Prospectus

‘IDG Anleihe CHF 4%’

(‘IDG Bond CHF 4%’)  

4% bond (CHF) of IDG ANSTALT, Eschen (Principality of Liechtenstein)  

04.07.2016 – 03.07.2020  

CHF 10,000,000.-  

Valor: 32880933  

ISIN: LI0328809335
I. Summary

The present summary contains all the minimum key information that must on an obligatory basis be disclosed in the summary of a Securities Prospectus and that are generally known as ‘Elements’. The Elements are numbered and classified into the sections A – E (A.1 – E.7).

This summary contains all the Elements required to be included in a summary for the type of securities and issuer as described in this Prospectus. Some Elements are not required to be addressed and accordingly there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in the summary because of the type of securities and issuers, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of ‘Not Applicable’.

A. Introduction and Warnings

A1. Introduction

This summary contains a representation of the essential features and risks specific to the Issuer, the offered securities and the contract partners. The summary is an introduction to the Prospectus and should always be read together with the other parts of the whole Prospectus. More particularly, reading the summary does not replace the examination of the whole Prospectus. A thorough examination of the whole Prospectus is therefore sustainably recommended prior to any acquisition or underwriting decision. If required, it is recommended to search the advice of a lawyer and/or accountant.

The Issuer points out that where a claim related to the information contained in this Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the relevant member state of the European Economic Area, have to bear the translation costs of this Prospectus before legal proceedings are initiated.

Moreover, the Issuer points out in accordance with the provisions of art. 8 para. 2 subpara. d of the Securities Prospectus Act that the Issuer IDG ANSTALT who has assumed the responsibility for the summary including any possible translation thereof and their publication, might be held liable, but only if the summary is misleading, inaccurate or inconsistent when read together with the other sections of the Prospectus or 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 Notes.

A.2 Use of Prospectus in subsequent resale

The Issuer consents to the use of the Prospectus in subsequent resale or final placement of the securities by Financial Intermediaries, provided they are prudentially regulated financial intermediaries who act in conformity with the legal provisions of the state of domicile or of distribution. Moreover, consent is granted only for a distribution in Liechtenstein, Switzerland, Austria and Germany.

Moreover, the consent is granted only for the duration of the offer period, i.e. one year maximum after approval of the Prospectus.
This Prospectus may only be delivered to potential investors together with all supplements and amendments published before such delivery. In the event of an offer being made by a Financial Intermediary, this Financial Intermediary will provide information to investors on the terms and conditions of the offer at the time the offer is made.

The Issuer declares that in the event of a subsequent resale or final placement of the securities by Financial Intermediaries who were granted the consent to use the Prospectus, the liability for the content of the Prospectus will be assumed by the Issuer.

B. Issuer

B1. Legal and commercial name of Issuer

The legal and commercial name of the Issuer is IDG ANSTALT.

B2. Domicile and legal form of Issuer

IDG ANSTALT is an establishment governed by the law of the Principality of Liechtenstein, has been incorporated in Liechtenstein and is subject to the law of the Principality of Liechtenstein. Its registered office is located in FL-9492 Eschen, Essanestrasse 164.

B.4 Known trends

The Issuer has not yet assumed its business activities to their full extent and, consequently, no known trends can be described at the point in time when this Prospectus is generated.

B.5 Identec group

IDG ANSTALT is a 100% subsidiary of IDENTEC GROUP AG. The object of IDG ANSTALT is exclusively focused on financing the activities of IDENTEC GROUP AG.

IDENTEC GROUP AG is an international leading supplier of Machine-to-Machine (‘M2M’) solutions. These solutions are designed to identify, network, measure and trace objects along the complete value chain and to provide cloud-based information.

IDENTEC GROUP AG supplies integrally all relevant components (consulting, software, hardware, service). The solutions of IDENTEC GROUP AG assist numerous companies of different industries all over the world and enhance their efficiency and effectiveness and hence their competitiveness.

IDENTEC GROUP AG also assumes the role as a holding and holds direct and indirect shares in high-tech companies in Liechtenstein, Austria, Germany, Switzerland, Norway, the USA and Australia.

