€100,000,000

PAN-EUROPEAN HOTEL ACQUISITION COMPANY N.V.

12,500,000 Units

Price: €8.00 per Unit

Pan-European Hotel Acquisition Company N.V. (the "Company") is a blank check company recently formed under the laws of the Netherlands as a public company with limited liability (*naamloze vennootschap*) to serve as a vehicle for an acquisition, or acquisition of control, by way of asset acquisition, merger, capital stock exchange, share purchase or similar transaction with one or more operating businesses in the hotel industry in Europe (a "Business Combination").

The Company is offering 12,500,000 Units (each a "Unit") at a per unit price of €8.00 (the "Offering"). Each Unit consists of:

- one ordinary share of common stock with a nominal value of €0.01 per share (each a "Share"); and
- one warrant (each a "Warrant").

Each Warrant entitles the holder to purchase one Share at a price of €5.00. Each Warrant will become exercisable on the later of (1) our completion of a Business Combination and (2) one year after the Admission Date and expires four years from the Admission Date, or earlier upon redemption. The Company and the Underwriters reserve the right, in their sole discretion and based on the criteria disclosed on page 87 of this Offering Circular, to increase or decrease the size of the Offering prior to the Admission Date.

On February 27, 2007, we issued 3,000,000 Shares at the nominal value of €0.01 per Share (the "Founding Shares") and one Class B Share at its nominal value of €15,000 (the "Class B Share") to KCI (Kragt Capital Investments) B.V. ("Kragt"), an entity of which all shares are owned by Willem-Jan M. van den Dijssel. On the same date, Kragt made a loan to us in the amount of €85,000 (the "Founding Shareholder Loan" and, together with the Founding Shares and Class B Share, the "Founding Shareholder Investment").

Prior to the closing of this Offering, Kragt will sell 1,800,000 Founding Shares to the other Founding Shareholders (as defined herein) at the nominal value of €0.01 per Share. At the same time, the Founding Shareholders (including Kragt) will (i) make a capital contribution to the Company on the Founding Shares in the amount of €2,940,000 and (ii) purchase 3,000,000 Warrants (the "Founding Warrants" and together with the Founding Shares, the "Founding Units") at a price of €0.01 per Warrant. These transactions described in clauses (i) and (ii) are collectively referred to as the "Founding Shareholder Private Placement". Together with the proceeds of the issuance of the Founding Shares to Kragt, the Founding Shareholder Private Placement will result in an investment of €0.99 per Founding Share and €0.01 per Founding Warrant, for a total investment of €1.00 per Founding Unit. Kragt will retain 1,200,000 Founding Units.

The net proceeds to the Company of the Offering, the Founding Shareholder Private Placement and the Founding Shareholder Investment, together with the Deferred Underwriting Fees less the Working Capital Amount, will be deposited into an escrow account established at Citibank, N.A., London branch, maintained by Citibank, N.A., London branch, as escrow agent (the "Escrow Account"). These funds, which are expected to total €97,940,000 (approximately €7.84 per Unit), will be released only as detailed in this Offering Circular. See "Use of Proceeds".

The Underwriters have the option to purchase up to an aggregate of 1,875,000 additional Units at the initial offering price less the Underwriting Discount and Commission until 30 days from the commencement of trading of the Shares and Warrants on Eurolist by Euronext, the regulated market of Euronext Amsterdam N.V. ("Euronext") to cover over-allotments (the "Over-Allotment Option").

On the Closing Date, we will sell to the Underwriters, for €100, an option to purchase 462,500 Units at a price per Unit of €10.00 (the "Unit Purchase Option") in consideration of advice in structuring our Company and ongoing corporate finance services in connection with consummation of a Business Combination. The Units issuable upon exercise of the Unit Purchase Option will be identical to the Units issued in the Offering. The Unit Purchase Option is exercisable on the later of (1) our completion of a Business Combination and (2) one year after the Admission Date and expires four years from the Admission Date. We estimate the value of the Unit Purchase Option to be approximately €1,121,184 using the Black-Scholes option pricing model.

There is currently no public market for the Units, Shares or Warrants. The Company will apply for the admission and listing of its Shares and Warrants to trading on Eurolist by Euronext (the "Admission") under the symbols PHSZZ and PHWZZ, respectively. The Shares and Warrants that comprise the Units are immediately separable upon issuance. The Units will not constitute an independently transferable security. The Shares and Warrants will commence trading separately on the date that they are admitted to trading, which is expected to be on or about July 17, 2007 (the "Admission Date"). Payment for and delivery of the Units is expected to be made on or about July 20, 2007 (the "Closing Date"). The Shares and Warrants will be listed and traded on Eurolist by Euronext on an "as-if-and-when-issued" basis from the Admission Date to the Closing Date. Euronext may annul all transactions effected in the Shares and Warrants if the Units are not delivered on the intended Closing Date. If the closing of the Offering does not occur on the Closing Date or at all, the Offering will be withdrawn, all subscriptions for the Units will be disregarded, any allotments made will be deemed not to have been made and any subscription payments made will be annulled. All dealings in Units prior to settlement and delivery are at the sole risk of the parties concerned. Euronext is not responsible for any loss incurred by any person as a result of a withdrawal of the Offering and/or the related annulment of any transactions on Eurolist by Euronext.

	Public Offering Price	Underwriting Discount and Commission[1][2]	Proceeds to us, After Payment of Underwriting Discount and Commission	Total Deposited in Escrow Account
Units	€8.00	€0.56	€7.44	€7.84
Total Units (without exercise of the Over-Allotment Option)	€100,000,000	€7,000,000	€93,000,000	€97,940,000
Total Units (with exercise of the Over-Allotment Option)	€115,000,000	€8,050,000	€106,950,000	€112,340,000

(1) The Underwriters have agreed to defer a portion of the Underwriting Discount and Commission equal to €3,000,000 (€3,450,000 if the Over-Allotment Option is exercised in full), until the consummation of our initial Business Combination. Upon such a Business Combination, we will pay such Deferred Underwriting Fees to the Underwriters out of the Escrow Account, less €0.24 for each Share that is redeemed or repurchased in connection with such Business Combination. The Underwriters will not be entitled to any interest accrued on the Deferred Underwriting Fees.

(2) A corporate finance fee equal to 1% of the gross proceeds of the Units offered hereby payable to CRT upon completion of this Offering in consideration of ongoing corporate finance services in connection with consummation of a Business Combination is included in the 7% Underwriting Discount and Commission.

Investing in the Company's securities involves a significant degree of risk. See "Risk Factors" beginning on page 10.

This Offering Circular has been approved by the Netherlands Authority for the Financial Markets (the "AFM"), which is the Dutch competent authority for the purpose of relevant implementing measures under Directive 2003/71/EC (the "Prospectus Directive") in the Netherlands.

The securities offered hereby have not been registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or under the applicable securities laws or regulations of any state of the United States. The securities may not be offered or sold within the United States or to U.S. persons (each as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or transaction not subject to, the registration requirements of the Securities Act. The securities are being offered and sold outside the United States in reliance on Regulation S and within the United States to qualified institutional buyers in reliance on Rule 144A, in each case under the Securities Act. For a description of restrictions on offers, sales and transfers of the securities and the distribution of this document, see "Transfer Restrictions and Notice to Investors", beginning on page 92.

Lead Underwriter	*Underwriter*	*Underwriter and Listing Agent*
CRT Capital Group LLC	**I-Bankers Securities, Inc.**	**Amsterdams Effectenkantoor B.V.**

The date of this Offering Circular is June 12, 2007

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SUMMARY

THIS SUMMARY MUST BE READ AS AN INTRODUCTION TO THIS OFFERING CIRCULAR. ANY DECISION TO INVEST IN THE UNITS, SHARES AND WARRANTS SHOULD BE BASED ONLY ON CONSIDERATION OF THIS OFFERING CIRCULAR AS A WHOLE, INCLUDING THE RISK FACTORS AND THE FINANCIAL STATEMENTS. YOU SHOULD READ THIS ENTIRE OFFERING CIRCULAR CAREFULLY.

No civil liability will attach to us solely on the basis of this summary, including any translations of this summary, unless it is misleading, inaccurate or inconsistent when read together with the other parts of this Offering Circular. Where a claim relating to the information contained in this Offering Circular is brought before a court in a Member State of the European Economic Area, the plaintiff may, under the national legislation of the Member State where the claim is brought, be required to bear the costs of translating this Offering Circular before legal proceedings are initiated.

Unless otherwise stated in this Offering Circular, references to "we," "us" or "our" refer to the Company. Important terms are defined in the section entitled "Definitions", beginning on page 102. Unless we tell you otherwise, the information in this Offering Circular assumes that the Underwriters will not exercise the Over-Allotment Option.

SUMMARY OF THE BUSINESS

Information on the Company

We are a blank check company formed on February 27, 2007 under the laws of the Netherlands as a public company with limited liability (*naamloze vennootschap*) to serve as a vehicle for an acquisition, or acquisition of control, by way of asset acquisition, merger, capital stock exchange, share purchase or similar transaction with one or more operating businesses in the hotel industry in Europe. Our principal activities to date have been limited to organizational and financing activities. We do not expect to engage in substantive negotiations with any Target Business until after the consummation of this Offering.

We intend to use the net proceeds of the Offering, the Founding Shareholder Private Placement and the Founding Shareholder Investment less the Working Capital Amount, subject to the exercise of Redemption/ Repurchase Rights by New Shareholders, to acquire one or more medium-sized hotels or hotel groups with a flexible cost structure, low break-even point in terms of operating profitability and what we perceive to be a significant potential for growth in operating margins. We will primarily target hotels or hotel groups in major cities in the Netherlands, Belgium, Luxemburg, Germany and France and may also consider certain cities in Italy, Spain and Portugal.

Our primary strategy is to acquire medium-sized hotels or hotel groups (including related real estate assets) owned and operated by a family or private party, or part of a divestment process by a large, multi-national hotel operator. Following the acquisition, we expect to improve the cash flow of such hotels through the application of sophisticated management techniques not typically used by medium-sized hotels or hotel groups.

Our Management Board consists of Willem-Jan M. van den Dijssel, Laurence N. Strenger, Max Arthur Kok and Martin Lindelauf, each of whom has extensive experience in the hospitality industry. Collectively, the members of our Management Board and Supervisory Board have more than 100 years of experience operating hotels and sourcing, negotiating and structuring financial transactions involving hotel assets.

Risks

We are a newly formed company that has conducted no operations and generated no revenues to date and will not conduct operations or generate operating revenue unless and until we complete a Business Combination.

In making your investment decision, you should consider not only the background of our management team, but also the special risks inherent in a blank check company. In addition, there are various risks associated with this Offering and our business strategy, including (1) potential conflicts of interest between our Management Board and Supervisory Board members and investors, (2) our ability to implement our business strategy and select prospective Target Businesses, (3) our ability to compete in a competitive market and (4) the hotel industry in general. See "Risk Factors", beginning on page 10.

Our registered office, which also serves as our corporate office, is located at Apollolaan 2, 1077 BA Amsterdam, the Netherlands, where our telephone number is +31 (0) 20 570 5767.

SUMMARY OF THE OFFERING

Securities offered	12,500,000 units (each a "Unit"), at €8.00 per Unit, each Unit consisting of: • one ordinary share of common stock with a nominal value of €0.01 per share (each a "Share"); and • one warrant (each a "Warrant"). The Shares and Warrants will begin trading separately on the Admission Date on Eurolist by Euronext. The Company and the Underwriters reserve the right, in their sole discretion and based on the criteria disclosed on page 87 of this Offering Circular, to increase or decrease the size of the Offering prior to the Admission Date.
Underwriting	The Offering will be underwritten by CRT Capital Group LLC ("CRT"), I-Bankers Securities, Inc. ("I-Bankers") and Amsterdams Effectenkantoor B.V. ("AEK" and, together with CRT and I-Bankers, the "Underwriters").
Common stock:	
Shares outstanding as of the date of this Offering Circular	3,000,000
Shares outstanding after this Offering	15,500,000 (without exercise of the Over-Allotment Option); 17,375,000 (with exercise in full of the Over-Allotment Option)
Euronext symbol	PHSZZ
ISIN	NL0000293686 (for Regulation S Shares); US69805M1036 (for Rule 144A Shares)
Common Code	29368 (for Regulation S Shares)
CUSIP	69805M103 (for Rule 144A Shares)
Warrants:	
Warrants outstanding as of the date of this Offering Circular	0
Warrants outstanding after this Offering and the Founding Shareholder Private Placement	15,500,000 (without exercise of the Over-Allotment Option); 17,375,000 (with exercise in full of the Over-Allotment Option)
Euronext symbol	PHWZZ
ISIN	NL0000293595 (for Regulation S Warrants); US69805M1119 (for Rule 144A Warrants)
Common Code	29359 (for Regulation S Warrants)

CUSIP	69805M111 (for Rule 144A Warrants)
Exercisability	Each Warrant is exercisable for one Share.
Exercise price	€5.00
Exercise period	The Warrants will become exercisable on the later of (1) our completion of a Business Combination and (2) one year after the Admission Date. The Warrants will expire at 5:00 p.m., Central European Time, four years from the Admission Date, or earlier upon redemption.
Redemption	We may redeem the outstanding Warrants at any time after they become exercisable if certain conditions are satisfied, including the last independent sales price of our Shares equaling or exceeding €11.50 per Share. If we call the Warrants for redemption, each Warrant holder will be entitled to exercise its Warrants prior to redemption by paying the exercise price in cash. See "Description of the Securities—Warrants".
Founding Shareholder Investment	On February 27, 2007, we issued 3,000,000 Shares at the nominal value of €0.01 per Share (the "Founding Shares") and one Class B Share at its nominal value of €15,000 (the "Class B Share") to KCI (Kragt Capital Investments) B.V. ("Kragt"), an entity of which all shares are owned by Willem-Jan M. van den Dijssel. On the same date, Kragt made a loan to us in the amount of €85,000 (the "Founding Shareholder Loan" and, together with the Founding Shares and Class B Share, the "Founding Shareholder Investment").
Founding Shareholder Private Placement	Prior to the closing of this Offering, Kragt will sell 1,800,000 Founding Shares to the other Founding Shareholders[1] at the nominal value of €0.01 per Share. At the same time, the Founding Shareholders (including Kragt) will (i) make a capital contribution to the Company on the Founding Shares in the amount of €2,940,000 and (ii) purchase 3,000,000 Warrants (the "Founding Warrants" and together with the Founding Shares, the "Founding Units") at a price of €0.01 per Warrant. These transactions described in clauses (i) and (ii) are collectively referred to as the "Founding Shareholder Private Placement". Together with the proceeds of the issuance of the Founding Shares to Kragt, the Founding Shareholder Private Placement will result in an investment of €0.99 per Founding Share and €0.01 per Founding

[1] The Founding Shareholders are the Management Team Founding Shareholders and Stichting Millstreet, Trust Hotels B.V., Mrs. S.F.G. Martina, Pont Business Holding B.V., M. Caransa B.V., Richard M. Rieser Jr. and William R. de Jonge, each of whom, other than the Management Team Founding Shareholders, has no affiliation with our Company. The Management Team Founding Shareholders are Kragt, Laurence N. Strenger, Max Arthur Kok, Martin Lindelauf, Anders Brag and Thomas A.H. Bas, each of whom is a member, or affiliate of such member, of our Management Board or Supervisory Board. See "Major Shareholders and Related-Party Transactions".

	Warrant, for a total investment of €1.00 per Founding Unit. Kragt will retain 1,200,000 Founding Units. See "Major Shareholders and Related-Party Transactions—Major Shareholders".
Foundation for Class B Share, Shares and Warrants held by Founding Shareholders	Pursuant to lock-up agreements between CRT and each Founding Shareholder, all of the Shares and Warrants underlying the Founding Units and the Class B Share will be transferred to a Dutch foundation (the "Foundation") on the Closing Date. Any New Shares or Warrants acquired in the Offering or the secondary market by the Management Team Founding Shareholders or Willem-Jan M. van den Dijssel also will be transferred to the Foundation as soon as practicable following their acquisition. See "Major Shareholders and Related-Party Transactions—Foundation for Shares and Warrants held by Founding Shareholders".
Business Combination Deadline	Eighteen months from the Admission Date (or 24 months from the Admission Date if, within such 18-month period, we have signed a letter of intent, agreement in principle or definitive agreement in respect of a proposed Business Combination).
Unit Purchase Option	On the Closing Date, we will sell to the Underwriters, for €100, an option to purchase 462,500 Units at a price per Unit of €10.00 (the "Unit Purchase Option") in consideration of advice in structuring our Company and ongoing corporate finance services in connection with consummation of a Business Combination. See "Plan of Distribution—Commissions and Discounts".
Proceeds held in Escrow	The Escrow Amount (as defined below) will be held in an escrow account (the "Escrow Account") at Citibank, N.A., London branch, maintained by Citibank, N.A., London branch, as escrow agent (the "Escrow Agent"), pursuant to an escrow agreement executed on or prior to the Admission Date and governed by English law. The "Escrow Amount", which is expected to total €97,940,000, is the amount to be placed in the Escrow Account following Admission, comprising the proceeds of this Offering, the Founding Shareholder Private Placement, the Founding Shareholder Investment and €3,000,000 of the Underwriting Discount and Commission that the Underwriters have agreed to defer until the completion of our initial Business Combination (the "Deferred Underwriting Fees"), less Offering costs and expenses and retention of the Working Capital Amount (as defined below). Interest accrued on the Escrow Amount (net of fees, taxes and expenses incurred) will be retained by the Escrow Account (the "Net Interest"). Half of the Net Interest (the "Net Interest Proceeds"), however, will be released to us monthly to fund a portion of our working capital or other expense requirements, up to an aggregate of €550,000.

Release of Funds in Escrow	The Escrow Amount (subject to the exercise of Redemption/ Repurchase Rights and payment of the Deferred Underwriting Fees) will be released to us only upon the completion of a Business Combination. Any expenses incurred by us prior to the consummation of a Business Combination (other than escrow fees and expenses or taxes incurred by the Escrow Account) may only be paid from the €200,000 of the net proceeds from this Offering, the Founding Shareholder Private Placement and the Founding Shareholder Investment not placed in the Escrow Account (the "Working Capital Amount") and the Net Interest Proceeds. See "Use of Proceeds". These amounts will be held outside of the Escrow Account. Although we will seek waivers from all Target Businesses, vendors and service providers to claims to amounts in the Escrow Account, we cannot guarantee that we will be able to obtain any such waiver or that any such waiver will be held valid and enforceable. Our Management Team Founding Shareholders and Willem-Jan M. van den Dijssel have agreed with CRT and the Company that they will be personally liable, on a joint and several basis, to cover claims made by such third parties (other than New Shareholders), but only if, and to the extent, the claims reduce the amounts in the Escrow Account available for payment to our New Shareholders in the event of a liquidation and the claims are made by a vendor or service provider for services rendered, or products sold, to us or by a Target Business. However, our Management Team Founding Shareholders and Willem-Jan M. van den Dijssel will not have any personal liability as to any claimed amounts owed to a third party who executed a waiver (including a Target Business).
Fair Market Value	We will only complete a Business Combination with a Target Business for which the portion of the business we seek to acquire has a fair market value equal to at least 50% of the Escrow Amount, less Deferred Underwriting Fees and Net Interest Proceeds.
Shareholders must approve initial Business Combination	We will proceed with our initial Business Combination only if (1) the Business Combination is approved at a General Meeting of Shareholders by a majority of the valid votes cast (an "Absolute Majority") and (2) we confirm that we have sufficient financial resources to pay both: • the cash consideration required for the Business Combination; and • all sums due to any New Shareholders who vote against such Business Combination and simultaneously exercise their Redemption/ Repurchase Rights, as described below. We may choose to condition the consummation of our initial Business Combination on the number or percentage of New Shares

	for which New Shareholders have elected to exercise their Redemption/Repurchase Rights not exceeding a specified threshold. In connection with the vote of the General Meeting of Shareholders required for the Business Combination, the Foundation will abstain from voting and therefore will not have the right to exercise Redemption/Repurchase Rights, which right has also explicitly been waived by the Founding Shareholders and the Foundation.
Redemption/Repurchase Rights	A Redemption/Repurchase Right is the right of each New Shareholder who votes against our initial Business Combination to request the conversion of his/her Shares by the Company into the same number of Class A Shares upon occurrence of a Redemption/Repurchase Event such that the Class A Shares will be redeemed or repurchased at the Redemption/Repurchase Price. Our redemption/repurchase obligations will only be effective if we consummate a Business Combination (a "Redemption/Repurchase Event"). The Redemption/Repurchase Price is expected to be approximately €7.84 per Class A Share (upon conversion from a New Share) plus a pro rata portion of the amount equal to Net Interest less the Net Interest Proceeds. Dutch dividend withholding tax of 15% will be withheld from amounts paid to Shareholders in excess of €7.42, although non-Dutch Shareholders may be able to claim a credit for this amount on their national income tax returns. See "Information on the Company—Effecting a Business Combination—Redemption/Repurchase Rights".
Distribution if no Business Combination	If we do not complete a Business Combination by the Business Combination Deadline, we will be dissolved by operation of law. Subject to compliance with Dutch law, we will then liquidate our Company, including the Escrow Account, as part of a plan of dissolution and liquidation. This would result in a distribution to our New Shareholders on a pro rata basis of the Escrow Amount, including Deferred Underwriting Fees, Net Interest less the Net Interest Proceeds and all of our other net assets. The dissolution and distribution process may take at least two months.
Over-Allotment and Stabilization	The Underwriters may over-allot Units up to a maximum of 20% of the number of Units initially offered in this Offering. Pursuant to the Underwriting Agreement, we have granted to AEK, on behalf of the Underwriters, an option (the "Over-Allotment Option") to purchase up to an aggregate of 1,875,000 additional Units, representing 15% of the number of Units initially offered in this Offering, at the initial offering price less the Underwriting Discount and Commission until 30 days from the Admission Date.
Right of First Review and Non-Compete	We have entered into a letter agreement with each of the members of our Management Board. These agreements provide that from

the date of this Offering Circular until the earlier of the completion of our initial Business Combination or our liquidation, we will have a right of first review with respect to Business Combination opportunities concerning Target Businesses in Europe with a fair market value in excess of €50,000,000.

These letter agreements also contain a non-compete clause, whereby each member of the Management Board agrees not to become affiliated with other blank check companies until the earlier of our completion of a Business Combination or our liquidation. In addition, we have entered into a letter agreement with each of the members of our Supervisory Board that contains a non-compete clause, whereby such person will not become affiliated with another blank check company in the hotel industry until the earlier of our completion of a Business Combination or our liquidation.

SUMMARY FINANCIAL DATA

The following table summarizes the relevant financial data for our business and should be read in conjunction with our financial statements, which are included in this Offering Circular beginning on page F-1.

As we have not had any significant operations to date, only balance sheet data are presented in this summary. The "As Adjusted" information gives effect to the Founding Shareholder Private Placement and this Offering, including the application of the related gross proceeds and the payment of the estimated remaining costs from such transactions. For this purpose, the Escrow Amount is treated as an asset and not contra-equity.

	February 27, 2007	
	Actual	As Adjusted[1]
Balance Sheet Data:		
Working capital/(deficiency)	€ 0	€ 200,000
Total assets	€130,000	€95,140,000
Total liabilities	€ 85,000	€ 85,000
Shareholders' equity[1]	€ 45,000	€95,055,000

(1) Additional issuance costs due upon closing of this Offering and gains are netted against Shareholders' equity in the "As Adjusted" column.

RISK FACTORS

An investment in our Units, Shares and Warrants involves a high degree of risk, is speculative and may result in the loss of all or part of your investment. You should consider carefully the risks described below, together with the other information contained in this Offering Circular, before making a decision to invest in our Units, Shares and Warrants. Although we believe that the risks set forth below are our material risks, they are not the only risks we face. Additional risks not presently known to us or that we currently deem immaterial may also have an effect on us and the value of our Units, Shares and Warrants. The investment offered in this Offering Circular may not be suitable for all of its recipients.

In making your decision on whether to invest in our Units, Shares and Warrants, you should take into account the special risks we face as a blank check company, as well as the fact that this Offering is not being conducted in compliance with Rule 419 under the Securities Act. See "—You will not be entitled to protections normally offered to investors in blank check offerings conducted under Rule 419 under the Securities Act".

Risks Associated with our Business

We are a development stage company formed under the laws of the Netherlands with no operating history and, accordingly, you will not have any basis on which to evaluate our ability to achieve our business objective.

We are a blank check company formed on February 27, 2007 under the laws of the Netherlands as a public company with limited liability to serve as a vehicle for an acquisition, or acquisition of control, by way of asset acquisition, merger, capital stock exchange, share purchase or similar transaction with one or more operating businesses in the hotel industry in Europe. We intend to commence operations following the acquisition of a business in the hotel industry and will not generate revenues, other than interest on the Escrow Account, until completion of such acquisition. Our ability to commence operations depends largely on our ability to obtain financing through the Founding Shareholder Private Placement and this Offering. Because we do not have any operating history or results, you will have no basis upon which to evaluate our ability to achieve our business objectives. We cannot assure you that we will achieve our business objectives, and any failure to do so would have a material adverse effect on our financial condition and results of operations.

We have not engaged in substantive discussions with any potential acquisition candidates.

Our principal activities to date have been limited to organizational and financing activities. Members of our Management Board, however, have held discussions with one Target Business and requested an information memorandum from another. They have also identified other potential Target Businesses with whom they have not had any discussions. We have not engaged in substantive negotiations with any potential Target Business, nor do we have any agreements or understandings to acquire any Target Business at this time. We do not expect to engage in substantive negotiations with any Target Business until after the consummation of this Offering. We cannot assure you that we will be able to consummate a Business Combination with any Target Businesses on favorable terms or at all. If we fail to complete a Business Combination before the Business Combination Deadline, we will be liquidated by operation of law.

You have no current basis upon which to evaluate the possible merits or risks of a Target Business's operations.

Based on the collective experience of the members of our Management Board and Supervisory Board, we believe that there are numerous suitable Target Businesses operating in the European hotel industry. We intend to conduct appropriate due diligence and will endeavor to evaluate risks associated with any Target Business, but such review may not properly identify all such risks prior to consummation of a contemplated Business Combination. In addition, as we near the Business Combination Deadline, we may not have sufficient time to complete adequate due diligence with respect to a Target Business. Although you will have an opportunity to

vote to approve a Business Combination, your decision likely will be made solely on the basis of disclosures we provide to you. Accordingly, any inability on our part to perform extensive due diligence may detract from your ability to make an informed vote on such Business Combination. See "Information on the Company—Effecting a Business Combination".

We will be constrained by the need to finance potential exercises of Redemption/Repurchase Rights in connection with a Business Combination.

We are permitted to proceed with a Business Combination only if we can confirm that we have sufficient financial resources to pay the cash consideration required for such Business Combination plus all amounts due to Shareholders who exercise their Redemption/Repurchase Rights. Because a Business Combination requires only an Absolute Majority at a General Meeting of Shareholders, a Business Combination could be approved with holders representing almost 50% of Shares exercising their Redemption/Repurchase Rights. Under such circumstances, financing Redemption/Repurchase Rights could prevent us from consummating a Business Combination or otherwise constrain the amount we can pay in acquiring a Target Business, increase our financing costs or require us to seek Shareholder concessions prior to proposing a Business Combination.

Other entities with greater resources may seek to effect transactions in the hotel industry, thereby making it more difficult for us to do so.

We could encounter intense competition from other entities having business objectives similar to ours, including other blank check companies, venture capital and private equity funds, leveraged buyout funds and existing businesses operating in the hotel industry. Some of these entities are well-established and have extensive experience in identifying and closing hotel acquisitions. Many of these competitors will also possess greater technical, human and other resources than we do and may be better equipped to engage in bidding wars. We believe that there are numerous potential Target Businesses with which we can pursue a Business Combination, but our ability to do so may be limited by competition and our available financial resources. Further, our obligation to seek prior Shareholder approval for a Business Combination may delay or threaten the completion of such Business Combination or otherwise make our offer less attractive to a Target Business than an offer by another entity. In addition, our outstanding Warrants and the Unit Purchase Option granted to CRT, and the future dilution each represents, may not be viewed favorably by a Target Business. Any of these factors could place us at a competitive disadvantage in negotiating and completing a Business Combination and could have a material adverse effect on our financial condition and results of operations.

We depend on the members of our Management Board, and may depend on key personnel in Target Businesses, the loss of any of whom could have a material adverse effect on our future operations.

Our success will depend upon the efforts and abilities of our Management Board members. The future roles of our Management Board members following a Business Combination, however, cannot be ascertained at this time. We expect our Management Board members to remain associated with us following a Business Combination. However, they have not entered into employment agreements requiring that they remain affiliated with us, and we have no assurance that such individuals will remain associated with us. The loss of the services of these individuals could have a material adverse effect on our business prospects.

We may employ other personnel following a Business Combination, and our business will depend upon our ability to attract and retain qualified personnel, including key management officials at Target Businesses. The officers and directors of a Target Business may resign upon completion of a Business Combination. We cannot currently predict the role of our Target Businesses' key personnel after the completion of a Business Combination, and some members of a Target Business's management team may remain after a Business Combination. We may recruit new managers to join the Target Business, either in new positions or to fill vacancies. While we intend to scrutinize closely any additional individuals whom we hire after a Business Combination, we cannot assure you that our assessment of such individuals will prove to be correct.

You will not be entitled to protections normally afforded to investors in blank check offerings conducted in the United States under Rule 419 under the Securities Act.

We intend to use all or a portion of the net proceeds of this Offering, the Founding Shareholder Private Placement and the Founding Shareholder Investment less the Working Capital Amount, subject to the exercise of Redemption/Repurchase Rights by New Shareholders, to consummate a Business Combination with a Target Business, and we therefore may be deemed a "blank check" company under the U.S. securities laws. However, because we will have net tangible assets in excess of $5,000,000 upon the completion of this Offering, and we are conducting this Offering in reliance on an exemption from the registration requirements of the Securities Act, we are exempt from the rules promulgated by the SEC to protect investors in blank check companies, such as Rule 419 under the Securities Act. Therefore, you will not be afforded the benefits or protections of those rules, nor will you be afforded certain of the protections traditionally associated with public offerings of blank check companies in the United States that are subject to Rule 419 (e.g., that the Business Combination be valued at no less than 80% of the net assets of the company).

Our ability to acquire a Target Business may require additional financing, which we may not be able to obtain on acceptable terms.

If the net proceeds of this Offering, the Founding Shareholder Private Placement and the Founding Shareholder Investment prove insufficient to allow us to consummate our initial Business Combination and fund all sums due to New Shareholders exercising Redemption/Repurchase Rights, we will be required to seek additional financing. We cannot assure you that such financing would be available on acceptable terms, if at all.

To the extent that additional financing is not available in connection with completion of a particular Business Combination, we would be compelled to restructure or abandon that Business Combination. In addition, if we complete a Business Combination, we may require additional financing to fund the operations or growth of the Target Business. Failure to secure additional financing could have a material adverse effect on the continued development or growth of the Target Business acquired.

We may issue equity or debt securities to complete a Business Combination, which may dilute the interests of our Shareholders or present other risks.

Subject to Shareholder approval, we may issue additional Shares and/or preferred stock to complete a Business Combination. Any such issuance may:

- dilute the equity interests of existing Shareholders;
- subordinate the rights of holders of Shares if shares of preferred stock are issued with rights senior to those of our Shares; or
- adversely affect the market prices of our Shares and Warrants.

Similarly, if we incur additional indebtedness, this could result in:

- default and foreclosure on our assets, if our cash flow from operations were insufficient to pay our debt obligations as they become due;
- acceleration of our obligation to repay indebtedness, even if we have made all payments when due, if we breach, without a waiver, covenants that require the maintenance of financial ratios or reserves or impose operating restrictions;
- a demand for immediate payment of all principal and accrued interest, if any, if the indebtedness is payable on demand; or
- inability to obtain additional financing, if our indebtedness contains covenants restricting our ability to incur additional indebtedness.

The occurrence of any of these factors could decrease your ownership interests in us or have a material adverse effect on our financial condition and results of operations. See "Information on the Company—Effecting a Business Combination".

We may run out of cash before completing a Business Combination, particularly if we spend significant amounts pursuing Business Combinations that do not close.

Any expenses incurred by us prior to the consummation of a Business Combination (other than escrow fees and expenses and taxes incurred by the Escrow Account) may only be paid from the Working Capital Amount and the Net Interest Proceeds. While we believe these amounts will be sufficient to cover our costs, this belief is based on management estimates that may prove to be inaccurate.

For example, a decline in interest rates may lower the amount available in Net Interest Proceeds and result in our having insufficient funds available to close a Business Combination. In addition, we anticipate that the investigation of Target Businesses and the negotiation, drafting and execution of the documents associated with a Business Combination will require significant expenditures for accountants, legal advisers and others. We also may be asked to make down payments or pay exclusivity fees in connection with a definitive agreement to engage in a Business Combination. If, following our investigation, we do not pursue a Target Business or otherwise fail to complete a Business Combination after entering into a definitive agreement, we would be unlikely to recover any costs incurred. As our cash resources diminish, we may be limited in the number of Target Businesses we can evaluate or the number of Target Businesses we review.

Our Management Board and Supervisory Board members may allocate their time to other businesses, potentially limiting the time they devote to our affairs.

Our current Management Board and Supervisory Board members are not required to commit their full time to our business. This could create conflicts of interest for them when allocating their time between our operations and their other commitments. In particular, it is expected that Willem-Jan M. van den Dijssel's duties as partner of First Dutch Capital B.V. and as co-founder of European Hotel Management B.V. will continue to require significant amounts of his time and may result in conflicts of interest described elsewhere in this Offering Circular. If a Management Board or Supervisory Board member devotes substantial amounts of time to other endeavors, this could limit such individual's ability to devote time to our affairs.

Our Management Board and Supervisory Board members may have a conflict of interest in identifying and selecting Target Businesses.

Our Management Board and Supervisory Board members may have a conflict of interest in determining whether a particular Target Business is appropriate for a Business Combination. The personal and financial interests of our management team may influence them to condition an acquisition on their retention with us post-closing, and to view more favorably acquisition targets that offer any of our existing management or stockholders a continuing relationship, as a member of the Management Board or Supervisory Board, consultant or other third-party service provider, after the Business Combination. As a result, the terms of any such Business Combination may not be as advantageous to our New Shareholders as they would be absent the conflict of interest. See "Management Board, Supervisory Board and Corporate Governance—Conflicts of Interest".

We may engage in a Business Combination with a Target Business that has a relationship with affiliates of one or more members of our Management Board or Supervisory Board.

Certain of the members of our Management Board and Supervisory Board are involved with other operating businesses in the hotel industry. We may engage in a Business Combination with an entity affiliated with one or more members of our Management Board or Supervisory Board. Despite our agreement to obtain a fairness opinion from an independent investment banking firm prior to consummating such a transaction, potential

conflicts of interest may still exist. As a result, the terms of any such Business Combination may not be as advantageous to our New Shareholders as they would be absent the conflict of interest. See "Management Board, Supervisory Board and Corporate Governance—Conflicts of Interest".

Our Management Team Founding Shareholders and Willem-Jan M. van den Dijssel may have conflicts of interest in determining whether a particular Target Business is appropriate for a Business Combination.

The Foundation and each of our Founding Shareholders have agreed not to accept liquidating distributions with respect to the Class B Share and the Shares underlying the Founding Units if we are dissolved and liquidated following failure to complete a Business Combination before the Business Combination Deadline. However, the Foundation will accept liquidating distributions with respect to any New Shares held by it. These circumstances may influence the selection of a Target Business by the Management Team Founding Shareholders and Willem-Jan M. van den Dijssel and otherwise create a conflict of interest when determining whether a particular Business Combination is appropriate and in our Shareholders' best interests. See "Management Board, Supervisory Board and Corporate Governance—Conflicts of Interest".

We are subject to foreign exchange risks.

Our financial statements are and, in the future, will be prepared in euro. Any Target Business with which we pursue a Business Combination may denominate its financial statements in a currency other than euro or conduct operations in a currency other than euro. In addition, sales in a currency other than euro may subject us to currency translation risk. Exchange rate volatility could negatively impact our revenues or increase our expenses incurred in connection with operating a Target Business.

If we complete a Business Combination, a significant amount of the Escrow Account may be released to us as cash for use for general corporate purposes.

Upon consummation of a Business Combination, the Escrow Account, subject to the exercise of Redemption/Repurchase Rights, payment of the Deferred Underwriting Fees and payment of the cash consideration associated with such Business Combination, will be released to us as cash for use for general corporate purposes. Because we may fund the purchase price of a Business Combination with the incurrence or assumption of debt and issue our equity as consideration for a Target Business, the amount of cash released to us may total a substantial portion of the initial funds deposited in the Escrow Account. We may use such cash for any corporate purpose, including renovations and other capital expenditures as well as to pursue additional acquisitions. We cannot assure you that we will use the cash for any particular purpose or at all.

Risks Associated with the Hotel Industry

The hotel industry is highly competitive, and if we do not compete effectively, we may lose market share or be unable to maintain or increase prices for our services.

The hotel industry is highly competitive. Any Target Business that we acquire will compete with other hotel industry participants. We expect that any Target Business we acquire will compete with large national and multi-national companies that have longer operating histories, greater financial, technical and other resources and greater name recognition than we do. In addition, we expect to compete with several smaller companies capable of competing effectively on a regional or local basis. The ability of a Target Business to remain competitive and to attract and retain business and leisure customers will depend on its ability to offer quality, value and efficiency comparable to that of similar businesses and to respond quickly to changing customer demands. In addition, a key component of competitive position is the ability to manage expenses successfully, which we believe requires continuous management focus on reducing costs and improving efficiency. We can offer no assurances that our Target Business will be successful in competing in the hotel industry. Inability to operate a Target Business effectively would have a material adverse effect on our business, financial condition, results of operations and cash flows.

We will be subject to all of the operating risks common in the hotel industry, and our results may be adversely impacted if any of these risks materialize or we are otherwise unable to pass increases in operating costs through to our customers.

Upon completion of a Business Combination, our results may be adversely affected by operating risks generally affecting the hotel industry, including:

- continuing expenditures of modernizing, refurbishing and maintaining existing facilities prior to the expiration of their anticipated useful lives;
- labor disputes with our employees;
- seasonality of the hotel industry, which typically leads to higher revenues in the second half of the year;
- occupancy and room rates;
- adverse effects of international market conditions, which may diminish demand for travel, as well as national, regional and local economic and market conditions where we may operate and where our customers may live;
- airline strikes, natural disasters or other factors that may affect travel patterns and reduce the number of business and commercial travelers and tourists;
- supply and demand changes for rooms;
- potential changes in governmental laws and regulations affecting the hotel industry, including those related to the environment, accommodations of persons with disabilities and labor relations, and the interpretation thereof;
- relative illiquidity of real estate compared to other investments; and
- the number of hotel rooms available for acquisition, development and disposition in our markets.

Unfavorable changes in these factors could negatively impact hotel room demand and pricing which, in turn, could limit our ability to pass through operating cost increases in the form of higher room rates. In addition, our ability to manage costs could be adversely impacted by significant increases in operating expenses, such as wages and other labor costs, healthcare, insurance, property taxes and energy and construction costs, if any. Any Target Business also will be subject to economic factors beyond our control, including a downturn in economic conditions, increases in transportation and fuel costs, deterioration in the financial condition of the airline industry or a decrease in travel, any of which could have a material adverse effect on our financial condition and results of operations.

