liechtenstein as competent authority under the Prospectus Regulation. The address and other contact details of the Financial Market Authority Liechtenstein are Landstrasse 109, Postfach 279, 9490 Vaduz, Liechtenstein, telephone number +423 236 73 73, email [info@fma-li.li](mailto:info@fma-li.li) and fax +423 236 73 74

***The date of approval of the prospectus***

This Prospectus has been approved on 9 April 2020.

**Section B – Issuer**

**Sub-section**

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***Who is the issuer of the Partial Bonds?***

The Issuer is Green Finance Capital AG, a stock corporation, incorporated, organized and existing under the laws of the Principality of Liechtenstein and registered with the commercial register of the Principality of Liechtenstein under registration number FL-0002.581.256-8 (Registry Office: Office of Justice of the Principality of Liechtenstein). The Issuer was founded on 3 May 2018 in the Principality of Liechtenstein and registered on 4 May 2018 in the commercial register of the Principality of Liechtenstein.

***Principal Activities of the Issuer?***

The Issuer is a special purpose company that has been established to provide funds to the Group Companies of the Green Finance Group. The Issuer may issue debt instruments and make proceeds thereof available to other Group Companies within the Green Finance Group (via loans). The Issuer's only material assets will be proceeds from issuances of debt which will be made available to other Group Companies within the Green Finance Group to be used for general corporate purposes.

The Group Companies are engaged in property development, financial services, litigation funding, insurance broking, letting of movable properties, trading with all kinds of assets and brokering of photovoltaic systems and agreements with regard to photovoltaic contracting (which is a business model according to which a roof surface is being made available by its owner for a solar array to be mounted on the roof. The energy being generated via the solar array will be sold to the owner or fed into the grid).

***Major shareholders, including whether it is directly or indirectly owned or controlled and by whom?***

The total nominal share capital of the Issuer as registered in the commercial register of the Principality of Liechtenstein amounts to EUR 50,000.00 and is divided into 100 registered shares with a portion of the share capital attributable to each share of EUR 500.00. The shares are issued and fully paid. As of the date of this Prospectus the shares in the Issuer are wholly owned by Green Finance Group AG, which is a stock corporation, incorporated, organized and existing under the laws of the Principality of Liechtenstein and registered with the commercial register of the Principality of Liechtenstein under registration number FL-0002.576.495-3 (Registry Office: Office of Justice of the Principality of Liechtenstein). Green Finance Group AG has its seat at FL-9490 Vaduz, Fürst-Franz-Josef-Straße 68,

Principality of Liechtenstein. As of the date of this Prospectus, majority shareholder of Green Finance Group AG is Christian Schauer.

### **Key managing directors**

Key managing directors of the Issuer are Clemens Gregor Laternser and Christian Schauer, who are both members of the board of directors (*Verwaltungsrat*).

### **Statutory auditors**

The statutory auditors of the Issuer are ReviTrust Grant Thornton AG, FL-9494 Schaan, Bahnhofstrasse 15, Principality of Liechtenstein (*Revisionsstelle*). The Issuer's financial statements for the financial year, which ended on 31 December 2018, were audited by ReviTrust Grant Thornton AG.

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

The key financial information shown below has been derived from the Issuer Financial Statements as of 2018 (short financial year) prepared in accordance with the provisions of PGR. The financial statements have been prepared in accordance with applicable legal requirements and generally accepted accounting principles.

Balance Sheet (in EUR)	31 December 2018
<b>Assets</b>	
Prepaid Expenses	7,407.49
Current Assets	493,547.19
Non-current Assets	
<b>Total Assets</b>	500,954.68
<b>Liabilities</b>	
Debts	447,659.16
Short-term Liabilities	
Long-term Liabilities	443,399.66
Provisions	1,597.30
Deferred Income	2,662.20
Equity	53,295.52
<b>Total Liabilities</b>	500,954.68

(Source: annual financial statement of the Issuer as of 31 December 2018)

The Income statement which is taken from the audited financial statement as of 31/12/2018 (covering a period from 04/05/2018 until 31/12/2018 (short financial year))

Income Statement	4 May 2018 to 31 December 2018
(in EUR)	
Net Sales	0
Costs of Services	0
Gross Profit	0
Operating expenses	
<i>Administrative/Consulting</i>	-38,676.40
<i>Other expenses</i>	-419.71
Interests and similar expenses	-6,231.13
Interests and similar income	50,220.06

Result from ordinary business activities	4,892.82
Taxes Paid	-1,597.30
Net earnings / Profit for the year	3,295.52

(Source: annual financial statement of the Issuer as of 31 December 2018)

The cash flows statement which are taken from the audited financial statement as of 31/12/2018 (covering a period from 04/05/2018 until 31/12/2018 (short financial year)) show the following results:

Cash flow Statement	4 May 2018 to 31 December 2018
(in EUR)	
Profit during period	3,295.52
Operating cash flow	3,295.52
Cash flow from investing activities	0
Cash flow from financing activities	0

(Source: annual financial statement of the Issuer as of 31 December 2018)

The Auditor has noted that contrary to the provisions of Art 179a PGR, the financial statements have not been submitted to the supreme body for approval within six months of the end of the financial year. There were no material changes in the financial position or the trading position of the Issuer that occurred after the period covered by the historical financial information (since 31 December 2018, the date of the latest audited financial statements incorporated herein).

