TUMAS
INVESTMENTS plc

Prospectus

dated 9th June 2010

ISSUE OF

€20,000,000 6.2% Bonds 2017 – 2020

of a nominal value of €100 per Bond issued at par
(subject to an over-allotment option of an additional €5,000,000 in the event of over-subscription)

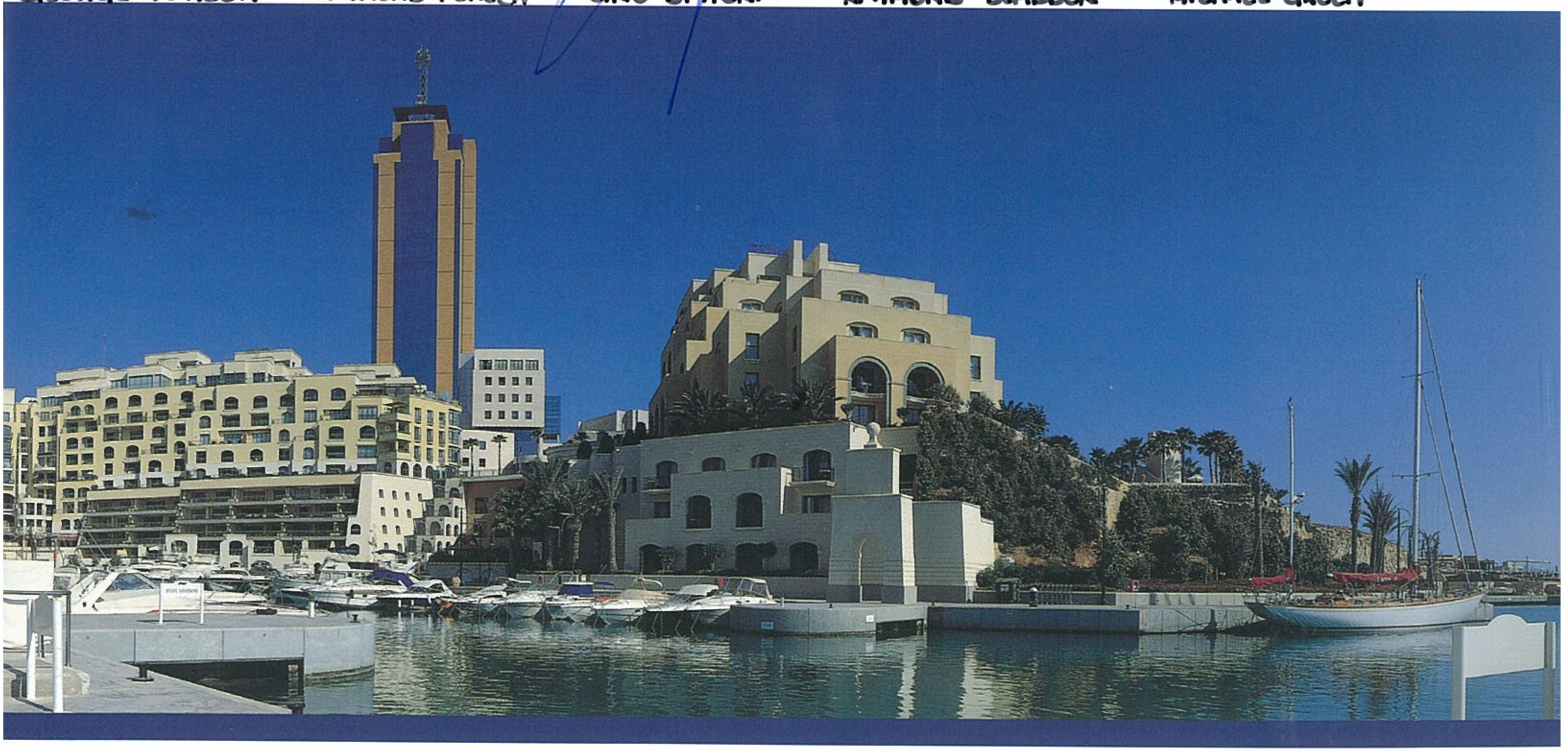
by

Tumas Investments p.l.c.