Failure to comply with governmental regulations could result in the imposition of fines or restrictions on operations and remedial liabilities.

The hotel industry is subject to extensive governmental laws and regulations, including those related to employees, health and safety, compliance and permitting obligations and land use and development. Compliance with these laws and regulations requires substantial capital expenditures, and failure to comply could result in the imposition of fines and other remedial measures. Any such costs could adversely affect our operations following a Business Combination. In addition, applicable laws and regulations could change or be interpreted differently, which could result in substantially similar risks. We cannot assure you that any Target Business we acquire will be able to comply with existing or new regulations, and any compliance oversights may result in fines or other penalties.

Changes in technology and customer preferences may render our products and services obsolete following a Business Combination.

The hotel industry is affected by changes in technology and customer preferences. These changes may render obsolete the facilities, services and technologies in use at a hotel property. We cannot assure you that the

hotel properties of any Target Business we acquire will not be subject to such obsolescence. While we may seek to update the services provided by the Target Business, we cannot assure you that we will have sufficient resources to fund these changes or the ability to identify changes in technology and customer preferences in a timely fashion or that these changes will ultimately prove successful. Failure to react to changes in technology and customer preferences could have a material adverse effect on our brand name and future revenues.

We may have to make significant capital expenditures to maintain any hotel properties acquired through a Business Combination.

We expect that any hotels acquired through a Business Combination will require renovations and other capital improvements, including replacement of furniture, fixtures and equipment. Such renovations and improvements may require significant capital expenditures. We may not be able to fund capital improvements solely from cash generated from our operating activities. If so, we may need to rely on the availability of debt or equity capital. In addition, we may be subject to potential cost overruns or construction delays, and the disruptive nature of renovations may lead to a loss of revenue both through rooms being out of service and guests choosing to stay at other properties not under renovation. Failure to achieve our targeted return on investment on capital expenditures may have a material adverse effect on our business, financial condition, results of operations and cash flows.

We may face risks related to owning and operating real estate or hotel businesses in international locations.

We will be subject to risks relating to international real estate operation, including risks related to changes in local, political, economic and market conditions, interest rates, zoning laws, liquor licensing, compliance with environmental laws, costs and terms of financing and the potential for uninsured casualty and other losses. Some of the properties we acquire may be subject to long-term contracts requiring fixed payments to one or more lessors. If these properties do not generate sufficient revenues, we may be required to fund shortfalls, which could adversely impact our financial results. In addition, because our acquired properties may be located in many different countries, we may be subject to conflicting laws and regulations. Some of the countries in which we operate may restrict repatriation of earnings. Various international jurisdictions also have laws limiting the ability of entities not formed in such jurisdictions to pay dividends and remit earnings to affiliated companies unless specified conditions are met. Sales in jurisdictions that use a currency other than the euro generally will be made in local currencies, which would subject us to risks associated with currency fluctuations. Currency devaluations and unfavorable changes in international monetary and tax policies could have a material adverse effect on our profitability and financing plans, as could other changes in the international regulatory climate and international economic conditions. We also may be subject to currency exchange controls or other monetary policies that require or prohibit the repatriation of profits.

We expect to initially complete only one Business Combination, which will cause us to be solely dependent on such business.

We expect to initially complete only a single Business Combination with a Target Business with a fair market value of at least 50% of the Escrow Amount, less Deferred Underwriting Fees and Net Interest Proceeds. We may use the entire Escrow Account (subject to the exercise of Redemption/Repurchase Rights and payment of the Deferred Underwriting Fees) to complete such Business Combination. Although we may subsequently engage in additional acquisition activity, we may depend on a single operating business for an extended period of time, in which case our operations may not be as diversified against risk or offsetting of losses as those of other entities with greater resources.

We may have high fixed costs, including taxes and insurance costs, which we may not be able to adjust in a timely manner.

The costs associated with owning and operating hotels can be significant, some of which may not be altered in a timely manner in response to changes in demand for services. Failure to appropriately adjust our expenses,

including property taxes, stamp duties, registration charges and insurance costs, may adversely affect our business and operations. In addition, our properties may become subject to increases in tax rates or other fixed costs, which could reduce our cash flow and adversely affect our financial performance.

The value of the Target Business may prove to be less than we paid for such Target Business because of uncertainties in evaluating assets and potential liabilities.

A successful Business Combination may require an assessment of a number of factors, including estimates of future room and services demand, prices, operating costs and potential liabilities. Such assessments are inexact, and their accuracy is inherently uncertain. In connection with our assessments, we intend to perform a review of the acquired properties in a manner that we believe is generally consistent with industry practices. Such a review, however, may not reveal all existing or potential liabilities associated with an entity or property, and we may not be able to become sufficiently familiar with the properties to assess fully their deficiencies. In addition, we may pay a premium for the Target Business, which could result in the value of the consideration we pay exceeding the value of the fixed assets we acquired. As a result of these factors, we may not be able to acquire a Target Business on acceptable terms, or we may acquire a Target Business at a premium rate.

Our success will depend on our ability to stimulate customer interest in a Target Business.

Our success may depend on our ability to shape and stimulate consumer tastes and demands by acquiring a Target Business that maintains innovative, attractive and exciting properties and services. There can be no assurance that we will be successful in this regard or that we will be able to anticipate and react to changing consumer tastes and demands in a timely manner. Any failure to stimulate customer interest in a Target Business we acquire could have a material adverse effect on our financial condition and results of operations.

Any failure to protect intellectual property after our Business Combination could have a negative impact on the value of a brand name.

Hotel owners and operators often rely on trademark, copyright and other intellectual property laws to protect their proprietary rights. The success of our business following the acquisition of a Target Business may depend in part upon our ability to obtain and use our intellectual property to increase brand awareness and further develop such brands in the European market. We may apply to have certain trademarks or copyrights registered, but there is no guarantee that such registrations will be granted. In addition, litigation may be necessary to enforce our intellectual property rights or to determine the validity and scope of the proprietary rights of others. Litigation of this type could result in substantial costs and diversion of resources, may result in counterclaims or other claims against us and could harm our business significantly.

If we fail to comply with privacy regulations, we could be subject to fines or other restrictions on our business.

We may collect and maintain information relating to guests in hotels we acquire through a Business Combination for various business purposes, including maintaining guest preferences to enhance customer service and for marketing and promotion purposes. The collection and use of personal data are governed by privacy laws and regulations enacted in various international jurisdictions in which we may operate. Privacy regulation is an evolving area in which different jurisdictions may impose inconsistent compliance requirements. Compliance with applicable privacy regulations may increase our operating costs and/or adversely impact our ability to service our guests and market our products, properties and services to our guests. In addition, non-compliance with applicable privacy regulations by us (or in certain circumstances non-compliance by third parties engaged by us) could result in fines or restrictions on our use or transfer of data.

Uninsured and underinsured losses could adversely affect our financial condition and results of operations.

We will be responsible for insuring any Target Business we acquire. Market forces beyond our control may limit the scope of property and liability insurance that we may obtain at reasonable rates. Moreover, certain types

of losses, such as those resulting from earthquakes, floods, hurricanes, environmental hazards or terrorist acts, may be uninsurable or not economically insurable. We may also be subject to insurance coverage limitations, such as large deductibles and policy limits and exclusions. We will use our discretion in determining amounts, coverage limits, deductibility provisions and the appropriateness of self-insuring with a view to maintaining appropriate insurance coverage on our investments at a reasonable cost and on suitable terms. We can offer no assurances that appropriate insurance coverage will be available on acceptable terms or at all.

If we suffer an uninsured or underinsured loss, we could lose all or a portion of the capital we have invested in a business or property as well as the anticipated future revenues from such business or property. Moreover, we may remain obligated for any mortgage debt or other financial obligations associated with such business or property. Such uninsured or underinsured losses could harm our financial condition and results of operations.

Target Businesses obtained through a Business Combination may be subject to risks relating to acts of God, terrorist activity and war, and any such event could materially adversely affect our operating results.

Following a Business Combination, our financial and operating performance may be adversely affected by acts of God, such as natural disasters, particularly in locations where we may own or operate significant properties. War and terrorist activity, including related threats, epidemics, travel-related accidents and geopolitical uncertainty and international conflict, which impact domestic and international travel, may have a material adverse effect on our results of operations. Terrorism incidents such as the events of September 11, 2001 and wars such as the war in Iraq adversely affect international travel and consequently global demand for hotel rooms and hospitality services generally. In addition, inadequate preparedness, contingency planning or recovery capability in relation to a major incident or crisis may prevent operational continuity and consequently impact the reputation of our business adversely.

Following a Business Combination, we may engage in hedging transactions in an attempt to mitigate exposure to interest rate, currency or commodity price fluctuations and other portfolio positions.

Following a Business Combination, we may utilize derivative instruments, including options and futures, to hedge against fluctuations in currency exchange and interest rates. Although hedging transactions potentially moderate the decline in the value of positions held in a portfolio, such transactions also limit the ability to take advantage of gains relative to such positions. Moreover, it may not be possible for us to hedge against market fluctuations that are generally anticipated. Relationships between groupings of securities and unanticipated changes in currency or interest rates may result in a poorer overall performance than if we had not engaged in any such hedging transaction. In addition, the degree of correlation between price movements of the instruments used in a hedging strategy and price movements in the portfolio position being hedged may vary. For a variety of reasons, we may not elect to correlate our exposure and such hedging activity. Such imperfect correlation may prevent us from achieving the intended hedge or expose us to risk of loss and may have a material adverse effect on our business, financial condition and results of operations.

Risks Associated with this Offering

The Foundation controls a substantial interest in us and thus has considerable influence on certain actions requiring a Shareholder vote.

Upon completion of this Offering, our Founding Shareholders (including the majority of our Management Board and Supervisory Board members) will collectively control 19.4% of our voting power (excluding the Class B Share and assuming no exercise of the Over-Allotment Option). All of the Shares and Warrants underlying the Founding Units and the Class B Share will be transferred to the Foundation on the Closing Date. In addition, any New Shares or Warrants acquired in the Offering or the secondary market by the Management Team Founding Shareholders or Willem-Jan M. van den Dijssel will be transferred to the Foundation as soon as practicable following their acquisition. The Foundation will be the record owner of these Shares, Warrants and the Class B

Share and will have the right to vote such Shares and the Class B Share. Pursuant to its trust conditions, the Foundation will abstain from voting the Class B Share and the Shares it holds at the General Meeting of Shareholders in connection with the vote on a proposed Business Combination (and therefore will have no Redemption/Repurchase Rights with respect to such securities), which right has also been explicitly waived by the Founding Shareholders and the Foundation. The Foundation, however, may vote the Shares (other than the Class B Share) it holds on all other matters as it deems appropriate unless provided voting instructions by the beneficial owners. Because of the ownership block held by the Foundation, it may exercise effective control over matters requiring approval by our Shareholders (except for the approval of the Business Combination), including the election of Management Board and Supervisory Board members and the adoption of amendments of provisions of our Articles of Association, except that the Articles of Association prohibit amendments to the provisions associated with completion of a Business Combination without a 100% unanimous vote of our Shareholders. Upon the earlier of (1) our liquidation by operation of law for failure to complete a Business Combination and (2) the later of (A) one year after the Admission Date and (B) our completion of a Business Combination, the depositary receipts representing the Warrants will be cancelled by the Foundation in exchange for which the underlying Warrants will be transferred to the beneficial owners. Upon the earlier of our liquidation by operation of law for failure to complete a Business Combination and three years after the Admission Date, the depositary receipts representing the Shares will be cancelled by the Foundation in exchange for which the underlying Shares will be transferred to the beneficial owners. At such points in time, the Founding Shareholders may be able to exert similar control over matters requiring approval by our Shareholders. The Class B Share will be released from the Foundation to Kragt and redeemed upon our completion of a Business Combination.

Our Management Board and Supervisory Board are divided into three classes, each of which will generally serve for a term of three years with only one class of members being elected in each year (a "staggered board"). If we complete a Business Combination within one year of our formation, it is unlikely that there will be an opportunity to elect new members until after the consummation of such Business Combination. At a General Meeting of Shareholders, as a consequence of our staggered boards, only a minority of the Management Board and Supervisory Board will be considered at each election. In addition, our Founding Shareholders, because of their ownership position, will have considerable influence regarding the outcome of such elections.

The redemption and repurchase of Shares is subject to restrictions imposed by capital protection and other rules under Dutch law.

Pursuant to certain capital protection rules under Dutch law, (1) a public company with limited liability (*naamloze vennootschap*), such as our Company, may not grant loans, provide collateral, guarantee the price of its own shares, act as surety or otherwise bind itself jointly and severally with or for third parties, for the purpose of the subscription or acquisition by third parties of shares, or depositary receipts representing shares, in its own capital; (2) distributions to shareholders and payments with respect to the repurchase of shares may be made only to the extent that such distributions or payments do not exceed our Freely Distributable Reserves; and (3) creditors of the company may oppose a proposed redemption of shares within two months after the company announces the resolution to redeem such shares and may request the court to order the company to provide security. See "Description of the Securities—Repurchase of Shares by the Company" and "Description of the Securities—Capital Reduction". Any action by a Dutch company contrary to the capital protection rules may be invalid under Dutch law. Because the scope of the capital protection rules has not been interpreted by case law, we cannot provide any assurance that future case law may not negatively impact the enforceability of the Redemption/Repurchase Rights. In addition, although we estimate that we will have approximately €94,885,000 in Freely Distributable Reserves upon closing of the Offering, we cannot assure that future creditors will not oppose the redemption of shares or that we will have sufficient Freely Distributable Reserves to make the redemption or repurchase payments. Additionally, corporate resolutions of a Dutch company, including any resolutions of our Management Board or Supervisory Board or those adopted at a General Meeting of Shareholders, some of which may be necessary to effectuate the Redemption/Repurchase Rights, may be declared void by a Dutch court upon request of any interested party on the grounds of being contrary to Dutch law, the Articles of Association or principles of reasonableness and fairness.

If we are forced to liquidate before we complete a Business Combination and distribute the Escrow Account, our New Shareholders will receive less than €8.00 per Share and our Warrants will expire and be worthless. In addition, the funds being held in the Escrow Account may not be returned to you for a significant amount of time.

If we are unable to complete a Business Combination by the Business Combination Deadline and are therefore liquidated by operation of law, the per New Share liquidation distribution to our New Shareholders will be less than €8.00. Some of the proceeds of the Offering will not be held in the Escrow Account, and we will use them to pay the expenses of this Offering, our general and administrative expenses and the anticipated costs of seeking a Business Combination. Furthermore, there will be no liquidating distribution with respect to our outstanding Warrants, which will expire and be worthless if we liquidate before the completion of a Business Combination. See "Information on the Company—Effecting a Business Combination—Distribution if no Business Combination". In the event we do not complete a Business Combination by the Business Combination Deadline, we will be liquidated by operation of law, which we expect to take at least two months. Thus, the funds held in the Escrow Account may not be returned to you for at least two months from the commencement of our liquidation.

If third parties bring claims against us, the proceeds held in the Escrow Account could be reduced and the per Share distribution to our New Shareholders upon liquidation may be less than €7.84 per New Share.

Placement of the net proceeds of the Offering in the Escrow Account may not protect them from third party claims against us. Although we will seek waivers from all Target Businesses, vendors and service providers to claims to amounts in the Escrow Account, we cannot guarantee that we will be able to obtain any such waiver or that any such waiver will be held valid and enforceable. Our Management Team Founding Shareholders and Willem-Jan M. van den Dijssel have agreed with CRT and the Company that they will be personally liable, on a joint and several basis, to cover claims made by such third parties (other than New Shareholders), but only if, and to the extent, the claims reduce the amounts in the Escrow Account available for payment to our New Shareholders in the event of a liquidation and the claims are made by a vendor or service provider for services rendered, or products sold, to us or by a Target Business. However, our Management Team Founding Shareholders and Willem-Jan M. van den Dijssel will not have any personal liability as to any claimed amounts owed to a third party who executed a waiver (including a Target Business). In addition, the Management Team Founding Shareholders will not have any liability for claims under our indemnification of the Underwriters against certain liabilities, as described in the Underwriting Agreement. Based on representations made to us by the Founding Shareholders, we currently believe that they are capable of funding a shortfall in our Escrow Account to satisfy their foreseeable indemnification obligations, but we have not asked them to reserve for such an eventuality. The indemnification obligations may be substantially higher than our Management Team Founding Shareholders currently foresee or expect, and their financial resources may deteriorate in the future. Hence, we cannot assure you that the Management Team Founding Shareholders and Willem-Jan M. van den Dijssel will be able to satisfy those obligations or that the proceeds in the Escrow Account will not be reduced by those claims. Accordingly, the proceeds held in the Escrow Account could be subject to claims ranking higher priority to those of our Shareholders. Under such circumstances, the per Share distribution to our Shareholders upon liquidation, if any, could be less than the €7.84 per Share initially deposited in the Escrow Account.

Kragt paid an aggregate of €30,000 for its Founding Shares, and, accordingly, New Shareholders will experience immediate and substantial dilution from the purchase of Shares in this Offering.

The difference between the purchase price per Founding Share and the pro forma net tangible book value per Share after this Offering, assuming no value is attributed to the Warrants, constitutes the dilution to you and the other investors inherent in this Offering. The fact that Kragt acquired the Founding Shares at a significantly lower price per Share than the purchase price per New Share, assuming no value is attributed to the Warrants, contributes to this dilution. Assuming the Offering is completed, you and the other New Shareholders will incur an immediate and substantial dilution of approximately 23.4%, or €1.87 per Share (the difference between the pro forma net tangible book value per Share of €6.13, and the initial purchase price of €8.00 per Unit). See "Dilution".

Dutch corporate law may not be as favorable to you as the laws of the jurisdiction with which you are familiar.

We are organized as a Dutch public company with limited liability and are subject to Dutch laws and regulations. In certain respects, Dutch laws and regulations may not be as favorable to you as the laws of the jurisdiction with which you are familiar. For instance, upon dissolution by operation of law for failure to complete a Business Combination by the Business Combination Deadline, there may be a delay of at least two months in returning funds from the Escrow Account to investors. In addition, distributions to Shareholders and payments with respect to the purchase of Shares may be made only to the extent that such distributions do not exceed our Freely Distributable Reserves. There also would be delays of at least two months in the payment of the nominal value of New Shares if the Shares for which New Shareholders have elected to exercise their Redemption/Repurchase Rights represent more than 10% of our issued share capital. See "—The redemption and repurchase of Shares is subject to restrictions imposed by capital protection and other rules under Dutch law". Moreover, we cannot assure you that a Dutch court would interpret a provision of the Code consistently with any corresponding provision under the laws of the jurisdiction with which you are familiar.

We may not be able to complete a Business Combination within the required time frame, in which case we will be liquidated by operation of law.

We must complete a Business Combination by the Business Combination Deadline. If we fail to do so, for any reason, including inability to find a suitable Target Business, we will be forced to liquidate. In addition, our negotiating position and our ability to conduct adequate due diligence on any potential Target Business may be adversely compromised if we identify a Target Business just prior to the Business Combination Deadline, which may result in less favorable negotiations than if such Target Business had been identified earlier.

Our liquidator may have the right to demand repayments from Shareholders.

If we do not complete a Business Combination by the Business Combination Deadline, we will be dissolved by operation of law. The liquidator will adopt a plan of dissolution and liquidation promptly and initiate procedures for our dissolution and liquidation, including the distribution of the Escrow Account and all of our other net assets to the New Shareholders. Under Dutch law, if, after a legal entity has ceased to exist, a further creditor or party entitled to the previously distributed amounts comes forward or the existence of an asset is ascertained, the court may, on the application of any interested party, reopen the liquidation and, if necessary, appoint a liquidator. The liquidator will have the power to demand repayment from the entity's shareholders with respect to amounts received in excess of the amount to which they are entitled following allocation of the new claims.

Our outstanding Warrants and the Unit Purchase Option may have an adverse effect on the market price of our Shares or make it more difficult to complete a Business Combination.

Following this Offering and the Founding Shareholder Private Placement, we will have 15,500,000 Warrants outstanding, which will entitle the holders to purchase an aggregate of 15,500,000 Shares. The number of Warrants would increase to 17,375,000 if the Over-Allotment Option is exercised in full and would increase further upon exercise of the Unit Purchase Option. Exercise of the Warrants may result in dilution of your holdings. Moreover, to the extent we issue additional Shares as consideration in connection with a Business Combination, the existence of outstanding Warrants could make our offer less attractive to a Target Business because of the potential dilution following exercise of such Warrants. Thus, our Warrants and the Unit Purchase Option may make it more difficult to effect a Business Combination or increase the amount of consideration we must offer the Target Business. In addition, the existence of the Warrants and the Unit Purchase Option could have an adverse effect on the market price for our securities and on our ability to obtain future financing.

There is currently no market for our Shares and Warrants and, notwithstanding our intention to be admitted to trading on Eurolist by Euronext, a market for our Shares and Warrants may not develop, which would adversely affect the liquidity and price of our Shares and Warrants.

There is currently no market for our Shares and Warrants. Therefore, you should be aware that you cannot benefit from information about prior market history when making your decision to invest. The price of the Shares and Warrants after the Offering also can vary due to general economic conditions and forecasts, our general business condition and the release of our financial reports. Although our current intention is to maintain a listing on Eurolist by Euronext, we cannot assure you that we will always do so. In addition, an active trading market for our Shares and Warrants may not develop or, if developed, may not be maintained, in part because Euronext may be less liquid than the major securities exchanges in the United States and western Europe. You may be unable to sell your Shares and Warrants unless a market can be established and maintained, and if we subsequently obtain a listing on an exchange in addition to, or in lieu of, Eurolist by Euronext, the level of liquidity of your Shares and Warrants may decline. In addition, because a large percentage of Eurolist by Euronext's market capitalization and trading volume is represented by a small number of companies, fluctuations in the prices of those companies' securities may have a significant effect on the market prices for the securities of other listed companies, including the price of our Shares and Warrants.

Moreover, if the closing of the Offering does not occur on the Closing Date or at all, the Offering will be withdrawn, all subscriptions for the Units will be disregarded, any allotments made will be deemed not to have been made and any subscription payments made will be annulled. All dealings in Units prior to settlement and delivery are at the sole risk of the parties concerned. Euronext is not responsible or liable for any loss incurred by any person as a result of a withdrawal of the Offering and/or the related annulment of any transactions on Eurolist by Euronext.

We have not registered the Shares or Warrants with the SEC, which will limit your ability to transfer them and to exercise the Warrants.

None of the Shares, the Warrants or the Shares underlying the Warrants has been registered under the Securities Act or any U.S. state securities laws. We are relying upon exemptions from registration under the Securities Act and applicable U.S. state securities laws in this Offering. As a result, the Shares and Warrants may be transferred or resold in the United States or to a U.S. person (as defined under Regulation S of the Securities Act) only in transactions registered under the Securities Act, or in accordance with the provisions of Rule 144A, Rule 144 (if available) or Regulation S of the Securities Act and exemptions under applicable state securities laws. As described in "Transfer Restrictions and Notice to Investors", resales of Shares and Warrants will be subject to stringent transfer, and, in the case of the Warrants, exercise requirements, which may limit your ability to sell or trade the Shares and Warrants and exercise the Warrants.

Transfers of the Shares and Warrants under Rule 144 under the Securities Act may not be possible.

Transfers under Rule 144 under the Securities Act ("Rule 144") cannot be made for two years from the date of this Offering, in the case of the Shares and Warrants sold in this Offering, and two years from the date of exercise, in the case of the Shares underlying the Warrants. Thus, even though the Rule 144(k) two-year holding period for the Shares and Warrants may have expired, the Rule 144 holding period for Shares received upon exercise of the Warrants may not have expired. Accordingly, holders of Warrants that exercise their Warrants will receive Shares subject to trading restrictions that extend for two years from the date of exercise. As a result of these restrictions, the value of the Shares received upon exercise of the Warrants may be significantly lower than that of Shares originally issued in this Offering.

We may be a passive foreign investment company which could lead to additional taxes for U.S. holders of our Shares or Warrants.

A passive foreign investment company, or PFIC, is a non-U.S. corporation that meets either the income or asset PFIC tests. The income test is met if 75% or more of a corporation's gross income is "passive income"

(generally dividends, interest, rents, royalties and gains from the disposition of passive assets) in any taxable year. The asset test is met if at least 50% of the average value of a corporation's assets produce, or are held for the production of, passive income. Because we are a blank check company with no active business operations until we complete a Business Combination, it is likely that we will be considered a PFIC unless we qualify for the PFIC start-up exception. The application of this exception and our non-PFIC status cannot be assured. If we are considered a PFIC, a U.S. holder of our Shares or Warrants could be subject to substantially increased tax liability, including an interest charge upon the sale or other disposition of the U.S. holder's Shares or Warrants or upon the receipt of "excess distributions" from us. Certain elections may sometimes be used to reduce the adverse impact of the PFIC rules but may not be available to U.S. holders. If these elections are available, they may result in a current U.S. federal tax liability prior to any distribution or on the disposition of the Shares, and without the assurance of a U.S. holder receiving an equivalent amount of income or gain from a distribution or disposition.

If we are deemed to be an investment company in the United States, we may be required to institute onerous compliance requirements and our activities may be restricted, which may make it difficult for us to complete a Business Combination.

If we are deemed to be an investment company under the U.S. Investment Company Act of 1940, as amended (the "1940 Act"), we may encounter restrictions on our activities, including:

- restrictions on the nature of our investments; and
- restrictions on the issue of securities.

These restrictions may make it difficult for us to complete a Business Combination.

In addition, we may have imposed onerous requirements upon us, including:

- registration as an investment company;
- adoption of a specific form of corporate structure; and
- reporting, record keeping, voting, proxy and disclosure requirements and other rules and regulations.

In addition, the proceeds held in the Escrow Account may be invested by the Escrow Agent only in instruments meeting certain conditions set forth in Rule 2a-7 under the 1940 Act and the related interpretations. If we were deemed to be subject to the 1940 Act, compliance with these additional regulatory burdens would require additional expense for which we have not provided.

If we are deemed to be an investment institution in the Netherlands, we may be required to obtain a license in the Netherlands and comply with the ongoing requirements applicable to licensed investment institutions.

Pursuant to the Netherlands Financial Supervision Act (*Wet op het financieel toezicht*), we could be deemed to be an investment institution if we are not actively involved in the management of a Target Business we acquire. If we are deemed to be an investment institution (*beleggingsinstelling*), we may be:

- required to obtain a license from the AFM; and
- subject to continuous supervision by the AFM with regard to, among other areas, our administrative organization, internal controls, sound management and the periodic provision of financial information.

Compliance with these additional regulatory burdens would require additional expenses for which we have not provided.

There may be tax consequences to our Business Combination that may adversely affect us.

While we expect to structure a Business Combination so as to minimize taxes both to the Target Business and us, such Business Combination might not meet the statutory requirements of a tax-free reorganization, or the parties might not obtain the intended tax-free treatment upon a transfer of shares or assets. A non-qualifying reorganization could result in the imposition of substantial taxes.

Most of the members of our Management Board and Supervisory Board reside outside of the United States, which may present difficulties in attempting to serve process, initiate civil or criminal actions or enforce judgments against them in the United States.

Most of the members of our Management Board and Supervisory Board reside outside of the United States, and a substantial portion of the assets of these individuals is located outside the United States. Therefore, you may be unable to effect service of process within the United States upon these persons or to enforce judgments of U.S. courts predicated upon U.S. securities laws against them. In addition, you may have difficulty bringing an original action in a Dutch court or any other court outside of the United States to enforce liabilities against any person based on the U.S. securities laws.

DILUTION

The dilution to investors in this Offering is represented by the difference between the Offering price per New Share, assuming no value is attributed to the Warrants included in the Units, and the pro forma net tangible book value per Share after this Offering. Net tangible book value per Share is determined by dividing our net tangible book value, which is our total tangible assets less total liabilities, by the number of outstanding Shares.

As of the date of this Offering Circular, our net tangible book value was €45,000, or approximately €0.02 per Share. After giving effect to the Founding Shareholder Private Placement and the 12,500,000 New Shares included in the Units to be sold in this Offering, and the deduction of discounts and estimated expenses of this Offering before stabilization and treating the Escrow Amount as an asset, our pro forma net tangible book value would have been approximately €95,055,000 or €6.13 per Share, representing an immediate increase in net tangible book value of €6.11 per Share with respect to the Shares underlying the Founding Units and an immediate dilution of €1.87 per Share or 23.4% to New Shares issued as part of the Units sold in this Offering. If the Over-Allotment Option is exercised in full, there would be an immediate dilution of €1.73 per Share or 21.6% to New Shareholders.

The following table illustrates the dilution to the New Shares on a per Share basis, assuming no value is attributed to the Warrants included in the Units:

Offering price	€8.00
Net tangible book value before this Offering	€0.02
Increase attributable to New Shareholders	€6.11
Pro forma net tangible book value after this Offering	€6.13
Dilution to New Shareholders (without exercise of the Over-Allotment Option)	€1.87
Dilution to New Shareholders (with exercise of the Over-Allotment Option)	€1.73

The following table sets forth information with respect to the Founding Shares and the New Shares prior to and following the Offering, which also assumes no value is attributed to the Warrants (other than the Founding Warrants):

	Shares Purchased		Total Consideration		Average Price Per Share
	Number	Percentage	Amount	Percentage	
Founding Shares	3,000,000	19.4%	€ 30,000	.03%	€0.01
New Shares (without exercise of the Over-Allotment Option)	12,500,000	80.6%	€100,000,000	99.97%	€8.00
Total	15,500,000	100.0%	€100,030,000	100%	€6.45
Founding Shares	3,000,000	17.3%	€ 30,000	.03%	€0.01
New Shares (with exercise of the Over-Allotment Option)	14,375,000	82.7%	€115,000,000	99.97%	€8.00
Total	17,375,000	100.0%	€115,030,000	100%	€6.62

The pro forma net tangible book value after the Offering (without exercise of the Over-Allotment Option) is calculated as follows:

Numerator:	
Net tangible book value before the Offering	€ 45,000
Net Proceeds from this Offering (after deduction of certain estimated expenses of this Offering as described in Use of Proceeds and without exercise of the Over-Allotment Option) and the Founding Shareholder Private Placement	€95,010,000
	€95,055,000
Denominator	
Shares outstanding prior to the Offering	3,000,000
Shares included in the Units (without exercise of the Over-Allotment Option)	12,500,000
	15,500,000

The pro forma net tangible book value after the Offering (with exercise of the Over-Allotment Option) is calculated as follows:

Numerator:	
Net tangible book value before the Offering	€ 45,000
Net Proceeds from this Offering (after deduction of certain estimated expenses of this Offering as described in Use of Proceeds and with the exercise of the Over-Allotment Option) and the Founding Shareholder Private Placement	€108,960,000
	€109,005,000
Denominator:	
Shares outstanding prior to the Offering	3,000,000
Shares included in the Units (with exercise of the Over-Allotment Option)	14,375,000
	17,375,000

CAPITALIZATION

The following table sets forth our capitalization at February 27, 2007 and is adjusted to give effect to the application of estimated net proceeds of this Offering and the Founding Shareholder Private Placement.

	February 27, 2007	
	Actual	**As Adjusted**
Founding Shareholder Loan	€ 85,000	€ 85,000
Common stock outstanding (nominal value €0.01 per Share, 14,000,000 Shares authorized, 3,000,000 outstanding (actual), 15,500,000 outstanding (as adjusted))	€ 30,000	€ 155,000
Class B Share outstanding (nominal value €15,000 per Class B Share, one Class B Share authorized and outstanding (actual and as adjusted))	€ 15,000	€ 15,000
Additional paid-in capital and other reserves	0	€94,885,000
Deficit accumulated during the development stage	0	0
Total Shareholders' equity	€ 45,000	€95,055,000
Total capitalization	€130,000	€95,140,000

USE OF PROCEEDS

We estimate that the proceeds from this Offering and the Founding Shareholder Private Placement, after deducting the fees payable to the Underwriters and the estimated Offering expenses payable by us, will be approximately €95,010,000, as set forth in the following table.

	Without Over-Allotment Option	With Over-Allotment Option
Gross proceeds		
Gross proceeds of the Units sold in the Offering	€100,000,000	€115,000,000
Gross proceeds from the capital contribution on the Founding Shares and the sale of the Founding Warrants	2,970,000	2,970,000
Total gross proceeds	**€102,970,000**	**€117,970,000**
Offering expenses[1]		
Underwriting fee[2]	€ 7,000,000	€ 8,050,000
Listing Agent fee	200,000	200,000
Legal fees and expenses	650,000	650,000
Miscellaneous expenses[3]	30,000	30,000
Printing and engraving expenses	25,000	25,000
Accounting fees and expenses	25,000	25,000
Filing fees	30,000	30,000
Net proceeds	**€ 95,010,000**	**€108,960,000**
Less working capital held outside of Escrow Account[4]	(200,000)	(200,000)
Plus Deferred Underwriting Fees	3,000,000	3,450,000
Plus Founding Shareholder Investment[5]	130,000	130,000
Amount in Escrow Account	**€ 97,940,000**	**€112,340,000**
Percentage of gross proceeds of Units sold in the Offering held in Escrow Account	***97.9%***	***97.7%***
Anticipated use of proceeds not held in Escrow Account		
Legal, accounting and other expenses attendant to due diligence investigations, structuring and negotiation of a Business Combination	€ 400,000	€ 400,000
Legal and accounting fees related to ongoing reporting obligations	20,000	20,000
Administrative fees and other expenses	80,000	80,000
Working capital for miscellaneous expenses, director and officer insurance and reserves	250,000	250,000
Anticipated Amount not held in Escrow Account[6]	**€ 750,000**	**€ 750,000**

(1) We will pay these Offering expenses from the gross proceeds of the Offering, the Founding Shareholder Investment and the Founding Shareholder Private Placement. If the gross proceeds of the Offering were to be increased to greater than €115,000,000, our Offering expenses would increase as a result of additional transaction and other fees and expenses. A portion of the Net Interest Proceeds and Working Capital Amount also may be used to pay Offering expenses that exceed the estimated amounts shown above.

(2) The Underwriters have agreed to defer a portion of the Underwriting Discount and Commission equal to €3,000,000 (€3,450,000 if the Over-Allotment Option is exercised in full), until the consummation of our initial Business Combination. Upon such a Business Combination, we will pay such Deferred Underwriting Fees to the Underwriters out of the Escrow Account, less €0.24 for each Share that is redeemed or repurchased in connection with such Business Combination. The Underwriters will not be entitled to any interest accrued on the Deferred Underwriting Fees. The Underwriting Fee includes a corporate finance fee equal to 1% of the gross proceeds of the Units offered payable to CRT upon completion of this Offering.

(3) Miscellaneous expenses include the reimbursement of our Management Board and Supervisory Board members for out-of-pocket expenses incurred in connection with this Offering.

(4) Net Interest Proceeds also will be available to us to fund working capital requirements.
(5) The Founding Shareholder Investment represents the Founding Shares and Class B Share sold to Kragt on February 27, 2007 for the aggregate nominal value of €45,000 plus the Founding Shareholder Loan of €85,000. We will redeem this Class B Share at its nominal value and repay the Founding Shareholder Loan, without interest, upon the consummation of a Business Combination. The Founding Shareholder Investment will be used to pay a portion of the Offering expenses.
(6) Includes the Working Capital Amount and the Net Interest Proceeds.

Founding Shareholder Investment

On February 27, 2007, we issued 3,000,000 Shares at the nominal value of €0.01 per Share and one Class B Share at its nominal value of €15,000 to Kragt, an entity of which all shares are owned by Willem-Jan M. van den Dijssel. On the same date, Kragt made a loan to us in the amount of €85,000.

Founding Shareholder Private Placement

Prior to the closing of this Offering, Kragt will sell 1,800,000 Founding Shares to the other Founding Shareholders at the nominal value of €0.01 per Share. At the same time, the Founding Shareholders (including Kragt) will (i) make a capital contribution to the Company on the Founding Shares in the amount of €2,940,000 and (ii) purchase 3,000,000 Founding Warrants at a price of €0.01 per Warrant. Together with the proceeds of the issuance of the Founding Shares to Kragt, the Founding Shareholder Private Placement will result in an investment of €0.99 per Founding Share and €0.01 per Founding Unit, for a total investment of €1.00 per Founding Unit. Kragt will retain 1,200,000 Founding Units.

Release of Funds in Escrow

Following Admission, the Escrow Amount, which includes the Deferred Underwriting Fees, will be deposited in the Escrow Account to prevent use of such funds by us until a Business Combination is consummated. In the event that a Business Combination is not completed by the Business Combination Deadline, the Deferred Underwriting Fees will be returned to our New Shareholders as part of the Company's plan of dissolution and liquidation. See "Information on the Company—Effecting a Business Combination—Distribution if no Business Combination". In the event we make an application for bankruptcy (*faillissement*) or for a suspension of payments (*surséance van betaling*), our creditors will have higher priority claims against the proceeds contained in the Escrow Account than our New Shareholders.

The proceeds held in the Escrow Account, other than the Deferred Underwriting Fees, may be used in connection with a Business Combination or in connection with the exercise by New Shareholders of their Redemption/Repurchase Rights. The Escrow Amount (subject to the exercise of Redemption/Repurchase Rights and payment of the Deferred Underwriting Fees) will be released to us only upon the completion of a Business Combination. See "Information on the Company—Effecting a Business Combination".

Failure to Complete a Business Combination

If we do not complete a Business Combination by the Business Combination Deadline, we will be dissolved by operation of law. The liquidator will adopt a plan of dissolution and liquidation promptly and initiate procedures for our dissolution and liquidation. At such juncture, our corporate purpose will be limited to acts and activities relating to dissolving, liquidating and winding up the Company. Simultaneously, all of the Founding Shares will be converted into Class C Shares. Subject to compliance with Dutch law, we will then liquidate our Company, including the Escrow Account, as part of a plan of dissolution and liquidation. This would result in a distribution to our New Shareholders on a pro rata basis of the Escrow Amount, including Deferred Underwriting Fees, Net Interest less the Net Interest Proceeds and all of our other net assets. Holders of Class C Shares will receive only the nominal value paid up on the Class C Shares (€0.01). The dissolution and distribution process may take at least two months.

The Foundation and each of our Founding Shareholders have agreed to waive their respective rights to participate in any distribution occurring upon our failure to complete a Business Combination by the Business Combination Deadline, but only with respect to the Class B Share and the Shares underlying the Founding Units. They will participate in any liquidating distributions with respect to any New Shares they may own.

Redemption/Repurchase Rights

A New Shareholder will be entitled to exercise Redemption/Repurchase Rights when we seek approval of a Business Combination if such New Shareholder votes against our initial Business Combination with respect to its New Shares. Our redemption/repurchase obligations will only be effective if we consummate such Business Combination.

Working Capital

The Net Interest Proceeds may be released to us on a monthly basis. We will use the Net Interest Proceeds and the Working Capital Amount to fund our working capital and for other expenses, which may include administrative services, regulatory fees, director and officer liability insurance premiums, auditing fees, expenses incurred in structuring and negotiating Business Combinations, legal and accounting due diligence and other expenses incurred in identifying potential Target Businesses for a Business Combination. A portion of the Net Interest Proceeds and Working Capital Amount also may be used to pay Offering expenses that exceed the amounts shown in the Use of Proceeds table, if any.