#### **Selected financial information derived from the interim financial statements as of 30 September 2019.**

The interim financial statements have neither been audited nor reviewed. The interim balance sheet, which has neither been audited nor reviewed, show the following figures as of 30 September 2019:

Interim Balance Sheet (short period) (in EUR)	30 September 2019
<b>Assets</b>	
Prepaid Expenses	128,025.17
Current Assets	3,773,313.62
Non-current Assets	
<b>Total Assets</b>	3,901,338.79
<b>Liabilities</b>	
Debts	3,819,212.71
Short-term Liabilities	
Long-term Liabilities	3,817,615.41
Provisions	1,597.30
Deferred Income	0
Equity	82,126.08
<b>Total Liabilities</b>	3,901,338.79

(Source: unaudited financial statement of the Issuer as of 30 September 2019)

The interim income statement shows the following figures in the period from 1 January 2019 to 30 September 2019:

Interim Income Statement (short period)	1 January 2019 to 30 September 2019
(in EUR)	
Net Sales	0

Costs of Services	0
Gross Profit	0
Operating expenses	
<i>Administrative/Consulting</i>	<i>-11,126.79</i>
<i>Other expenses</i>	<i>-513.61</i>
Interests and similar expenses	-129,240.83
Interests and similar income	171,405.11
Result from ordinary business activities	30,523.88
Taxes Paid	-1,693.32
Net earnings / Profit for the year	28,830.56

(Source: unaudited interim financial statements (interim financial statements) of the Issuer as of 30 September 2019)

The cash flow statement shows the following figures in the period from 1 January 2019 to 30 September 2019:

Cash flow Statement (short period)	1 January 2019 to 30 September 2019
(in EUR)	
Profit during period	28,830.56
Operating cash flow	28,830.56
Cash flow from investing activities	0
Cash flow from financing activities	0

(Source: unaudited interim financial statement of the Issuer as of 30 September 2019)

There were no material changes in the financial position or the trading position of the Issuer that occurred after the period covered by the historical financial information.

***What are the key risks that are specific to the Issuer?***

**As start-up companies, the Issuer, Green Finance Group AG and Green Finance Broker AG have only limited corporate histories and experiences and may be unable to achieve or sustain profitability or accurately predict their respective future results.**

The Issuer's limited corporate history makes it difficult for the Issuer to evaluate its current business and its future prospects and may increase the risk of an investment in the Partial Bonds. The Issuer intends to finance the expansion of the business of the Group Companies with the funds obtained by the placement of the Partial Bond. As a start-up company, the Issuer has only limited experience with its intended business model. This may have a negative effect on the business activity and the net assets, financial position and earnings position of the Issuer.

**The Issuer is not an operating company.**

The sole function of the Issuer is to act as a special purpose company and to issue debt instruments and to make proceeds thereof available (via loan) to the Group Companies to enable the Group Companies to further pursue their respective general corporate purposes. As a company that provides intra-group funding, the Issuer's ability to make payments with regard to interest and principal under the Partial Bonds is affected by its ability to receive interests on loans and repayment of loans from such Group Companies which it will grant or has already granted loans. Hence, the ability of the Issuer to pay interest on, and redeem, the Partial Bonds will be subject to all the risks to which the Group Companies are subject.

**Bondholders are exposed to the risk of partial or total failure of the Issuer to make interest and/or**

**redemption payments under the Partial Bonds, including the risk of a total loss of the invested funds (credit risk).**

Investors are faced with the risk that the Issuer may default on its interest and/or redemption payment obligations under the Partial Bonds as a result of an impaired financial situation. An Investment in the Partial Bonds is not a bank deposit and not within the scope of a deposit protection scheme. Due to the fact that the Partial Bonds are subordinated debts of the Issuer, Bondholders would be among the first investors of the Issuer suffering losses if the credit risk would materialize. Additionally, the Issuer has not agreed to, and has not entered into, any restrictive covenants in connection with the issuance of the Partial Bonds regarding its ability to incur additional indebtedness. The incurrence of any such additional indebtedness may significantly increase the likelihood of a deferral of interest payments under the Partial Bonds and/or may reduce the amount recoverable by Bondholders in the event of insolvency or liquidation of the Issuer.