Guaranteed by

Spinola Development Company Limited

GEORGE FENECH RAYMOND FENECH LINO SPITERI RAYMOND SLADDEN MICHAEL GRECH



Co-Manager & Registrar
BOV Bank of Valletta

Co-Manager
HSBC The world's local bank

Legal Counsel
GVTH ADVOCATES

Sponsor
RIZZO FARRUGIA YOUR INVESTMENT CONSULTANTS

9th June 2010

ERRATA CORRIGE

All references to the commencement of interest date being the "9th July 2010" within this Prospectus dated 9th June 2010 should read as the "10th July 2010".

The inconvenience is regretted.

Mr George Fenech
Chairman

Tumas Investments p.l.c.

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ADDENDUM

ANNEXES

WARNINGS

This Prospectus dated 9th June 2010, which is written in the English language, is composed of the following parts:

1. Summary
2. Registration Document
3. Securities Note

Any decision to invest in the Bonds has to be based on an exhaustive analysis by the investor of the Prospectus as a whole.

The directors have tabled this Prospectus and applied for its notification and assume responsibility for its content, but only if any of the parts of the said Prospectus is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus.

The value of investments can go up or down and past performance is not necessarily indicative of future performance. The nominal value of the Bonds will be repayable in full upon maturity. Prospective investors should carefully consider all the information contained in the Prospectus as a whole and should consult their own independent financial and other professional advisors before deciding to make an investment in the Bonds.

PART 1 - SUMMARY

IMPORTANT INFORMATION

Introduction

This document constitutes a summary to the Prospectus dated 9th June 2010 and contains information on the issue by Tumas Investments p.l.c. (the "Issuer") of an aggregate principal amount of €20,000,000 6.2% Bonds due 2017 - 2020 of a nominal value of €100 per Bond issued at par, guaranteed by Spinola Development Company Limited (the "Guarantor"). In the event that during the Issue Period the Issuer receives applications for Bonds in excess of €20,000,000, the Issuer may increase the issue of Bonds by a maximum amount of up to an additional €5,000,000 (the "Over-allotment Option"), for an aggregate principal amount of €25,000,000. The Bonds shall bear interest at the rate of 6.2% per annum payable semi-annually in arrears on the 9th January and 9th July of each year (each an "Interest Payment Date"), the first Interest Payment Date being on the 9th January 2011. Any Interest Payment Date which falls on a day other than a business day will be carried over to the next following day that is a business day. The Bonds will, unless previously purchased and cancelled, be redeemed at the Redemption Value of €100 per Bond on the 9th July 2020 (the "Maturity Date"), subject to the Issuer's option to redeem all or any part of the Bonds at their nominal value prior to the Maturity Date between and including the 9th July 2017 and the 8th July 2020 (the "Designated Optional Redemption Period") as the Issuer may determine on giving not less than thirty (30) days notice in writing to the Bondholders.

The Prospectus, of which this Summary forms part, also contains information about the Issuer, the Guarantor and the Bonds in accordance with the requirements of the Listing Rules of the Listing Authority, the Companies Act, 1995 and the Commission Regulation (EC) No. 809/2004 of the 29th April 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council as regards information contained in prospectuses as well as the format, incorporation by reference and publication of such prospectuses and dissemination of advertisements.

Each and all of the directors of the Issuer whose names appear under the heading "Administrative, management and supervisory bodies" in Section 11.1 of the Registration Document are the persons responsible for the information contained in the Prospectus. To the best of the knowledge and belief of the directors, who have taken all reasonable care to ensure that such is the case, the information contained in the Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information. The directors accept responsibility accordingly.

No broker, dealer, salesman or other person has been authorised by the Issuer, the Guarantor or their respective directors to issue any advertisement or to give any information or to make any representations in connection with the issue of the Bonds, other than those contained in the Prospectus and in documents referred to therein, in connection with the issue hereby made, and if given or made, such information or representations must not be relied upon as having been authorised by the Issuer, the Guarantor or their respective directors.

The Prospectus includes an Addendum, specifically termed "Updates to the Registration Document", which is intended to serve the purpose of updating, where necessary, the information contained in the Registration Document dated 10th June 2009.

All the advisors to the Issuer and the Guarantor named in the Prospectus under the heading "Advisors to the Issuer and Guarantor" in Section 1 of the Addendum forming part of the Prospectus are acting exclusively for the Issuer and the Guarantor in relation to this Bond Issue and will not be responsible to any investor or any other person whomsoever in relation to the transactions proposed in the Prospectus.

The Prospectus, a copy of which has been registered with the Registrar of Companies in accordance with the Companies Act, has been published with the consent of the Registrar of Companies in terms of regulation 5(2) of the Companies Act (the Prospectus) Regulations (Legal Notice 389 of 2005 as amended by Legal Notice 212 of 2007).