These funds also will be used to reimburse our Management Board and Supervisory Board members and Founding Shareholders for any out-of-pocket expenses incurred by them in connection with activities on our behalf, including expenses relating to due diligence of such Business Combination and administrative services. Because the role of present management after a Business Combination is uncertain, we cannot currently determine what remuneration will be paid to any members of management after a Business Combination. Such remuneration, as well as any benefits upon termination of employment, will be determined following consummation of a Business Combination and will be based on market conditions and remuneration standards at comparable companies at such time. The General Meeting of Shareholders will determine our general policy with respect to remuneration of managing directors, and our Supervisory Board will approve the precise remuneration and other terms of employment for such individuals.

As a recently formed blank check company, we currently do not have sufficient working capital for the next 12 months. We intend to obtain such working capital through this Offering and the Net Interest Proceeds, which we believe will give us sufficient working capital until the latest of 18 months, our completion of a Business Combination or our liquidation. Following completion of a Business Combination, we will have access to the Escrow Account and cash held by the Target Business, if any, as well as the ability to borrow additional funds, which we believe will provide us access to sufficient working capital on a going forward basis.

Investment of Proceeds

The Escrow Amount and such part, if any, of the Working Capital Amount and the Net Interest Proceeds that is not immediately required for the purposes set out in “Use of Proceeds”, will be invested only in interest-bearing cash accounts and demand deposit accounts meeting certain conditions under Rule 2a-7 under the 1940 Act and the related interpretations. See “Risk Factors—Risks Associated with This Offering—If we are deemed to be an investment company”.

EXCHANGE RATES

The following chart shows for certain periods from January 1, 2002 through May 31, 2007 the average, high and low noon buying rates in The City of New York for cable transfers of euro as certified for customs purposes by the Federal Bank of New York expressed as dollars per euro (the "noon buying rate"). The noon buying rate on May 31, 2007, was $1.3453 per €1.00. These exchange rates are included for the convenience of U.S. investors and others whose functional currency is not the euro.

	Low	High	Average[1]	Period End
	(dollars per euro)			
Year				
2002	0.8594	1.0485	0.9495	1.0485
2003	1.0361	1.2597	1.1411	1.2597
2004	1.1801	1.3625	1.2478	1.3538
2005	1.1667	1.3476	1.2400	1.1842
2006	1.1860	1.3327	1.2661	1.3197
Month				
December 2006	1.3073	1.3327	1.3205	1.3197
January 2007	1.2904	1.3286	1.2993	1.2998
February 2007	1.2933	1.3246	1.3080	1.3230
March 2007	1.3094	1.3374	1.3246	1.3374
April 2007	1.3363	1.3660	1.3513	1.3660
May 2007	1.3419	1.3616	1.3518	1.3453

(1) The average of the noon buying rates in The City of New York for cable transfers of euro as certified for customs purposes by the Federal Reserve Bank of New York on the last day of each month that are published on the website maintained by the Federal Reserve Bank of New York.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

We are a blank check company formed on February 27, 2007 under the laws of the Netherlands as a public company with limited liability (*naamloze vennootschap*) to serve as a vehicle for an acquisition, or acquisition of control, by way of asset acquisition, merger, capital stock exchange, share purchase or similar transaction with one or more operating businesses in the hotel industry in Europe. A blank check company is a development stage company that has indicated that its business plan is to engage in a merger, acquisition or similar transaction with an unidentified company, entity or person.

The net proceeds of the Offering, the Founding Shareholder Private Placement and the Founding Shareholder Investment together with the Deferred Underwriting Fees less the Working Capital Amount, which is expected to total €97,940,000 (approximately €7.84 per Unit), will be deposited in the Escrow Account. The proceeds held in the Escrow Account, other than the Deferred Underwriting Fees, may be used in connection with a Business Combination or in connection with the exercise by any New Shareholder of its Redemption/ Repurchase Rights, as further described in this Offering Circular.

Following this Offering, we will not generate any operating revenues until after the completion of a Business Combination. We will generate non-operating income in the form of interest income on the Escrow Amount. Immediately after the Offering, we expect to incur increased expenses (for legal, financial reporting, accounting and auditing compliance) as a result of being a public company listed on Eurolist by Euronext, as well as for due diligence in connection with identifying a Target Business for a Business Combination. We anticipate expending €400,000 in legal, accounting and other expenses attendant to due diligence investigations and structuring and negotiating a Business Combination, €20,000 in legal and accounting fees related to ongoing reporting obligations, €80,000 in administrative fees and other expenses and €250,000 in working capital for miscellaneous expenses, director and officer insurance and reserves. These expenses will be paid out of the Working Capital Amount and the Net Interest Proceeds. We do not believe we will need to raise additional funds following this Offering in order to meet the expenditures required for operating our business until the latest of 18 months, our completion of a Business Combination or our liquidation.

We intend to use the net proceeds of this Offering, the Founding Shareholder Private Placement and the Founding Shareholder Investment less the Working Capital Amount, subject to the exercise of Redemption/ Repurchase Rights by New Shareholders, to complete a Business Combination.

On February 27, 2007, we issued 3,000,000 Shares at the nominal value of €0.01 per Share and one Class B Share at its nominal value of €15,000 to Kragt, an entity of which all shares are owned by Willem-Jan M. van den Dijssel. On the same date, Kragt made a loan to us in the amount of €85,000.

Prior to the closing of this Offering, Kragt will sell 1,800,000 Founding Shares to the other Founding Shareholders at the nominal value of €0.01 per Share. At the same time, the Founding Shareholders (including Kragt) will (i) make a capital contribution to the Company on the Founding Shares in the amount of €2,940,000 and (ii) purchase 3,000,000 Founding Warrants at a price of €0.01 per Warrant. Together with the proceeds of the issuance of the Founding Shares to Kragt, the Founding Shareholder Private Placement will result in an investment of €0.99 per Founding Share and €0.01 per Founding Unit, for a total investment of €1.00 per Founding Unit. Kragt will retain 1,200,000 Founding Units. See "Major Shareholders and Related-Party Transactions".

INFORMATION ON THE COMPANY

Business Overview

We are a blank check company formed on February 27, 2007 under the laws of the Netherlands as a public company with limited liability (*naamloze vennootschap*) to serve as a vehicle for an acquisition, or acquisition of control, by way of asset acquisition, merger, capital stock exchange, share purchase or similar transaction with one or more operating businesses in the hotel industry in Europe.

Our principal activities to date have been limited to organizational and financing activities. Members of our Management Board, however, have held discussions with one Target Business and requested an information memorandum from another. They have also identified other potential Target Businesses with whom they have not had any discussions. We have not engaged in substantive negotiations with any potential Target Business, nor do we have any agreements or understandings to acquire any Target Business at this time. We do not expect to engage in substantive negotiations with any Target Business until after the consummation of the Offering.

We have entered into a letter agreement with each of the members of our Management Board. This agreement provides that from the date of this Offering Circular until the earlier of the completion of our initial Business Combination or our liquidation, we will have a right of first review with respect to Business Combination opportunities concerning Target Businesses in Europe with a fair market value in excess of €50,000,000. The members of our Management Board will first offer any such opportunity to us and will not pursue, directly or indirectly, such opportunity unless and until a majority of the members of our Supervisory Board have determined that we will not pursue such opportunity.

The letter agreement with each member of our Management Board also contains a non-compete clause, whereby each member of the Management Board agrees not to become affiliated with other blank check companies until the earlier of our completion of a Business Combination or our liquidation. In addition, we have entered into a letter agreement with each of the members of our Supervisory Board that contains a non-compete clause, whereby such person will not become affiliated with another blank check company in the hotel industry until the earlier of our completion of a Business Combination or our liquidation.

Our Proposed Business

We intend to use the net proceeds of this Offering, the Founding Shareholder Private Placement and the Founding Shareholder Investment less the Working Capital Amount, subject to the exercise of Redemption/ Repurchase Rights by New Shareholders, to acquire one or more medium-sized hotels or hotel groups with a flexible cost structure, low break-even point in terms of operating profitability and what we perceive to be a significant potential for growth in operating margins. Although our acquisition strategy is not limited by geography or specific hotel characteristics, we intend to focus on hotels or hotel groups located in European city centers that satisfy one or more of the following criteria:

- having 80-250 rooms;
- owned and operated by a family or private party, or part of a divestment process by a large, multi-national hotel operator;
- situated in the mid to upper mid-class segment (3-4 stars using such city's classification system);
- possessing a healthy mix of tourist and business customers; and
- offering refurbishment and expansion or repositioning and rebranding opportunities.

We will primarily target hotels or hotel groups in major cities in the Netherlands, Belgium, Luxembourg, Germany and France and may also consider hotels in certain cities in Italy, Spain and Portugal. European gateway cities with a mix of tourists and business travelers are prime locations. In general, targeted hotels or hotel groups will be located in cities that meet one or more of the following criteria:

- recognized as a tourist destination;

- having a relatively high degree of business activity, including conventions;
- offering good city and regional transportation infrastructure;
- having a nearby international airport;
- possessing a concentration of universities, hospitals and other similar institutions; and
- having low potential for increases in hotel room supply.

Our primary strategy is to acquire medium-sized hotels or hotel groups (including related real estate assets) owned and operated by a family or private party, or part of a divestment process by a large, multi-national hotel operator. Following the acquisition, we expect to improve the cash flow of such hotels through the application of sophisticated management techniques not typically used by medium-sized hotels or hotel groups. Our long-range goal is to develop a diversified portfolio of hotels that will form the nucleus of an attractive stand-alone company or an acquisition target for the professional hotel segment.

The European Hotel Industry

We believe the European hotel sector will offer attractive investment opportunities as a result of the following factors:

Growing Demand for Hotel Rooms

Due in large part to a recovering economy and increase in tourism and business travel, Europe is experiencing a growth in demand for hotel rooms.

Expanding European Leisure Travel Market. According to the European Travel Commission, Europe has a large tourist market, with 444 million tourist arrivals in 2005, or 55% of total global tourist arrivals. The Commission also has noted that tourist arrivals in Europe increased by 4.2% and 4.3% in 2004 and 2005, respectively. The World Tourism Organization estimates that Europe will host 717 million international tourist arrivals by 2020, representing a compound annual growth rate of 3.0% over 2005. Northern Europe and the Southern/Mediterranean regions experienced the largest increases in 2005 arrivals, with Central and Eastern Europe also experiencing strong growth in 2004 and 2005, according to the European Travel Commission. The organization further explains that this high volume of European tourism has translated into significant increases in spending on tourism services and estimated that international tourism spending in Europe in 2004 totaled €262.6 billion and grew 3.6% in 2005 to €272.0 billion.

Accelerating European Business Travel Market. According to IPK European Travel Monitors, European business travel increased 9% in 2005 and accounted for 15% of European trips, an increase from 11% in 2004. We believe this growth, coupled with limited supply of business traveler services, will lead to price increases. American Express Business Travel forecasted that published hotel rates at mid-range hotels would increase 1% to 5%, while rates at upper-range hotels would increase 3% to 6% in 2006. Worldwide expenditures on business travel, meanwhile, are expected to nearly double from $672.5 billion in 2006 to $1,190.3 billion in 2016 based on estimates by the World Travel & Tourism Council. The Council also indicated that Germany, the United Kingdom, France, Italy and Spain would be among the top ten countries worldwide in the amounts expended on business travel in 2006.

Dynamic Market for Control of Hotel Properties

Investors have been active recently in acquiring and restructuring the European hotel industry, motivated by several factors, including a general European economic recovery since 2003, increased demand for hospitality services driven by tourism and travel, favorable financing terms, an abundant supply of hotels for sale and what we believe to be attractive valuations relative to the expected revenue growth in the sector. According to the

Jones Lang LaSalle Hotels' Hotel Investment Outlook 2007, the volume of global hotel investment totaled $72.5 billion in 2006, a 62.9% increase over 2005, which represented a 60.9% increase over 2004. The Hotel Investment Outlook 2007 observed that total hotel investment in Europe in 2006 reached $26.8 billion, surpassing the record volume of 2005 by 44.1% and more than doubling the volume recorded in 2004. Large hotel operators contributed significantly to this transaction activity, and institutional investors increasingly are anticipated to enter the market based on sustained growth in hotel performance.

Pan-European investments were particularly strong in the first half of 2006, with significant activity from Irish, Spanish, French and Dutch investors. Similar to 2005, portfolio transactions dominated the European hotel transaction market, representing 70.2% of total transacted volume. Notable examples include several portfolio sales by InterContinental, the De Vere Portfolio sold to Alternative Hotels Group for $1.7 billion and the Travelodge Group sold by Permira to Dubai International Capital for $1.5 billion. Other key portfolio sales in 2006 included the sale of 46 Marriott hotels in the United Kingdom to the Royal Bank of Scotland for €1.4 billion, the acquisition of Centre Parcs in the United Kingdom by the Blackstone Group for €1.2 billion and the sale and leaseback of 76 Accor hotels across Europe for €580 million. Major single asset sales included the sale of the Four Seasons Milan to the Statuto Group for more than €200 million and the sale of London's Great Eastern Hotel to the Hyatt Corporation and JER Partners for €219 million.

Worldwide hotel acquisition activity also has been active with both completed and proposed transactions. For example, in May 2006, 3128012 Nova Scotia Limited, a Canadian company owned by affiliates of Kingdom Hotels International and Colony Capital, completed its acquisition of Fairmont Hotels & Resorts Inc. and Raffles Hotels of Singapore in a transaction valued at approximately $5.5 billion. In April 2007, Innkeepers USA Trust Inc. accepted a $1.5 billion buyout by Apollo Investment Corp., and Harrah's Entertainment, Inc. accepted a proposal from Apollo Management and Texas Pacific Group to acquire all of its outstanding common stock for a total of more than $17.1 billion.

Small and medium sized transactions in the hotel industry rarely garner attention in the press or industry publications and thus limited information is available publicly regarding such transactions. We believe, however, that the consolidation trends reflected by the large transactions described above are applicable throughout the hotel industry.

Hotel Industry Ownership and Operating Structure

The hotel industry generally comprises three ownership segments:

- *Asset owners*. Asset owners generally own directly or through holding companies interests in real estate and real estate-related assets. Asset owners typically include private equity firms, private or public real estate investment trusts and companies or individual investors whose primary business is to own real estate assets.
- *Brand Owners/Operators.* Brand owners and operators include owners, managers and/or franchisors of hotel brands. Brand owners typically manage hotel assets themselves or enter into franchising arrangements with independent operators who, in turn, manage the hotel property assets. Less frequently, brand owners own actual interests in hotel real estate and real estate-related assets.
- *Independent Operators*. Independent operators combine the operations of asset owners and brand owners/operators. They may manage diverse assets under different brands, often through franchise agreements. In some cases, they also own direct or indirect interests in real estate and real estate-related assets.

The hotel industry also is comprised of three principal operating segments. The upper end of the European hotel industry is characterized by a high degree of sophistication and specialization among large, international companies and investors. We refer to this segment as the "professional segment". Beneath the professional

segment is a large number of small, often family run businesses with less sophistication and fewer financial resources, which we refer to as the "family business segment". At the low end of the European hotel industry is a budget segment. We believe that hotels or hotel groups owned and operated by a family or private party, or part of a chain divestment process by the professional hotel segment present significant opportunities for attractive investments.

The Professional Segment. The professional segment is characterized by ownership segregation, in which ownership of real estate, responsibility for operation and the branding of hotel properties are each held by different parties. The relationship between these parties is typically governed by sophisticated lease, management and franchise agreements. In general, international management and brand companies concentrate on providing hospitality services and do not seek to own the real estate or other tangible assets of a hotel, which requires substantial capital.

A typical hotel owned, managed or branded by the professional segment has between 100 and 500 rooms and is rated by hotel rating agencies at three to five stars. We believe that the majority of European "hard-branded" hotels (*i.e.*, brand name hotels featuring strong quality and esthetic standards) are owned and managed by hotel industry participants in this segment. Participants in this segment include:

- hotel real estate investors such as DekaBank Deutsche Girozentrale, The Blackstone Group, Pandox AB and Colony Capital, LLC;
- hotel management companies such as Hilton Hospitality, Inc., Marriott International, Inc. and Accor, S.A.; and
- hotel brands such as Best Western and Golden Tulip.

The professional segment has consolidated significantly in recent years through franchising, operating and real estate leasing arrangements. In many cases, real estate investors act as investment partners with brand and management companies. As a result, we believe that a modest number of hotel real estate investors and management and franchise companies now hold large, internationally diversified portfolios. We also believe this consolidation will continue over the next decade, driven by pressures to increase revenues, expand distribution and spread administrative costs over a larger number of units. We further believe that the principal acquisition targets for the professional segment include clusters of hotels that can be readily integrated into existing property portfolios. We believe that individual hotels requiring substantial management efforts to integrate into existing operations, such as those typically owned and operated by the family business and budget segments, generally are not viewed as attractive acquisition targets by these investors. In addition, we believe that, as a result of consolidation, companies operating in the professional segment will divest portfolios of hotels that do not fit their ownership criteria, and these portfolios of hotels may be attractive acquisition candidates for us.

The Family Business Segment. Families and other small hotel owners tend to operate, manage and own the real estate and other tangible assets of their hotels. We believe that most owners in this segment own and operate only one hotel and that hotels in this segment typically have fewer than 200 rooms and ratings of between one and four stars. Most hotels in the family business segment are not branded and operate under a "soft-brand" arrangements, pursuant to which a franchise chain provides limited consulting or other services to the hotel owner/operators. Customers cannot typically access these hotels through global distribution systems, and these hotels do not typically employ sophisticated management and control systems.

We believe that many owners of hotels in the family business segment are interested in selling their businesses. These businesses generally have limited returns on investment, do not have the stable cash flows and management talent characteristic of larger properties and lack liquidity for wealth management and generational transfer purposes. In addition, we believe the family owners typical of this segment tend to use limited amounts of leverage to finance their operations, further depressing returns on equity. Without high returns on investment, the owners of hotels in the family business segment often do not find their investment attractive or cannot finance ongoing operations. They may therefore consider a sale of their hotels but typically do not have the resources or experience to prepare a polished sales proposal.

We believe that prospective buyers in the professional segment tend to avoid hotels in the family business industry because of their inherent limitations. Owner/operators of family hotels often lack a formal management structure and, as a result, require the dedication of significant management time and resources to integrate into a larger operation, while offering substantially smaller financial opportunities to buyers. Moreover, acquisitions of family run hotels tend to be inefficient allocations of investment capital in comparison with the acquisition of a portfolio of hotels, and the professional hotel segment also does not tend to possess the depth of management resources necessary to upgrade the operations to fit existing systems. In addition, without scale, real estate investors and branding and management companies cannot easily divide these properties between real estate and operations through contractual arrangements. We therefore do not believe that the professional hotel segment generally is interested in acquiring family run hotels.

The Budget Segment. The budget segment of the European hotel industry generally comprises hostels, pensions and single-unit discount hotels. These operations are generally operated by owners and do not feature professional management. In addition, given their focus on attracting budget travelers, they tend to have very low profitability and to be located in areas of cities that are not necessarily convenient or attractive.

Our Strategy

Our primary strategy is to acquire medium-sized hotels or hotel groups (including related real estate assets) owned and operated by a family or private party, or part of a divestment process by a large, multi-national hotel operator. Following the acquisition, we expect to improve the cash flow of such hotels through the application of sophisticated management techniques not typically used by medium-sized hotels or hotel groups. Our goal is to develop a diversified portfolio of hotels that will form the nucleus of an attractive stand-alone company or an acquisition target for the professional hotel segment. We believe there are more than 1,500 hotel groups in the family business segment in Europe with, in total, more than 900,000 rooms, and we therefore expect to have ample opportunity to identify potential Target Businesses.

Because the professional segment generally is not interested in acquiring family run hotels, we believe we will have the opportunity to acquire family run hotels at attractive valuations. We also believe that we will be well positioned to acquire portfolios of hotels being sold as part of a chain divestment process. We further believe that the experience of our management team, matched with the financial resources available to us as a result of this Offering, will enable us to implement our acquisition strategy successfully.

We believe a number of approaches are available to us to improve the cash flow and return on investment of acquired hotels, including:

- *Improve yield management*. We will seek to boost the average room rate and occupancy rate through improved marketing and distribution. This may include the introduction, or improved use, of a brand hotel and its distribution system, as well as the implementation of modern yield management information technology systems.
- *Increase operational efficiency.* We anticipate using advanced management and financial control systems, procurement economies of scale and strategic repositioning of the hotels (e.g., less emphasis on food and beverage) to improve operational efficiency.
- *Optimize capital structure.* We expect to be more creditworthy than many medium-sized hotels and hotel groups and to have access to more sophisticated and experienced hotel lenders. This should allow us to capitalize our assets efficiently.
- *Refurbish rooms and increase number of rooms*. We expect to upgrade and expand the number of available hotel rooms, which can boost average room rate and occupancy rates and improve operating efficiency.

We believe that, based on the significant experience of our management team in the hotel industry and the network developed by our team over time, we will have access to significant deal flow.

Expertise of Management Board and Supervisory Board

The members of our Management Board and Supervisory Board have extensive experience in sectors within the hospitality industry. Members of our team have worked for many of the largest hospitality management companies, hotel owners and venture capital firms focused on the hospitality sector. Collectively, our Management Board and Supervisory Board members have more than 100 years of experience operating hotels and sourcing, negotiating and structuring financial transactions involving hotel assets. In addition, we believe our expertise in consummating financial transactions makes us well-suited to effect a Business Combination in the hotel industry. The experience of the members of our Management Board include the following:

Willem-Jan M. van den Dijssel is our Chief Executive Officer and Chairman of our Management Board. Mr. van den Dijssel has almost 30 years of experience in the European hotel industry, including:

- Co-founder of European Hotel Management B.V., a Dutch hotel acquisition and development firm founded in June 2005 that currently owns nine hotels and one hotel under construction;
- Chief operating officer and member of the board of NH Hoteles, S.A., a hotel company based in Spain, from July 2000 to June 2001, that, at the time, operated approximately 240 hotels with annual revenues of approximately €800 million; and
- Various roles at the Grand Hotel Krasnapolsky in Amsterdam and from 1990 to 2000 its holding company, Grand Hotel Krasnapolsky N.V., including General Manager and Chief Executive Officer, during which time he successfully led the company through several major acquisitions and its merger with NH Hoteles, S.A. At the time of his appointment as Chief Executive Officer in 1993, the company operated at a loss. At the time of its merger with NH Hoteles, S.A. in 2000, the company reported a net profit of €40 million according to its last published annual report.

Laurence N. Strenger is our Executive Vice President, Acquisitions and Legal, and a member of our Management Board. He has over 30 years of legal, financial and investing experience, and his hotel-related experience includes:

- Advising the Ritz-Carlton Hotel Company L.L.C., from 1979 to 1984, regarding the development of its franchised hotels in New York, New York and Washington, D.C. and regarding the sale of certain of its assets to the W.B. Johnson Co. of Atlanta, Georgia;
- Director from 1979 to 1983 of Anglo California Resorts N.V., a hotel company and wholly owned subsidiary of InterContinental Diversified Corp., which owned hotel properties in California and the Bahamas and was listed on the New York Stock Exchange;
- Providing strategic advice from 1975 to 2004 to various subsidiaries of the Hyatt Corporation regarding hotel properties in North America and Europe; and
- Active real estate, adviser and investor, with activities related to residential, retail and resort properties.

Max Arthur Kok is our Chief Financial Officer and a member of our Management Board. He has over 20 years of experience in the financial industry, including mergers and acquisitions advisory services and financial structuring and capital raising advice, and his hotel-related experience includes:

- Advising European Hotel Management B.V. in its 2006 acquisition of the Golden Tulip Apollo Hotel and financing thereof;
- Advising the management group of Golden Tulip International B.V. on its 2001 management buyout; and
- Advising Krasnapolsky Hotels and Restaurants N.V. in its 1998 acquisition of Golden Tulip International B.V.

Martin Lindelauf is our Chief Operating Officer and a member of our Management Board. He has nearly 20 years of experience covering all aspects of hotel operations, including:

- General Manager since January 2007 of the Golden Tulip Apollo Hotel, a European Hotel Management B.V. property;
- General Manager from February 2005 to December 2006 of the Amsterdam American Hotel, a 174-room property, and Director of Operations of its parent company, Eden Hotelgroup, from November 2005 to June 2006, during which time the group expanded from 7 to 12 hotels; and
- General Manager from 1987 to 2005 of various other hotels in the Netherlands (including the Grand Hotel Krasnapolsky), Germany, Ghana and Portugal.

Effecting a Business Combination

General

We intend to utilize cash derived from the net proceeds of this Offering, the Founding Shareholder Private Placement and the Founding Shareholder Investment less the Working Capital Amount, subject to the exercise of Redemption/Repurchase Rights by New Shareholders, to complete a Business Combination. We do not expect that our ratio of debt to total capitalization will exceed market norms for companies operating in the European hotel industry as a result of any Business Combination, and we will disclose the amount of any debt that will be assumed or incurred in connection with a proposed Business Combination when we solicit shareholder approval of such Business Combination. As long as the Target Business or controlling portion of a Target Business we propose to acquire has a fair market value of at least 50% of the Escrow Amount, less Deferred Underwriting Fees and Net Interest Proceeds, we may seek to complete a Business Combination with any variety of business in the hotel industry, including early stage companies, financially troubled companies or well-established companies. If we cannot determine the fair market value of a Target Business independently, we will obtain an opinion from an unaffiliated, independent investment banking, valuation or appraisal firm as to the fair market value of the Target Business. If a Target Business is affiliated with any of our Founding Shareholders, we are required to obtain an opinion from an unaffiliated, independent investment banking, valuation or appraisal firm as to the fairness of the transaction to our Shareholders from a financial point of view.

Sources of Target Businesses

We anticipate that potential Target Business candidates will be brought to our attention through solicited and unsolicited proposals by various affiliated and unaffiliated sources, including investment bankers, venture capital funds, our Management Board and Supervisory Board members and their respective affiliates, the Underwriters and other members of the financial community. We do not currently intend to engage the services of professional firms that specialize in business acquisitions, but we may do so and may compensate any such firms. We will not, however, compensate any of our Founding Shareholders, Management Board or Supervisory Board members, or any of their affiliates, including First Dutch Capital B.V., in bringing a potential Target Business candidate to our attention, other than the administrative fees that we have agreed to pay to Ampton Investments Inc.

Selection of a Target Business and Structuring of a Business Combination

In evaluating a prospective Target Business, we will conduct an extensive due diligence review, which will include meetings with incumbent management and a review of the financial, legal and other information. In selecting a Target Business, we intend to consider the following:

- characteristics and location of the hotel or hotels managed by the Target Business, as described in "– Our Proposed Business";
- financial condition and results of operations;

- competitive position and growth potential;
- experience and skill of existing management and availability of additional personnel;
- capital requirements and costs associated with consummating the Business Combination;
- degree of current or potential market acceptance of the products or services;
- proprietary features and degree of intellectual property or other protection of the products, processes or services;
- regulatory environment in which the business operates; and
- any other factors we deem relevant.

We cannot ascertain the time and costs required to select and evaluate one or more Target Businesses and to structure and complete a Business Combination with any degree of certainty at the present time.

Opportunity for Shareholder Approval of Business Combination

We will seek Shareholder approval at a General Meeting of Shareholders before we effect our initial Business Combination, even if the Business Combination would not otherwise require Shareholder approval under applicable law. An Absolute Majority of the valid votes cast must be in favor of the resolution of the General Meeting of Shareholders for approval of our proposed initial Business Combination.

In seeking Shareholder approval of an initial Business Combination, we will furnish our Shareholders with proxy solicitation materials that would be required under the rules and regulations of the SEC and other information required under Dutch law. We will provide audited historical financial statements of the Target Business and a pro forma balance sheet or other pro forma financial information. This information will include a reconciliation to generally accepted accounting principles in the United States ("U.S. GAAP").

We will proceed with our initial Business Combination only if (1) the Business Combination is approved by a General Meeting of Shareholders with an Absolute Majority and (2) we confirm that we have sufficient financial resources to pay both:

- the cash consideration required for the Business Combination; and
- all sums due to any New Shareholders who vote against such Business Combination and simultaneously exercise their Redemption/Repurchase Rights.

We may choose to condition the consummation of the Business Combination on the number or percentage of New Shareholders electing to exercise their Redemption/Repurchase Rights not exceeding a specified threshold. Approval of any such condition will be part of the vote by the General Meeting of Shareholders.

In connection with the vote by the General Meeting of Shareholders required for the Business Combination, the Foundation will abstain from voting the Class B Share and all of the Shares it holds; therefore, such securities will have no Redemption/Repurchase Rights, which right has also explicitly been waived by the Founding Shareholders and the Foundation.

Following completion of the Business Combination, any subsequent transaction will require the approval of the General Meeting of Shareholders if it falls under the criteria of article 2:107a of the Dutch Civil Code or the approval of the Supervisory Board if such transaction falls under the criteria of article 2:164 of the Dutch Civil Code. In addition, approval of the Netherlands Competition Authority (*Nederlandse Mededingingsautoriteit*) or the works council, if applicable, could be required under Dutch law in connection with any subsequent transaction.

Funds to be held in the Escrow Account

The Escrow Amount, which is expected to total €97,940,000, is the amount to be placed in the Escrow Account following Admission, comprising the proceeds of this Offering, the Founding Shareholder Private Placement, the Founding Shareholder Investment and the Deferred Underwriting Fees, less Offering costs and expenses and retention of the Working Capital Amount. Only the Net Interest Proceeds and fees, taxes and expenses associated with the Escrow Account may be released until notification to the Escrow Agent of the consummation of a Business Combination or commencement of our liquidation by operation of law. Upon consummation of a Business Combination, the Escrow Amount (subject to the exercise of Redemption/ Repurchase Rights and payment of the Deferred Underwriting Fees) will be released to us. Upon a liquidation, the entire Escrow Amount (net of creditors' claims, if any) will be returned to New Shareholders on a pro rata basis.

Any expenses incurred by us prior to the consummation of a Business Combination (other than escrow fees and expenses or taxes incurred by the Escrow Account) may only be paid from the Working Capital Amount and the Net Interest Proceeds.

Redemption/Repurchase Rights

A Redemption/Repurchase Right is the right of each New Shareholder who votes against our initial Business Combination to request the conversion of his New Shares by the Company into the same number of Class A Shares upon occurrence of a Redemption/Repurchase Event such that the Class A Shares will be redeemed or repurchased at the Redemption/Repurchase Price.

The Redemption/Repurchase Price is expected to be approximately €7.84 per Class A Share (upon conversion from a New Share) plus a pro rata portion of the amount equal to Net Interest less the Net Interest Proceeds. Dutch dividend withholding tax of 15% will be withheld from amounts paid to Shareholders in excess of €7.42. Non-Dutch Shareholders may be able to claim a credit for this amount on their home-country income tax returns. The Redemption/Repurchase Price is not linked to the trading price of our New Shares and is available only in connection with the exercise of a Redemption/Repurchase Event.

A New Shareholder will be entitled to exercise Redemption/Repurchase Rights when we seek approval of our initial Business Combination if such New Shareholder votes against the Business Combination with respect to its New Shares. Our redemption/repurchase obligations will only be effective if we consummate a Business Combination (a "Redemption/Repurchase Event"). New Shareholders may elect to vote against our initial Business Combination and choose to retain some or all of their New Shares, even if the initial Business Combination is completed. New Shareholders who exercise their Redemption/Repurchase Rights will retain all rights to any Warrants that they may hold.

Any New Shareholder seeking to exercise Redemption/Repurchase Rights must vote against our initial Business Combination and also make such election on his proxy card or ballot submitted in connection with approval of our initial Business Combination. This election must be made at or prior to the General Meeting of Shareholders to approve the Business Combination. We will announce the date of the General Meeting of Shareholders in a daily newspaper with national distribution in the Netherlands, in the Official Daily List of Euronext by publication of the notice convening the above General Meeting of Shareholders, which under Dutch law must be at least 15 days before the General Meeting of Shareholders is held, and in a notice sent to DTC to be posted to holders of record by DTC.

New Shares for which Redemption/Repurchase Rights have been exercised will be converted into the same number of Class A Shares effective immediately upon the filing of the requisite documents by us with the trade register of the chamber of commerce in Amsterdam. This action cannot be taken until the initial Business Combination is consummated.

If New Shareholders seeking to exercise their Redemption/Repurchase Rights represent more than 10% of the issued share capital of the Company, we will, following conversion of such Shares into Class A Shares (1) make an immediate distribution to such New Shareholders of the Repurchase/Redemption Price less the €0.01 nominal value per Share and (2) redeem all Class A Shares for the €0.01 nominal value after a period of at least two months.

Redemption of all Class A Shares will be effected pursuant to a resolution adopted by a General Meeting of Shareholders that will be held prior to the Admission Date. Such resolution is conditional upon (1) the establishment by the Management Board that the Business Combination is consummated, (2) deposition by the Management Board with the trade register of a statement setting out the number of Shares converted into Class A Shares and (3) deposition by the Management Board with the trade register of a statement establishing that the number of Shares converted into Class A Shares exceeds 10% of the total issued share capital of the Company.

If New Shareholders seeking to exercise their Redemption/Repurchase Rights represent up to and including 10% of our issued share capital, we will, following conversion of such New Shares into Class A Shares, repurchase all of the Class A Shares at the Redemption/Repurchase Price.

New Shareholders cannot choose whether their Shares will be redeemed or repurchased following the exercise of their Redemption/Repurchase Rights.

Payment will only be made to the extent we have Freely Distributable Reserves, which represents the difference between our net assets and the sum of the paid and called-up part of our capital and the reserves that must be maintained by law or under our Articles of Association. Immediately following the Offering, we estimate that we will have approximately €94,885,000 in Freely Distributable Reserves available in the Escrow Account. Subject to unforeseen circumstances, we are not required to maintain additional reserves under Dutch law or our Articles of Association. We estimate that the maximum amount required to redeem or repurchase Shares from New Shareholders exercising their Redemption/Repurchase Rights is €50,000,000 excluding Net Interest less Net Interest Proceeds, and the Escrow Account will at all times maintain sufficient cash to finance the exercise of any Redemption/Repurchase Rights.

Distribution if no Business Combination

If we do not complete a Business Combination by the Business Combination Deadline, we will be dissolved by operation of law. The liquidator will adopt a plan of dissolution and liquidation promptly and initiate procedures for our dissolution and liquidation. At such juncture, our corporate purpose and powers will be limited to acts and activities relating to dissolving, liquidating and winding up our Company. Simultaneously, all of the Founding Shares will be converted into Class C Shares. Accordingly, we will not be authorized to issue any shares of capital stock, and the Management Board will take all such action as necessary to dissolve and liquidate our Company as soon as reasonably practicable.

Subject to compliance with Dutch law, we will then liquidate our Company, including the Escrow Account, as part of a plan of dissolution and liquidation. This would result in a distribution to our New Shareholders on a pro rata basis of the Escrow Amount, including Deferred Underwriting Fees, Net Interest less the Net Interest Proceeds and all of our other net assets. Holders of Class C Shares will receive only the nominal value paid up on the Class C Shares (€0.01). The dissolution and distribution process may take at least two months.

The per New Share distribution price will be approximately €7.84 plus a pro rata share of Net Interest less the Net Interest Proceeds. Dutch dividend withholding tax of 15% will be withheld from amounts paid to Shareholders in excess of €7.42. Non-Dutch Shareholders may be able to claim a credit for this amount on their home-country income tax returns. The Escrow Amount could, however, become subject to the claims of our creditors which could take priority over the claims of our New Shareholders and reduce the amount available for distribution to New Shareholders.

Governmental Regulation

The hotel industry is subject to extensive national, state, provincial and local laws and regulations related to worker, consumer and third-party health and safety and with compliance and permitting obligations, as well as land use and development.

Competition

The hotel industry is highly competitive, and we will face competition from other established industry players in consummating a Business Combination. Although we believe there are numerous potential Target Businesses that we could acquire with the net proceeds of this Offering, the Founding Shareholder Private Placement and the Founding Shareholder Investment less the Working Capital Amount, our ability to acquire some sizable Target Businesses will be limited by our available financial resources. In addition, once we have consummated a Business Combination, we will be subject to the risks of the industry in which we operate. See "Risk Factors—Risks Associated with the Hotel Industry".

Facilities

We maintain our registered office, which is also our corporate office, at Apollolaan 2, 1077 BA Amsterdam, the Netherlands.

Reporting

Pursuant to the terms of the Underwriting Agreement, we have agreed to provide annual and quarterly reports to our Shareholders for a period of at least 30 months following the date of the Underwriting Agreement and to ensure that the proxy materials distributed to Shareholders in connection with the Business Combination are consistent with the materials that would be required under the SEC's rules and regulations. These materials will include a reconciliation to U.S. GAAP.

For information on the admission and listing of our Shares and Warrants on Eurolist by Euronext, see "Euronext Market Information".

Legal Proceedings

We are not, and have not been, involved in any governmental, legal or arbitration proceedings that may have or have had in the 12 months before the date of this Offering Circular a significant effect on our financial position or profitability. We are not aware that any such proceedings are pending or threatened.

MANAGEMENT BOARD, SUPERVISORY BOARD AND CORPORATE GOVERNANCE

Management Board Members and Executive Officers

The current members of our Management Board and our Executive Officers are as follows:

Name	Age	Position
Willem-Jan M. van den Dijssel	48	Chief Executive Officer and Chairman of the Management Board
Laurence N. Strenger	62	Executive Vice President, Acquisitions and Legal and Member of Management Board
Max Arthur Kok	53	Chief Financial Officer, Executive Vice President and Member of Management Board
Martin Lindelauf	48	Chief Operating Officer, Executive Vice President and Member of Management Board

Willem-Jan M. van den Dijssel was born in Laren, the Netherlands and graduated from Ecole Hôtelière de Paris. Mr. van den Dijssel has almost 30 years of experience in the European hotel industry. In June 2005, Mr. van den Dijssel co-founded European Hotel Management B.V., a hotel acquisition and development firm. Mr. van den Dijssel currently serves as a member of the supervisory board and audit committee of the National Foundation for the Operation of Casino Games in the Netherlands. He became a partner of First Dutch Capital B.V., a corporate finance and investment banking boutique, in September 2002. In 1990, he became the General Manager of Grand Hotel Krasnapolsky in Amsterdam, the Netherlands and was subsequently appointed the chief executive officer of the public hotel company owning the Grand Hotel Krasnapolsky in 1993. In that capacity, he successfully led the company through several major acquisitions, merged that company with Golden Tulip International B.V. and became Chief Executive Officer of the combined company, Krasnapolsky Hotels & Restaurants N.V. After that company's merger with NH Hoteles S.A. in 2000, Mr. van den Dijssel was appointed chief operating officer and member of the board of directors. Mr. van den Dijssel also served as a member of the board of directors of RT Company N.V. (formerly known as Newconomy N.V.), a Dutch investment fund, from February 2002 to June 2004 and as a member of the supervisory board of RT Company N.V. from June 2004 to August 2005.