## **Section C – Securities**

### **Sub-section**

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#### ***What are the main features of the Partial Bonds?***

- The Partial Bonds constitute direct, unconditional, unsecured and subordinated obligations of the Issuer, ranking pari passu among themselves.
- The Partial Bonds are being issued in denominations of EUR 1.00 and are only transferable in minimum aggregate principle amounts of EUR 1.00 and any integral multiples of EUR 1.00 in excess thereof. The minimum subscription amount is EUR 500.00.
- The Partial Bonds are denominated in Euro.
- International securities identification number (ISIN): LI0540683989
- The Partial Bonds have a term of 8 years, from 15 April 2020 until 14 April 2028 and are scheduled to be redeemed on 21 April 2028 (“**Maturity Date**”).
- The Partial Bonds shall bear interest on their aggregate principal amount (i) from 15 April 2020 (excluding) to 14 April 2023 (including) at a rate of 3.00 % per annum and (ii) from 15 April 2023 (including) to 14 April 2028 (including) at a fixed interest rate of 8.00% per annum.
- Bondholders will receive compound interest amounting to (i) 3 % per annum on unpaid interest from 15 April 2021 (including) until 14 April 2024 (including) and (ii) 8 % per annum on unpaid interest from 15 April 2024 (including) until 14 April 2028 (including), which will be payable at the time of repayment of the principal paid in on the Partial Bonds.
- Interest payments are repayable as bullet payments (Bullet Maturity) at the end of the term of the Partial Bonds, or – if the Partial Bonds are terminated prior to the end of the term – at the time of repayment of the principal paid-in on the Partial Bonds.

#### ***Where will the Partial Bonds be traded?***

The Issuer does not intend to file an application for the Partial Bonds to be listed on a regulated market (as defined in Article 4 item 21 MiFID II), an MTF, an OTF or any other trading venue.

#### ***What are the key risks that are specific to the Partial Bonds?***

**Claims under the Partial Bonds are subordinated.**

The Issuer's obligations under the Partial Bonds are direct, unsecured and subordinated ranking (i) junior to all present or future unsubordinated instruments or obligations of the Issuer; (ii) pari passu among themselves, and at least pari passu with all other present or future unsecured instruments or obligations of the Issuer which rank, or are expressed to rank, junior to all unsubordinated obligations or instruments of the Issuer. In the event of liquidation or insolvency of the Issuer or any proceeding for the avoidance of insolvency of the Issuer, the obligations of the Issuer under the Partial Bonds are subordinated to the claims of all holders of unsubordinated obligations so that in any such event, payments in respect of the Partial Bonds will not be made until all claims against the Issuer under obligations which rank senior to its obligations under the Partial Bonds in accordance with the Terms and Conditions or due to applicable law have been satisfied in full. Bondholders have to accept that no insolvency proceedings against the Issuer are required to be initiated in relation to its obligations under the Partial Bonds. The Partial Bonds do not contribute to a determination whether the liabilities of the Issuer exceed its assets (over-indebtedness (*Überschuldung*) in accordance with Sec 67(3) of the Austrian Insolvency Code (*Insolvenzordnung*) or in accordance with a comparable provision of any act in any member state of the European Economic Area. Bondholders are not entitled to demand payments from the Issuer out of or in connection with the Partial Bonds as long as the equity of the Issuer is negative or may become negative due to any payments to be made to a Bondholder under the Partial Bonds (so that the sum of the liabilities of the Issuer exceeds the value of its assets).

**Investors are subject to the risk of very limited liquidity (tradability) of the Partial Bonds and are exposed to the risk that there will be no market for the Bond.**

The Partial Bonds will neither be introduced nor admitted to trading on a regulated market, an MTF, an OTF or any other trading venue. Hence, the liquidity and tradability of the Partial Bonds may be limited and investors are exposed to the risk that they may not be able to sell Partial Bonds, or that they may be able to sell them only under more difficult conditions or not at the price they are seeking.

**The Partial Bonds are complex financial instruments that may not be a suitable investment for all investors.**

The obligations under the Partial Bonds are subordinated and there is no amortization prior to Maturity Date or a termination pursuant to the Terms and Conditions (Bullet Payment). Potential investors are recommended to seek individual advice before making an investment decision, taking into account their knowledge, experience, financial situation and investment objectives (including risk tolerance).

## **Section D – Offering**

### **Sub-section**

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#### ***Under which conditions and timetable can investors invest in the Partial Bonds?***

The Partial Bonds will be publicly offered only to investors who have their respective seat or residence in Liechtenstein, Austria, Germany, the Czech Republic, Hungary, Bulgaria, Luxembourg, Italy and Slovakia in the period from presumably 10 April 2020 to presumably 9 April 2021. Investors who intend to subscribe for the Partial Bonds shall submit their subscription requests directly with the Issuer online via its website <https://www.greenfinance.at/green-finance-capital-ag/>. The identification process with respect to an investor entails the review of a copy of an official identification document of an investor which is to be uploaded on the subscription platform. Investors will subsequently be informed by email

with respect to the acceptance or non-acceptance of the subscription by the Issuer. Currently, paper applications are not planned. Subscribed Partial Bonds are payable on 15 April 2020 (“**First Value Date**”), or – if Partial Bonds are subscribed at a later date – on the first or the fifteenth day of each month (each a “**Further Value Date**”).

***Why is this Prospectus being produced?***

The offer of the Partial Bonds is being made to enable the Issuer to fund the Group Companies in order for the Group Companies to further pursue their respective general corporate purposes. The net proceeds from the issue of the Partial Bonds (expected to be approximately EUR 9,500,000 after deduction of commissions and estimated expenses pertaining to the Offer payable by the Issuer) will be made available by the Issuer to the Group Companies. For that purposes the Issuer will enter into unsecured loan agreements with the Group Companies.