A copy of the Prospectus has been submitted to the Listing Authority in its capacity as the competent authority under the Financial Markets Act for its authorisation for admissibility of the Bonds for listing pursuant to the Listing Rules. Application has also been made to the Malta Stock Exchange for the Bonds being issued pursuant to the Prospectus to be listed and traded on its Official List.

THE LISTING AUTHORITY ACCEPTS NO RESPONSIBILITY FOR AND MAKES NO REPRESENTATIONS AS TO THE CONTENTS, ACCURACY OR COMPLETENESS OF THE PROSPECTUS AND EXPRESSLY DISCLAIMS ANY LIABILITY WHATSOEVER FOR ANY LOSS HOWSOEVER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THE PROSPECTUS.

The Terms and Conditions of subscription for the Bonds are set out in Section 6 of the Securities Note.

Statements in the Prospectus are, except where otherwise stated, based on the law and practice currently in force in Malta and are subject to changes therein.

UNLESS OTHERWISE STATED, THE CONTENTS OF THE ISSUER'S OR THE GUARANTOR'S WEBSITES OR ANY WEBSITE DIRECTLY OR INDIRECTLY LINKED TO THE ISSUER'S OR THE GUARANTOR'S WEBSITES DO NOT FORM PART OF THE PROSPECTUS. ACCORDINGLY, NO RELIANCE OUGHT TO BE MADE BY ANY INVESTOR ON ANY INFORMATION OR OTHER DATA CONTAINED IN SUCH WEBSITES AS THE BASIS FOR A DECISION TO INVEST IN THE BONDS.

DURING THE ISSUE PERIOD, APPLICATIONS FOR SUBSCRIPTION TO THE BONDS MAY BE MADE THROUGH ANY OF THE AUTHORISED INTERMEDIARIES AS LISTED IN ANNEX E FORMING PART OF THE PROSPECTUS. SPECIMENS OF THE APPLICATION FORMS ARE INCLUDED WITH THE PROSPECTUS, TOGETHER WITH GUIDES ON HOW TO COMPLETE THEM.

Selling Restrictions

The Prospectus does not constitute, and may not be used for purposes of, an offer or invitation to subscribe for Bonds by any person in any jurisdiction: (i) in which such offer or invitation is not authorised; or (ii) in which the person making such offer or invitation is not qualified to do so; or (iii) to any person to whom it is unlawful to make such offer or invitation.

It is the responsibility of any person in possession of the Prospectus and any person wishing to apply for Bonds to inform themselves of, and to observe and comply with, all applicable laws and regulations of any relevant jurisdiction. Prospective applicants for Bonds should inform themselves as to the legal requirements of so applying and of any applicable exchange control requirements and taxation in the countries of their nationality, residence or domicile.

Save for the public offering in Malta, no action has been or will be taken by the Issuer that would permit a public offering of the Bonds or the distribution of the Prospectus (or any part thereof) or any offering material in any country or jurisdiction where action for that purpose is required.

The Bonds have not been, nor will they be, registered under the United States Securities Act, 1933 as amended (the "1933 Act"), or under any Federal or State securities law and may not be offered, sold or otherwise transferred, directly or indirectly, in the United States of America, its territories or possessions, or any area subject to its jurisdiction (the "United States") or to or for the benefit of, directly or indirectly, any United States person (as defined in Regulation "S" of the 1933 Act, as amended from time to time). Furthermore, the Issuer will not be registered under the United States Investment Company Act, 1940 (the "1940 Act") as amended and investors will not be entitled to the benefits of the 1940 Act. Based on interpretations of the 1940 Act by the staff of the United States Securities and Exchange Commission Relating to Foreign Investment Companies, if the Company has more than 100 beneficial owners of its securities who are United States persons, it may become subject to the 1940 Act. The directors will not knowingly permit the number of holders who are United States persons to exceed 70.

In relation to each Member State of the European Economic Area (other than Malta) which has implemented the Directive 2003/71/EC of the European Parliament and of the Council of the 4th November 2003 on the prospectus to be published when securities are offered to the public or admitted to trading (the "Prospectus Directive") or which, pending such implementation, applies Article 3.2 of the Prospectus Directive, the Bonds can only be offered to "qualified investors" (as defined in the Prospectus Directive), as well as in any other circumstances which do not require the publication by the Issuer of a prospectus pursuant to Article 3 of the Prospectus Directive.