Laurence N. Strenger was born in Brooklyn, New York and graduated from Columbia College with a B.A. and the University of Chicago Law School with a J.D. Mr. Strenger currently serves as President, general counsel and a principal shareholder of Ampton Investments, Inc., a private advisory and investment firm in New York, New York, he founded in 1983. From 1990 to the present, Mr. Strenger also has been an active real estate adviser and investor, with activities related to residential, retail and resort properties. Mr. Strenger served from 1983 to 1985 as a director of Aitken-Hume, Plc, a financial services and asset management company listed on the London Stock Exchange, and from 1985 to 1987 as a director of Arabian Shield, Inc., a refinery and mining company listed on the Nasdaq Stock Market. From 1979 to 1984, he provided advice to the Ritz-Carlton Hotel Company L.L.C., regarding the development of its franchised hotels in New York, New York and Washington, D.C., and the sale of certain of its assets to the W.B. Johnson Co. of Atlanta, Georgia. In addition, Mr. Strenger was as a director from 1979 to 1983 of Anglo California Resorts N.V., a hotel company and wholly owned subsidiary of InterContinental Diversified Corp., which owned hotel properties in California and the Bahamas. During his legal practice, Mr. Strenger had regularly advised the Summa Corporation (Howard Hughes) hotels, casinos and properties in Nevada, California and Arizona, and Hyatt Hotels and properties in California, New York and the Bahamas. Mr. Strenger was a partner at the law firm of Davis & Cox in Los Angeles and of Rosenfeld, Meyer & Susman in Beverly Hills, California, where he regularly advised MCA Inc. on its hotel and restaurant businesses.

Max Arthur Kok was born in The Hague, the Netherlands and graduated from Erasmus University in Rotterdam with a degree in Economics. Since 1980, Mr. Kok has been a director of McArthur Brown & Tailor, a corporate financial services firm. He is an active advisor to small and mid-sized companies with respect to finance and merger and acquisition transactions. Mr. Kok's recent representations include assisting European Hotel Management B.V. in its 2006 acquisition and subsequent financing of the Golden Tulip Apollo Hotel.

Mr. Kok also served as financial advisor to Krasnapolsky Hotels and Restaurants N.V in its 1998 acquisition by Golden Tulip International B.V. and subsequent management buyout in 2001. Mr. Kok began his career at De Nationale Investeringsbank N.V. where he ultimately served as senior manager of equity products.

Martin Lindelauf was born in Heerlen, the Netherlands and graduated from the Hotel Management School in Heerlen and has attended the General Managers and Advanced General Managers programs at the School of Hotel Administration at Cornell University in Ithaca, New York. Mr. Lindelauf currently serves as General Manager of the Golden Tulip Apollo Hotel in Amsterdam, a property owned by European Hotel Management B.V. From February 2005 to December 2006, Mr. Lindelauf served as General Manager of the Amsterdam American Hotel, where he was responsible for overseeing the operations of the 174 room property and was Director of Operations of its parent company, Eden Hotelgroup, from November 2005 to June 2006. Mr. Lindelauf previously was General Manager of the Radisson SAS Cologne in Germany, a 393 room property with a variety of conference facilities from October 2004 to January 2005. From July 2004 to September 2004, Mr. Lindelauf was General Manager of Ramada Hotels Amsterdam, a nine hotel group where he began the restructuring of operations. Mr. Lindelauf was General Manager of the Grand Hotel Krasnapolsky in Amsterdam from 1999 to June 2004, where he oversaw the transition from an individual hotel to a branded hotel owned by Golden Tulip to a branded hotel owned by NH Hoteles, S.A. Since 1987, Mr. Lindelauf also has served in hotel management roles at various other hotels in the Netherlands, Ghana, Germany and Portugal.

These individuals will play a key role in identifying and evaluating prospective Target Businesses, selecting the Target Business, and structuring, negotiating and consummating a Business Combination. None of these individuals has been a principal of or affiliated with a blank check company seeking to acquire a Target Business operating in the hotel industry in Europe, and none of these individuals is currently affiliated with such an entity. However, we believe that the skills and expertise of these individuals, their collective access to acquisition opportunities and ideas, their contacts and their transaction expertise should enable us to successfully identify and effect an acquisition.

Powers, Composition and Functions of the Management Board

The Management Board is responsible for our management. The Management Board is required to keep the Supervisory Board informed, consult with the Supervisory Board on important matters and submit certain important decisions to the Supervisory Board for its prior approval. Members of the Management Board will be appointed by and may be removed by the General Meeting of Shareholders. At meetings of the Management Board each member may cast one vote, and resolutions will be passed by an Absolute Majority. In the event of a tie, the Chief Executive Officer will cast the deciding vote.

Except as prohibited by law or our Articles of Association, the Management Board may perform all acts necessary or useful for achieving our corporate purpose and may adopt by-laws to govern its internal matters. The Management Board as a whole as well as each member of the Management Board individually is authorized to represent us. If we have a conflict of interest with one or more members of the Management Board, we will be represented by a person to be designated for such purpose by the Supervisory Board unless the General Meeting of Shareholders designates one or more other persons for such purpose.

Our Articles of Association provide that the number of members of the Management Board will be determined by the Supervisory Board, and will consist of a minimum of two members. Our Management Board is divided into three classes with only one class of members being elected in each year and each class serving a three-year term. The term of office of the first class of members, consisting of Max Arthur Kok, will expire at our first annual General Meeting of Shareholders. The term of office of the second class of members, consisting of Martin Lindelauf, will expire at the second annual General Meeting of Shareholders. The term of office of the third class of members, consisting of Willem-Jan M. van den Dijssel and Laurence N. Strenger, will expire at the third annual General Meeting of Shareholders. The Supervisory Board will appoint one of the members of the Management Board as Chairman of the Management Board, who will have the title of Chief Executive Officer. The Supervisory Board may temporarily suspend Management Board members at any time.

The general policy with regard to the remuneration of the members of our Management Board will be determined by our General Meeting of Shareholders. The remuneration of the members of our Management Board, as well as their other terms of employment, will be established by the Supervisory Board. We have not paid any Management Board member any compensation for services rendered to us and will not do so until after completion of a Business Combination, at which point we may enter into employment agreements with one or more of our Management Board members, which agreements will detail compensation and other incentives for such Management Board members.

Our Articles of Association require resolutions of the Management Board to be approved by the Supervisory Board for, among others, the following matters:

- issuing or acquiring our debt or equity securities, including debt issued by a limited partnership (*commanditaire vennootschap*) or general partnership (*vennootschap onder firma*) of which we may act as a general partner with unlimited liability (which does not mean that the Company acts or intends to act as a general partner with unlimited liability);
- cooperating in the issue of registered depositary receipts for shares;
- listing and delisting our debt or equity on the official listing of any stock exchange, including debt of any limited or general partnership of which we act as a general partner with unlimited liability;
- our commencement or termination, or that of a dependent company (*afhankelijke maatschappij*), of a long-term cooperative agreement with another legal entity or partnership or participation as a general partner with unlimited liability in a limited or general partnership, if such arrangement or change thereto is material to our operations or those of one of our dependent companies;
- the acquisition by us or a dependent company of a participating interest in the capital of another company, the value of which is not less than the sum of one-quarter of our issued capital and reserves, as reflected on our most recently adopted balance sheet, and any material change to such participating interest;
- investments requiring an amount which is not less than the sum of one-quarter of our issued share capital and reserves, as shown in our most recently adopted balance sheet;
- a proposal to amend our Articles of Association;
- a proposal to dissolve (*ontbinden*) us;
- an application for bankruptcy (*faillissement*) or for a suspension of payments (*surséance van betaling*);
- termination of the employment agreements of a material number of our employees or those of a dependent company within a short period of time;
- a far-reaching change in the working conditions of a material number of our employees or of a dependent company; and
- a proposal to reduce our issued capital.

Resolutions of the Management Board concerning a major change in our identity or character are subject to the approval of our General Meeting of Shareholders, including:

- the transfer of our business, or substantially all of our business, to a third party;
- our commencement or termination, or that of a dependent company (*afhankelijke maatschappij*), of a long-term cooperative agreement with another legal entity or partnership or participating as a general partner with unlimited liability in a limited or general partnership, if such arrangement or change thereto is material to our operations or those of one of our dependent companies;
- Our acquisition or disposal of a participating interest in a company's share capital, the value of which amounts to at least one-third of our assets as reflected in our most recently adopted consolidated annual accounts; and
- effecting an initial Business Combination.

Supervisory Board Members

The Company's current Supervisory Board members are as follows:

Name	Age	Position
Thomas A.H. Bas	53	Member of Supervisory Board
Anders Brag	53	Member of Supervisory Board
C. Gerald Goldsmith	78	Member of Supervisory Board

Thomas A.H. Bas is a member of our Supervisory Board. He holds a degree in Business Administration from Erasmus University in Rotterdam. Since July 2002, Mr. Bas has been an independent investor in hotels and hotel development and also provides consulting services to businesses in the hotel industry. He previously served as Executive Vice President of Golden Tulip International B.V., where he was responsible for finance and controlling, merger and investment activity and legal affairs from March 1990 to September 1998. Following the merger of Golden Tulip and Krasnapolsky Hotels and Restaurants N.V., Mr. Bas acted as Chief Financial Officer of the combined company from October 1998 to October 2000. Subsequently, following the merger of Krasnapolsky Hotels and Restaurants N.V. with NH Hoteles, S.A., Mr. Bas served as Managing Director of Strategic Development and, from November 2000 to July 2002, was responsible for execution of the company's European expansion strategy and for investor relations.

Anders Brag is a member of our Supervisory Board. Mr. Brag graduated from EBS in Paris with a Bachelor of Arts in Economics and from Harvard University with a Masters of Business Administration. He is currently president of GARB Holdings LLC, an investment vehicle he founded in March 1999, and a director of Health Center Imaging LLC, an entity involved in the development of medical imaging centers, and Glucovista LLC, which is developing a non-invasive glucose monitoring technology for diabetics. Mr. Brag invests in value-oriented and growth technology companies, and his current investments include Purecycle Corp and Aspen Bio, Inc. He previously served as director of Denison International PLC, a hydraulic components and fluid power systems company, from 1993 to January 2004, Ocean Pacific Apparel Corp., an apparel company, from 1993 to August 2004, and Paymap, Inc., a mortgage acceleration services company, from 1992 to April 2002. Mr. Brag has served as a General Partner and Special Limited Partner of Hambro International Venture Fund, the U.S. affiliate of London-based Hambros Bank PLC from 1980 to 1990 and from 1990 to 1997, respectively.

C. Gerald Goldsmith is a member of our Supervisory Board. He holds an AB from the University of Michigan and a Masters of Business Administration from the Harvard Graduate School of Business Administration. Mr. Goldsmith is currently Chairman of the Board of First Bank of the Palm Beaches. Mr. Goldsmith is a limited partner and serves as an adviser and consultant to Ampton Investments, Inc. where he has been a principal since 1983. Mr. Goldsmith has also been an independent investor since 1976. He was Chairman and President of InterContinental Diversified Corp., a New York Stock Exchange-listed company engaged in worldwide property development from 1967 through 1976. Previously, Mr. Goldsmith held numerous positions as an investment banker with Wertheim & Co. and A.G. Becker. He is a director of Innkeepers USA, an NYSE-listed limited services hotel real estate investment trust. Mr. Goldsmith has been an Emeritus Director of Pace University since 1960 and was Director of the Good Samaritan-St. Mary's Hospital Foundation in Palm Beach from 1980 to 1995. Mr. Goldsmith is a former officer of the United States Air Force.

Powers, Composition and Functions of the Supervisory Board

The Supervisory Board does not engage in our day-to-day management, but rather supervises the policies pursued by the Management Board and the general course of affairs of our business and the business enterprise connected with it and provides advice to the Management Board. In carrying out their duties, the supervisory directors will be guided by our interests and the business enterprise connected with it. The members of the Supervisory Board are generally not authorized to represent us in dealing with third parties.

The members of the Supervisory Board will be appointed by and may be removed by the General Meeting of Shareholders. Under our Articles of Association, a meeting of the Supervisory Board may be convened at any time if a majority of its members or its Chairman deems necessary. At meetings of the Supervisory Board each member may cast one vote, and resolutions will be passed by an Absolute Majority.

Our Articles of Association provide that the number of members of the Supervisory Board will be determined by the General Meeting of Shareholders, and currently consists of the minimum three members. Because the Supervisory Board has only three members, it has not established committees. Instead, the Supervisory Board as a whole performs the tasks recommended under the Dutch corporate governance code published on December 9, 2003 by a committee commissioned the Dutch government (*Commissie Tabaksblat*) (the "Code") for the audit, selection and nomination and remuneration committees. The Supervisory Board is therefore responsible for, among other things, considering matters relating to financial controls and reporting, internal and external audits, the scope and results of audits, the independence and objectivity of auditors. It will monitor and review our audit function and, with the involvement of our independent auditor, will focus on compliance with applicable legal and regulatory requirements and accounting standards. The Supervisory Board will also be responsible for establishing and reviewing material aspects of our policy on compensation of members of the Management Board and senior managers.

Our Supervisory Board is divided into three classes with only one class of members being elected in each year and each class serving a three-year term. The term of office of the first class of directors, consisting of Anders Brag, will expire at our first annual General Meeting of Shareholders. The term of office of the second class of directors, consisting of Gerald Goldsmith, will expire at the second annual meeting. The term of office of the third class of directors, consisting of Thomas A.H. Bas, will expire at the third annual meeting. The Supervisory Board will appoint a Chairman from its members.

Our General Meeting of Shareholders may grant remuneration to the members of our Supervisory Board. The expenses incurred by members of our Supervisory Board in their capacity as such will be reimbursed.

Further Information on the Management Board and Supervisory Board

During the preceding five years, none of the members of our Management Board or Supervisory Board has been convicted of any fraudulent offenses, served as an officer or director of any company subject to a bankruptcy proceeding, receivership or liquidation, been the subject of sanctions by a regulatory authority or been disqualified by any court of competent jurisdiction from acting as a member of the administrative, management or supervisory body of any issuer or from participating in the management or conduct of the affairs of any issuer.

Employees

We have four Management Board members. None of these Management Board members is also a member of the Supervisory Board. These Management Board members are not obligated to contribute any specific number of hours per week to our Company and intend to devote only as much time as they deem necessary to manage our affairs. The amount of time they will devote in any time period will vary based on the availability of suitable Target Businesses to investigate. Other than our four Management Board members, we do not intend to have any employees prior to the consummation of a Business Combination.

Corporate Governance

The provisions of the Code took effect on January 1, 2005 and apply to annual reports for financial years starting on or after January 1, 2004. Dutch companies whose shares are listed on a government-recognized stock exchange must discuss compliance with the Code in their annual report. If a company does not apply the best practice provisions of the Code, it must explain the reasons for any deviations.

We comply with the Code, but, in the following areas, deviate from the best practice provisions included therein:

- We deviate partly from best practice provision II.1.4 of the Code, which requires that a declaration regarding internal risk management and control systems be made in a company's annual report. Although we believe that our internal risk management and control systems are adequate, our Management Board will not include such a declaration in the annual report, as such declaration would not be in conformity with the character of our Company.
- Principle III.5 requires the appointment of an audit committee, a remuneration committee and a selection and designation committee in case the Supervisory Board consists of more than four members. Our Supervisory Board consists of only three members, and we have therefore not established any such committees. For this reason, we will not be in full compliance with best practice provisions III.5.1, III.5.2, III.5.3, III.5.6, III.5.7, III.5.11, III.5.12, V.2, V.2.2 and V.4.2 of the Code. However, our Supervisory Board will fulfill the tasks allocated to the several committees, as provided in best practice provisions III.5.4, III.5.5, III.5.8, III.5.9, III.5.10, III.5.13, V.1.2, V.2.3 and V.3.1 of the Code.

Conflicts of Interest

Potential investors should be aware of the following potential conflicts of interest:

- None of our Management Board and Supervisory Board members is required to commit his full time to our affairs, which may result in conflicts of interest in allocating management time among various business activities. For a description of our management's other affiliations, see "—Management Board Members and Executive Officers".
- Willem-Jan M. van den Dijssel is a founding shareholder of European Hotel Management B.V., a competing hotel acquisition and development firm. Martin Lindelauf is an employee of European Hotel Management B.V.
- We have entered into a business opportunity right of first review agreement with each of the members of our Management Board. This agreement provides that from the date of this Offering Circular until the earlier of the completion of our initial Business Combination or our liquidation, we will have a right of first review with respect to Business Combination opportunities concerning Target Businesses in Europe with a fair market value in excess of €50,000,000. Following completion of a Business Combination, however, each of these individuals may have conflicts of interest in determining whether to present future business opportunities to us or to another entity with which he is affiliated.
- Each member of our Management Board also has entered into a letter agreement, whereby he will not become affiliated with other blank check companies until the earlier of the completion of a Business Combination or our liquidation. Following completion of a Business Combination, however, each of these individuals may become affiliated with other blank check companies, including those in the hotel industry, and therefore may have conflicts of interest in determining whether to present future business opportunities to us or to another entity with which he is affiliated.
- Each of the members of our Supervisory Board has entered into a letter agreement, whereby he will not become affiliated with other blank check companies in the hotel industry until the earlier of the completion of a Business Combination or our liquidation by operation of law. Following completion of a Business Combination, however, each of these individuals may become affiliated with other blank check companies in the hotel industry, and therefore may have conflicts of interest in determining whether to present future business opportunities to us or to another entity with which he is affiliated.
- Willem-Jan M. van den Dijssel is a partner of First Dutch Capital B.V., which specializes in corporate finance and merger and acquisition transactions, including those in the hotel industry.
- Pursuant to a joint venture agreement, First Dutch Capital B.V. acts as corporate finance adviser to AEK, including in AEK's capacity as Listing Agent.

- We may engage in a Business Combination with a Target Business affiliated with one or more members of our Management Board and Supervisory Board, although we must obtain a fairness opinion in connection with such transaction.
- The Shares transferred to the Foundation will not be released until the earlier of three years after the Admission Date and our liquidation by operation of law for failure to complete a Business Combination. The Warrants transferred to the Foundation will not be released until the earlier of (1) our liquidation by operation of law for failure to complete a Business Combination and (2) the later of (A) one year after the Admission Date and (B) our completion of a Business Combination. The personal and financial interests of certain of our Management Board and Supervisory Board members to have such Shares and Warrants released from the Foundation may influence their motivation in identifying and selecting a Target Business, completing a Business Combination and securing the release of their Shares and Warrants.
- Laurence N. Strenger serves as the sole board member of the Foundation.
- If any proposed Business Combination is not approved at the General Meeting of Shareholders, we have agreed that one or more of the Founding Shareholders may choose to consummate such Business Combination separately through a different legal entity.
- The Class B Share and the Shares underlying the Founding Units will not participate in liquidation distributions and will not have Redemption/Repurchase Rights because the Foundation will abstain from voting such securities. See "Information on the Company—Effecting a Business Combination".
- Unless we consummate a Business Combination, members of our Management Board and Supervisory Board will not receive reimbursement for out-of-pocket expenses incurred by them to the extent that such expenses exceed the Working Capital Amount and the Net Interest Proceeds. These amounts, which were calculated based on management's estimates of the funds needed to finance our operations for 18 months, also must fund our legal, financial, reporting, accounting and auditing compliance fees as well as any down payment required in connection with a Business Combination, which will reduce the funds we have available to reimburse for out-of-pocket expenses. Thus, the financial interests of the members of our Management Board and Supervisory Board could influence their motivation for selecting a Target Business, and they may tend to favor potential acquisitions of Target Businesses that offer to reimburse expenses that we did not have the funds to reimburse ourselves.
- Members of our Management Board and Supervisory Board may have a conflict of interest with respect to the evaluation of a particular Business Combination if the retention or resignation of any such members were included by a Target Business as a condition to any agreement with respect to such Business Combination.

We have agreed not to consummate a Business Combination with a Target Business affiliated with any of our Management Board or Supervisory Board members or Founding Shareholders unless we obtain an opinion from an unaffiliated, independent investment banking, valuation or appraisal firm as to the fairness of the transaction to our Shareholders from a financial point of view. See "Information on the Company—Effecting a Business Combination". Such opinion will not eliminate potential conflicts of interest, inasmuch as members of our Management Board or Supervisory Board will face conflicts in determining whether an affiliated Target Business is appropriate for our Business Combination.

All ongoing and future transactions between us and any of our Management Board or Supervisory Board members or Founding Shareholders will be on terms believed by us to be no less favorable than are available from unaffiliated third parties and such transactions will require prior approval in each instance by a majority of our disinterested independent Management Board or Supervisory Board members (to the extent we have any) who do not have an interest in the transaction, who have had access, at our expense, to our attorneys or independent legal counsel. We will not enter into any such transaction unless such disinterested independent members (or, if there is none, our disinterested members) determine that the terms of such transaction are no less favorable to us than those that would be available with respect to such a transaction from unaffiliated third parties.

MAJOR SHAREHOLDERS AND RELATED-PARTY TRANSACTIONS

Major Shareholders

The following table sets forth information regarding the beneficial ownership of our Shares and Warrants as disclosed elsewhere in this Offering Circular as of the date of this Offering Circular (before the sale of Founding Shares to the Founding Shareholders and the Founding Shareholder Private Placement) and as adjusted to reflect the sale of the Shares represented by the Units sold in this Offering and the sale of Founding Shares to the Founding Shareholders and the Founding Shareholder Private Placement, by:

- each of our Founding Shareholders; and
- all Founding Shareholders as a group.

Unless otherwise indicated, we believe that the persons named in the table below have voting and investment power with respect to the Shares beneficially owned by them.

Name of Holder[1]	Number of Issued Shares Held		Approximate Percentage of Issued Shares		Number of Issued Warrants Held	Approximate Percentage of Issued Warrants
	As of the Date of this Offering Circular	After Offering	As of the Date of this Offering Circular	After Offering	After Offering	After Offering
KCI (Kragt Capital Investments) B.V.[2]	3,000,000	1,200,000	100.00%	7.74%	1,200,000	7.74%
Laurence N. Strenger[3]	0	500,000	0.00%	3.23%	500,000	3.23%
Stichting Millstreet[4]	0	300,000	0.00%	1.94%	300,000	1.94%
Trust Hotels B.V.	0	150,000	0.00%	0.97%	150,000	0.97%
Thomas A.H. Bas	0	125,000	0.00%	0.81%	125,000	0.81%
Anders Brag	0	125,000	0.00%	0.81%	125,000	0.81%
Max Arthur Kok	0	125,000	0.00%	0.81%	125,000	0.81%
Martin Lindelauf	0	125,000	0.00%	0.81%	125,000	0.81%
Pont Business Holding B.V.[5]	0	100,000	0.00%	0.65%	100,000	0.65%
M. Caransa B.V.[6]	0	100,000	0.00%	0.65%	100,000	0.65%
Richard M. Rieser Jr.[7]	0	50,000	0.00%	0.32%	50,000	0.32%
William R. de Jonge[8]	0	50,000	0.00%	0.32%	50,000	0.32%
S.F.G. Martina[9]	0	50,000	0.00%	0.32%	50,000	0.32%
C. Gerald Goldsmith	0	0	0.00%	0.00%	0	0.00%
Founding Shareholders	**3,000,000**	**3,000,000**	**100.0%**	**19.4%**	**3,000,000**	**19.4%**

(1) Unless otherwise indicated, the address of each of the Founding Shareholders and C. Gerald Goldsmith, is Apollolaan 2, 1077 BA Amsterdam, the Netherlands. All of the Shares and Warrants underlying the Founding Units and the Class B Share will be transferred to the Foundation on the Closing Date, and any New Shares or Warrants acquired by the Management Team Founding Shareholders and Willem-Jan M. van den Dijssel in the secondary market will be transferred to the Foundation as soon as practicable after acquisition. Mr. Goldsmith does not own any Shares or Warrants and, as part of his letter agreement with the Company, has committed not to purchase Shares or Warrants in this Offering or the secondary market.

(2) The address of Kragt is Molenstraat 15, 2513 BH 's-Gravenhage, The Netherlands. Mr. Willem-Jan M. van den Dijssel owns all shares of Kragt and has sole voting power and investment authority over all of the Shares held by Kragt.

(3) Mr. Laurence N. Strenger's business address is c/o Ampton Investments, Inc., 885 Third Avenue, 31st Floor, New York, New York 10022. All these shares are owned of record by Laurence N. Strenger, a Corporation, a California corporation. Mr. Strenger has sole voting power and investment authority over the Shares held by Laurence N. Strenger, a Corporation.

(4) The address of Stichting Millstreet is Herenweg 98 B, 2361 EV Warmond, The Netherlands. The Chairman of Stichting Millstreet is Bernard Hendrik Stuivinga.
(5) The address of Pont Business Holding B.V., a holding company engaged in the purchase and sale of real estate of which Mr. Michael von Bruggen and his wife have shared voting power and investment authority, is Sparrenlaan 8, 1272 RN Huizen, The Netherlands.
(6) The address of M. Caransa B.V., a real estate company founded in 1950 by Mr. M. Caransa, is Strawinskylaan 2665, 1077 ZZ Amsterdam, The Netherlands.
(7) The address of Mr. Richard M. Rieser Jr. is 1342 Hillside Road, Northbrook, Illinois 60062.
(8) Mr. William de Jonge's business address is 885 Third Avenue, 31st Floor, New York, New York 10022.
(9) The address of Mrs. S.F.G. Martina is Den Ilp 1, 1127 PA Den Ilp, The Netherlands.

None of our Founding Shareholders or Management Board or Supervisory Board members has indicated to us that he or she will purchase Units in the Offering or in the secondary market, although each of them (other than Mr. Goldsmith) retains the discretion to do so. Immediately after this Offering, our Founding Shareholders, which include most of our Management Board and Supervisory Board members, collectively will beneficially own 19.4% of our then issued and outstanding Shares (assuming no exercise of the Over-Allotment Option). Because Redemption/Repurchase Rights have been effectively waived with respect to the Shares underlying the Founding Units, our Founding Shareholders may hold greater than 19.4% of the then outstanding Shares of the Company in the event New Shareholders exercise their Redemption/Repurchase Rights.

Related Party Transactions

The following sets forth information relating to transactions between us and our Management Board and Supervisory Board members and other related parties.

Founding Shareholder Investment

On February 27, 2007, we issued 3,000,000 Shares at the nominal value of €0.01 per Share and one Class B Share at its nominal value of €15,000 to Kragt, an entity of which all shares are owned by Willem-Jan M. van den Dijssel. On the same date, Kragt made a loan to us in the amount of €85,000. We will redeem this Class B Share at its nominal value and repay the Founding Shareholder Loan, without interest, upon the consummation of a Business Combination. Kragt and the Foundation have waived any entitlement to receive any distributions in connection with the Founding Shareholder Investment. Pursuant to its trust conditions, the Foundation will abstain from voting on all matters with respect to the Class B Share.

Founding Shareholder Private Placement

Prior to the closing of this Offering, Kragt will sell 1,800,000 Founding Shares to the other Founding Shareholders at the nominal value of €0.01 per Share. At the same time, the Founding Shareholders (including Kragt) will (i) make a capital contribution to the Company on the Founding Shares in the amount of €2,940,000 and (ii) purchase 3,000,000 Founding Warrants at a price of €0.01 per Warrant. Together with the proceeds of the issuance of the Founding Shares to Kragt, the Founding Shareholder Private Placement will result in an investment of €0.99 per Founding Share and €0.01 per Founding Unit, for a total investment of €1.00 per Founding Unit. Kragt will retain 1,200,000 Founding Units.

Foundation for Shares and Warrants held by Founding Shareholders

Pursuant to lock-up agreements between CRT and each Founding Shareholder, all of the Shares and Warrants underlying the Founding Units and the Class B Share will be transferred to the Foundation on the Closing Date, and any New Shares or Warrants acquired in the Offering or the secondary market by the Management Team Founding Shareholders or Willem-Jan M. van den Dijssel also will be transferred to the Foundation as soon as practicable following their acquisition. Kragt will remain the beneficial owner of the Class

B Share and the Founding Shareholders or Willem-Jan M. van den Dijssel will remain the beneficial owners of such other Shares and Warrants, but the Foundation will be the record owner of the Class B Share and such other Shares and Warrants and will hold all voting rights thereunder. The Foundation will issue Dutch depositary receipts to Kragt for the Class B Share and to the Founding Shareholders for the Shares and Warrants at a one-to-one ratio. Neither the Shares in the Foundation nor the depositary receipts for these Shares will be transferable, exchangeable or released until the earlier of our liquidation by operation of law for failure to complete a Business Combination and three years after the Admission Date. Neither the Warrants in the Foundation nor the depositary receipts for the Warrants will be transferable, exchangeable or released until the earlier of (1) our liquidation by operation of law for failure to complete a Business Combination and (2) the later of (A) one year after the Admission Date and (B) our completion of a Business Combination. During the applicable period, the depositary receipts may not be exchanged for shares. Upon expiration of the applicable holding period, the depositary receipts will be cancelled by the Foundation in exchange for which the underlying shares and warrants will be transferred to the beneficial owners. The Class B Share will be released from the Foundation to Kragt and redeemed upon our completion of a Business Combination.

The Foundation will abstain from voting all of the Shares it holds at the General Meeting of Shareholders required for any Business Combination and will abstain from voting on all matters with respect to the Class B Share.

Laurence N. Strenger serves as the sole board member of the Foundation and has been appointed to such position until the earlier of (1) four years and (2) automatic cancellation of the depositary receipts. He and the Foundation have agreed with CRT and the Company that the documents governing the Foundation may not be amended except upon receipt of a waiver from CRT.

Right of First Review and Non-Compete

We have entered into a letter agreement with each of the members of our Management Board. This agreement provides that from the date of this Offering Circular until the earlier of the completion of our initial Business Combination or our liquidation, we will have a right of first review with respect to Business Combination opportunities concerning Target Businesses in Europe with a fair market value in excess of €50,000,000. The members of our Management Board will first offer any such opportunity to us and will not pursue, directly or indirectly, such opportunity unless and until a majority of the members of our Supervisory Board have determined that we will not pursue such opportunity.

The letter agreements with each member of our Management Board contains a non-compete clause, whereby he will not become affiliated with other blank check companies until the earlier of the completion of a Business Combination or our liquidation. In addition, the letter agreements with each of the members of our Supervisory Board contains a non-compete clause, whereby he will not become affiliated with another blank check company in the hotel industry until the earlier of the completion of a Business Combination or our liquidation.

Management Services Agreement

We have agreed to pay Ampton Investments, Inc. an aggregate monthly fee of €4,500 for general and administrative services, including secretarial support, commencing on the effective date of this Offering. Ampton Investments, Inc. is an affiliate of Laurence N. Strenger, C. Gerald Goldsmith and William R. de Jonge.

Arrangements with Management Board and Supervisory Board members and their affiliates

We will reimburse our Management Board and Supervisory Board members for any reasonable out-of-pocket business expenses incurred by them in connection with certain activities on our behalf, such as identifying and investigating possible Target Businesses. Subject to the availability of the Working Capital

Amount and the Net Interest Proceeds, there is no limit on the amount of out-of-pocket expenses reimbursable by us prior to a Business Combination. However, any such expenses will be reviewed only by our Supervisory Board if such reimbursement is challenged.

Other than any reimbursable out-of-pocket expenses payable to our Management Team Founding Shareholders and Management Board and Supervisory Board members, no compensation or fees of any kind, including finder's and consulting fees, will be paid by us to any of our Founding Shareholders or Management Board or Supervisory Board members, or to any affiliates of them, for services rendered to us prior to or in connection with a Business Combination other than in connection with the Management Services Agreement described above.

All ongoing and future transactions between us and any of our Founding Shareholders, Management Board or Supervisory Board members, or their respective affiliates will be on terms believed by us to be no less favorable than are available from unaffiliated third parties, and such transactions will require prior approval in each instance by a majority of the disinterested members of our Supervisory Board (to the extent we have any) or the members of our Management Board and Supervisory Board who do not have an interest in the transaction, and in either case, who have access, at our expense, to our attorneys or independent legal counsel.

Interests of Experts and Advisers

Willem-Jan M. van den Dijssel is a partner of First Dutch Capital B.V., which, pursuant to a joint venture agreement, acts as corporate finance adviser to AEK, including in AEK's capacity as Listing Agent. Other than as described in "Management Board, Supervisory Board and Corporate Governance—Conflicts of Interest," we do not expect to encounter any other direct conflicts of interest with our experts and advisors.

DESCRIPTION OF THE SECURITIES

Set forth below is a description of the Shares and Warrants, summaries of certain provisions of the Articles of Association and certain requirements of Dutch legislation in effect on the date hereof. This summary does not purport to be complete and is qualified in its entirety by reference to the full Articles of Association and applicable provisions of Dutch law.

General

We were incorporated as Pan-European Hotel Acquisition Company N.V., a public company with limited liability (*naamloze vennootschap*), under the laws of the Netherlands and operating under such laws by a notarial deed dated February 27, 2007. Our address is Apollolaan 2, 1077 Amsterdam, The Netherlands, where our telephone number is +31 (0) 20 570 5767. We are registered in the Trade Register of the Chamber of Commerce and Industries for Amsterdam under number 34268910.

Pursuant to Article 3 of the Articles of Association our objects are: (1) to participate in, to finance or to have any other interest in, or to conduct the management of, other companies or enterprises which operate businesses in the hotel industry in Europe; (2) to furnish guarantees, provide security, warrant performance or in any other way assume liability, whether jointly and severally or otherwise, for or in respect of obligations of group companies; and (3) to do anything which is, in the widest sense of the word, connected with or may be conducive to the attainment of these objects.

Share capital

On the date of this Offering Circular, our authorized share capital is €225,000 divided into 14,000,000 Shares, each having a nominal value of one eurocent (€0.01), 3,000,000 Class A Shares, each having a nominal value of one eurocent (€0.01), one Class B Share, having a nominal value of fifteen thousand euro (€15,000), 3,000,000 Class C Shares, each having a nominal value of one eurocent (€0.01), and 1,000,000 preference shares, each having a nominal value of one eurocent (€0.01). Our issued share capital on the date of this Offering Circular is €45,000, divided into 3,000,000 Shares and one Class B Share, all of which are paid up in full.

Upon completion of the Offering, our authorized share capital is expected to be €825,000 divided into 55,000,000 Shares, each having a nominal value of one eurocent (€0.01), 15,000,000 Class A Shares, each having a nominal value of one eurocent (€0.01), one Class B Share, having a nominal value of fifteen thousand euro (€15,000), 3,000,000 Class C Shares, each having a nominal value of one eurocent (€0.01), and 8,000,000 preference shares, each having a nominal value of one eurocent (€0.01). If the Over-Allotment Option is not exercised, our issued share capital upon completion of the Offering is expected to be €170,000, divided into 15,500,000 Shares and one Class B Share. If the Over-Allotment Option is exercised in full, our issued share capital upon completion of the Offering is expected to be €188,750, divided into 17,375,000 Shares and one Class B Share.

It is currently anticipated that Class A Shares will only become outstanding as a consequence of conversion from New Shares.

Units

Each Unit consists of one fully paid Share and one Warrant. Each Warrant entitles the holder to purchase one Share. The Shares and Warrants will begin trading separately on the Admission Date.

Warrants

No Warrants are currently outstanding. Prior to the closing of this Offering, the Founding Shareholders will purchase 3,000,000 Founding Warrants. These Founding Warrants are in addition to the Warrants included with the Units in this Offering.

The Warrants, which entitle the holder to purchase one Share at an exercise price of €5.00 per Share, will become exercisable on the later of (1) our completion of a Business Combination and (2) one year after the Admission Date. The Warrants will expire four years from the Admission Date at 5:00 p.m., Central European time, or earlier upon redemption.

We may redeem the outstanding Warrants at any time after they become exercisable:

- in whole and not in part,
- at a price of €0.01 per Warrant,
- upon a minimum of 30 days' prior written notice of redemption, and
- if, and only if, the last independent sales price of our Shares equals or exceeds €11.50 per Share, subject to adjustment in the event of Share splits or combinations in accordance with the warrant agreement between us and Citibank, N.A., London branch, any 20 trading days within a 30-trading day period ending three business days before we send the notice of redemption.

If we call the Warrants for redemption, each Warrant holder will be entitled to exercise its Warrant prior to the date scheduled for redemption, by payment of the exercise price in cash. However, there can be no assurance that the price of the Shares will equal or exceed the €11.50 trigger price or the Warrant exercise price during the period commencing after the redemption Call is made.

The Warrants will be governed by Dutch law and will be issued under the terms set forth in a New York law-governed warrant agreement between us and Citibank, N.A., London branch, as warrant agent. You should review a copy of the warrant agreement, which is available upon request, for a complete description of the terms and conditions applicable to the Warrants. The Warrants contain restrictive legends detailing certain transfer restrictions. See "Transfer Restrictions and Notice to Investors".

The exercise price and number of Shares issuable on exercise of the Warrants may be adjusted in certain circumstances including in the event of a share dividend, extraordinary dividend or our recapitalization, reorganization, merger or consolidation. However, the Warrants will not be adjusted for issuances of Shares at a price below their exercise price.

Holders of Book-Entry Interests in the Regulation S Global Warrant and the Rule 144A Global Warrant (each as defined under "Book-Entry; Delivery and Form") may exercise the Warrants through the relevant participant in Euroclear and DTC, respectively, with which they hold the Book-Entry Interests, following applicable procedures for exercise and payment. The Warrant holders do not have the rights or privileges of holders of Shares or any voting rights until they exercise their Warrants and receive Shares. After the issuance of Shares upon exercise of the Warrants, each holder will be entitled to one vote for each Share held of record on all matters to be voted on by Shareholders.

Unit Purchase Option

On the Closing Date, we will sell to the Underwriters, for €100, an option to purchase 462,500 Units at a price per unit of €10.00 in consideration of advice in structuring our Company and ongoing corporate finance services in connection with consummation of a Business Combination. Such Units will be allocated between CRT, I-Bankers and AEK according to their respective percentages of Underwriting. The Units issuable upon exercise of the Unit Purchase Option will be identical to the Units issued in the Offering. The Unit Purchase Option is exercisable on the later of (1) our completion of a Business Combination and (2) one year after the Admission Date and expires four years from the Admission Date.

Foundation for Shares and Warrants held by Founding Shareholders

Pursuant to lock-up agreements between CRT and each Founding Shareholder, all of the Shares and Warrants underlying the Founding Units and the Class B Share will be transferred to the Foundation on the

Closing Date, and any New Shares or Warrants acquired in the Offering or the secondary market by the Management Team Founding Shareholders or Willem-Jan M. van den Dijssel also will be transferred to the Foundation as soon as practicable following their acquisition. Kragt will remain the beneficial owner of the Class B Share and the Founding Shareholders or Willem-Jan M. van den Dijssel will remain the beneficial owners of such other Shares and Warrants, but the Foundation will be the record owner of the Class B Share and such other Shares and Warrants and will hold all voting rights thereunder. The Foundation will issue Dutch depositary receipts to Kragt for the Class B Share and to the Founding Shareholders for the Shares and Warrants at a one-to-one ratio. Neither the Shares in the Foundation nor the depositary receipts for these Shares will be transferable, exchangeable or released until the earlier of our liquidation by operation of law for failure to complete a Business Combination and three years after the Admission Date. Neither the Warrants in the Foundation nor the depositary receipts for the Warrants will be transferable, exchangeable or released until the earlier of (1) our liquidation by operation of law for failure to complete a Business Combination and (2) the later of (A) one year after the Admission Date and (B) our completion of a Business Combination. During the applicable period, the depositary receipts may not be exchanged for shares. Upon expiration of the applicable holding period, the depositary receipts will be cancelled by the Foundation in exchange for which the underlying shares and warrants will be transferred to the beneficial owners. The Class B Share will be released from the Foundation to Kragt and redeemed upon our completion of a Business Combination.

The Foundation will abstain from voting all of the Shares it holds at the General Meeting of Shareholders required for any Business Combination and will abstain from voting on all matters with respect to the Class B Share.

Laurence N. Strenger serves as the sole board member of the Foundation and has been appointed to such position until the earlier of (1) four years and (2) automatic cancellation of the depositary receipts. He and the Foundation have agreed with CRT and the Company that the documents governing the Foundation may not be amended except upon receipt of a waiver from CRT.