B.9 Profit forecast and estimate

There are no profit forecasts or estimates.

B10 Qualifications in audit report on historical financial information

As the Issuer is a newly incorporated company, there is no historical financial information. Regarding the opening balance there are no qualifications in the audit report.
B.12 Selected key financial information

As the Issuer is a newly incorporated company, there are no comparative data on historical financial information.

Data or signs of an essential worsening of the prospects of the Issuer or of essential changes of the financial situation or of the trading position of the Issuer do not exist.

B.13 Recent developments

As the Issuer is a newly incorporated company, no recent developments are known regarding the business activities of the Issuer that might materially be relevant to the evaluation of the Issuer’s solvency.

B.14 Dependency of Issuer on other entities within the group

The Issuer is a 100% subsidiary of IDENTEC GROUP AG, into which the proceeds from the issue of the present bond shall be invested by way of unsecured loans and for the financing of the business activities of IDENTEC GROUP AG. Moreover, members of the Board of Administration of the Issuer are also executive officers of IDENTEC GROUP AG.

B.15 Description of Issuer’s principal activities

Business purpose of IDG ANSTALT is the holding and management of equity (such as shares, intangible rights and real estate), the financing of group companies as well as the execution of all business transactions associated with the afore mentioned business activities.

B.16 Ownership and controlling interest

The Issuer is a 100% subsidiary of IDENTEC GROUP AG, a joint-stock company governed by Liechtenstein law.

C. Summary information on IDG Bond

C.1 Type and class of securities, identification number

The object of this Securities Prospectus (hereinafter referred to as ‘Prospectus’) is the offer by IDG ANSTALT with registered office in Eschen, Principality of Liechtenstein, for the issue of bearer bonds with fixed interest rate of 4% p.a. and a term from 04.07.2016 until 03.07.2020, the ‘IDG Anleihe CHF 4.00%’ (hereinafter referred to as ‘Bond’). The total issue volume amounts to CHF 10,000,000.- with a denomination of CHF 1,000.- nominal value each (in words: one thousand Swiss Francs). Minimum subscription amount per investor is CHF 10,000.- (in words: ten thousand Swiss Francs). Any higher subscription amount must be divisible by 1,000. There is no maximum subscription limit per investor.

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The Bond serves the financing of IDENTEC GROUP AG, Liechtenstein, parent company of the Issuer. The proceeds from the issue will be invested by the Issuer by way of unsecured loans to the parent company of the Issuer, IDENTEC GROUP AG, who will mainly use them for refinancing the
own business activities and restructuring existing financing projects.

C.2 Currency

The Bond will be issued in CHF.

C.5 Restrictions on free transferability

In general, the Notes are freely transferable in accordance with the provisions of SIX SIS AG. However, there is no admission to listing on a regulated or non-regulated market, which, in fact, might be a restriction to the tradability of the Notes.

The Bond can be acquired by any natural person or legal entity with residence and/or registered office in the EU, Switzerland and Liechtenstein with the exception of citizens or inhabitants of the United States of America or companies in the United States of America who are not allowed to acquire or possess this Bond. The present offer is primarily addressed to Swiss and Liechtenstein investors.

C.8 Rights attached to securities

The Notes constitute direct, absolute, unsecured and unsubordinated liabilities of the Issuer and have the same ranking as any other unsecured unsubordinated liabilities of the Issuer, irrespective of any such liabilities that have priority according to legal provisions.

The Issuer is obligated to make annual interest payments to the investors, and, after maturity, to refund the capital invested in the amount of the nominal value to each investor.

The Issuer has the right of early termination of the Bond at the earliest on 03.07.2017. Subsequently, the Bond can be terminated by the Issuer each year at the 03.07. The term of notice is three months. The investors are not entitled to an ordinary right of termination.

The term of the Notes commences on 04.07.2016 and ends after the 03.07.2020, provided the Issuer does not exercise its right of early termination at the earliest on 03.07.2017 and after that each year at the same date.