Rights of Holders of Depositary Receipts Issued by the Foundation

Holders of depositary receipts issued by the Foundation have, among others, the following rights:

- The right to inspect documents in relation to any merger contemplated by us, such as the annual accounts and reports for the last three years of the legal persons to be merged, certain interim statements of assets and liabilities or annual accounts which have not been adopted and the merger proposal;
- The right to attend and address General Meetings of Shareholders in person or be represented by a person holding a written proxy;
- Individuals representing at least 10% of our issued share capital or who are entitled to an amount in depositary receipts with a nominal value of €225,000 have the right to file an application with the Enterprises Division of the Court of Appeal in Amsterdam to undertake an inquiry into the policy and conduct of the Company;
- One or more holders who jointly represent at least 10% of our issued capital may, on their application, be authorized by the interim provisions judge of the court to convene a General Meeting of Shareholders; and
- Holders representing a market value of at least €50,000,000 or 1% of the issued share capital may request that we include any matter in the convening notice of the General Meeting of Shareholders, provided such request is submitted at least sixty days prior to such meeting.

Our Transfer Agent, Warrant Agent, Paying Agent and Registrar

The transfer agent, warrant agent, paying agent and registrar for our Shares and for our Warrants is Citibank, N.A., London branch. Citibank International plc, Netherlands Branch, Schiphol Boulevard 257, WTC DTwr fl 8, 1118 BH Luchthaven Schiphol, the Netherlands, is our Euroclear agent.

Changes in Share Capital

There has been no change in the amount of our issued share capital from incorporation until the date of this Offering Circular.

Form and Transfer of Shares and Warrants

The Shares and Warrants will be bearer securities, and each will be represented by two share certificates to be deposited with each of Euroclear and DTC. Each such certificate will contain a legend prohibiting legitimate presentment by any party other than Euroclear or DTC. The Shares and Warrants will be in book-entry form with settlement through Euroclear and DTC. See "Book-Entry; Delivery and Form".

Issue of Shares and Pre-emption Rights

Subject to the prior approval of the Supervisory Board, the issue of the Shares will take place pursuant to a resolution of the General Meeting of Shareholders prior to the Closing Date. The issue of New Shares will take place pursuant to a resolution of the General Meeting of Shareholders, subject to the prior approval of the Supervisory Board or pursuant to a resolution of another corporate body designated by a resolution of the General Meeting of Shareholders and for a period not exceeding five years. The body empowered to resolve to issue New Shares will specify the price and further conditions of issue of such Shares, subject to applicable law and the Articles of Association. If the Management Board is designated the authority to issue New Shares, a resolution by such Board to issue New Shares requires the prior approval of the Supervisory Board. In the event of an issue of New Shares for cash each Shareholder will have a pre-emption right in proportion to the aggregate nominal amount of its Shares. There will be no pre-emption rights in respect of Shares that are issued to our employees or employees of a Group Company, as defined in our Articles of Association. Pre-emption rights may at any time be limited or excluded by a resolution passed by the General Meeting of Shareholders, subject to the prior approval of the Supervisory Board, as well as a corporate body if so designated**,** also subject to the prior approval of the Supervisory Board. These provisions will apply, with relevant differences taken into consideration, where rights are granted to subscribe for Shares. Shareholders will not, however, have pre-emption rights in respect of Shares being issued to a person exercising an existing right to subscribe for Shares. At the time of subscribing for a Share, the nominal amount and, if the Share is subscribed for at a higher price, the difference between these amounts, must be paid up.

Repurchase of Shares by us

Under our Articles of Association, we may acquire fully paid shares of any class in our own share capital as well as any depositary receipts issued therefore. Any such acquisition will be subject to certain provisions of the laws of the Netherlands, including capital protection rules, and the Articles of Association, if (1) Shareholders' equity (as specified in the Articles of Association) less the payment required to make the acquisition of shares in its own share capital does not fall below the sum of (a) the paid-up capital and (b) any reserves required by the laws of the Netherlands or the Articles of Association, (2) we and our subsidiaries would thereafter not hold legal title to shares and a right of pledge on shares with an aggregate nominal value exceeding one-tenth of the our issued share capital, and (3) the General Meeting of Shareholders has authorized the Management Board to make such acquisition.

For the purpose of establishing whether the requirements under clause (1) above are met, the amount of its Shareholders' equity according to the last adopted balance sheet must be determined less (a) the payment required to make the acquisition of shares in its own share capital and (b) distributions to others from profits or reserves becoming due by us and our subsidiaries after the balance sheet date. If more than six months have elapsed since the end of the financial year without adoption of the annual accounts, then an acquisition of share capital is not permitted.

The General Meeting of Shareholders may authorize the Management Board for a period of 18 months to effect an acquisition of shares in its own share capital or depositary receipts issued therefor, up to the maximum

amount permitted at such time by the Netherlands Civil Code. The Management Board may acquire such shares or depositary receipts by means of a private or public transaction. Any acquisition of shares in its own share capital or depositary receipts issued therefor after the lapse of the above 18-month period can only be effected if the authorization of the Management Board by the General Meeting of Shareholders has been renewed.

Capital Reduction

The General Meeting of Shareholders may, with due observance of Article 2:99 of the Netherlands Civil Code, resolve to reduce our issued share capital through a redemption of shares or by reduction of the amount of the shares by amendment to its Articles of Association. A resolution to redeem shares may relate to shares held by us or of which we hold the depositary receipts. It may also relate to all shares of a specific class, as the Articles of Association provide—already prior to the issuance of any such shares—that the same can be redeemed on repayment of the nominal value of €0.01 of the relevant shares.

Prior to the Admission Date, the General Meeting of Shareholders will conditionally resolve to redeem all Class A Shares that have been created, following the conversion. On the same date, the General Meeting of Shareholders will conditionally resolve to redeem the Class B Share upon consummation of a Business Combination.

In the event of a redemption of shares, the procedure of Article 2:100 of the Netherlands Civil Code needs to be complied with. Pursuant to this article, we will announce the registration of the resolution of the General Meeting of Shareholders in a daily newspaper with national distribution in the Netherlands and in the Official Daily List of Euronext (the date on which this announcement is made to be referred to as the "Announcement Date"). In conformity with Dutch law, the redemption of share capital will not take effect and payment of the Redemption Price to the respective New Shareholders will not be made within two months after the Announcement Date. During such two-month period, any of our creditors may oppose the resolution to redeem shares by filing a petition to that effect with the competent District Court in the Netherlands, requesting that we offer a sufficient guarantee. Depending on our financial position and any other relevant circumstances, the District Court may decide to grant any creditors opposition unless a sufficient guarantee is offered by us. For additional information about your Redemption/Repurchase Rights, please see "Information on the Company—Effecting a Business Combination—Redemption/Repurchase Rights".

General Meeting of Shareholders

A General Meeting of Shareholders will be held at least annually within six months after the end of each of our financial years to, among other things, discuss the written annual report of the Management Board with respect to the general state of affairs, adopt the financial statements and annual accounts, grant discharge to members of the Management Board and to members of the Supervisory Board, and appoint members for any vacancies on either of the Management Board or the Supervisory Board. The Management Board and the Supervisory Board may determine the items on the agenda of the General Meeting of Shareholders. We expect that the General Meeting of Shareholders will be held in the Netherlands.

General Meetings of Shareholders may be convened by the Management Board, subject to the time limit stipulated in the Articles of Association. Shareholders that represent alone or in aggregate at least 10% of our issued share capital may, pursuant to the Dutch Civil Code and the Articles of Association, request that a General Meeting of Shareholders be convened. An extraordinary meeting of Shareholders will be held in accordance with the Dutch Civil Code and whenever a Managing Board member or a Supervisory Board member deems it necessary.

The Management Board may determine a record date to establish which Shareholders are entitled to attend and vote in a General Meeting of Shareholders.

We will publish a notice of each General Meeting of Shareholders in a national daily newspaper distributed throughout the Netherlands, in the Official Daily List of Euronext and in a notice sent to DTC to be posted to holders of record by DTC. Holders of registered Shares and registered depositary receipts, issued with our cooperation, will be given notice of each General Meeting of Shareholders by the Management Board through letters to be sent not less than 15 days prior to the meeting to the addresses stated in the register of Shareholders.

Voting rights

At a General Meeting of Shareholders, each Share confers the right to cast one vote. The Class B Share has 1,500,000 votes, although the Foundation, the sole Class B Shareholder, has agreed to abstain from voting the Class B Share on all matters. Every Shareholder will be authorized to attend the General Meeting, either in person or by means of a written proxy, to speak at the meeting and to exercise the voting right if the holder has informed the Management Board in writing of his intention to attend the meeting, in accordance with the Articles of Association. Holders of Regulation S Global Securities and Rule 144A Global Securities also must follow the rules and procedures of Euroclear and DTC, respectively, for the exercise of voting rights.

At the General Meeting of Shareholders, Shareholders will consider the following matters:

- the instruction of an accountant to audit the annual accounts drawn up by the Management Board, to report to the Supervisory Board and the Management Board, and to issue an auditor's opinion on the audit;
- the written annual report prepared by the Management Board;
- the adoption of the financial statements;
- in connection with the annual report and accounts, the formal release of the Management Board and the Supervisory Board from legal liability under Dutch law for their business role over the previous year;
- the appointment of Management Board members and Supervisory Board members;
- any substantial change in our identity or character, including the transfer of the business or a major part of the business to a third party, important alliances and the acquisition or disposal of a major participation in another company; and
- any proposals placed on the agenda by the Management Board or Shareholders.

Unless otherwise required by the Articles of Association or Dutch law, all resolutions of a General Meeting of Shareholders will be adopted by an Absolute Majority of the valid votes cast as specified below.

The following matters may be decided by a majority of votes cast at a General Meeting of Shareholders, unless less than half of the issued capital is represented at such meeting, in which case a 2/3 super-majority of votes cast is required:

- limitation or exclusion of pre-emptive rights or designation of another corporate body as an entity with such power; and
- reduction of our capital.

An amendment to our Articles of Association may be decided by a majority of the votes cast at a General Meeting of Shareholders if the matters are proposed by the Management Board and approved by the Supervisory Board; otherwise, they require a 2/3 super-majority approval at a meeting where at least 1/2 of the issued capital is represented.

A resolution to remove a Managing Board member or Supervisory Board member may be passed by an Absolute Majority. The General Meeting of Shareholders may remove a Managing Board member or Supervisory Board member, without there being a proposal by the Supervisory Board to this effect, by a resolution passed by an Absolute Majority.

Shareholders will have the right to vote on shares that are subject to a right of usufruct (*vruchtgebruik*) or beneficial interest or a right of pledge. The usufructuary, beneficial owner or the pledgee of any shares will, however, have the right to vote on shares if such right is granted upon the establishment of the relevant usufruct, beneficial interest or pledge.

Accounts and audits

Annually, and within five months after the end of our financial year (unless a General Meeting of Shareholders has extended this period by a maximum of six months on account of special circumstances), the Management Board is required to prepare the financial statements, which must be accompanied by an annual report. All Management Board members and Supervisory Board members must generally sign the financial statements.

The General Meeting of Shareholders will instruct an auditor to audit the financial statements prepared by the Management Board, to report the outcome of the audit to the Supervisory Board and the Management Board and to issue an auditor's opinion on such audit.

The financial statements, the annual report and accounts and certain other information required by law must be made available to the Shareholders for review at our offices from the day on which the General Meeting of Shareholders at which they are to be discussed is convened. The financial statements will be adopted by the General Meeting of Shareholders.

Pursuant to the terms of the Underwriting Agreement, for a period of at least 30 months following the date of the Underwriting Agreement we have agreed to provide annual and quarterly reports to our Shareholders. Our financial statements will include a reconciliation to U.S. GAAP. As a Dutch company listed on Eurolist by Euronext, we will be required to make our annual accounts (including the annual report) and our semi-annual report available to the public within five months and four months, respectively, of the end of the period to which such report relates.

In addition, in seeking Shareholder approval of an initial Business Combination, we will furnish our Shareholders with proxy solicitation materials that would be required under the rules and regulations of the SEC and other information required under Dutch law. We will provide audited historical financial statements of the Target Business and a pro forma balance sheet and other pro forma financial information. This information also will include a reconciliation to U.S. GAAP.

Dividends and other payments

Dividends and other payments are payable as from a day determined by the Management Board. The declaration of dividends and other payments will be announced in a national daily newspaper distributed throughout the Netherlands and in the Official Daily List of Euronext. A Shareholder's claim to dividends and other payments lapses five years after the second day after that on which the claim became payable. We will not pay any dividends on any of our capital stock until after consummation of a Business Combination.

Amendment to the Articles of Association and dissolution

Unless a proposal to amend the Articles of Association or dissolve us has been made by the Management Board and approved by the Supervisory Board, a resolution by a General Meeting of Shareholders to amend the Articles of Association or to dissolve us may only be passed by a majority of at least two-thirds of the votes cast at a meeting at which at least half of the issued capital is represented. If such a proposal has been made by the Management Board and approved by the Supervisory Board, the relevant resolution to amend the Articles of Association or dissolve us may be passed by the General Meeting by an Absolute Majority, irrespective of the capital represented. If the requisite amount of capital is not represented at a meeting at which the passing of any

such resolution has been considered, a second meeting will be called, to be held no later than four weeks after the first meeting. Any such resolution may be passed at such second meeting, irrespective of the capital represented, provided that this is done by a majority of at least two-thirds of the votes cast at such meeting. We will be dissolved by operation of law if no Business Combination is completed by the Business Combination Deadline.

In the event of our dissolution (other than by operation of law), the liquidation will be effected by the Management Board under the supervision of the Supervisory Board, unless the General Meeting of Shareholders decides otherwise. During liquidation, the Articles of Association will remain in force to the extent possible.

Dutch squeeze-out proceedings

If a person or company or group company (the "Controlling Entity") holds a total of at least 95% of a company's issued share capital by nominal value for its own account, Dutch law permits the Controlling Entity to acquire the remaining shares in the Controlled Entity by initiating proceedings against the holders of the remaining shares. The price to be paid for such shares will be determined by the Enterprise Chamber of the Amsterdam Court of Appeal. A Shareholder who holds less than 95% of the ordinary shares, but in practice controls the Controlled Entity's General Meeting of Shareholders, could attempt through a legal merger with another company, by subscribing to additional ordinary shares in the Controlled Entity (for example, in exchange for a contribution of part of its own business), through other form of reorganization to raise its interest to 95% or to obtain through other means full ownership of the business of the Controlled Entity.

Market Abuse Regime

The market abuse regime set out in the Netherlands Financial Supervision Act, which implements the European Union Market Abuse Directive (2003/6/EC), is applicable to us, the members of our Management Board and our Supervisory Board, other key employees, our insiders and persons performing or conducting transactions in our securities. Certain important market abuse rules set out in the Netherlands Financial Supervision Act that are relevant for investors are described hereunder.

We must make public price-sensitive information once we have made a request for admission to listing on Euronext. Price-sensitive information is information that is concrete and that directly concerns us which information has not been publicly disclosed and whose public disclosure might significantly affect the price of the Shares or derivative securities, such as the Warrants. We must also provide the AFM with this information at the time of publishing. Further, we must immediately publish the information on its website and keep it available on its website for at least one year.

It is prohibited for any person to make use of inside information within or from the Netherlands by conducting or effecting a transaction in our securities. Inside information is information that is concrete and that directly or indirectly concerns us or the trade in Shares, the Warrants or other securities which pertain to us, which information has not been publicly disclosed and whose public disclosure might have a significant influence on the price of the Shares, the Warrants or other derivative securities.

Once we have made a request for admission to listing on Euronext, our insiders within the meaning of Section 5:60 of the Netherlands Financial Supervision Act are obliged to notify the AFM when they carry out or cause to be carried out, for their own account, a transaction in the Shares, the Warrants or in other securities of which the value is at least in part determined by the value of the Shares. Our insiders within the meaning of Section 5:60 of the Netherlands Financial Supervision Act are: (1) members of the Management Board, (2) members of the Supervisory Board, (3) persons who have a managerial position with us and in that capacity are authorized to make decisions which have consequences for our future development and prospects and can have access to inside information on a regular basis, (4) spouses, registered partners or life partners of the persons mentioned under (1) to (3), or other persons who live together with these persons as if they were married or as if they had registered their partnership, (5) children of the persons mentioned under (1) to (3) who fall under

their authority or children who are placed under the guardianship (*curatele*) of these persons, (6) other relations by blood or marriage of the persons mentioned under (1) to (3) who, on the date of the transaction, have shared a household with these persons for at least one year, and (7) legal entities, trusts within the meaning of Section 1(c) of the Act on the Supervision of Trust Offices, or partnerships: (a) the managerial responsibility for which lies with a person as referred to under (1) to (6), (b) which are controlled by such a person, (c) which have been incorporated or set up for the benefit of such a person, or (d) whose economic interests are in essence the same as those of such a person.

This notification must be made no later than the fifth week day after the transaction date on a standard form drawn up by the AFM. The notification obligation within the meaning of Section 5:60 of the Netherlands Financial Supervision Act does not apply to transactions based on a discretionary management agreement as described in section 8 of the Dutch Market Abuse Decree (*Besluit marktmisbruik*). The notification pursuant to Section 5:60 of the Netherlands Financial Supervision Act may be delayed until the moment that the value of the transactions performed for that person's own account, together with the transactions carried out of the persons associated with that person, reach or exceed the amount of €5,000 in the calendar year in question. Non-compliance with the reporting obligations under the Netherlands Financial Supervisory Act could lead to criminal fines, administrative fines, imprisonment or other sanctions.

Pursuant to the rules against insider trading, we has adopted rules governing the holding of and carrying out transactions in our securities by members of our Management Board and Supervisory Board and our employees. Further, we have drawn up a list of those persons working for us who could have access to inside information on a regular or incidental basis and has informed the persons concerned of the rules against insider trading and market manipulation including the sanctions which can be imposed in the event of a violation of those rules.

Disclosure of Holdings

Once the Shares and Warrants have been admitted to trading on Eurolist by Euronext the following provisions will apply to us and to our Shareholders.

Any person who, directly or indirectly, acquires or disposes of an interest, whether Shares or Warrants, in our capital or voting rights must immediately give written notice to the AFM by means of a standard form, if, as a result of such acquisition or disposal, the percentage of capital interest or voting rights held by such person meets, exceeds or falls below the following thresholds: 5.0%, 10.0%, 15.0%, 20.0%, 25.0%, 30.0%, 40.0%, 50.0%, 60.0%, 75.0% and 95.0%.

In addition, annually within four weeks from December 31 at 24:00 hours every holder of an interest in our capital or voting rights of 5.0% or more must notify the AFM of any changes in the composition of this interest.

We are required to notify the AFM of any changes in our outstanding share capital, including in the case of redemption of shares, and any amendment to our Articles of Association regarding voting rights. The AFM will publish any notification in a public registry. If, as a result of such change, a person's interest in our capital or voting rights passively reaches or crosses the thresholds mentioned in the above paragraph, the person in question must immediately give written notice to the AFM no later than the fourth trading day after the AFM has published our notification.

Each person holding an interest in our capital or voting rights of 5.0% or more at the time of admission of the Shares and Warrants to listing on Euronext must immediately notify the AFM.

Furthermore, each member of the Management Board and Supervisory Board must immediately give written notice to the AFM of our Shares and Warrants and voting rights held by him or her at the time of admission of the Shares to listing on Euronext and thereafter of any change in his or her holding of our Shares and Warrants and voting rights.

Mandatory Offer Rules

Dutch law currently does not provide for mandatory takeover bids. Dutch rules on mandatory takeovers are expected to become effective in the mid-July 2007. The Takeover Directive (2004/25/EC) had to be implemented by each EU member state no later than May 20, 2006. The Takeover Directive applies to all companies governed by the laws of an EU member state of which all or some voting securities are admitted to trading on a regulated market in one or more EU member states. Pursuant to the Takeover Directive, EU member states should ensure the protection of minority shareholders by obliging the person that acquires control of a company to make an offer to all the holders of that company's voting securities for all their holdings at an equitable price. The laws of the EU member state in which a company has its registered office will determine the percentage of voting rights that is regarded as conferring control over that company.

On May 22, 2007, the Dutch Parliament adopted a proposal for the implementation of the Takeover Directive (the "Proposal"). Pursuant to the Proposal, any shareholder or group of shareholders' acting in concert who can exercise, directly or indirectly, at least 30% of the votes in the shareholders meeting of a Dutch company of which voting securities are admitted to trading on a regulated market is considered to control such company. Pursuant to the Proposal, shareholders with controlling interests as of the date on which the new legislation enters into force and shareholders who hold a controlling interest in a company at the time of its initial public offering will be exempt from the obligation to make a takeover bid for the remaining shares they do not hold.

If, as a result of the exercise of Redemption/Repurchase Rights and/or redemption of the Class B Share, any shareholder or group of shareholders acting in concert exceeds the aforementioned threshold of 30% of the votes in the shareholders' meeting of the Company, such shareholder or group of shareholders will be under the obligation to make an offer to all the holders of the Company's voting securities for all their holdings at an equitable price. Such obligation will expire, if the respective shareholder or group of shareholders loses control in the Company, either by disposal of Shares or otherwise, within 30 days after acquiring control and provided that this shareholder or group of shareholders has not exercised any voting rights on Shares in this period. For the calculation of aforementioned percentage of 30%, the Class B Share, which represents 1,500,000 votes, should be taken into account.

Material Contracts

As of this date of this Offering Circular, we have not entered into any material contracts.

Exchange Controls

There are currently no limitations under the laws of the Netherlands on the rights of non-residents to hold or vote our Shares. Cash distributions, if any, payable in euros or U.S. dollars on our Shares may, in principle, be transferred from the Netherlands and converted into any other currency without Dutch legal restrictions. However, no payments, including dividend payments, may be made to jurisdictions subject to certain sanctions, adopted by the government of the Netherlands, implementing resolutions of the Security Council of the United Nations or regulations of the European Union.

BOOK-ENTRY; DELIVERY AND FORM

General

The following descriptions of the operations and procedures of DTC and Euroclear are provided solely as a matter of convenience. These operations and procedures are solely within the control of the respective settlement systems and are subject to changes by them. We take no responsibility for these operations and procedures and urge investors to contact their bank or broker to discuss these matters.

Shares sold to qualified institutional buyers in reliance on Rule 144A under the Securities Act will be represented by a global security in bearer form (the "Rule 144A Global Share"), and Warrants sold to qualified institutional buyers in reliance on Rule 144A under the Securities Act will be represented by a global security in bearer form (the "Rule 144A Global Warrant" and, together with the Rule 144A Global Share, the "Rule 144A Global Securities"). The Rule 144A Global Securities will be deposited with and registered in the name of Cede & Co., as nominee of DTC and will be eligible for trading on the Private Offering and Restricted Transfers through Automated Linkages ("PORTAL") Market.

Shares sold to non-U.S. persons in reliance on Regulation S under the Securities Act will be represented by a global security in bearer form (the "Regulation S Global Share"), and Warrants sold to non-U.S. persons in reliance on Regulation S under the Securities Act will be represented by a global security in bearer form (the "Regulation S Global Warrant"; together with the Regulation S Global Share, the "Regulation S Global Securities"; and, collectively with the Rule 144A Global Securities, the "Global Securities"). The Regulation S Global Securities will be deposited with Euroclear. The Global Securities will contain legends prohibiting presentment of the bearer instruments by any party other than DTC or Euroclear. The Regulation S Global Share initially will be represented by temporary global securities bearing the legends described in "Transfer Restrictions and Notice to Investors". At the end of the Distribution Compliance Period, the temporary global security will be converted into a permanent global security. At that time, Euroclear will block the securities held in the name of each participant of Euroclear (each, an "Admitted Institution") until such Admitted Institution certifies to Euroclear that such securities are not, and have not been during the Distribution Compliance Period, owned by U.S. persons within the meaning of Regulation S. To the extent and as long as the securities remain blocked by Euroclear, it will not be possible to trade the securities. The Company's Articles of Association provide that a U.S. person holding Shares in contravention of the transfer restrictions is obligated to transfer the Shares to a person designated by the Company and, in case of a failure to do so, that the Company shall be authorized to transfer the Shares on behalf of that U.S. person. The Articles of Association also provide that the Shareholder rights of such person are suspended.

Ownership of interests in the Rule 144A Global Securities ("Rule 144A Book-Entry Interests") will be limited to persons that have accounts with DTC, or persons that hold interests in the Global Securities through participants of DTC. Ownership of interests in the Regulation S Global Securities (the "Regulation S Book-Entry Interests" and, together with the Rule 144A Book-Entry Interests, the "Book-Entry Interests") will be limited to persons that have accounts with Euroclear or persons that hold interests through participants of Euroclear. DTC will hold interests in the Global Securities on behalf of its participants through customers' securities accounts in their respective names. Investors in Regulation S Global Securities will hold interests in these securities through their accounts with Admitted Institutions. Except under the limited circumstances described below, Book-Entry Interests will not be held in definitive certificated form.

Book-Entry Interests will be shown on, and transfers thereof will be done only through, records maintained in book-entry form by DTC and Euroclear and their respective participants. Except in limited circumstances, definitive certificates representing individual Shares or Warrants will not be issued. The laws of some jurisdictions, including certain U.S. states, may require that certain purchasers of securities take physical delivery of such securities in definitive certificated form. These limitations may impair the ability to own, transfer or pledge Book-Entry Interests. We will not have any responsibility, or be liable, for any aspect of the records relating to the Book-Entry Interests.

Redemption of the Global Securities

In the event any Global Security (or any portion thereof) is redeemed, DTC and/or Euroclear, as applicable, will decrease the amount of the Book-Entry Interests in such Global Security. The amount received by DTC and Euroclear, as applicable, in connection with the redemption of such Global Security (or any portion thereof) will be distributed among the investors through the participants of Euroclear and DTC.

Payments on the Global Securities

We will pay any amounts distributed in respect of the Global Securities (including dividends) to DTC and to Euroclear, which will, in turn, distribute such amounts to participants in accordance using their customary procedures. We will pay all such amounts without deduction or withholding for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature, except as may be required by law and described under "Taxation". If any such deduction or withholding is required to be made, then the relevant payment will be made subject to such withholding or deduction. We will not pay any additional or further amounts in respect of amounts subject to such deduction or withholding. We expect that standing customer instructions and customary practices will govern payments by participants to owners of Book-Entry Interests held through such participants.

Currency of Payment for the Global Securities

All amounts payable in respect of the Global Securities will be paid in euro.

Action by Owners of Book-Entry Interests

DTC and Euroclear have advised us that they will take any action permitted to be taken by a holder of Book-Entry Interests (including the presentation of Shares for exchange as described above) only at the direction of one or more participants to whose accounts the Book-Entry Interests in the Global Securities are credited and only in respect of such portion of the aggregate principal amount of the Global Securities as to which such participant or participants has or have given such direction. DTC and Euroclear will not exercise any discretion in the granting of consents, waivers or the taking of any other action in respect of the Global Securities. In the case of the Regulation S Global Securities, voting rights and rights at attend General Meetings of Shareholders can be exercised only by the holders of Book-Entry Interests in respect of such securities. Such holders must comply with applicable Euroclear rules and procedures.

Transfers

Transfers between participants in DTC and Euroclear will be effected in accordance with DTC and Euroclear rules and any applicable clearing rules and will be settled in immediately available funds. If a holder of Rule 144A Global Securities requires physical delivery of definitive registered securities in certificated form ("Definitive Registered Securities") for any reason, including to sell Securities to persons in jurisdictions which require physical delivery of securities or to pledge such securities, such holder must transfer its interest in the Global Securities in accordance with the normal procedures of DTC. Because DTC can act only on behalf of the participants, which, in turn, act on behalf of indirect participants, the ability of a person having beneficial interests in a Global Security to pledge such interests to a person that does not participate in any of these depositary systems, or to otherwise take actions in respect of such interests, may be affected by the lack of a physical certificate evidencing such interests.

The Global Security for Rule 144A Book-Entry Interests will have a legend to the effect set forth under "Transfer Restrictions and Notice to Investors". Book-Entry Interests in the Global Securities will be subject to the restrictions on transfer and certification requirements discussed under "Transfer Restrictions and Notice to Investors".

Exchanges Between Interests in Regulation S Global Securities and Rule 144A Global Securities

In connection with transfers involving an exchange of a Regulation S Book-Entry Interest for a Rule 144A Book-Entry Interest, appropriate adjustments will be made to reflect a decrease in the principal amount of the Regulation S Global Security and a corresponding increase in the principal amount of the Rule 144A Global Security.

Prior to the expiration of the Distribution Compliance Period for the Regulation S Global Securities, Regulation S Book-Entry Interests may be exchanged for Rule 144A Book-Entry Interests only if:

(1) such exchange occurs in connection with a transfer in accordance with Rule 144A; and

(2) the transferor first delivers to the transfer agent a written certificate to the effect that the securities are being transferred to a person:

  (a) who the transferor reasonably believes to be a qualified institutional buyer within the meaning of Rule 144A;

  (b) purchasing for its own account or the account of a qualified institutional buyer in a transaction meeting the requirements of Rule 144A; and

  (c) in accordance with all applicable securities laws of the states of the United States and other jurisdictions.

A Rule 144A Book-Entry Interest may be transferred to a person who takes delivery in the form of a Regulation S Book-Entry Interest before the expiration of two years from the later of the date hereof or the last date on which we held the corresponding security only if the transferor first delivers to the transfer agent a written certificate to the effect that such transfer is being made to a non-US person in accordance with Rule 903 or 904 of Regulation S or Rule 144 (if available).

Any Book-Entry Interest in one of the Global Securities that is transferred to a person who takes delivery in the form of a Book-Entry Interest in any other Global Security will, upon transfer, cease to be a Book-Entry Interest in the first-mentioned Global Security and become a Book-Entry Interest in such other Global Security. Accordingly, such Book-Entry Interest will thereafter be subject to all transfer restrictions, if any, and other procedures applicable to Book-Entry Interests in such other Global Security for as long as it remains such a Book-Entry Interest.

Definitive Registered Securities

Under the terms of the Global Securities, owners of the Book-Entry Interests will be entitled to receive Definitive Registered Securities if either of DTC or Euroclear is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so.

In the case of the issuance of Definitive Registered Securities, the holder of a Definitive Registered Security may transfer such Security by surrendering it to the Registrar or any Paying, Transfer or Conversion Agent. In the event of a partial transfer or a partial redemption of a holding of Definitive Registered Securities represented by any Definitive Registered Security, a Definitive Registered Security will be issued to the transferee in respect of the part transferred and a new Definitive Registered Security in respect of the balance of the holding not transferred or redeemed will be issued to the transferor or the holder, as applicable. However, no Definitive Registered Security will be issued in respect of an interest in a fractional number of ordinary shares. We will bear the cost of preparing, printing, packaging and delivering the Definitive Registered Securities.

We will not be required to register the transfer or exchange of any Definitive Registered Security for a period of 15 calendar days preceding the record date for any distribution in respect of the Securities. Also, we are not required to register the transfer or exchange of any securities selected for redemption.

If any Definitive Registered Security is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Transfer Agent in Amsterdam for the time being subject to all applicable laws and stock exchange requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence and indemnity as we may require. Mutilated or defaced Securities must be surrendered before replacements will be issued.

Definitive Registered Securities may be transferred and exchanged, including any transfer or exchange for an equivalent interest in a Global Security, only after the transferor first delivers to the Company a written certification to the effect that such transfer will comply with the transfer restrictions applicable to such Securities. See "Transfer Restrictions and Notice to Investors".

Global Clearance and Settlement Under the Book-Entry System

The Shares and Warrants are expected to be admitted for listing and trading on Euronext Amsterdam and to be qualified for trading in the PORTAL System. Any permitted secondary market trading activity in such Securities will, therefore, be required by DTC to be settled in immediately available funds. Subject to compliance with the transfer restrictions applicable to the Global Securities, cross-market transfers between the participants in DTC, on the one hand, and Euroclear participants, on the other hand, will be done through DTC in accordance with DTC's rules on behalf of Euroclear; however, such cross-market transactions will require delivery of instructions to Euroclear by the counterparty in such system in accordance with the rules and procedures and within the established deadlines of such system. Euroclear will, if the transaction meets its settlement requirements, deliver instructions to the transfer agent to take action to effect final settlement on its behalf by delivering or receiving interests in the Global Securities in DTC, and making or receiving payment in accordance with normal procedures for same-day funds settlement applicable to DTC.

Because of time zone differences, the securities account of a Euroclear participant purchasing an interest in a Global Security from a participant in DTC will be credited, and any such crediting will be reported to the relevant Euroclear participant, during the securities settlement processing day (which must be a business day for Euroclear) immediately following the settlement date of DTC. Cash received in Euroclear as a result of a sale of an interest in a Global Security by or through a Euroclear participant to a participant in DTC will be received with value on the settlement date of DTC, but will be available in the relevant Euroclear cash account only as at the business day for Euroclear following DTC's settlement date.

Although DTC and Euroclear are expected to follow the foregoing procedures in order to facilitate transfers of interest in the Global Securities among participants in DTC and Euroclear, as the case may be, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. We will not have any responsibility for the performance by DTC and Euroclear, or their respective participants or indirect participants, of their respective obligations under the rules and procedures governing their operations.

EURONEXT MARKET INFORMATION

Euronext Amsterdam

There is currently no public market for the Units, Shares or Warrants. We will apply for admission and listing of the Shares and Warrants to trading on Eurolist by Euronext. We expect the Shares and Warrants to be traded on Eurolist by Euronext and therefore be subject to Dutch securities regulations and supervision by the AFM.

Market Regulation

The AFM serves as market regulator in the Netherlands for the supervision of market conduct. The AFM has supervisory powers with respect to the publication of information by listed companies and to the application of takeover regulation and with respect to publication of inside information by listed companies. It also supervises financial intermediaries, such as credit institutions, investment firms, securities intermediaries and brokers and investment advisers. Moreover, the AFM is the competent authority for approving all prospectuses published for admission of securities to trading on Eurolist by Euronext, except for prospectuses approved in other Member States of the European Economic Area that has implemented the Prospectus Directive (each, a "Relevant Member State") are used in the Netherlands in accordance with applicable passporting rules. The surveillance units of Euronext and the AFM monitor and supervise all trading operations.

Listing and Trading

The Shares and Warrants that comprise the Units are immediately separable. The Units will not constitute an independently transferable security. We will apply for Admission under the symbols PHSZZ and PHWZZ for the Shares and Warrants, respectively.

The common code for the Shares sold pursuant to Regulation S is 29368. The international securities identification number for the Shares sold pursuant to Regulation S is NL0000293686, and the international securities identification number for the Shares sold pursuant to Rule 144A is US69805M1036. The CUSIP for the Shares sold pursuant to Rule 144A is 69805M103.

The common code for the Warrants sold pursuant to Regulation S is 29359. The international securities identification number for the Warrants sold pursuant to Regulation S is NL0000293595, and the international securities identification number for the Warrants sold pursuant to Rule 144A is US69805M1119. The CUSIP for the Warrants sold pursuant to Rule 144A is 69805M111.

The Shares and Warrants will commence trading separately on the date that they are admitted to trading, which is expected to be on or about July 17, 2007 (the "Admission Date"). Payment for and delivery of the Shares and Warrants is expected to be made on or about July 20, 2007 (the "Closing Date"). The Shares and Warrants will be listed and traded on Eurolist by Euronext on an "as-if-and-when-issued" basis from the Admission Date to the Closing Date. Euronext may annul all transactions effected in the Shares and Warrants if the Units are not delivered on the intended Closing Date. If the closing of the Offering does not occur on the Closing Date or at all, the Offering will be withdrawn, all subscriptions for the Units will be disregarded, any allotments made will be deemed not to have been made and any subscription payments made will be annulled. All dealings in Units prior to settlement and delivery are at the sole risk of the parties concerned.

Investors that wish to enter into transactions in our Shares or Warrants prior to the Closing Date should be aware that the closing of the Offering may not take place on the Closing Date or at all, if certain conditions or events referred to in the Underwriting Agreement are not satisfied or waived or occur on or prior to such date, regardless of whether such transactions are effected on Eurolist by Euronext or otherwise. Such conditions include the receipt of officers' certificates and legal opinions and such events include the absence of a suspension

of trading on Eurolist by Euronext or a material adverse change in our financial condition or business affairs or in the financial markets in general. If closing of the Offering does not take place on the Closing Date or at all, all transactions conducted in the Units and Shares and Warrants represented thereby between the announcement of the Offering and the Closing Date are subject to cancellation by Euronext. All dealings in our Units and Shares and Warrants represented thereby on Eurolist by Euronext prior to the Closing Date are at the sole risk of the parties concerned.

Euronext does not accept responsibility or liability for any loss or damage incurred by any person as a result of the listing and trading on an "as-if-and-when-issued" basis as from the Admission Date until the Closing Date.

Payment, Delivery and Settlement

Payment for and delivery of the Shares and Warrants is expected to be made on or about July 20, 2007 (the "Closing Date") through the book-entry facilities of Euroclear and DTC in accordance with their normal settlement procedures and against payment in immediately available funds. Application has been made for the Shares and the Warrants to be accepted for settlement, upon Admission, through the book-entry facilities of Euroclear and DTC. The Dutch Securities Giro Act (*Wet giraal effectenverkeer*) applies to settlement through Euroclear. The Shares and Warrants will be represented in one or more global certificates that will be deposited with Euroclear, Damrak 70, 1012 LM Amsterdam, the Netherlands, and Cede & Co., as nominee of DTC. For additional information regarding settlement, see "Book-Entry; Delivery and Form."

TAXATION

Notwithstanding anything in this Offering Circular to the contrary, investors (and each employee, representative or agent of the investors) may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure of the Offering and all materials of any kind (including opinions or other tax analyses) that are provided to the investors relating to such tax treatment and tax structure. However, any information relating to the U.S. federal income tax treatment or tax structure will remain confidential (and the preceding sentence will not apply) to the extent reasonably necessary to enable any person to comply with applicable securities laws. For this purpose, "tax treatment" means U.S. federal or state income tax treatment, and "tax structure" means any facts relevant to the U.S. federal or state income tax treatment of the Offering but does not include information relating to the identity of the issuer of the securities, the issuer of any assets underlying the securities or any of their respective affiliates that are offering the securities.

U.S. Federal Income Tax Consequences

General

The following general discussion summarizes the material U.S. federal income tax consequences of the acquisition, ownership and disposition of the Shares and Warrants, which we refer to collectively as our securities, purchased pursuant to this Offering. This discussion is based on current provisions of the Internal Revenue Code of 1986, as amended (the "U.S. Tax Code"), current and proposed Treasury regulations promulgated thereunder, and administrative and judicial decisions as of the date hereof, all of which are subject to change, possibly on a retroactive basis. For purposes of this discussion, a U.S. holder is a beneficial owner of the Shares and Warrants that is, for U.S. federal income tax purposes:

- an individual who is a citizen or resident of the U.S.;
- a corporation (or other entity taxed as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the U.S., any state thereof or the District of Columbia;
- an estate whose income is includible in gross income for U.S. federal income tax purposes regardless of its source; or
- a trust if (1) a court within the U.S. is able to exercise primary supervision over the administration of the trust and one or more "United States persons" (within the meaning of the U.S. Tax Code) have the authority to control all substantial decisions of the trust, or (2) it has a valid election in effect under applicable Treasury regulations to be treated as a "United States person".

This summary does not purport to be a comprehensive description of all of the tax considerations that may be relevant to each person's decision to purchase Units. This discussion does not address all aspects of U.S. federal income taxation that may be relevant to any particular holder based on such holder's individual circumstances. In particular, this discussion considers only holders that purchase Shares and Warrants in this Offering and own Shares and Warrants as capital assets and does not address the potential application of the alternative minimum tax or the U.S. federal income tax consequences to holders that are subject to special treatment, including:

- broker-dealers;
- insurance companies;
- taxpayers who have elected mark-to-market accounting;
- tax-exempt organizations;
- regulated investment companies;
- real estate investment trusts;

- financial institutions or "financial services entities";
- taxpayers who hold Shares or Warrants as part of a straddle, hedge, conversion transaction or other integrated transaction;
- certain expatriates or former long-term residents of the United States; and
- taxpayers whose functional currency is not the U.S. dollar.

This discussion does not address any aspect of U.S. federal gift or estate tax, or state, local or non-U.S. tax laws. Additionally, the discussion does not consider the tax treatment of partnerships or other pass-through entities or persons who hold Shares or Warrants through such entities. If a partnership (or other entity classified as a partnership for U.S. federal income tax purposes) is the beneficial owner of Shares or Warrants, the U.S. federal income tax treatment of a partner in the partnership will generally depend on the status of the partner and the activities of the partnership.

This section is not a substitute for careful tax planning. Prospective investors are urged to consult their own tax advisers regarding the specific federal, state, local, foreign and other tax consequences to them, in light of their own particular circumstances, of the purchase, ownership and disposition of our Shares and Warrants and the effect of potential changes in applicable tax laws.

TO ENSURE COMPLIANCE WITH IRS CIRCULAR 230, PROSPECTIVE INVESTORS ARE HEREBY NOTIFIED THAT: (A) ANY DISCUSSION OF U.S. FEDERAL TAX ISSUES CONTAINED OR REFERRED TO IN THIS OFFERING CIRCULAR IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, BY PROSPECTIVE INVESTORS FOR THE PURPOSE OF AVOIDING PENALTIES THAT MAY BE IMPOSED ON THEM UNDER THE U.S. FEDERAL TAX LAWS; (B) SUCH DISCUSSION IS WRITTEN TO SUPPORT THE PROMOTION OR MARKETING BY THE ISSUER AND THE UNDERWRITERS OF THE TRANSACTIONS OR MATTERS ADDRESSED HEREIN; AND (C) PROSPECTIVE INVESTORS SHOULD SEEK ADVICE BASED ON THEIR OWN PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISER.

Taxation of Shares and Warrants

General

The Company intends to treat the Shares as equity for U.S. federal income tax purposes. The U.S. Internal Revenue Service (the "IRS") may not agree with the Company's treatment of the Shares or any of the discussion below. Accordingly prospective investors are urged to consult their tax advisers regarding the U.S. federal tax consequences of investing in the Shares and Warrants and with respect to any tax consequences arising under the tax laws of any state, local or foreign jurisdiction.

Allocation of Purchase Price Between Shares and Warrants

For U.S. federal income tax purposes, a U.S. holder must allocate the purchase price of a Unit between Shares and Warrants that comprise the Unit based on the relative fair market value of each. While uncertain, it is possible that the IRS could apply, by analogy, rules pursuant to which the Company's allocation of the purchase price will be binding on a U.S. holder of a Unit that acquired the Unit upon original issuance, unless the U.S. holder explicitly discloses in a statement attached to the U.S. holder's timely filed U.S. federal income tax return for the taxable year that includes the acquisition date of the Unit that the U.S. holder's allocation of the purchase price between the Share and the Warrant that comprise the Unit is different from the Company's allocation. The Company's allocation is not, however, binding on the IRS.

Each U.S. holder is advised to consult such holder's own tax adviser with respect to the risks associated with an allocation of the purchase price between the Shares and Warrants that comprise a Unit that is inconsistent with the Company's allocation of the purchase price.

Taxation of Dividends Paid on Shares

In the event the Company pays a dividend, subject to the discussion of the PFIC and CFC rules below, a U.S. holder will be required to include in gross income as ordinary income the amount of any distribution paid on the Shares to the extent the distribution is paid out of the Company's current or accumulated earnings and profits as determined for U.S. federal income tax purposes. Distributions in excess of such earnings and profits will be applied against and will reduce the U.S. holder's basis in the Shares and, to the extent in excess of such basis, will be treated as gain from the sale or exchange of Shares as described under "—Taxation of the Disposition of Shares".

In the case of a U.S. holder that is a corporation for federal income tax purposes, a dividend from the Company will generally be taxable at regular corporate rates of up to 35% and generally will not qualify for a dividends-received deduction. A U.S. holder that is a corporation and that owns 10% of our voting stock may be entitled to claim foreign tax credit for foreign taxes paid by the Company or certain subsidiaries subject to complex limitations discussed below. The Company has not yet determined whether it will maintain the information necessary for such holders to claim the foreign tax credit. In the case of non-corporate U.S. holders, dividends are generally subject to tax at ordinary income rates of up to 35%. Dividends from foreign corporations organized in a country with a tax treaty with the U.S. are taxed as net capital gain at a rate of 15% or lower before January 1, 2011, provided the foreign corporation is not a PFIC and the taxpayer has held shares in the foreign corporation for more than 60 days during the 121 day period on the date that is 60 days prior to the date on which such shares became ex-dividend with respect to such dividend ("qualified dividends"). To the extent a taxpayer is under an obligation to make related payments with respect to positions in similar or related property or the taxpayer holds positions that diminish its risk of loss with respect to the Shares, or to the extent the U.S. holder elects to take the dividend into account as investment income, the lower tax rate on dividends will not be allowed. The IRS may take the position that the holding period of Shares for determining whether dividends are taxed at a reduced rate may not begin until the Redemption/Repurchase Rights have lapsed. There is, however, no authority on whether the Redemption/Repurchase Rights may prevent a U.S. holder from satisfying such holding period requirement with respect to its Shares. Because the U.S. has a tax treaty with the Netherlands, dividends paid by the Company to non-corporate U.S. holders may qualify for the 15% rate, provided that the Company is not a PFIC.

Distributions of current or accumulated earnings and profits paid in a non-U.S. currency to a U.S. holder will be includible in the income of a U.S. holder in a U.S. dollar amount calculated by reference to the exchange rate on the day the distribution actually or constructively is received. A U.S. holder that receives a non-U.S. currency distribution will have a tax basis in the amount so received equal to the U.S. dollar value of such amount on the day actually or constructively received. A U.S. holder that receives a non-U.S. currency distribution and converts the non-U.S. currency into U.S. dollars on the date of receipt will realize no foreign currency gain or loss. If the U.S. holder converts the non-U.S. currency to U.S. dollars on a date subsequent to receipt, such U.S. holder will have foreign exchange gain or loss which will generally be U.S. source ordinary income or loss based on any appreciation or depreciation in the value of the non-U.S. currency against the U.S. dollar from the date of receipt to the date of conversion.

U.S. holders have the option of claiming the amount of any non-U.S. income taxes withheld on a distribution to them either as a deduction from gross income or as a dollar-for-dollar credit against their U.S. federal income tax liability. The choice to claim a credit or take a deduction applies to all foreign income taxes paid. The amount of foreign income taxes which may be claimed as a credit in any year is subject to complex limitations and restrictions, which must be determined on an individual basis by each U.S. holder. These limitations include, among others, rules which limit foreign tax credits allowable with respect to specific classes of foreign source income to the U.S. federal income taxes otherwise payable with respect to each such class of foreign source income. The total amount of allowable foreign tax credits in any year cannot exceed the U.S. holder's regular U.S. tax liability for the year. Dividends paid by the Company will generally be foreign source passive income for U.S. foreign tax credit purposes. A U.S. holder will be denied a foreign tax credit with respect to non-U.S. income tax withheld from dividends received on the Shares to the extent such U.S. holder has not

held the Shares for at least 16 days of the 31-day period beginning 15 days before the ex-dividend date or to the extent such U.S. holder is under an obligation to make related payments with respect to substantially similar or related property. Any days during which a U.S. holder has substantially diminished its risk of loss on the Shares are not counted toward meeting the 16 day holding period required by the statute. Individuals who do not claim itemized deductions, but instead utilize the standard deduction, may not claim a deduction for the amount of the non-U.S. income taxes withheld, but such amount may be claimed as a credit against the individual's U.S. federal income tax liability.

Taxation of the Disposition of Shares

Subject to the discussion of the PFIC and CFC rules below, upon the sale, exchange or other taxable disposition (which would include a liquidation of the Company in the event we do not consummate a Qualified Business Combination within the required timeframe) of Shares, a U.S. holder will recognize capital gain or loss in an amount equal to the difference between the amount realized on the disposition and such U.S. holder's tax basis in its Shares. A U.S. holder's basis in its Shares is usually the cost of such Shares (that is, an amount equal to the portion of the purchase price of the Unit allocated to Shares as described above under the heading "Allocation of Purchase Price Between Shares and Warrants"). See "Exercise or Lapse of the Warrant" below for a discussion regarding a U.S. holder's basis in Shares acquired pursuant to the exercise of a warrant.

Capital gain or loss from the sale, exchange or other disposition of Shares held for more than one year is long-term capital gain or loss, and long-term capital gain is eligible for a reduced rate of taxation for non-corporate taxpayers. Long-term capital gains recognized by certain non-corporate holders before January 1, 2011 may qualify for a reduced rate of taxation of 15% or lower. See "Exercise or Lapse of the Warrant" below for a discussion regarding a U.S. holder's holding period in Shares acquired pursuant to the exercise of a warrant. The IRS may take the position that the holding period of Shares for determining long-term capital gain may not begin until the Repurchase Rights have lapsed. There is, however, no authority on whether the Repurchase Rights may prevent a U.S. holder from satisfying the long-term capital gain holding period requirement with respect to its Shares. Gains recognized by a U.S. holder on a sale, exchange or other disposition of Shares generally will be treated as U.S. source income for U.S. foreign tax credit purposes. A loss recognized by a U.S. holder on the sale, exchange or other disposition of Shares generally is allocated to U.S. source income for U.S. foreign tax credit purposes. The deductibility of a capital loss recognized on the sale, exchange or other disposition of Shares is subject to limitations, as is the deduction for losses realized upon a taxable disposition by a U.S. holder of our Shares if, within a period beginning 30 days before the date of such disposition and ending 30 days after such date, such U.S. Shareholder has acquired (by purchase or by an exchange on which the entire amount of gain or loss was recognized by law), or has entered into a contract or options to acquire, substantially identical securities.

For Shares and Warrants traded on an established securities market, a U.S. holder that uses the cash method of accounting calculates the U.S. dollar value of foreign currency proceeds received on the sale as of the date the sale settles, while a U.S. holder that uses the accrual method of accounting is required to calculate the U.S. dollar value of foreign currency proceeds received on the sale as of the "trade date," unless such U.S. holder has elected to use the settlement date to determine its sale proceeds. A U.S. holder that receives foreign currency upon a disposition of Shares or Warrants and converts the foreign currency into U.S. dollars subsequent to its receipt will have foreign exchange gain or loss based on any appreciation or depreciation in the value of the foreign currency against the U.S. dollar, which gain or loss will generally be U.S. source ordinary income or loss.

In the event that a U.S. holder receives the Redemption/Repurchase Price for its Shares pursuant to the exercise of Redemption/Repurchase Rights, the transaction will be treated for U.S. federal income tax purposes as a redemption of such Shares. If the redemption qualifies as a sale of Shares by a U.S. holder under Section 302 of the U.S. Tax Code, the U.S. holder will be treated as described in the preceding four paragraphs. If the redemption does not qualify as a sale of Shares under Section 302, a U.S. holder will be treated as receiving a corporate distribution with the tax consequences described under "—Taxation of Dividends Paid on Shares", above. Whether the redemption qualifies for sale treatment will depend largely on the total number of Shares treated as held by the holder (including any Shares constructively owned by the holder as a result of, among other

things, owning Warrants). The redemption of Shares generally will be treated as a sale or exchange of the Shares (rather than as a corporate distribution) if the receipt of cash upon the redemption (1) is "substantially disproportionate" with respect to the holder, (2) results in a "complete termination" of the holder's interest in the Company or (3) is "not essentially equivalent to a dividend" with respect to the holder. These tests are explained more fully below.

In determining whether any of the foregoing tests are satisfied, a holder takes into account not only stock actually owned by the holder, but also shares of the Company's stock that are constructively owned by it. A U.S. holder may constructively own, in addition to stock owned directly, stock owned by certain related individuals and entities in which the holder has an interest or that have an interest in such holder, as well as any stock the holder has a right to acquire by exercise of an option, which would generally include Shares which could be acquired pursuant to the exercise of the Warrants. In order to meet the substantially disproportionate test, the percentage of the Company's outstanding voting stock, including Shares, actually and constructively owned by the holder immediately following the redemption must, among other requirements, be less than 80% of the percentage of the Company's outstanding voting stock actually and constructively owned by the holder immediately before the redemption. There will be a complete termination of a holder's interest if either (1) all of the shares of the Company's stock actually and constructively owned by the U.S. holder are redeemed or (2) all of the shares of the Company's stock actually owned by the U.S. holder are redeemed and the holder is eligible to waive, and effectively waives in accordance with specific rules, the attribution of stock owned by certain family members and the U.S. holder does not constructively own any other Company stock. The redemption of the Shares will not be essentially equivalent to a dividend if the redemption results in a "meaningful reduction" of the holder's proportionate interest in the Company. Whether the redemption will result in a meaningful reduction in a holder's proportionate interest will depend on the particular facts and circumstances. However, the IRS has indicated in a published ruling that even a small reduction in the proportionate interest of a small minority stockholder in a publicly held corporation who exercises no control over corporate affairs may constitute such a "meaningful reduction." A U.S. holder should consult its own tax advisers in order to determine the appropriate tax treatment to it of an exercise of a Redemption/Repurchase Right.

If none of the foregoing tests are satisfied, then the redemption pursuant to an exercise of Redemption/Repurchase Rights will be treated as a corporate distribution and the tax effects will be as described above under "—Taxation of Dividends Paid on Shares". After the application of those rules, any remaining tax basis of the holder in the redeemed Shares will be added to the holder's adjusted tax basis in his remaining Company stock, or, if it has none, to the holder's adjusted tax basis in its Warrants or possibly in other Company stock constructively owned by it.

Persons who actually or constructively own 1% or more of our stock (by vote or value) may be subject to special reporting requirements with respect to the exercise of Redemption/Repurchase Rights, and such persons should consult their own tax advisers in that regard.

Exercise, Lapse or Disposition of a Warrant

Subject to the discussion of the PFIC rules below, a U.S. holder generally will not recognize gain or loss upon the exercise of a Warrant. Shares acquired pursuant to the exercise of a Warrant will have a tax basis equal to the U.S. holder's tax basis in the Warrant (that is, an amount equal to the portion of the purchase price of the Unit allocated to the Warrant as described above under the heading "Allocation of Purchase Price Between Shares and Warrants"), increased by the price paid to exercise the Warrant. The holding period of such Share would begin on the date following the date of exercise (or possibly on the date of exercise) of the Warrant. If the terms of a Warrant provide for any adjustment to the number of Shares for which the Warrant may be exercised or to the exercise price of the Warrants, such adjustment may, under certain circumstances, result in constructive distributions that could be taxable as a dividend to the holder of the Warrants. Conversely, the absence of an appropriate adjustment may result in a constructive distribution that could be taxable as a dividend to the U.S. holders of the Shares. See "Taxation of Dividends Paid on the Shares".

If you sell your Warrants or if the Company redeems your Warrants, you will recognize capital gain or loss equal to the difference between the proceeds you receive and your tax basis in the Warrants. The resulting gain or loss will be either short-term or long-term depending on whether you have held the Warrants for more than one year. If you do not exercise the Warrants and they expire, you will recognize a capital loss when they expire equal to your tax basis in the Warrants, and such capital loss will be either short-term or long-term depending on whether you have held the Warrants for more than one year. A U.S. holder's tax basis in the Warrants will equal the portion of the purchase price of the Units allocable to the Warrant (as described above) and the holding period for the Warrants will commence on the date that you purchase the Units. U.S. holders who elect to exercise a Warrant other than by paying the exercise price in cash should consult their tax advisers regarding the tax treatment of such an exercise, which may vary from that described above. The deductibility of a capital loss recognized on the sale, exchange or other disposition of Warrants is subject to limitations, as is the deduction for losses realized upon a taxable disposition by a U.S. holder of our Warrants if, within a period beginning 30 days before the date of such disposition and ending 30 days after such date, such U.S. Shareholder has acquired (by purchase or by an exchange on which the entire amount of gain or loss was recognized by law), or has entered into a contract or options to acquire, substantially identical securities.

The Warrants on issuance may have an exercise price below the current fair market value of the Shares that could be purchased on exercise of a Warrant. In some instances, the IRS has taken the position that a warrant with a below-market exercise price was the equivalent of the stock purchasable on exercise. The Company believes that the Warrants should be treated as warrants and not as stock. However, even if the Warrants were treated as stock, a U.S holder would not recognize taxable income from the exercise or holding of a Warrant.

Tax Consequences if the Company is a Controlled Foreign Corporation ("CFC")

Each "U.S. 10% Shareholder," (as defined below) that, on the last day of the taxable year of which the foreign corporation is considered a CFC as defined by section 957 of the U.S. Tax Code, owns, directly or indirectly through a foreign entity, shares of a foreign corporation that is a CFC for an uninterrupted period of thirty days or more during such taxable year must include in its gross income for U.S. federal income tax purposes its pro rata share of the CFCs "subpart F income," for such year, even if the subpart F income is not distributed. In addition, the U.S. 10% Shareholders of such a foreign corporation may be deemed to receive taxable distributions to the extent the foreign corporation increases the amount of its earnings that are invested in certain specified types of U.S. property. Most of the Company's income initially is expected to be subpart F income. "Subpart F income" includes, inter alia, "foreign personal holding company income," such as interest, dividends, and other types of passive investment income. However, subpart F income does not include (1) any income from sources within the U.S., considered effectively connected with the conduct of a trade or business within the U.S. and not exempted, or subject to a reduced rate of tax by applicable treaty, or (2) certain income subject to high foreign taxes.

Any U.S. Person who owns, directly or indirectly through foreign entities, or is considered to own (by application of the rules of constructive ownership set forth in U.S. Tax Code section 958), generally applying to family members, partnerships, estates, trusts or 10% controlled corporations) 10% or more of the total combined voting power of all classes of stock of a foreign corporation such as the Company will be considered to be a "U.S. 10% Shareholder". In general, a foreign corporation is treated as a CFC only if its U.S. 10% Shareholders collectively own more than 50% of the total combined voting power or total value of the corporation's stock on any day (the "50% Test"). Warrants are treated as stock to the extent the result is to treat a person as a "U.S. 10% Shareholder" and to determine if a foreign corporation is a CFC under the "50% Test". In determining the U.S. 10% Shareholders of the Company, capital stock of the Company that is held indirectly by U.S. Persons through any non-U.S. entity is treated as held by U.S. Persons. A U.S. Person will be treated as owning indirectly a proportion of the capital stock of the Company corresponding to the ratio that the Shares owned by such person bears to the value of all the capital stock of the Company.

The tax basis of the shares of the Company held by the U.S. 10% Shareholder required to include subpart F income will generally be increased by the amount of income taxable to it under the CFC rules, and actual distributions of that income will generally not be taxed again to the U.S. 10% Shareholder to the extent they do not exceed the amount previously included in income under the CFC rules.

In addition, if a U.S. 10% Shareholder of the Company or a U.S. holder who was a U.S. 10% Shareholder of the Company during the preceding five years sells or exchanges its shares of the Company while the Company is a CFC or was a CFC during the preceding five years, a portion of any gain recognized by such person will generally be taxed as dividend income, rather than as capital gain income, to the extent of that person's ratable share of the earnings and profits of the Company determined for U.S. income tax purposes during its period of ownership. Any such dividend income is eligible for the preferential tax rates currently available to "qualified dividends" for U.S. income tax purposes subject to the conditions discussed above. In the case of dividend income recognized by a U.S. person taxed as a corporation, such dividend income may carry with it foreign taxes paid on the underlying earnings of the Company that may be claimed as foreign tax credits depending upon such U.S. person's particular tax situation.

A U.S. person who is subject to tax on its share of income under the CFC rules is not separately subject to tax under the PFIC rules described below.

The CFC rules are complex. The foregoing is merely a summary of the potential application of these rules. No assurances can be given that the Company will not become a CFC. Each potential U.S. holder of Shares or Warrants of the Company is urged to consult its tax adviser with respect to the possible application of the CFC rules to it if it, or a related person, becomes a U.S. 10% Shareholder of the Company under these rules. Moreover, each potential U.S. holder should be aware that if it becomes a U.S. 10% Shareholder, it may be required to include certain amounts in income that are based on the underlying operations of the Company and its subsidiaries and to report certain information about the Company and its subsidiaries and the Company may not be able to provide timely or accurate information to the U.S. 10% Shareholder for preparation of its U.S. income tax returns. Failure to comply with these rules can result in the imposition of penalties. Accordingly, potential U.S. holders should strongly consider whether it is advisable to invest individually or with affiliated persons in a manner that could cause them to become a U.S. 10% Shareholder of the Company if it is a CFC.

Tax Consequences if the Company is a Passive Foreign Investment Company

The Company will be a passive foreign investment company, or PFIC, if 75% or more of its gross income in a taxable year, including the pro rata share of the gross income of any company in which it is considered to own 25% or more of the shares by value, is passive income. Alternatively, the Company will be a PFIC if at least 50% of its assets in a taxable year, averaged over the year and ordinarily determined based on fair market value, including the pro rata share of the assets of any company in which the Company is considered to own 25% or more of the shares by value, are held for the production of, or produce, passive income.

Passive income generally includes dividends, interest, rents, royalties, and gains from the disposition of passive assets. Passive income also includes the excess of gains over losses from some commodities transactions. Net gains from commodities transactions will not be included in the definition of passive income if they are active business gains or losses from the sale of commodities, but only if substantially all of a corporation's commodities are stock in trade or inventory, depreciable or real property used in trade or business, or supplies used in the ordinary course of the trade or business of a corporation. Net gains from commodities transactions will also not be included in the definition of passive income if they arise out of commodity hedging transactions entered into in the ordinary course of a corporation's trade or business.

Because the Company does not currently conduct an active business, it believes that it is likely that it will meet the PFIC asset or income tests for the current year. However, the PFIC rules contain an exception to PFIC status for certain companies in their "start-up year". A corporation will not be a PFIC for the first taxable year the

corporation has gross income if (1) no predecessor of the corporation was a PFIC; (2) the corporation satisfies the Secretary of the U.S. Treasury that it will not be a PFIC for either of the first two taxable years following the start-up year; and (3) the corporation is not in fact a PFIC for either of these years. The applicability of the start-up exception to the Company is uncertain. After acquisition of a company in a Business Combination, the Company may still meet one of the PFIC tests depending on the timing of the acquisition and the passive income and assets of both the Company and the acquired business which would likely be a predecessor corporation for purposes of the start-up exception. If the company that the Company acquires in a Business Combination is a PFIC, then the Company will likely not qualify for the start-up exception and will be a PFIC for the current year.

The Company notes, however, that PFIC status cannot be determined until the close of the year in question and is determined annually. Consequently, the Company can provide no assurance that it will not be a PFIC for either the current year or for any subsequent year.

If the Company is a PFIC during any year of a U.S. holder's holding period, that U.S. holder, upon receipt of certain excess distributions by the Company and upon disposition of Shares or Warrants at a gain, would be liable to pay tax at the highest prevailing income tax rates on ordinary income in effect during the U.S. holder's holding period while the Company is a PFIC plus interest on the tax, as if the distribution or gain had been recognized rateably over the holder's holding period for the Shares or Warrants. Additionally, if the Company is a PFIC during any year of a deceased U.S. holder's holding period, a U.S. holder who acquires Shares or Warrants from the deceased U.S. holder would not receive the step-up of the income tax basis to fair market value for such Shares or Warrants. Instead, such U.S. holder would have a tax basis equal to the deceased's tax basis, if lower. As described below, if a U.S. holder own shares or warrants in a PFIC, those shares or warrants will generally continue to be subject to the PFIC rules even if the corporation later does not satisfy the asset and income test.

If a U.S. holder has made a qualifying electing fund ("QEF") election covering all taxable years during which the holder holds Shares and in which the Company is a PFIC, distributions and gains will not be taxed as described above, nor will denial of a basis step-up at death described above apply. Instead, a U.S. holder that makes a QEF election is required for each taxable year to include in income the holder's pro rata share of the ordinary earnings of the QEF as ordinary income and a pro rata share of the net capital gain of the QEF as long-term capital gain, regardless of whether such earnings or gain have in fact been distributed. Where earnings and profits that were included in income under this rule are later distributed, the distribution is not taxed again as a dividend. The basis of a U.S. holder's Shares in a QEF is increased by amounts that are included in income, and decreased by amounts distributed but not taxed as dividends, under the above rules. Undistributed income is subject to a separate election to defer payment of taxes. If deferred, the taxes will be subject to an interest charge. U.S. holders may not make a QEF election with respect to Warrants. As a result, if a U.S. holder sells Warrants, any gain will be subject to the special tax and interest charge rules treating the gain as an excess distribution, as described above, if the company is a PFIC at any time during the period the U.S. holder holds the Warrants. If a U.S. holder that exercises Warrants properly makes a QEF election with respect to the newly acquired Shares, the adverse tax consequences relating to PFIC Shares will continue to apply with respect to the pre-QEF election period, unless the holder makes a purging election. The purging election creates a deemed sale of the Shares acquired on exercising the Warrants. The gain recognized as a result of the purging election would be subject to the special tax and interest charge rules, treating the gain as an excess distribution, as described above. As a result of the purging election, the U.S. holder would have a new tax basis and holding period in the Shares acquired on the exercise of the Warrants for purposes of the PFIC rules.

The application of the PFIC and QEF rules to Warrants and to Shares acquired upon exercise of Warrants is subject to significant uncertainties. Accordingly, each U.S. holder should consult such holder's tax adviser concerning the potential PFIC consequences of holding Warrants or of holding Shares acquired through the exercise of such Warrants.

In order to comply with the requirements of a QEF election, a U.S. holder must receive certain information from us. The QEF election is made on a shareholder-by-shareholder basis and can be revoked only with the consent of the IRS. A U.S. holder can make a QEF election by attaching a completed IRS Form 8621, including

the information provided in the PFIC annual information statement, to a timely filed U.S. federal income tax return and by filing a copy of the form with the IRS. The Company will provide such information as the IRS may require in order to enable U.S. holders to make the QEF election. There is no assurance that the Company will have timely knowledge of its status as a PFIC in the future. Even if a U.S. holder in a PFIC does not make a QEF election, such U.S. holder must annually file with the U.S. holder's tax return a completed Form 8621.

Where a U.S. holder has elected the application of the QEF rules to its Shares, and the excess distribution rules do not apply to such Shares (because of a timely election or a purge of the PFIC taint as described above in connection with the exercise of Warrants), any gain realized on the appreciation of the Shares is taxable as capital gain (if the Shares are a capital asset in the hands of the U.S. holder) and no interest charge is imposed.

Although a determination as to a corporation's PFIC status is made annually, an initial determination that a corporation is a PFIC will generally apply for subsequent years to a U.S. holder who held Shares while the corporation was a PFIC, whether or not it meets the tests for PFIC status in those years. A U.S. holder who makes the QEF election discussed above for the first year the U.S. holder holds or is deemed to hold Shares or Warrants and for which the Company is determined to be a PFIC, however, is not subject to the PFIC rules or the QEF regime for the years in which the Company is not a PFIC.

If the Company's Shares become "regularly traded" on a "qualified exchange or other market," as provided in applicable Treasury regulations, a U.S. holder of its Shares may elect to mark the Shares to market annually, recognizing as ordinary income or loss each year an amount equal to the difference between the U.S. holder's adjusted tax basis in such Shares and their fair market value. Losses would be allowed only to the extent of net mark-to-market gain previously included by the U.S. holder under the election in previous taxable years. As with the QEF election, a U.S. holder who makes a mark-to-market election would not be subject to the general PFIC regime and the denial of basis step-up at death described above. While subject to the restrictions under Rule 144, the Company does not think the Shares will qualify for the mark to market election. It is unclear whether the Company's Shares will ever qualify for the mark-to-market election and prospective investors should not assume that the Shares will qualify for the mark-to-market election.

If the Company is a PFIC and, at any time, has a non-U.S. subsidiary that is classified as a PFIC, U.S. holders of Shares generally would be deemed to own, and also would be subject to the PFIC rules with respect to, their indirect ownership interests in that lower-tier PFIC. A QEF election under the PFIC rules with respect to the Company's Shares would not apply to a lower-tier PFIC. If the Company is a PFIC and a U.S. holder of Shares does not make a QEF election in respect of a lower-tier PFIC, the U.S. holder could incur liability for the deferred tax and interest charge described above if either (1) the Company receives a distribution from, or disposes of all or part of its interest in, the lower-tier PFIC or (2) the U.S. holder disposes of all or part of its Shares. The Company has not determined whether it will endeavor to cause any lower-tier PFIC to provide to a U.S. holder the information that may be required to make a QEF election with respect to the lower-tier PFIC. A mark-to-market election under the PFIC rules with respect to Shares would not apply to a lower-tier PFIC, and a U.S. holder would not be able to make such a mark-to-market election in respect of its indirect ownership interest in that lower-tier PFIC. Consequently, U.S. holders of Shares who make such a mark-to-market election with respect to the Shares could be subject to the PFIC rules with respect to income of the lower-tier PFIC, the value of which already had been taken into account indirectly via mark-to-market adjustments. Similarly, if a U.S. holder made a mark-to-market election under the PFIC rules in respect of the Company's Shares and made a QEF election in respect of a lower-tier PFIC, that U.S. holder could be subject to current taxation in respect of income from the lower-tier PFIC, the value of which already had been taken into account indirectly via mark-to-market adjustments. U.S. holders are urged to consult their own tax advisers regarding the issues raised by lower-tier PFICs.

The rules dealing with PFICs and with the QEF and mark-to-market elections are very complex and are affected by various factors in addition to those described above, including the Company's ownership of any non-U.S. subsidiaries. As a result, U.S. holders of Shares and/or Warrants are strongly encouraged to consult their tax advisers about the PFIC rules in connection with their purchasing, holding or disposing of Shares or Warrants.

Tax Consequences for Non-U.S. Holders of Shares or Warrants

Except as described in "Information Reporting and Backup Withholding" below, a non-U.S. holder of Shares or Warrants will not be subject to U.S. federal income or withholding tax on the receipt of dividends on Shares and the proceeds from the disposition of Shares or Warrants unless such income is U.S. source income and:

- such income is effectively connected with the conduct by the non-U.S. holder of a trade or business in the United States and, in the case of a resident of a country which has a treaty with the United States, such income is attributable to a permanent establishment or, in the case of an individual, a fixed base, in the United States; or
- the non-U.S. holder is an individual who holds the Shares or Warrants as a capital asset and is present in the U.S. for 183 days or more in the taxable year of the disposition, certain other conditions are met, and such non-U.S. holder does not qualify for an exemption.

If the first exception applies, the non-U.S. holder generally will be subject to U.S. federal income tax with respect to such item in the same manner as a U.S. holder unless otherwise provided in an applicable income tax treaty; a non-U.S. holder that is a corporation for U.S. federal income tax purposes may also be subject to a branch profits tax with respect to such item at a rate of 30% (or at a reduced rate under an applicable income tax treaty). If the second exception applies, the non-U.S. holder generally will be subject to U.S. federal income tax at a rate of 30% (or at a reduced rate under an applicable income tax treaty) on the amount by which such non-U.S. holder's capital gains allocable to U.S. sources exceed capital losses allocable to U.S. sources during the taxable year of disposition of the Shares or Warrants.

Information Reporting and Backup Withholding

U.S. holders generally are subject to information reporting requirements with respect to dividends paid on Shares and on the proceeds from the sale, exchange or disposition of Shares or Warrants if the payments are made by or through a U.S. person or a U.S. office of a non-U.S. person (as defined in Regulation S under the Securities Act). In addition, U.S. holders are subject to backup withholding (currently at 28%) on dividends paid on Shares, and on proceeds from the sale, exchange or other disposition of Shares or Warrants, unless each such U.S. holder provides a taxpayer identification number and a duly executed IRS Form W-9 or otherwise establishes an exemption.

Non-U.S. holders generally are not subject to information reporting or backup withholding with respect to dividends paid on Shares, or the proceeds from the sale, exchange or other disposition of Shares or Warrants, provided that each such non-U.S. holder certifies as to its foreign status on the applicable duly executed IRS Form W-8 or otherwise establishes an exemption.

Backup withholding is not an additional tax and the amount of any backup withholding will be allowed as a credit against a U.S. or non-U.S. holder's U.S. federal income tax liability and may entitle such holder to a refund, provided that certain required information is timely furnished to the IRS.

Netherlands Tax Consequences

General

The following is a summary of certain Netherlands tax consequences of the holding and disposal of our Shares and Warrants. This summary does not purport to describe all possible tax considerations or consequences that may be relevant to such holder or prospective holder of Shares or Warrants. Holders should consult with their tax advisers with regards to the tax consequences of investing in the Shares and Warrants in their particular circumstances. The discussion below is included for general information purposes only.

In particular, this summary does not address tax considerations applicable to investors who will receive or have received these Shares or Warrants as employment income, deemed employment income or otherwise as compensation. Please note that this summary also does not describe the tax considerations for holders of Shares or Warrants if such holders, and in the case of individuals, his/her partner or certain of their relatives by blood or marriage in the direct line (including foster children), have a substantial interest or deemed substantial interest in us as laid down in the Netherlands Income Tax Act 2001. Generally speaking, a holder of securities in a company is considered to hold a substantial interest in such company, if such holder alone or, in the case of individuals, together with his/her partner (statutorily defined term), directly or indirectly, holds (1) an interest of 5% or more of the total issued and outstanding capital of that company or of 5% or more of the issued and outstanding capital of a certain class of shares of that company; or (2) holds rights to acquire, directly or indirectly, such interest; or (3) holds certain profit sharing rights in that company that relate to 5% or more of the company's annual profits and/or to 5% or more of the company's liquidation proceeds. A deemed substantial interest arises if a substantial interest (or part thereof) in a company has been disposed of, or is deemed to have been disposed of, on a non-recognition basis. Furthermore, this summary does not describe the tax considerations for holders of Shares if the holder has an interest in us or could obtain an interest in us by exercising its warrant(s) that qualifies as a "participation" for the purposes of the Netherlands Corporate Income Tax Act 1969.

Except as otherwise indicated, this summary only addresses Netherlands national tax legislation and regulations, as in effect on the date hereof and as interpreted in published case law on the date hereof and is subject to change after such date, including changes that could have retroactive effect.

Withholding Tax

Dividends distributed by us generally are subject to Netherlands dividend withholding tax at a rate of 15%. The withholding mechanism requires us to deduct from the dividend an amount of withholding tax to be paid to the Netherlands tax authorities. The withholding tax is therefore effectively carried by the recipient of a dividend and not by us. The expression "dividends distributed" includes, among others:

- distributions in cash or in kind;
- liquidation proceeds, proceeds of redemption of Shares, or proceeds of the repurchase of Shares by us or one of our subsidiaries or other affiliated entities to the extent such proceeds exceed the average paid-in capital of those Shares recognized for purposes of Netherlands dividend withholding tax;
- an amount equal to the nominal value of Shares issued or an increase of the nominal value of Shares, to the extent that it does not appear that a contribution, recognized for purposes of Netherlands dividend withholding tax, has been made or will be made; and
- partial repayment of the paid-in capital, recognized for purposes of Netherlands dividend withholding tax, if and to the extent that we have net profits (in Dutch: "*zuivere winst*"), unless the holders of Shares have resolved in advance at a general meeting to make such repayment and the nominal value of the Shares concerned has been reduced by an equal amount by way of an amendment of our Articles of Association.

If we redeem Warrants, the amount paid in consideration may be subject to dividend withholding tax on dividends.

If we redeem or repurchase a Share, the excess, if any, of (i) the consideration we pay for the Share, over (ii) the aggregate amount of share capital and share premium attributable to a Share will be subject to a 15% dividend withholding tax under Netherlands law. The amount of a Share's aggregate share capital and share premium referred to in clause (ii) of the preceding sentence will be determined by allocating the €8.00 paid at the issue of a Unit to the New Share and the Warrant in accordance with Netherlands tax principles. Upon a Repurchase/Redemption Event, the aggregate amount of share capital and share premium attributable to a Class A Share (after conversion of a New Share) is expected to equal €7.42, and the 15% dividend withholding tax will be imposed on the excess of the Redemption/Repurchase Price over €7.42 per Class A Share.

If a holder of Shares is resident in a country other than the Netherlands and if a double taxation convention is in effect between the Netherlands and such other country, such holder of Shares may, depending on the terms of that double taxation convention, be eligible for a full or partial exemption from, or refund of, Netherlands dividend withholding tax.

A recipient of a dividend on the Shares that is a company, a qualifying tax-exempt pension trust or a qualifying tax-exempt organization and that satisfies the conditions of the Convention between the Netherlands and the United States for the avoidance of double taxation of December 18, 1992 (the "Convention") may be entitled to a reduced rate of dividend withholding tax (a "U.S. holder"). These conditions include but are not limited to being a resident of the U.S for the purposes of the Convention, being the beneficial owner of such dividend and qualifying under article 26 of the Convention (the so-called "Limitation on Benefits" article).

To claim a reduced withholding tax rate under the Convention (both reduction at source and refund procedure), the U.S. holder that is a company must file a request with the Netherlands tax authorities for which no specific form is available. Qualifying tax-exempt pension trusts must file form IB 96 USA for the application of relief at source from or refund of dividend withholding tax. Qualifying tax-exempt U.S. organizations are not entitled under the Convention to claim benefits at source, and instead must file claims for refund by filing form IB 95 USA. Copies of the forms may be obtained from the "Belastingdienst/Centrum voor facilitaire dienstverlening, Afdeling logistiek reprografisch centrum", P.O. Bos 1314, 7301BN, Apeldoorn, the Netherlands, or may be downloaded from www.belastingdienst.nl.

Individuals and corporate legal entities who are resident or deemed to be resident in the Netherlands for Netherlands tax purposes ("Netherlands resident individuals" or "Netherlands resident entities", as the case may be), including individuals who have made an election for the application of the rules of the Netherlands Income Tax Act 2001 as they apply to residents of the Netherlands, can generally credit the Netherlands dividend withholding tax against their income tax or corporate income tax liability. The same generally applies to holders of Shares that are neither resident nor deemed to be resident of the Netherlands if the Shares are attributable to a Netherlands permanent establishment of such non-resident holder.

In general, we will be required to remit all amounts withheld as Netherlands dividend withholding tax to the Netherlands tax authorities. However, under certain circumstances, we are allowed to reduce the amount to be remitted to the Netherlands tax authorities by the lesser of:

- 3% of the portion of the distribution paid by us that is subject to Netherlands dividend withholding tax; and
- 3% of the dividends and profit distributions, before deduction of foreign withholding taxes, received by us from qualifying foreign subsidiaries in the current calendar year (up to the date of the distribution by us) and the two preceding calendar years, as far as such dividends and profit distributions have not yet been taken into account for purposes of establishing the above mentioned deductions.