C.9 Interest rate, due dates and redemption, yield

The Bond yields an interest rate of 4 % p.a. during the period from 04.07.2016 until 03.07.2020 (interest usance: Act/Act-ICMA Rule 251 (by day)). Interest payment date is 03 July of each year until the end of the term, the first interest payment date is consequently 03.07.2017, the last on 03.07.2020. If the interest payment day is no banking day in Liechtenstein, payment will be made on the next banking day.

The term of the Notes commences on 04.07.2016 and ends after the expiry of 03.07.2020. The Issuer engages to redeem the Notes on the first Liechtenstein banking day after the expiry of the term at their nominal value. Redemption does not need any request or motion by the investor.

The proceeds of the Bond can be calculated on the basis of the initial issue price, the fixed interest rate, the term as well as the redemption price. However, a calculation can only be made on the assumption that the issue will be held until the expiry of the term and that the redemption will be possible at nominal value.

Consideration must be given to individual costs such as accessory costs of the issue, e.g. 
subscription costs as well as running expenses such as deposit fees.

The individual yield from a Bond over the entire term must be calculated by the respective bondholder with consideration of the difference between the redemption amount and the initially paid amount for the acquisition of the Bond plus possible accrued interest and with consideration of the term of the Bond as well as of the individual transaction costs. Consequently, the respective net proceed of the Bond can only be determined at the end of the term.

A representative of noteholder is not named.

C.10 No derivative component in interest payment

The security does not have any derivative components in interest payments.

C.11 Admission to trading

This Securities Prospectus inclusive of the terms and conditions of the Bond has been authorized on 04.07.2016 by the Financial Market Authority Liechtenstein (FMA) as the securities supervisor of the Principality of Liechtenstein in accordance with the provisions of the Securities Prospectus Act (WPPG), which transposes the directive 2003/71/EC (directive on the prospectus to be published when securities are offered to the public or admitted to trading) into Liechtenstein law. The Financial Market Authority approves of the Securities Prospectus after completion of a completeness check of the Prospectus including a check of the consistency and the comprehensibility of the information produced.

The security is not traded on a regulated market and an application for admission is nor projected. However, the Notes can freely be transferred according to the provisions of SIX SIS AG.

D. Risks

D.2 Key risk factors specific to the Issuer

The business activities of the Issuer focus on the financing of the business activities of IDENTEC GROUP AG. The issuing proceeds generated by this Bond will be invested by the Issuer by way of unsecured loans in IDENTEC GROUP AG.

Unexpected developments in the business activities of IDENTEC GROUP AG or its subsidiaries are the major risks for the IDG Bond. This might result in IDENTEC GROUP AG being unable completely or partly or timely to service or redeem the loans received from the Issuer.

This can result in liquidity shortages with the Issuer and hence in delays or partly or complete failures of annual interest payments or of the redemption of the capital amount invested at the maturity of the Bond. An insolvency of the Issuer might entail a complete loss of the capital amounts invested in the Bond.

D.3 Key risk factors specific to the Notes

There are no foreign exchange risks involved for investors from the CHF currency area, as the Bond is issued in CHF and payments to the investors will also be made in CHF. Investors from other currency areas might be subject to foreign exchange risks due to the Bond issued in CHF. Moreover, all investors might be exposed to indirect foreign exchange risks as the exchange rate
of the currency invested in Liechtenstein might be subject to adverse changes in the course of the term of the Bond. This can increase the issuer default risk.

In general, the Notes are freely transferable in accordance with the provisions of SIX SIS AG. However, there is no admission to listing on a regulated or non-regulated market, which, in fact, might be a restriction to the tradability of the Notes. There is the risk that the investor will not find purchasers for the Notes acquired by him or purchasers might not be willing to pay the purchase price sought by the investor in the amount of at least the capital previously invested by him.

There is the risk of a change of the fiscal environment in Liechtenstein and/or in the State where the investor is subject to taxation. This can result in detrimental changes at the expense of the investor. This risk must be assumed exclusively by the investor. The Issuer will not assume any liability whatsoever.