Although this reduction reduces the amount of Netherlands dividend withholding tax that we are required to pay to the Netherlands tax authorities, it does not reduce the amount of tax that we are required to withhold on dividends.

Pursuant to legislation to counteract "dividend stripping" a reduction, exemption, credit or refund of Netherlands dividend withholding tax is denied if the recipient of the dividend is not the beneficial owner. This legislation generally targets situations in which a shareholder retains its economic interest in shares but reduces the withholding cost on dividends by a transaction with another party. It is not required for these rules to apply that the recipient of the dividends is aware that a dividend stripping transaction took place. The Netherlands State Secretary of Finance takes the position that the definition of beneficial ownership introduced by this legislation will also be applied in the context of a double taxation convention.

Taxes on Income and Capital Gains

Netherlands resident individuals

If a holder of Shares or Warrants is a Netherlands resident individual (including the non-resident individual holder who has made an election for the application of the rules of the Netherlands Income Tax Act 2001 as they apply to residents of the Netherlands), any benefit derived or deemed to be derived from the Shares or Warrants is taxable at the progressive income tax rates (with a maximum of 52%), if:

a) the Shares or Warrants are attributable to an enterprise from which the Netherlands resident individual derives a share of the profit, whether as an entrepreneur (in Dutch: "*ondernemer*") or as a person who has a co-entitlement to the net worth of such enterprise, without being an entrepreneur or a shareholder, as defined in the Netherlands Income Tax Act 2001; or

b) the holder of the Shares or Warrants is considered to perform activities with respect to the Shares or Warrants that go beyond ordinary active asset management (in Dutch: "*normaal vermogensbeheer*") or derives benefits from the Shares or Warrants that are (otherwise) taxable as benefits from other activities (in Dutch: "*resultaat uit overige werkzaamheden*").

If the above-mentioned conditions (a) and (b) do not apply to the individual holder of Shares or Warrants, the Shares or Warrants are recognized as investment assets and included as such in such holder's net investment asset base (in Dutch: *"rendementsgrondslag*"). Such holder will be taxed annually on a deemed income of 4% of the aggregate amount of his or her net investment assets for the year at an income tax rate of 30%. The aggregate amount of the net investment assets for the year is the average of the fair market value of the investment assets less the allowable liabilities at the beginning of that year and the fair market value of the investment assets less the allowable liabilities at the end of that year. A tax free allowance may be available. Actual benefits derived from the Shares or Warrants are as such not subject to Netherlands income tax.

Netherlands resident entities

Any benefit derived or deemed to be derived from the Shares or Warrants held by Netherlands resident entities (including associations, partnerships, foundations and funds that are taxable as Netherlands resident entities), including any capital gains realized on the disposal thereof, will generally be subject to Netherlands corporate income tax at a rate of 25.5% (a corporate income tax rate of 20% applies with respect to taxable profits up to €25,000 and 23.5% over the following €35,000, the first two brackets for 2007).

A Netherlands qualifying pension fund is in principle not subject to Netherlands corporate income tax. A qualifying Netherlands resident investment fund (in Dutch: "*fiscale beleggingsinstelling*") is subject to Netherlands corporate income tax at a special rate of 0%.

Non-residents of the Netherlands

A holder of Shares or Warrants will not be subject to Netherlands taxes on income or on capital gains in respect of any payment under the Shares or any gain realized on the disposal or deemed disposal of the Shares or Warrants, provided that:

(1) such holder is neither a resident nor deemed to be resident in the Netherlands for Netherlands tax purposes and, if such holder is an individual, he/she has not made an election for the application of the rules of the Netherlands Income Tax Act 2001 as they apply to residents of the Netherlands;

(2) such holder does not have an interest in an enterprise or a deemed enterprise which, in whole or in part, is either effectively managed in the Netherlands or is carried out through a permanent establishment, a deemed permanent establishment (statutorily defined term) or a permanent representative in the Netherlands and to which enterprise or part of an enterprise the Shares or Warrants are attributable; and

(3) in the event such holder is an individual, such holder does not carry out any activities in the Netherlands with respect to the Shares or Warrants that go beyond ordinary active asset management (in Dutch: "*normaal vermogensbeheer*") and does not derive benefits from the Shares or Warrants that are (otherwise) taxable as benefits from other activities in the Netherlands (in Dutch: "*resultaat uit overige werkzaamheden*").

Gift, Estate and Inheritance Taxes

Residents of the Netherlands

Gift, estate and inheritance taxes will arise in the Netherlands with respect to a transfer of the Shares or Warrants by way of a gift by, or, on the death of, a holder of Shares or Warrants who is resident or deemed to be resident in the Netherlands at the time of the gift or his/her death, as described below.

Non-residents of the Netherlands

No Netherlands gift, estate or inheritance taxes will arise on the transfer of the Shares or Warrants by way of a gift by, or on the death of, a holder of Shares or Warrants who is neither resident nor deemed to be resident in the Netherlands, unless:

(1) such holder at the time of the gift has or at the time of his/her death had an enterprise or an interest in an enterprise that, in whole or in part, is or was either effectively managed in the Netherlands or carried out through a permanent establishment or a permanent representative in the Netherlands and to which enterprise or part of an enterprise the Shares or Warrants are or were attributable; or

(2) in the case of a gift of the Shares or Warrants by an individual who at the date of the gift was neither resident nor deemed to be resident in the Netherlands, such individual dies within 180 days after the date of the gift, while being resident or deemed to be resident in the Netherlands.

For purposes of Netherlands gift, estate and inheritance taxes, amongst others, a person that holds the Netherlands nationality will be deemed to be resident in the Netherlands if he has been resident in the Netherlands at any time during the ten years preceding the date of the gift or his death. Additionally, for purposes of Netherlands gift tax, amongst others, a person not holding the Netherlands nationality will be deemed to be resident in the Netherlands if he has been resident in the Netherlands at any time during the twelve months preceding the date of the gift. Applicable tax treaties may override deemed residency.

Dutch Turnover Tax

No Dutch turnover tax will arise in respect of the acquisition, ownership and disposal of the Shares or Warrants.

Other Taxes and Duties

No Netherlands registration tax, customs duty, stamp duty or any other similar documentary tax or duty will be payable by a holder of Shares or Warrants in respect of the holding or disposal of the Shares or Warrants.

CERTAIN ERISA CONSIDERATIONS

General

The following is a summary of certain considerations associated with the purchase of the Shares and Warrants by "employee benefit plans" subject to Title I of ERISA, a plan, individual retirement account or other arrangement that is subject to Section 4975 of the U.S. Internal Revenue Code ("Section 4975") or provisions under any Similar Law, and entities whose underlying assets are considered to include "plan assets" of any such plan, account or arrangement (each, a "Plan"). This summary is general in nature and is not intended to be all-inclusive. Due to the complexity of these rules and the penalties that may be imposed upon persons involved in non-exempt prohibited transactions, any person fiduciary or other person considering the purchase of the Shares or Warrants on behalf of, or with the assets of, any employee benefit plan consult with their counsel regarding the applicability of Title I of ERISA, Section 4975 or any Similar Laws. Government plans, certain church plans and non-U.S. plans, while not subject to Title I of ERISA or Section 4975 may nevertheless be subject to state or other federal or foreign laws or regulations that are substantially similar to ERISA and the U.S. Internal Revenue Code.

ERISA Section 3(42) and the Plan Asset Regulations (together, the "Plan Asset Rules") generally provide that when a plan subject to Title I of ERISA or Section 4975 (an "ERISA Plan") acquires an equity interest in an entity that is neither a "publicly-offered security" (as defined in the Plan Asset Regulations) nor a security issued by an investment company registered under the U.S. Investment Company Act, the ERISA Plan's assets include both the equity interest and an undivided interest in each of the underlying assets of the entity unless it is established either that equity participation in the entity by "benefit plan investors" is not significant or that entity is an "operating company", in each case as defined in the Plan Asset Rules. For purposes of the Plan Asset Rules, equity participation in an entity by benefit plan investors will not be significant if they hold, in the aggregate, less than 25% of the value of any class of equity interests of such entity, excluding equity interests held by any person (other than a benefit plan investor) who has discretionary authority or control with respect to the assets of the entity or who provides investment advice for a fee (direct or indirect) with respect to the assets, and any affiliates of such person. For purposes of this 25% test, "benefit plan investors" include all employee benefit plans subject to ERISA or to the U.S. Internal Revenue Code, including "Keogh" plans and individual retirement accounts as well as any entity whose underlying assets are deemed to include "plan assets" under the Plan Asset Rules.

It is anticipated that (1) the Shares and Warrants will not constitute "publicly offered securities" for purposes of the Plan Asset Regulations, (2) we will not be an investment company registered under the U.S. Investment Company Act and (3) until a Business Combination occurs we will not qualify as an operating company within the meaning of the Plan Asset Regulations. In addition, we will not monitor whether investment in the Shares or Warrants by benefit plan investors will be "significant" for purposes of the Plan Asset Regulations.

Plan Asset Consequences

If our assets were deemed to be "plan assets" of an ERISA Plan whose assets were invested in us, this would result, among other things, in (1) the application of the prudence and other fiduciary responsibility standards of ERISA to investments made by us and (2) the possibility that certain transactions that we might enter into, or may have entered into, in the ordinary course of business might constitute or result in non-exempt prohibited transactions under Section 406 of ERISA and/or Section 4975 and might have to be rescinded. A non-exempt prohibited transaction, in addition to imposing potential liability upon fiduciaries of the ERISA Plan, may also result in the imposition of an excise tax under the U.S. Internal Revenue Code upon a "party in interest" (as defined in ERISA) or "disqualified person" (as defined in the U.S. Internal Revenue Code) with whom the ERISA Plan engages in the transaction.

Because of the foregoing, neither the Shares nor the Warrants may be purchased or held by any person investing "plan assets" of any Plan until the Company removes the ownership restrictions.

Government plans, certain church plans and non-U.S. plans, while not subject to Title I of ERISA or Section 4975 may nonetheless be subject to state or other federal or foreign laws or regulations that contain rules substantively similar to ERISA and may contain other rules relating to permissible investments. The fiduciaries of such plans should consult with their counsel before purchasing or holding Shares or Warrants.

Representation and Warranty

By accepting any interest in any Units, Shares or Warrants, each holder will be deemed to have represented and warranted, or will be required to represent and warrant in writing, that no portion of the assets used to purchase or hold its interest in the Shares or Warrants constitutes or will constitute the assets of any Plan.

PLAN OF DISTRIBUTION

In accordance with the terms and conditions contained in an underwriting agreement to be entered into prior to the consummation of the Offering (the "Underwriting Agreement"), we will sell to CRT, I-Bankers and AEK, and CRT, I-Bankers and AEK will purchase on a firm commitment basis, the number of Units offered in this Offering set forth opposite their names below:

Underwriter	Number of Units
CRT Capital Group LLC	6,250,000
I-Bankers Securities, Inc.	3,750,000
Amsterdams Effectenkantoor B.V.	2,500,000
Total	12,500,000

This Offering will be underwritten on a firm commitment basis. The initial distribution of the Units will end when (1) all of the Units have been sold or (2) the remaining Units have been deposited in proprietary accounts of the Underwriters. The Underwriters propose to offer Units, comprising one Share and one Warrant, at the offering price set forth on the cover page of this Offering Circular. Any Units sold by the Underwriters to securities dealers will be sold at the public offering price less a selling concession not in excess of €0.20 per Unit. The Underwriters may allow, and these selected dealers may re-allow, a concession of not more than €0.20 per Unit to other brokers and dealers. After the Units are released for sale to the public, the offering price and other selling terms may, from time to time, be changed by the Underwriters.

The Underwriters' obligation to purchase Units is subject to conditions contained in the Underwriting Agreement. The Underwriters will be obligated to purchase all of the Units that they will agree to purchase under the Underwriting Agreement, other than those covered by the Over-Allotment Option, if they purchase any Units. The Offering of the Units is made for delivery when, as and if accepted by the Underwriters and subject to prior sale and to withdrawal, cancellation and modification of the Offering without notice. The Company and the Underwriters reserve the right, in their sole discretion, to increase or decrease the size of the Offering prior to the Admission Date. The actual number of Units offered in the Offering will be determined after taking into account certain criteria and conditions such as economic and market conditions (including the debt and equity markets) and the demand for Units in the Offering.

The actual number of Units offered in this Offering will be filed with the AFM.

The Underwriters will be entitled to terminate the Underwriting Agreement in certain circumstances prior to the Closing Date in case of, for example, a material adverse change in general market conditions or material breach of representations, warranties or covenants agreed upon in the Underwriting Agreement. Because the closing of the Offering will take place after the commencement of trading in the Shares and Warrants on Eurolist by Euronext, a termination of the Underwriting Agreement may result in the cancellation of any trades in the Shares and Warrants effected prior to such termination.

Pricing of Securities

We have been advised by the Underwriters that they propose to offer the Units at the initial offering price set forth on the cover page of this Offering Circular. The Underwriters may allow some dealers' concessions not in excess of €0.20 per Unit.

Prior to this Offering there has been no public market for any of our securities. The offering price of the Units and the terms of the Warrants were negotiated between us and the Underwriters. In addition to prevailing market conditions and a qualitative and quantitative assessment of demand for the Units, the factors considered in determining the prices, terms and numbers of the Units, including the Shares and Warrants underlying the Units, include:

- the history and prospects of companies whose principal business is the acquisition of other companies;

- prior offerings of those companies;
- our prospects for effecting a Business Combination at attractive values;
- our capital structure;
- an assessment of our management and their experience in identifying companies;
- general conditions of the securities markets at the time of the Offering; and
- other factors as were deemed relevant.

Allotment

Allotment of our Units is expected to take place before the start of trading on Eurolist by Euronext on or about July 17, 2007, subject to acceleration or extension of the Offering.

We expect to announce the actual number of Units allocated to each investor in the Offering on or about July 17, 2007. We will publish a pricing statement on or about July 17, 2007, which will state the initial public offering price as stated in this Offering Circular and the final aggregate number of Units to be issued by us. The expected settlement date for the Offering is expected to be July 20, 2007. The timetable for the Offering is subject to acceleration or extension.

Over-Allotment Option

The Underwriters may over-allot Units up to a maximum of 20% of the Units initially offered in this Offering. Pursuant to the Underwriting Agreement, we have granted to AEK, on behalf of the Underwriters, an option to purchase up to an aggregate of 1,875,000 additional Units, representing 15% of the number of Units initially offered in this Offering, at the initial offering price less the Underwriting Discount and Commission until 30 days from Admission Date (the "Over-Allotment Option"). The Over-Allotment Option may be exercised only in connection with an actual over-allotment of the Units on the date of pricing. Pending exercise of the Over-Allotment Option, these Units may be lent to AEK, as Stabilization Agent, to cover any short positions. If the Over-Allotment Option is exercised, we will sell to the Underwriters the number of Units as to which they have exercised the option and contribute the net proceeds to the Escrow Account.

Commissions and Discounts

The following table shows the offering price, underwriting discount to be paid by us to the Underwriters and the proceeds, before expenses, to us. This information assumes either no exercise or full exercise by the Underwriters of the Over-Allotment Option.

	Per Unit	Without Over-Allotment Option	With Over-Allotment Option
Public offering price	€8.00	€100,000,000	€115,000,000
Underwriting Discount and Commission, including 1% corporate finance fee payable to CRT	€0.56	€ 7,000,000	€ 8,050,000
Proceeds before expenses	€7.44	€ 93,000,000	€106,950,000

The Underwriters have agreed to defer a portion of their Underwriting Discount and Commission equal to €3,000,000 (€3,450,000 if the Over-Allotment Option is exercised in full) until the consummation of our initial Business Combination. Upon such a Business Combination, we will pay such Deferred Underwriting Fees to the Underwriters out of the Escrow Account, less €0.24 for each New Share that is redeemed or repurchased in connection with such Business Combination. Such Deferred Underwriting Fees will be allocated between CRT, I-Bankers and AEK according to their respective percentages of Underwriting. The Underwriters will not be

entitled to any interest accrued on the Deferred Underwriting Fees. A corporate finance fee equal to 1% of the gross proceeds of the Units offered hereby payable to CRT upon completion of the Offering in consideration of ongoing corporate finance services in connection with the consummation of a Business Combination is included in the 7% Underwriting Discount and Commission.

We estimate offering expenses payable by us to be approximately €7,960,000 without exercise of the Over-Allotment Option and €9,010,000 if the Over-Allotment Option is exercised in full. These offering expenses are described more fully in "Use of Proceeds".

On the Closing Date, we will sell to the Underwriters, for €100, an option to purchase 462,500 Units at a price per Unit of €10.00 in consideration of advice in structuring our Company and ongoing corporate finance services in connection with consummation of a Business Combination. Such Units will be allocated between CRT, I-Bankers and AEK according to their respective percentages of Underwriting. The Units issuable upon exercise of the Unit Purchase Option will be identical to the Units issued in the Offering. The Unit Purchase Option is exercisable on the later of (1) our completion of a Business Combination and (2) one year after the Admission Date and expires four years from the Admission Date. We estimate the value of the Unit Purchase Option to be approximately €1,121,184 using the Black-Scholes option-pricing model.

Listing Agent and Paying Agent

AEK is acting as listing agent with respect to the admission and listing of the Shares and Warrants to trading on Eurolist by Euronext. Citibank, N.A., London branch, is acting as paying agent with respect to the Shares.

Regulatory Restrictions on Purchase of Securities

The Units, Shares and Warrants have not been registered under the Securities Act or under the applicable securities laws or regulations of any state of the United States. The Units, Shares and Warrants may not be offered or sold within the United States or to U.S. persons (each as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or transaction not subject to, the registration requirements of the Securities Act, including the provisions of Rule 144A and Regulation S.

Indemnification

We have agreed to indemnify the Underwriters and Listing Agent against certain liabilities, including civil liabilities under the Securities Act, or to contribute to payments the Underwriters may be required to make in this respect.

Other Relationships

The Underwriters and their affiliates may, from time to time, perform commercial banking and investment banking and advisory services for us for which they will receive customary fees and expenses. In addition to the Unit Purchase Option, the Underwriters and their affiliates also may, from time to time, engage in transactions with, and perform services for, us in the ordinary course of business.

STABILIZATION

In connection with the Offering, the Underwriters may purchase and sell our Shares and Warrants in the open market, through transactions that may be effected through AEK, as Stabilization Agent, or through any of its agents. These transactions may include short sales, stabilizing transactions and purchases to cover positions created by short sales and may be effected on Eurolist by Euronext or otherwise. Stabilizing transactions consist of various bids for or purchases of Shares and Warrants made by the Stabilization Agent in the open market during the stabilization period. Such transactions may commence on or after the Admission Date and will end no later than 30 days after the Admission Date. The Over-Allotment Option may be exercised only in connection with an actual over-allotment of the Units on the date of pricing. AEK is under no obligation to stabilize or maintain the market price of the Shares or Warrants, and stabilization transactions, if commenced, may be discontinued at any time. Except as required by the laws of the Netherlands, the Stabilization Agent does not intend to disclose the extent of any over-allotments and/or stabilization transactions under the Offering.

Short sales involve the sale by the Underwriters of a greater number of Units and/or Shares and Warrants represented thereby than they are required to purchase in the Offering. Covered short sales are sales made in an amount not greater than the amount of Units and Shares and Warrants represented thereby that may be purchased pursuant to the Over-Allotment Option. The Underwriters may close out any covered short position by exercising the Over-Allotment Option or purchasing Shares and Warrants in the open market. In determining the source of Units to close out the covered short position, the Underwriters will consider, among other factors, the price of Shares and Warrants available for purchase in the open market compared to the price of Units in the Over-Allotment Option.

Naked short sales are any sales of Units and/or Shares and Warrants represented thereby by the Underwriters in excess of the number of Units and Shares and Warrants represented thereby that may be purchased pursuant to the Over-Allotment Option. The Underwriters may sell Units and/or Shares and Warrants represented thereby in excess of the Over-Allotment Option up to a maximum of 5% of the number of Units and Shares and Warrants represented thereby initially purchased in the Offering. The Underwriters must close out any naked short position by purchasing Shares and Warrants in the open market. A naked short position is more likely to be created if the Underwriters are concerned that there may be downward pressure on the price of the Shares and Warrants in the open market after pricing that could adversely affect investors who purchase in the Offering.

Purchases to cover a short position and stabilizing transactions, as well as other purchases by the Underwriters for their own accounts, may have the effect of preventing or retarding a decline in the market price of our Shares and Warrants and may stabilize, maintain or otherwise affect the market price of our Shares and Warrants. As a result, the price of our Shares and Warrants may be higher than the price that otherwise might exist in the open market. Stabilization transactions must be conducted in accordance with Regulation M under the Exchange Act and the Netherlands Financial Supervision Act, as amended from time to time, and its implementing regulations, the Commission Regulation (EC) No. 2273/2003 and Rule A-2408 of Rule Book II of Euronext, which provides that only Euronext members may engage in stabilization activities on Euronext.

Neither we nor any of the Underwriters makes any representation or prediction as to the direction or magnitude of any effect that the stabilization transactions described above may have on the price of our Shares or Warrants. In addition, neither we nor the Underwriters makes any representations that the Underwriters will engage in such transactions or that such transaction will not be discontinued without notice once they are commenced.

INFORMATION FOR INVESTORS

You should rely only on the information contained in this Offering Circular. We have not authorized anyone to provide you with any different information. This Offering Circular may only be used where it is legal to sell these securities. The information in this Offering Circular can be considered accurate only on the date of this Offering Circular.

Neither the Company nor the Underwriters is making an offer to sell the Units in any jurisdiction where such offer or sale is not permitted. By purchasing the Units and Shares and Warrants represented thereby, you are deemed to have made the acknowledgements, representations, warranties and agreements set forth under "Transfer Restrictions and Notice to Investors". Hedging transactions involving the Units, Shares or Warrants may not be conducted other than in compliance with the Securities Act. You should understand that you will be required to bear the financial risks of your investment for an indefinite period of time.

This Offering Circular is being provided (1) to "qualified institutional buyers" (as defined in Rule 144A under the Securities Act) for informational use solely in connection with their consideration of the purchase of the Shares and Warrants and (2) in offshore transactions complying with Rule 903 or Rule 904 of Regulation S under the Securities Act.

This Offering Circular is being furnished by the Company in connection with an offering that is exempt from registration under, or not subject to, the Securities Act and applicable state securities laws, solely for the purpose of enabling a prospective investor to consider the purchase of the Shares and Warrants. Delivery of this Offering Circular to any other person or any reproduction of this Offering Circular, in whole or in part, without the Company's prior consent or the prior consent of the Underwriters, is prohibited.

The Units and Shares and Warrants represented thereby have not been recommended, approved or disapproved by the SEC, any state securities commission in the United States or any other U.S. state or federal regulatory authority. These authorities have not confirmed the accuracy or determined the adequacy of this Offering Circular. Any representation to the contrary is a criminal offense in the United States.

The Company accepts responsibility for the information contained in this Offering Circular. To the best of the knowledge of the Company, having taken all reasonable care to ensure that such is the case, the information contained in this Offering Circular is in accordance with the facts and contains no omission likely to affect the import of such information.

Each of the Underwriters and certain of their related entities may acquire for its own account a portion of the Units, Shares and Warrants.

TRANSFER RESTRICTIONS AND NOTICE TO INVESTORS

General

The Shares and Warrants offered hereby have not been registered under the Securities Act or any state securities laws. The Shares and Warrants may not be offered or sold within the United States or to U.S. persons, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Hedging transactions involving the Shares or Warrants may not be conducted unless in compliance with the Securities Act. The Company's Articles of Association provide that a U.S. person holding Shares in contravention of the transfer restrictions is obligated to notify the Company and transfer the Shares to a person designated by the Company and, in case of a failure to do so, that the Company shall be authorized to transfer the Shares on behalf of that U.S. person. The Articles of Association also provide that the Shareholder rights of such person are suspended and such person shall be obliged to repay to the Company any distributions received by him in the period in which he held Shares in contravention of the Articles of Association. In addition, neither the Shares nor the Warrants may be purchased or held by any person investing "plan assets" of any Plan, as defined in "Certain ERISA Considerations". In addition, each subsequent transferee will be deemed to have represented, agreed and acknowledged, or will be required to execute an investor certification in which it represents, agrees and acknowledges, that it is not a Plan and that no portion of the assets used to purchase or hold its interest in the Shares and the Warrants constitutes or will constitute the assets of any Plan. The Company may remove these ERISA and Plan restrictions in accordance with applicable law and expects that it will do so subsequent to its consummation of a Business Combination.

Subject to the applicable transfer restrictions described in this Offering Circular, the Shares and Warrants that comprise the Units offered hereby are immediately separable. The Units will not constitute an independently transferable security and will not be evidenced by certificates.

The Shares and Warrants have not been registered under the Securities Act and are "Restricted Securities" as defined in Rule 144 under the Securities Act.

Representations and Warranties of Each Purchaser

Each purchaser of the Shares and Warrants will be deemed to have represented and agreed as follows:

(1) the purchaser (A) (i) is a qualified institutional buyer, or QIB, (subject to certain limited exceptions in the case of the initial purchase only), (ii) is aware that the sale to it is being made in reliance on Rule 144A (or, in the case of the initial purchaser only, in reliance on Section 4(2) of the Securities Act or Regulation D thereunder) and (iii) is acquiring the securities for its own account or for the account of a QIB or (B) is not a U.S. person and is purchasing the securities in an offshore transaction pursuant to Regulation S;

(2) the purchaser understands that the securities are being offered in a transaction not involving any public offering within the meaning of the Securities Act, that the securities have not been and, except as described in this Offering Circular, will not be registered under the Securities Act and that if in the future it decides to offer, resell, pledge or otherwise transfer any Shares and Warrants issued pursuant to Rule 144A or Shares issued pursuant to Regulation S, such securities may be offered, resold, pledged or otherwise transferred only (i) in the United States to a person whom the seller reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A, (ii) outside the United States in a transaction complying with the provisions of Rule 903 or Rule 904 under the Securities Act, (iii) pursuant to an exemption from registration under the Securities Act provided by Rule 144 (if available), or (iv) pursuant to an effective registration statement under the Securities Act, in each of cases (i) through (iv) in accordance with any applicable securities laws of any state of the United States. No representation can be made as to the availability of the exemption provided by Rule 144 for resale of the securities;

(3) the purchaser understands and agrees that, in addition to the restrictions set forth in (2) above, if in the future it decides to resell, pledge or otherwise transfer any Shares or any beneficial interests in any Shares prior to the date which is the earlier of (1) 35 days after the date the Company consummates a Business Combination and (2) 18 months after the date of closing of the Offering, it will do so only in compliance with the restrictions set forth under Regulation S restrictions;

(4) no portion of the assets used to purchase the Shares or Warrants or any beneficial interest therein constitutes or will constitute the assets of an "employee benefit plan" (within the meaning of Section 3(3) of the U.S. Employee Retirement Income Security Act of 1974, as amended ("ERISA")) that is subject to Title I of ERISA, a plan, individual retirement account or other arrangement that is subject to Section 4975 of the U.S. Internal Revenue Code of 1986, as amended, or any other state, local, non-U.S. or other laws or regulations that would have the same effect as the regulations promulgated under ERISA;

(5) the purchaser agrees to, and each subsequent holder is required to, notify any purchaser of the Shares or Warrants from it of the resale restrictions referred to in paragraphs (2), (3) and (4) above, if then applicable;

(6) the purchaser acknowledges that, prior to any proposed transfer of Shares or Warrants other than pursuant to an effective registration statement, the transferee of Shares or Warrants may be required to provide certifications and other documentation relating to the non-U.S. person status of such transferee;

(7) the purchaser acknowledges that the Company, the Underwriters and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and warranties and agrees that if any such acknowledgement, representation or warranty deemed to have been made by virtue of its purchase of Shares or Warrants is no longer accurate, it will promptly notify the Company and the Underwriters;

(8) the purchaser acknowledges that neither the Company, the Underwriters nor any person representing any of them, has made any representation to it with respect to the Company, or the Offering, other than the information contained in this Offering Circular, which has been delivered to the purchaser and upon which the purchaser is relying in making its investment decision with respect to the securities offered hereby. The purchaser has had access to such financial and other information concerning us and the securities offered hereby, including an opportunity to ask questions of and request information from the Company and the Underwriters;

(9) the purchaser is purchasing the securities offered hereby for its own account, or for one or more investor accounts for which it is acting as fiduciary or agent, in each case, not with a view to, or for offer or sale in connection with, any distribution thereof in violation of the Securities Act, subject to any requirement of law that the disposition of its property or the property of such investor account or accounts be at all times within its or their control and subject to its or their ability to resell, reoffer or otherwise transfer such securities pursuant to Rule 144A, Regulation S or Rule 144 (if available) under the Securities Act;

(10) the purchaser understands that the securities offered hereby, as "Restricted Securities" under Rule 144 of the Securities Act, will, until the expiration of the applicable holding period with respect to the securities set forth in Rule 144 of the Securities Act, and the expiration of the compliance period described below, bear the legends described below, unless the Company determines otherwise in compliance with applicable law; and

(11) the purchaser acknowledges that the Shares and Warrants, whether purchased pursuant to Rule 144A of the Securities Act or pursuant to Regulation S of the Securities Act, will bear a restrictive legend to the following effect, unless the Company determines otherwise in compliance with applicable law:

"PRIOR TO INVESTING IN THE SECURITIES OR CONDUCTING ANY TRANSACTIONS IN THE SECURITIES, INVESTORS ARE ADVISED TO CONSULT PROFESSIONAL ADVISERS REGARDING THE RESTRICTIONS ON TRANSFER SUMMARIZED BELOW AND ANY OTHER RESTRICTIONS.

THIS SECURITY (OR ITS PREDECESSOR) WAS ORIGINALLY ISSUED IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"). HEDGING TRANSACTIONS INVOLVING THIS SECURITY MAY NOT BE CONDUCTED DIRECTLY OR INDIRECTLY, UNLESS IN COMPLIANCE WITH THE SECURITIES ACT. EACH PURCHASER OF THIS SECURITY IS HEREBY NOTIFIED THAT THE SELLER OF THIS SECURITY MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A OR REGULATION S THEREUNDER.

THIS SECURITY MAY NOT BE ACQUIRED, HELD BY OR TRANSFERRED TO (I) AN EMPLOYEE BENEFIT PLAN THAT IS SUBJECT TO ERISA, (II) A PLAN, INDIVIDUAL RETIREMENT ACCOUNT OR ARRANGEMENT THAT IS SUBJECT TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), OR TO SIMILAR LAWS OR (III) AN ENTITY THE UNDERLYING ASSETS OF WHICH ARE CONSIDERED TO INCLUDE "PLAN ASSETS" OF SUCH PLANS, ACCOUNTS AND ARRANGEMENTS AND WHICH HAVE PURCHASED THIS SECURITY ON BEHALF OF, OR WITH "PLAN ASSETS" OF, ANY PLAN (COLLECTIVELY A "PLAN").

THE FOREGOING LEGEND RELATING TO PLANS AND PLAN ASSETS MAY BE REMOVED IF DETERMINED BY THE COMPANY IN ACCORDANCE WITH APPLICABLE LAW.

THE SECURITIES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO ADDITIONAL TRANSFER RESTRICTIONS SET FORTH BELOW.

(12) the purchaser acknowledges that the Shares and Warrants, if purchased pursuant to Rule 144A of the Securities Act will bear an additional restrictive legend to the following effect, unless the Company determines otherwise in compliance with applicable law:

"THE HOLDER OF THIS SECURITY AGREES FOR THE BENEFIT OF THE COMPANY THAT (A), PRIOR TO THE DATE WHICH IS TWO YEARS AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF AND THE LAST DATE ON WHICH THE ISSUER OR ANY AFFILIATE OF THE ISSUER WAS THE OWNER OF THIS SECURITY (OR ANY PREDECESSOR SECURITY), THIS SECURITY MAY BE OFFERED, RESOLD, PLEDGED, ASSIGNED, TRANSFERRED OR OTHERWISE ENCUMBERED, ONLY (I) IN THE UNITED STATES TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A, (II) OUTSIDE OF THE UNITED STATES IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR RULE 904 UNDER THE SECURITIES ACT, (III) PURSUANT TO ANOTHER EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT, INCLUDING THAT PROVIDED BY RULE 144 THEREUNDER (IF AVAILABLE) (IV) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OR (V) TO THE ISSUER, IN EACH OF CASES (I) THROUGH (IV) IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES, AND (B) THE HOLDER WILL, AND EACH SUBSEQUENT HOLDER IS REQUIRED TO, NOTIFY ANY PURCHASER OF THIS SECURITY FROM IT OF THE RESALE RESTRICTIONS REFERRED TO IN (A) ABOVE. IN EACH OF THE FOREGOING CASES, AN ASSIGNMENT FORM IN THE FORM PROVIDED BY THE COMPANY OR THE TRANSFER AGENT MUST BE COMPLETED AND DELIVERED BY THE TRANSFEROR TO THE COMPANY. THE COMPANY MAY ALSO REQUEST AN OPINION OF COUNSEL REASONABLY SATISFACTORY TO THE COMPANY THAT SUCH TRANSFER IS TO BE EFFECTED IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE SECURITIES ACT OR IS OTHERWISE EXEMPT FROM REGISTRATION."

(13) the purchaser acknowledges that the Shares, if purchased pursuant to Regulation S of the Securities Act, will bear a restrictive legend to the following effect, unless the Company determines otherwise in compliance with applicable law:

"THE HOLDER OF THIS SECURITY AGREES FOR THE BENEFIT OF THE COMPANY THAT (A), PRIOR TO THE DATE WHICH IS THE EARLIER OF 35 DAYS AFTER THE DATE THE COMPANY CONSUMMATES A BUSINESS COMBINATION AND 18 MONTHS AFTER THE ORIGINAL ISSUE DATE HEREOF, THIS SECURITY MAY BE OFFERED, RESOLD, PLEDGED, ASSIGNED, TRANSFERRED OR OTHERWISE ENCUMBERED, ONLY (I) IN THE UNITED STATES TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A, (II) OUTSIDE OF THE UNITED STATES IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR RULE 904 UNDER THE SECURITIES ACT, (III) PURSUANT TO ANOTHER EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT, INCLUDING THAT PROVIDED BY RULE 144 THEREUNDER (IF AVAILABLE) (IV) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OR (V) TO THE ISSUER, IN EACH OF CASES (I) THROUGH (IV) IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES, AND (B) THE HOLDER WILL, AND EACH SUBSEQUENT HOLDER IS REQUIRED TO, NOTIFY ANY PURCHASER OF THIS SECURITY FROM IT OF THE RESALE RESTRICTIONS REFERRED TO IN (A) ABOVE. IN EACH OF THE FOREGOING CASES, AN ASSIGNMENT FORM IN THE FORM PROVIDED BY THE COMPANY OR THE TRANSFER AGENT MUST BE COMPLETED AND DELIVERED BY THE TRANSFEROR TO THE TRUSTEE THAT WILL REQUIRE REPRESENTATION BY THE TRANSFEREE THAT IT IS NOT A U.S. PERSON. PRIOR TO PERMITTING ANY TRANSFER DURING THE 18 MONTH RESTRICTED PERIOD, THE COMPANY MAY ALSO REQUEST AN OPINION OF COUNSEL REASONABLY SATISFACTORY TO THE COMPANY THAT SUCH TRANSFER IS TO BE EFFECTED IN A TRANSACTION MEETING THE REQUIREMENTS OF REGULATION S UNDER THE SECURITIES ACT OR IS OTHERWISE EXEMPT FROM REGISTRATION."

In addition, each purchaser of Warrants will be deemed to have represented and agreed as follows:

(1) the purchaser understands that Shares issuable upon exercise of the Warrants forming part of the Units issued pursuant to Rule 144A are, subject to certain exceptions, not being offered in the United States or to U.S. persons (as defined in Regulation S under the Securities Act) and that Warrant holders will be required, as a condition precedent to the exercise of any Warrants, to comply with the requirements set forth below.

(2) the purchaser understands that Warrant holders located in the United States or who are U.S. persons (as defined under Regulation S of the Securities Act) may be permitted to exercise their Warrants for Shares if the Company reasonably believes that such exercise does not require registration under the Securities Act in reliance upon such Warrant holder (i) certifying that it is a QIB and understands that the Shares to be issued upon exercise of such Warrants have not been registered under the Securities Act, (ii) supplying an opinion of counsel that the Warrants and the Shares issuable upon exercise are exempt from registration under the Securities Act and (iii) agreeing that (x) such Shares will be subject to certain restrictions on transfer as set forth above for the Shares and Warrants, (y) a new holding period for the Shares issued upon exchange of such Warrant, for purposes of Rule 144 under the Securities Act, will commence upon issue of such Shares and (z) its acquisition of Shares was not solicited by any form of general solicitation or general advertising and that it has been given access to information sufficient to permit it to make an informed decision as to whether to invest in the Shares. The Company may, in its sole discretion, permit the exercise of Warrants in certain limited circumstances in accordance with their terms if the requirements of other exemptions under the Securities Act and other applicable laws can be satisfied.

We are not required to register the securities under the Securities Act, or the Securities Exchange Act of 1934, as amended (the "Exchange Act"). In addition, it is doubtful that sales may be made under Rule 144 until two years after the closing when the securities become eligible for sale under Rule 144(k) if they are not held by affiliates. Moreover, investors should be aware that the Rule 144 holding period for Shares acquired upon exercise of the Warrants for cash would begin to run from the date of such exercise.

Notice to New Hampshire Residents

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENSE HAS BEEN FILED UNDER RSA 421-B WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

European Economic Area

In relation to each Relevant Member State, each Underwriter has represented and agreed with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "Relevant Implementation Date") that it has not made and will not make an offer of the Units or Shares and Warrants represented thereby to the public in that Relevant Member State prior to the publication of a prospectus in relation to the Units and Shares and Warrants represented thereby, which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive, except that it may, with effect from and including the Relevant Implementation Date make an offer of the Units, Shares or Warrants to the public in that Relevant Member State at any time: (1) to legal entities which are authorized or regulated to operate in the financial markets or, if not so authorized or regulated, whose corporate purpose is solely to invest in securities; (2) to any legal entity that has two or more of (a) an average of at least 250 employees during the last financial year; (b) a total balance sheet of more than €43 million; and (c) an annual net turnover of more than €50 million, as shown in its last annual or consolidated accounts; or (3) in any other circumstances that do not require the publication by the Company of a prospectus pursuant to Article 3 of the Prospectus Directive as such provision has been implemented into the laws of the Relevant Member State in which such offer is made.

For purposes of this provision, the expression an "offer of the Units or Shares and Warrants represented thereby to the public" 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 the Units and Shares and Warrants represented thereby to be offered so as to enable an investor to decide to purchase or subscribe for the Units and Shares and Warrants represented thereby, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression Prospectus Directive includes any relevant implementing measure in each Relevant Member State.

Notice to United Kingdom Investors

This Offering Circular may only be communicated or caused to be communicated to and, accordingly, is being distributed only to and is directed only at (1) persons who are outside the United Kingdom, (2) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion)

Order 2005 (the "Order"), (3) high net worth entities, and other persons to whom it may lawfully be communicated, failing within Article 49(2)(a) to (e) of the Order or (4) if distributed in the United Kingdom by authorized persons, only to persons to whom this Offering Circular may otherwise lawfully be communicated or caused to be communicated (all such persons being referred to as "relevant persons"). Accordingly, by accepting delivery of this document, the recipient represents, warrants and acknowledges that it is such a relevant person. The Units and Shares and Warrants represented thereby are available only to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such Units and Shares and Warrants represented thereby will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this Offering Circular or any of its contents.

No prospectus relating to the Units and Shares and Warrants represented thereby has been registered in the United Kingdom and, accordingly, the Units and Shares and Warrants represented thereby may not be, and are not being, offered or sold to persons in the United Kingdom except to persons who are authorized and regulated by the Financial Services Authority or to persons who have professional experience in matters of investment within the meaning of Article 19 of the Order or except in circumstances that would not result in an offer of transferable securities to the public within the meaning of Section 1028 of the Financial Services and Markets Act 2000. This Offering Circular and any other communication in connection with the Offering and issuance of the Units and Shares and Warrants represented thereby is intended for and directed at and may only be a person of a kind described in either Article 19 or Article 49(2) of the Order or a person to whom this Offering Circular or any other communication may otherwise lawfully be issued or passed on (all such persons together being referred to as "relevant persons"). Neither this Offering Circular nor the Units and Shares and Warrants represented thereby are or will be available to other categories or persons in the United Kingdom and this communication must not be acted on or relied on by persons who are not relevant persons as any distribution to any person in the United Kingdom other than the categories stated above is unauthorized and may contravene the Financial Services and Markets Act 2000. Any investment or investment activity to which this communication relates is available only to relevant persons and will be engaged in only with relevant persons.

Notice to Swiss Investors

Marketing and sale of the Units, Shares and Warrants represented hereby to the general public in Switzerland would require a license from the Swiss Federal Banking Commission. The Company has not and will not apply for such license and, therefore, this Offering is not addressed to the general public in Switzerland and no advertising to the general public will take place. Marketing of the Units in Switzerland is and will be restricted to qualified investors as defined in the relevant Swiss laws (such as banks, insurance companies, pension funds and high net worth individuals).

Notice to Belgian Investors

This Offering is exclusively conducted under applicable private placement exemptions and therefore it has not been and will not be notified to, and any other offering material relating to the Offering has not been, and will not be, approved by the Belgian Banking, Finance and Insurance Commission (*Commission Bancaire, Financière et des Assurances/Commissie voor het Bank-, Financie- en Assurantiewezen*) pursuant to the Belgian laws and regulations applicable to the public offering of securities. Accordingly, this Offering as well as any other materials relating to the Offering may not be advertised, offered or distributed in any other way, directly or indirectly, to any other person located and/or resident in Belgium other than in circumstances which do not constitute an offer to the public in Belgium pursuant to the Belgian law of June 16, 2006 on the public offering of investment instruments and the admission of investment instruments to trading on a regulated market (*loi relative aux offers publiques d'instruments de placement et aux admissions d'instruments de placement à la négociation sur des marches réglementés/wet op de openbare aanbieding van beleggingsinstrumenten en de toelating van beleggingsinstrumenten tot de verhandeling op een gereglementeerde markt*).

Notice to French Investors

This Offering Circular has not been submitted to the clearance procedures of the *Autorité des marchés financiers*. The Issuer and each Underwriter has represented and agreed that it has not offered or sold and will not

offer or sell, directly or indirectly, the Units or Shares and Warrants represented thereby to the public in France and it has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, the Offering Circular or any other offering material relating to the Units or Shares and Warrants represented thereby and such offers, sales and distributions have been and will be made in France only to (a) providers of investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*) and/or (b) qualified investors (*investisseurs qualifiés*), all as defined in, and in accordance with, articles L.411-1, L.411-2 and D.411-1 to D.411-3 of the French Code *monétaire et financier*.

Notice to Italian Investors

Each Underwriter has represented and agreed that it has not made and will not make an offer of the Units or Shares and Warrants represented thereby that are the subject of the offering contemplated by this Offering Circular to the public in the Republic of Italy other than:

(a) to professional investors (*investitori qualificati*) as defined pursuant to Article 100, paragraph 1 (a), of Legislative Decree No 58, February 24, 1998 (the "Financial Services Act"), as amended and restated from time to time; or

(b) in any other circumstances provided under Article 100, paragraph 1, of the Financial Services Act and under Article 33, paragraph 1, of CONSOB Regulation No 11971, May 14, 1999, as amended, where exemptions from the requirement to publish a prospectus pursuant to Article 94 of the Financial Services Act are provided.

For the purposes of this provision, the expression "offer of the Units or Shares and Warrants represented thereby to the public" in Italy means the communication in any form and by any means of sufficient information on the terms of the offer and the securities to be offered so as to enable an investor to decide to purchase or subscribe the securities, including the placement through authorized intermediaries.

Any investor purchasing the securities is solely responsible for ensuring that any offer or resale of the securities by such investor occurs in compliance with applicable Italian laws and regulations. The Units or Shares and Warrants represented thereby and the information contained in this Offering Circular are intended only for the use of its recipient. No person resident or located in Italy other than the original recipients of this Offering Circular may rely on it or its content.

Moreover, and subject to the foregoing, each Underwriter has acknowledged that any offer, sale or delivery of the securities or distribution of copies of this document or any other document relating to the Units or Shares and Warrants represented thereby in Italy under (a) or (b) above must be:

(a) made by an investment firm, bank or financial intermediary permitted to conduct such activities in Italy in accordance with the Financial Services Act, Legislative Decree No. 385 of September 1, 1993 (the "Banking Act"), CONSOB regulation No. 11522, July 1, 1998, all as amended;

(b) in compliance with Article 129 of the Banking Act, if applicable, pursuant to which the offer of securities into Italy may have to be followed by a notification to the Bank of Italy; and

(c) in compliance with any other applicable laws and regulations including any relevant limitations which may be imposed by CONSOB.

Notice to Luxembourg Investors

This Offering Circular does not constitute a public offer in the Grand Duchy of Luxembourg and accordingly should not be construed as a prospectus in accordance with articles 5 and 30 of the law of July 12, 2005 on prospectuses for securities. This Offering Circular is addressed to a number of selected qualified investors only on a confidential basis for use solely in connection with such qualified investors' consideration of the purchase of the Units and Shares and Warrants represented thereby. Delivery of this Offering Circular to anyone other than the selected qualified investors is unauthorized and any reproduction of this Offering Circular in whole or in part is prohibited.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Offering Circular contains "forward-looking statements" within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements can be identified by words such as "anticipates," "intends," "plans," "seeks," "believes," "estimates," "expects" and similar references to future periods, or by the inclusion of forecasts or projections. Examples of forward-looking statements include statements we make regarding the expected growth in the hotel industry and statements we make regarding our ability to find an attractive business to acquire.

Forward-looking statements are based on our current expectations and assumptions regarding our business, the economy and other future conditions. Because forward-looking statements relate to the future, by their nature, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. Our actual results may differ materially from those contemplated by forward-looking statements. We caution you therefore that you should not rely on any of these forward-looking statements as statements of historical fact or as guarantees or assurances of future performance. Important factors that could cause actual results to differ materially from those in the forward-looking statements include regional, national or global political, economic, business, competitive, market and regulatory conditions as well as, but not limited to, the following:

- risks associated with our status as a blank check company;
- the reduction of the proceeds held in the Escrow Account due to third party claims;
- risks associated with the control of the Foundation and our Founding Shareholders;
- present and future risks relating to conflicts of interest between our Management Board and Supervisory Board members and investors;
- uncertainties associated with our ability to implement our business strategy and select prospective Target Businesses;
- factors affecting our ability to compete in a competitive market;
- the adverse effect the outstanding Warrants may have on the market price of our common stock;
- risks associated with being deemed an investment company or a Passive Foreign Investment Company;
- uncertainties in the policies of the governments of the countries in which we may operate following a Business Combination;
- uncertainties in evaluating the potential liabilities of Target Businesses; and
- uncertainties associated with general economic conditions across Europe.

Any forward-looking statement made by us in this Offering Circular speaks only as of the date of this Offering Circular and is expressly qualified in its entirety by these cautionary statements. Factors or events that could cause our actual results to differ may emerge from time to time, and it is not possible for us to predict all of them. Subject to any Dutch rules, we undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future developments or otherwise.

INDUSTRY AND MARKET DATA

Industry and market data used throughout this Offering Circular were obtained from our own research, studies conducted by third parties, industry and general publications published by third parties, including the European Travel Commission, Jones Lang LaSalle Hotels and the World Tourism Organization, and, in some cases, management estimates based on their industry and other knowledge. Neither we nor the Underwriters has independently verified market and industry data from third-party sources. Accordingly, we accept responsibility only for accurately reproducing such information and disclaim responsibility for its accuracy. As far as we are aware and are able to ascertain, no facts have been omitted from such information that would render it inaccurate or misleading. While we believe that our assumptions regarding our markets are appropriate, they have not been verified by any independent sources, and the Underwriters make no representations as to the accuracy of such assumptions.

PRESENTATION OF FINANCIAL INFORMATION

Unless otherwise indicated, all references in this document to "$" or U.S. dollars are to the lawful currency of the United States of America and all references to "euro" or "€" are to the lawful currency of those countries that have adopted the euro as their currency in accordance with the legislation of the European Union relating to European Monetary Union.

Our financial statements are presented in euro, and we prepare our financial statements in accordance with International Financial Reporting Standards ("IFRS"), including International Accounting Standards ("IAS") and Interpretations adopted by the International Accounting Standards Board ("IASB"). Our financial statements include a reconciliation to U.S. GAAP. We have a fiscal year end of December 31.

Percentages in tables have been rounded and accordingly may not add up to 100 percent. Certain financial data have been rounded. As a result of this rounding, the totals of data presented in this document may vary slightly from the actual arithmetic totals of such data.

SERVICE OF PROCESS AND ENFORCEMENT OF LIABILITIES

We are formed under the laws of the Netherlands as a public company with limited liability (*naamloze vennootschap*). Certain of the members of our Management Board and Supervisory Board are not residents of the United States, and a substantial portion of their assets are located outside the United States. As a result, it may be difficult for investors to effect service of process in the United States on persons who are not U.S. residents or to enforce in the United States judgments obtained in the United States against us or persons who are not U.S. residents based on the civil liability provisions of the U.S. securities laws. We have been advised by our Dutch counsel, NautaDutilh N.V., that there is doubt as to the direct enforceability in the Netherlands of civil liabilities predicated upon the federal securities laws of the United States.

AVAILABILITY OF DOCUMENTS

Copies of this Offering Circular, our Articles of Associations and financial statements included or incorporated by reference in this Offering Circular may be obtained free of charge by sending a request in writing to us at Apollolaan 2, 1077 BA Amsterdam, the Netherlands. Alternatively, copies of this Offering Circular may be obtained through the website of Euronext (www.euronext.com) by Dutch residents only.

LEGAL MATTERS

Dechert LLP, Washington, D.C., and NautaDutilh N.V., Amsterdam, the Netherlands, have acted as our counsel in this Offering. Bingham McCutchen LLP, New York, New York, and Loyens & Loeff, London, England, have acted as counsel for the Underwriters in this Offering. Prospective investors are urged to consult their own counsel in connection with the Offering.

AUDITORS

BDO CampsObers Audit & Assurance B.V., a member of the Royal Netherlands Institute of Registered Accountants (*Koninklijk Nederlands Instituut van Registeraccountants*), audited the opening balance as per February 27, 2007 of Pan-European Hotel Acquisition Company N.V. included in this Offering Circular. The report of BDO CampsObers Audit & Assurance B.V. is included in the Offering Circular. BDO CampsObers Audit & Assurance B.V. has given its consent to the inclusion of its report in the form and context in which it is included in this Offering Circular.

METHOD AND EXPECTED TIMETABLE

Admission and commencement of dealings in Shares and Warrants	July 17, 2007
Issuance of Share and Warrant certificates	July 20, 2007

(ALL REFERENCES IN THIS DOCUMENT TO TIMES ARE TO CENTRAL EUROPEAN TIME UNLESS OTHERWISE STATED)

DEFINITIONS

"$" or "US$"	U.S. Dollar
"10% Shareholder Test"	The test whereby a foreign corporation is treated as a CFC if its U.S. 10% shareholders collectively own more than 50% of the total combined voting power or total value of the corporation's stock on any day
"Absolute Majority"	More than 50% of the valid votes cast
"Admission"	Admission of the Shares and Warrants to trading on Eurolist by Euronext
"Admitted Institution"	Each participant in Euroclear
"AEK"	Amsterdams Effectenkantoor B.V.
"Admission Date"	The date of Admission
"affiliate" or "affiliated"	A person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, another specified person. For the purpose of this definition, the term "control" (including the terms "controlling", "controlled by" and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management, including day-to-day management, and policies of a person or entity, whether through the ownership of securities, by contract or otherwise
"AFM"	The Netherlands Authority for the Financial Markets (*Autoriteit Financiele Markten*)
"Announcement Date"	The date of the Management Board approval of a conversion of Shares in connection with the exercise of a Redemption/Repurchase Right. This approval will be registered in the trade registry of the Chamber of Commerce and Industry of Amsterdam and this registration will be announced by the Company in a daily newspaper with national distribution in the Netherlands, in the Official Daily List of Euronext Amsterdam and in a notice to DTC to be posted to holders of record by DTC.
"Articles of Association"	The articles of association of the Company dated June 11, 2007, as amended from time to time
"Banking Act"	The Italian Financial Services Act, Legislative Decree No. 385 of September 1, 1993, as amended
"blank check company"	A development stage company that has indicated that its business plan is to engage in a merger, acquisition or similar transaction with an unidentified company, entity or person
"Book-Entry Interests"	The Rule 144A Book-Entry Interests and the Regulation S Book-Entry Interests
"Business Combination"	The acquisition, or acquisition of control, whether by way of asset acquisition, merger, capital stock exchange, share purchase or similar transaction of all of, or a controlling interest in, a Target Business, which interest has a fair market value equal to at least 50% of the Escrow Amount, less Deferred Underwriting Fees and Net Interest Proceeds

"Business Combination Deadline"	The date which is 18 months from the Admission Date (or the date which is 24 months from the Admission Date if, within such 18-month period, the Company has signed a letter of intent, agreement in principle or definitive agreement in respect of a proposed Business Combination)
"Call"	A redemption that is called by the Company
"CFC"	A Controlled Foreign Corporation as defined under the U.S. Tax Code
"Class A Shares"	Shares converted from ordinary shares
"Class B Share"	One Class B Share, nominal value €15,000, issued to Kragt on February 27, 2007. We will redeem the Class B Share at its nominal value upon completion of a Business Combination
"Closing Date"	The date on which payment for, and delivery of, the Units offered hereby is expected to be made, being on or about July 20, 2007
"Code"	The Dutch Corporate Governance Code
"Company"	Pan-European Hotel Acquisition Company N.V.
"Controlling Entity"	A person or company or group company holding a total of at least 95% of a company's issued share capital by nominal value for its own account
"Convention"	The convention between the Netherlands and the United States for the avoidance of double taxation
"CRT"	CRT Capital Group LLC
"Deferred Underwriting Fees"	€3,000,000 of the Underwriting Discount and Commission (or €3,450,000 if the Over-Allotment Option is exercised in full) that the Underwriters have agreed to defer until the completion of our initial Business Combination. Upon such a Business Combination, we will pay such Deferred Underwriting Fees to the Underwriters out of the Escrow Account, less €0.24 for each New Share that is redeemed or repurchased in connection with such Business Combination
"Definitive Registered Securities"	Definitive registered securities in certificated form
"Distribution Compliance Period"	The period commencing on the Admission Date and ending on the date that is the earlier of (1) 35 days following the consummation of a Business Combination and (2) 18 months after the issuance of the Units, Shares and Warrants hereunder
"DTC"	The Depositary Trust Company
"ERISA"	The U.S. Employee Retirement Income Security Act of 1974, as amended

"ERISA Plan"	A plan subject to Title I of ERISA or Section 4975
"Escrow" or "Escrow Account"	The Escrow Account at Citibank, N.A., London branch maintained by Citibank, N.A., London branch as Escrow Agent into which the Escrow Amount will be deposited
"Escrow Agent"	Citibank, N.A., London branch
"Escrow Amount"	The proceeds of the Offering, the proceeds of the Founding Shareholder Private Placement, the Founding Shareholder Investment and the Deferred Underwriting Fees, less Offering costs and expenses and the Working Capital Amount, which is expected to total €97,940,000
"Euroclear"	Euroclear Nederland *(Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V.)*
"Eurolist by Euronext"	Eurolist by Euronext, the regulated market of Euronext
"Euronext"	Euronext Amsterdam N.V.
"Euronext Rules"	Euronext Rules—Book I and Book II: General Rules for the Euronext Amsterdam Stock Market
"Exchange Act"	U.S. Securities Exchange Act of 1934, as amended
"Financial Services Act"	Italian Legislative Decree No. 58, February 24, 2998, as amended and restated from time to time
"Foundation"	Stichting Administratiekantoor Pan-European Hotel Acquisition Company, the Dutch foundation to which the Shares and Warrants underlying the Founding Units and the Class B Share will be transferred on the Closing Date as well as any New Shares or Warrants acquired in the Offering or the secondary market by the Management Team Founding Shareholders or Willem-Jan M. van den Dijssel
"Founding Shareholder Investment"	The Founding Shares, the Class B Share and the Founding Shareholder Loan, which together total €130,000
"Founding Shareholder Loan"	The loan made to us by Kragt in the amount of €85,000 on February 27, 2007
"Founding Shareholder Private Placement"	Prior to the closing of this Offering, Kragt will sell 1,800,000 Founding Shares to the other Founding Shareholders at the nominal value of €0.01 per Share. At the same time, the Founding Shareholders (including Kragt) will (i) make a capital contribution to the Company on the Founding Shares in the amount of €2,940,000 and (ii) purchase 3,000,000 Founding Warrants at a price of €0.01 per Warrant. Together with the proceeds of the issuance of the Founding Shares to Kragt, the Founding Shareholder Private Placement will result in an investment of €0.99 per Founding Share and €0.01 per Founding Unit, for a total investment of €1.00 per Founding Unit. Kragt will retain 1,200,000 Founding Units.
"Founding Shareholders"	The Management Team Founding Shareholders, Stichting Millstreet, Trust Hotels B.V., Mrs. S.F.G. Martina, Pont Business Holding B.V., M. Caransa B.V., Richard M. Rieser Jr. and William R. de Jonge, each of whom hold Shares as of the date of this Offering

"Founding Shares"	The 3,000,000 Shares issued to Kragt on February 27, 2007 for the nominal value of €0.01 per Share
"Founding Units"	The Founding Shares and the Founding Warrants
"Founding Warrants"	The 3,000,000 Warrants issued to the Founding Shareholders in the Founding Shareholder Private Placement
"Freely Distributable Reserves"	The difference between our net assets and the sum of the paid and called-up part of our capital and the reserves that must be maintained by law or under our Articles of Association
"General Meeting of Shareholders"	The general meeting of holders of equity securities of the Company
"Global Securities"	The Rule 144A Global Securities and the Regulation S Global Securities
"I-Bankers"	I-Bankers Securities, Inc.
"IAS"	Inter International Accounting Standards
"IASB"	International Accounting Standards Board
"IFRS"	International Financial Reporting Standards
"IRS"	The U.S. Internal Revenue Service
"Kragt"	KCI (Kragt Capital Investments) B.V., an entity of which all shares are owned by Willem-Jan M. van den Dijssel
"Listing Agent"	Amsterdams Effectenkantoor B.V.
"Management Board"	Our management board
"Management Team Founding Shareholders"	Kragt, Laurence N. Strenger, Max Arthur Kok, Martin Lindelauf, Anders Brag and Thomas A.H. Bas
"Net Interest"	Interest earned on the amounts held in the Escrow Account (net of fees, taxes and expenses incurred)
"Net Interest Proceeds"	Half of the Net Interest up to an aggregate of €550,000, which will be released to us from the Escrow Account on a monthly basis to fund a portion of our working capital or other expense requirements
"Netherlands Financial Supervision Act"	The Netherlands Act on Financial Supervision (*Wet op het financieel toezicht*)
"Netherlands resident individuals" or "Netherlands resident entities"	Individuals and corporate legal entities who are resident or deemed to be resident in the Netherlands for Netherlands tax purposes
"New Shareholders"	Holders of the New Shares
"New Shares"	All Shares of the Company other than the Shares underlying the Founding Units
"1940 Act"	The U.S. Investment Company Act of 1940
"Offering"	Offering of 12,500,000 Units at a per Unit price of €8.00 in the Company
"Offering Circular"	This document

"Order"	Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005
"Over-Allotment Option"	The option we have granted to AEK, on behalf of the Underwriters, to purchase up to an aggregate of 1,875,000 additional Units, representing 15% of the number of Units initially offered in this Offering, at the initial offering price less the Underwriting Discount and Commission until 30 days from the Admission Date
"Passive Foreign Investment Company"	A non-U.S. corporation where (1) 75% or more of such corporation's gross income is "passive income" (generally dividends, interest, rents, reyalties and gains from the disposition of passive assets) in any taxable year or (2) at least 50% of the average value of such corporation's assets produce, or are held for the production of, passive income
"Plan"	(1) An "employee benefit plan" (within the meeting of Section 3(3) of ERISA) that is subject to Title I of ERISA, (2) a plan, individual retirement account or other arrangement that is subject to Section 4975 of the Code or any Similar Law or (3) an entity whose underlying assets are considered to include "plan assets" of any such plan, account or arrangement pursuant to ERISA, the Code or any applicable Similar Law
"Plan Asset Regulations"	The plan asset regulations of the U.S. Department of Labor, 29 C.F.R. Section 2510.3-101
"Plan Asset Rules"	ERISA Section 3(42) and the Plan Asset Regulations
"PORTAL"	The Private Securities Offering through Automated Linkages Market through which the Rule 144A Global Securities will be eligible for trading
"Proposal"	The Dutch government's proposal for implementation of the Takeover Directive (2004/25/EC)
"Prospectus Directive"	Directive 2003/71/EC
"QEF"	Qualifying electing fund
"QIB"	Qualified institutional buyer, as defined in Rule 144A under the Securities Act
"Redemption/Repurchase Event"	The occurrence of the Company seeking approval of a Business Combination and a New Shareholder voting against such Business Combination; provided that the Company's redemption or repurchase obligations will only be effective if the Company consummates the Business Combination
"Redemption/Repurchase Price"	The Redemption/Repurchase Price is expected to be approximately €7.84 per Class A Share (upon conversion from a New Share) plus a pro rata portion of the amount equal to Net Interest less the Net Interest Proceeds
"Redemption/Repurchase Rights"	The right of each New Shareholder who votes against our initial Business Combination to request the conversion of his New Shares by the Company into the same number of Class A Shares upon the occurrence of a Redemption/Repurchase Event such that the Class A Shares will be redeemed or repurchased at the Redemption/ Repurchase Price

"Regulation S Book-Entry Interests"	Ownership interests in the Regulation S Global Securities
"Regulation S Global Securities"	The Regulation S Global Share and Regulation S Global Warrant
"Regulation S Global Share"	The global security in bearer form representing the Shares sold to non-U.S. persons in reliance on Regulation S under the Securities Act
"Regulation S Global Warrant"	The global security in bearer form representing the Warrants sold to non-U.S. persons in reliance on Regulation S under the Securities Act
"Relevant Implementation Date"	The date on which the Prospectus Directive is implemented in the Relevant Member State
"Relevant Member State"	Each Member State of the European Economic Area that has implement the Prospectus Directive
"Rule 144"	Rule 144 under the Securities Act
"Rule 144A Book-Entry Interests"	Ownership interests in the Rule 144A Global Securities
"Rule 144A Global Securities"	The Rule 144A Global Share and Rule 144A Global Warrant
"Rule 144A Global Share"	The global security in bearer form representing the Shares sold to qualified institutional buyers in reliance on Rule 144A under the Securities Act
"Rule 144A Global Warrant"	The global security in bearer form representing the Warrants sold to qualified institutional buyers in reliance on Rule 144A under the Securities Act
"Rule 419"	Rule 419 under the Securities Act
"SEC"	U.S. Securities and Exchange Commission
"Securities Act"	U.S. Securities Act of 1933, as amended
"Shareholders"	Any holder of Shares
"Shares"	Ordinary shares of common stock with a nominal value of €0.01 per Share
"Similar Law"	Any state or local laws or regulations that would have the same effect as the regulations promulgated under ERISA by the U.S. Department of Labor and codified at 29 C.F.R. Section 2510.3-101 to cause our underlying assets to be treated as assets of an investing entity by virtue of its investment (or any beneficial interest) in us and thereby subject us (or persons responsible for the investment and operation of our assets) to laws and regulations that are similar to the fiduciary responsibility or prohibited transaction provisions contained in Title I of ERISA or Section 4975 of the Code
"Stabilizing Agent"	Amsterdams Effectenkantoor B.V.
"Supervisory Board"	Our supervisory board
"Target Business	One or more operating businesses in the hotel industry with a fair market value of at least 50% of the Escrow Amount, less Deferred Underwriting Fees and Net Interest Proceeds with which the Company may consider a Business Combination
"Underwriting"	The underwriting by CRT, I-Bankers and AEK of the Units pursuant to the Underwriting Agreement

"Underwriting Agreement"	The underwriting agreement to be entered into prior to the consummation of the Offering, among the Company and CRT and AEK, as representatives of the Underwriters, with respect to the Underwriting of this Offering
"Underwriting Discount and Commission"	An amount equal to 7% of the proceeds of the Units sold in this Offering. The Underwriters have agreed to defer €3,000,000 of their commission (€3,450,000 if the Over-Allotment Option is exercised in full) until the completion of our initial Business Combination. A corporate finance fee equal to 1% of the gross proceeds of the Units offered hereby payable to CRT upon completion of this Offering in consideration of ongoing corporate finance services in connection with the consummation of a Business Combination is included in the 7% Underwriting Discount and Commission
"Underwriters"	Each of CRT, I-Bankers and AEK
"Unit"	One Share and one Warrant
"Unit Purchase Option"	An option that will be sold on the Closing Date to the Underwriters, for €100, to purchase 462,500 Units at a price per Unit of €10.00 in consideration of advice in structuring our Company and ongoing corporate finance services in connection with consummation of a Business Combination. The Units issuable upon exercise of the Unit Purchase Option will be identical to the Units issued in the Offering. The Unit Purchase Option is exercisable on the later of (1) our completion of a Business Combination and (2) one year after the Admission Date and expires four years from the Admission Date.
"United States" or "U.S."	The United States of America
"U.S. 10% Shareholder"	Any U.S. person who owns, directly or indirectly through foreign entities, or is considered to own (by application of the rules of constructive ownership set forth in U.S. Tax Code Section 958), generally applying to family members, partnerships, estates, trusts or 10% controlled corporations) 10% or more of the total combined voting power of all classes of stock of a foreign corporation
"U.S. GAAP"	Generally accepted accounting principles in the United States
"U.S. holder"	A recipient of a dividend on the Shares that satisfies the conditions of the Convention and are entitled to a reduced rate of dividend withholding tax
"U.S. Tax Code"	The U.S. Internal Revenue Code of 1986, as amended
"Warrants"	Instruments convertible into Shares, which are more fully described in the section entitled "Description of the Securities" in the Offering Circular
"we" or "us"	The Company
"Working Capital Amount"	€200,000 of the net proceeds of the Offering, the Founding Shareholder Private Placement and the Founding Shareholder Investment not placed in the Escrow Account for working capital

INDEX TO FINANCIAL STATEMENTS

DIRECTORS' REPORT

February 27, 2007

Pan-European Hotel Acquisition Company N.V. ("PEHAC N.V.") is a blank check company formed on February 27, 2007 under the laws of the Netherlands as a public company with limited liability (*naamloze vennootschap*) to serve as a vehicle for an acquisition, or acquisition of control, by way of asset acquisition, merger, capital stock exchange, share purchase or similar transaction with one or more operating businesses in the hotel industry in Europe.

PEHAC N.V. is a newly formed company that has conducted no operations and generated no revenues to date and will not conduct operations or generate operating revenue unless and until PEHAC N.V. completes a business combination as being defined in the offering memorandum to be published with respect to the admission to trading of shares and warrants of PEHAC N.V. on Eurolist by Euronext, the regulated market of Euronext Amsterdam N.V.

The principal activities to date have been limited to organizational and financing activities. PEHAC N.V. does not expect to engage in substantive negotiations with any target business until after the consummation of the offering as described in the offering memorandum.

Our registered office, which also serves as our corporate office, is located at Apollolaan 2, 1077 BA Amsterdam,

The Management Board

Willem-Jan M. van den Dijssel

/s/ Willem-Jan M. van den Dijssel

Chairman

AUDITOR'S REPORT

To: the Management Board of Pan-European Hotel Acquisition Company N.V.

June 4, 2007

Report on Financial Statements

We have audited the accompanying balance sheet of Pan-European Hotel Acquisition Company N.V., a development stage company, Amsterdam, as per February 27, 2007 (date of incorporation) and the related statement of equity, a summary of significant accounting principles and notes to the financial statements.

Management's responsibility

Management is responsible for the preparation and fair presentation of the balance sheet in accordance with International Financial Reporting Standards as adopted by the European Union and with Part 9 of Book 2 of the Netherlands Civil Code, and for the preparation of the directors' report in accordance with Part 9 of Book 2 of the Netherlands Civil Code. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of balance sheet that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting principles; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on the balance sheet based on our audit. We conducted our audit in accordance with Dutch law. This law requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the balance sheet is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the balance sheet. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the balance sheet, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the balance sheet in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the balance sheet.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the balance sheet and the notes thereto give a true and fair view of the financial position of Pan-European Hotel Acquisition Company N.V. as at February 27, 2007 in accordance with International Financial Reporting Standards as adopted by the European Union and with Part 9 of Book 2 of the Netherlands Civil Code.

Emphasis of Matter

We draw attention to page 8 of the notes to the financial statements which indicates the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. Our opinion is not qualified in respect of this matter.

Report on other legal and regulatory requirements

Pursuant to the legal requirements under 2:393 sub 5 part e of the Netherlands Civil Code, we report, to the extent of our competence, that the directors' report is consistent with the financial statements as required by 2:391 sub 4 of the Netherlands Civil Code.

For and on behalf of
BDO CampsObers Audit & Assurance B.V.

H. Kroeze RA

1. Opening balance sheet as at February 27, 2007

(Euros)	Note	Feb. 27, 2007
ASSETS		
Current Assets		
Cash and cash equivalents	**1**	130,000
Total current assets		**130,000**
TOTAL ASSETS		**130,000**
LIABILITIES AND SHAREHOLDERS EQUITY		
Long-term liabilities		
Notes payable	**2**	85,000
Total long-term liabilities		**85,000**
TOTAL LIABILITIES		**85,000**
SHAREHOLDER'S EQUITY		
Share capital	**3**	45,000
TOTAL SHAREHOLDER'S EQUITY		**45,000**
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY		**130,000**

- *The notes on page F-5 are an integral part of these financial statements*

NOTES OPENING BALANCE SHEET AS AT FEBRUARY 27, 2007

1. The amount of € 130,000 has been deposited on February 27, 2007 by KCI (Kragt Capital Investments) B.V. ("Kragt") at the current bank account of PEHAC N.V.

2. Kragt is an entity of which all shares are owned by Willem-Jan M. van den Dijssel. Kragt provided a loan with a principal sum of € 85,000 to PEHAC N.V.

   a. Pursuant to the promissory note ("Note") entered into between PEHAC N.V. and Kragt on February 27, 2007, PEHAC N.V. promised to pay to the order of Kragt the principal sum of € 85,000 on the main terms and conditions described below.

   b. The principal sum of the Note shall be repayable upon consummation of a business combination.

   c. No interest shall accrue on the unpaid principal balance of this Note.

3. The authorized share capital of PEHAC N.V. amounts to € 225,000, divided into the following classes of shares:

   a. 14,000,000 ordinary shares, each ordinary share having nominal value of € 0.01;

   b. 3,000,000 class A shares, each class A share having a nominal value of € 0.01;

   c. 1 class B share, having a nominal value of € 15,000;

   d. 3,000,000 class C shares, each class C share having a nominal value of € 0.01;

   e. 1,000,000 preference shares, each preference share having a nominal value of € 0.01;

These shares have the following voting rights (deed of incorporation dated February 27, 2007 (the "Deed of Incorporation"), Article 12.2): Each ordinary share, each Class A Share, each Class C Share and each preference share shall give the right to cast one vote at general meetings of shareholders. The Class B Share shall give the right to cast one million five hundred thousand votes at general meetings of shareholders.

On February 27, 2007, PEHAC N.V. issued 3,000,000 ordinary shares and 1 class B share to Kragt.

2. Statement of equity as at February 27, 2007

(Euros)		Share Capital	Total equity
Balance as at February 27, 2007			
Issuance of ordinary shares	3,000,000	30,000	30,000
Issuance of class B shares	1	15,000	15,000
Net profit for the year			
Balance as at February 27, 2007		**45,000**	**45,000**

3. Significant accounting principles

The principal accounting policies applied in the preparation of these financial statements for PEHAC N.V. are set out below.

Basis of preparation

PEHAC N.V.'s financial statements for the period to be ended December 31, 2007 will be the first annual financial statements which will comply with IFRS. PEHAC N.V.'s date of establishment is February 27, 2007.

These financial statements have been prepared in accordance with IFRS issued by the International Accounting Standards Board ("IASB") and as adopted by the European Commission following the procedure contained in article 6 of the EU Regulation No. 1606/2002 of the European Parliament and Council on July 19, 2002 and EU Regulation No. 1864/2005 of the European Parliament and Council on November 15, 2005 and also in accordance with the statutory provisions of Part 9, Book 2, of the Netherlands Civil Code and the firm pronouncements in the Guidelines for Annual Reporting in the Netherlands as issued by the Dutch Accounting Standards Board. The financial statements have been prepared under the historical cost convention approach except for the financial assets and the financial liabilities which are valued at fair value through profit or loss.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying accounting policies.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, banks and overdrafts with related and third parties. It includes held on call with related parties and with original maturities of three months or less.

Equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Notes Payable

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the income statement over the period of the borrowings using the effective interest method. Borrowings are classified as currently liabilities unless the Group has an unconditional right to defer settlement of this liability for at least 12 months after the balance sheet date.

Dividends distribution

Dividends distribution to PEHAC N.V.'s shareholder is recognized as a liability in the financial statements in the period in which the dividends are approved by PEHAC N.V.'s general meeting of shareholders. The main profit distribution articles are (Deed of Incorporation, Article 15.1 to 15.3):

1. Profit is distributed after the adoption of the Annual Accounts from which it appears that said profits are admissible.
2. The profits shown in the adopted Annual Accounts shall first be applied as follows: Six percent (6%) of the nominal amount of the preference shares shall first, if possible, be distributed in respect of the preference shares. From the remaining profit shall be distributed in respect of each of the class B share and the class C shares, € 0.01. No further distribution shall be made in respect of the preference shares, the class B share and the Class C shares. From the profit then remaining, the management board shall determine, subject to the approval of the supervisory board, which amount out of the remaining profit will be added to the dividend reserves.
3. The balance of the profit remaining after application of the provisions contained in paragraph 2 above shall be at the free disposal of the general meeting of shareholders.

4. Notes to the financial statements

4.1. General information

Activities of business and Legal structure of company

PEHAC N.V., having its statutory seat at Apollolaan 2, 1077 BA Amsterdam, the Netherlands, was incorporated on February 27, 2007, with the purpose (Deed of Incorporation, Article 2):

a. to participate in, to finance or to have any other interest in, or to conduct the management of, other companies or enterprises which operate businesses in the hotel industry in Europe;

b. to furnish guarantees, provide security, warrant performance or in any other way assume liability, whether jointly and severally or otherwise, for or in respect of obligations of group companies;

c. to do anything which is, in the widest sense of the word, connected with or may be conducive to the attainment of these objects.

This opening balance sheet has been approved for publication by the Management Board on February 27, 2007.

Our primary strategy is to acquire medium-sized hotels or hotel groups (including related real estate assets) owned and operated by a family or private party, or part of a divestment process by a large, multi-national hotel operator. Following the acquisition, we expect to improve the cash flow of such hotels through the application of sophisticated management techniques not typically used by medium-sized hotels or hotel groups.

PEHAC N.V.'s Management Board includes Willem-Jan M. van den Dijssel, Laurence N. Strenger, Max Arthur Kok and Martin Lindelauf, each of whom has extensive experience in the hospitality industry. Collectively, the members of PEHAC N.V.'s Management Board and Supervisory Board have more than 100 years of experience operating hotels and sourcing, negotiating and structuring financial transactions involving hotel assets

PEHAC N.V. is offering 12,500,00 Units (each a "Unit") at a per unit price of €8.00 (the "Proposed Offering"). Each Unit consists of:

- one ordinary share of common stock with a nominal value of €0.01 per share (each a "Share"); and
- one warrant (each a "Warrant").

PEHAC N.V. will apply for the admission and listing of its Shares and Warrants trading on Eurolist by Euronext. The Shares and Warrants that comprise the Units are immediately separable upon issuance. The Units will not constitute an independently transferable security.

In the event that PEHAC N.V. does not consummate a Business Combination within 18 months from the Admission Date (or the date which is 24 months from the Admission Date if, within such 18-month period, PEHAC N.V. has signed a letter of intent, agreement in principle or definitive agreement in respect of a proposed Business Combination), PEHAC N.V. will be dissolved by operation of law. This would result in a distribution to PEHAC N.V.'s New Shareholders on a pro rata basis of the Escrow Amount, including Deferred Underwriting Fees, Net Interest less the Net Interest Proceeds and all PEHAC N.V.'s other net assets. It is likely that the amount in Escrow will be less than the initial public offering price in the Proposed Offering.

Related party transactions

On February 27, 2007, PEHAC N.V. issued 3,000,000 Shares at the nominal value of €0.01 per Share (the "Founding Shares") and one Class B Share at its nominal value of €15,000 (the "Class B Share") to Kragt. On the same date, Kragt made a loan to PEHAC N.V. in the amount of €85,000 (the "Founding Shareholder Loan"

and together with the Founding Shares and Class B Share the "Founding Shareholder Investment"). Prior to the closing of the Proposed Offering, Kragt will sell 1,800,000 Founding Shares to the other founding shareholders at the nominal value of €0.01 per Share. At the same time, the founding shareholders (including Kragt) will (i) make a capital contribution to the Company on the Founding Shares in the amount of €2,940,000 and (ii) purchase 3,000,000 Founding Warrants (the "Founding Warrants" and together with the Founding Shares, the "Founding Units") at a price of €0.01 per Warrant. These transactions described in clauses (i) and (ii) are collectively referred to as the "Founding Shareholder Private Placement". Together with the proceeds of the issuance of the Founding Shares to Kragt, the Founding Shareholder Private Placement will result in an investment of €0.99 per Founding Share and €0.01 per Founding Warrant, for a total investment of €1.00 per Founding Unit. Kragt will retain 1,200,000 Founding Units.

Going Concern Consideration

There is no assurance that PEHAC N.V.'s plans to raise capital or to consummate a Business Combination will be successful or successful within the target business acquisition period. These factors, among others, raise substantial doubt about PEHAC N.V.'s ability to continue operations as a going concern.

4.2. Events after the opening balance sheet date

Before the closing of the Proposed Offering, the articles of association of PEHAC N.V. will be amended in order to increase the authorized share capital of PEHAC N.V. Due to restrictions pursuant to Dutch law, the authorized share capital of PEHAC N.V. cannot be increased at an earlier date. There have been no other material events in the period between the opening balance sheet dated February 27, 2007 and June 4, 2007.

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Laurence N. Strenger
Martin Lindelauf

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