E. Offer

E.2b Reasons for the offer and use of proceeds

The Issuer is a 100% subsidiary of IDENTEC GROUP AG. The proceeds generated through the issue of these securities will be invested by the Issuer as unsecured loans to IDENTEC GROUP AG and will serve the financing of the business activities of IDENTEC GROUP AG and its subsidiaries as well as the refinancing and restructuring of financing projects of IDENTEC GROUP AG.

E.3 Terms and conditions of the offer

IDG ANSTALT, Essanestrasse 164, FL-9492 Eschen, Principality of Liechtenstein (hereinafter referred to as ‘Issuer’), issues a Bearer Note with fixed interest rate of 4% p.a. and a term from 04.07.2016 until 03.07.2020, called ‘IDG Anleihe CHF 4.00 %’ (hereinafter referred to as ‘Bond’).

The Bond is fragmented in Notes with a nominal value of CHF 1,000.- each, the minimum subscription amount per investor being CHF 10,000.-. Any higher subscription sum must be divisible by 1,000. There is no maximum subscription limit per investor.

The total issue volume amounts to CHF 10,000,000.-. The issue is made continuously as from the day after the first publication of the Prospectus and will end with the full placement of the Bond or at the early termination of the Bond by the Issuer, at the latest after the expiry of one year after the date of approval of the Securities Prospectus.

The Paying Agency will be Bank Frick & Co. AG, Landstrasse 14, FL-9496 Balzers.

Subscriptions will be made via the Paying Agency.

The supply of the Notes to the bearers of the Notes will be made via SIX SIS AG, Baslerstrasse 100, CH-4600 Olten, against payment of the nominal amount, possibly plus an agio in the amount of up to 3% as well as possibly accrued interest since 04.07.2016.

The Notes will be evidenced for the complete term of the Bond in a Global Certificate (hereinafter referred to as ‘Global Certificate’), that will be deposited with SIX SIS AG. The physical supply of real Notes or interest coupons cannot be required. The bond holders are entitled to co-ownership shares in the Global Certificate that may be transferred in accordance with the regulations and provisions of SIX SIS AG. The Global Certificate bears the personal signature of at least one
authorized representative of the Issuer.

The Bond can be acquired by any natural person or legal entity with domicile and/or registered office in the EU, Switzerland and Liechtenstein with the exception of citizens or inhabitants of the United States of America or companies with registered office in the United States of America who are not allowed to acquire or possess this Bond. The present offer is primarily addressed to Swiss and Liechtenstein investors. The Bond is not listed in regulated markets or placed on the stock market.

The Notes will bear interest based on the nominal value from 04.07.2016 until 03.07.2020 in the amount of 4% p.a. The interest will be calculated and paid annually and will become due on the 3 of July of each year. The first interest payment will be made on 03.07.2017 for the interest bearing period of 04.07.2016 until 03.07.2017.

The term of the Bonds will commence on 04.07.2016 and will terminate at the expiry of 03.07.2020. The Issuer engages to redeem the Bonds at their nominal value the first Liechtenstein banking day after the expiry of the term.

The Issuer is entitled to a premature termination of the Bond at the earliest on 03.07.2016. After that date, the Bond can be terminated annually, provided the Issuer complies with a 3-month termination period on 03.07 of each year.

The investors do not have a right to termination.

The Bond is not admitted for trade in the stock markets. A stock market listing is not planned.

**E.4 Interest material to issue / offer including conflicting interests**

The Issuer is a 100% subsidiary of IDENTEC GROUP AG to whom the issue proceeds will be paid in form of unsecured loans.

The executive organ of the Issuer is the Board of Administration which is composed of three members. These members are Dkfm. Martin Zumtobel, Mag. Dietmar J. Amann and Clemens Laternser.

Dkfm. Martin Zumtobel and Mag. Dietmar J. Amann are also members of the Board of Administration of IDENTEC GROUP AG, which might result in conflicting interests.

**E.7 Estimated expense charged to investors**

The issue proceeds will completely be paid (100%) as loans to IDENTEC GROUP AG.

The expenses of the issue including possible taxes will completely be borne by the Issuer without burdening the issue proceeds. However, the Issuer reserves a refinancing up to 100% through the investment partner. The total costs of this issue are estimated to amount to a sum of about CHF 30,000.-.