No person receiving a copy of the Prospectus or an Application Form in any territory other than Malta may treat the same as constituting an invitation or offer to him nor should he make use of such Application Form, unless, in the relevant territory, such an invitation or offer could lawfully be made to him or such application could lawfully be used without contravention of any registration or other legal requirements. It is the responsibility of any person outside Malta wishing to take advantage of the Bond Issue to satisfy himself as to full observance of the laws of any relevant territory in connection therewith, including obtaining any required governmental or other consents, observing any other formalities required to be observed in such territory and paying any issue, transfer or other taxes required to be paid in such territory.

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1. DEFINITIONS

Words and expressions used in this Summary in their capitalised form shall, except where the context otherwise requires and except where otherwise defined herein, bear the same meaning as the meaning given to such words and expressions in the Registration Document. Additionally, the following words and expressions as used in this Summary shall bear the following meanings whenever such words and expressions are used in their capitalised form, except where the context otherwise requires:

"Act" or "Companies Act"	the Companies Act, 1995, Chapter 386 of the Laws of Malta;
"Applicant/s"	a person or persons whose name or names (in the case of joint applicants) appear in the registration details of an Application Form;
"Application"	the application to purchase Bonds made by an Applicant by completing an Application Form and posting it or delivering it to the Registrar or to any of the Authorised Intermediaries;
"Application Form/s"	the form of application for subscription of Bonds issued by the Issuer, specimens of which are contained in Annex D of the Prospectus;
"Authorised Intermediaries"	all the licensed stockbrokers and financial intermediaries listed in Annex E of the Prospectus;
"Bonds"	the €20,000,000 6.2% bonds 2017 - 2020 of a nominal value of €100 each issued at par, together with any such additional bonds as may be issued in Euro in the case of exercise of the Over-allotment Option;
"Bondholder"	a holder of Bonds;
"Bond Issue"	the issue of the Bonds;
"Bond Issue Price"	at par (€100 per Bond);
"Company" or "Issuer"	Tumas Investments p.l.c., a company registered in Malta with registration number C 27296;
"Cut-off Date"	close of business of the 4th June 2010 (trading session of the 1st June 2010);
"DesignatedOptional Redemption Period"	any day falling between and including the 9th July 2017 and the 8th July 2020 when the Issuer may, at its option, redeem part or whole of the Bonds then outstanding by giving at least thirty (30) days advance written notice to the Bondholders;
"Euro" or "€"	the currency of the European Monetary Union, of which Malta forms part;
"Financial Markets Act"	the Financial Markets Act, 1990, Chapter 345 of the Laws of Malta;
"Guarantor" or "SDC"	Spinola Development Company Limited, a company registered in Malta with registration number C 331;
"Interest Payment Date/s"	the 9th January and 9th July of each year between 2010 and 2020. The first interest payment will be made on the 9th January 2011;
"Issue Date"	21st July 2010;
"Issue Period"	the period between 08.30 hours on the 25th June 2010 and 12.00 hours on the 2nd July 2010 (or such earlier date as may be determined by the Issuer) during which the Bonds are available for subscription;
"Listing Authority"	the MFSA, appointed as Listing Authority for the purposes of the Financial Markets Act by virtue of Legal Notice 1 of 2003;
"Malta Stock Exchange" or "MSE"	Malta Stock Exchange p.l.c., as originally constituted in terms of the Financial Markets Act, having its registered office at Garrison Chapel, Castille Place, Valletta and company registration number C 42525;
"Maturing Bonds"	the €16,306,329 6.7% bonds 2010-2012 due to mature on the 9th July 2012 issued by the Issuer pursuant to a prospectus dated the 10th July 2002;
"Maturity Date"	9th July 2020, unless otherwise redeemed at the Issuer's sole discretion during the Designated Optional Redemption Period;
"MFSA"	the Malta Financial Services Authority, established in terms of the Malta Financial Services Authority Act, 1988 (Chapter 330 of the Laws of Malta);
"Official List"	the list prepared and published by the Malta Stock Exchange as its official list in accordance with the Malta Stock Exchange Bye-Laws;
"Over-allotment Option"	the option of the Issuer to increase the original Bond Issue by a maximum amount of an additional €5,000,000 to be issued at par, in the event of over-subscription of the original Bond Issue;
"Preferred Applicant"	any holder of Maturing Bonds on the Cut-off Date;
"Prospectus"	this document dated 9th June 2010 made up of three distinct parts, namely the Summary, the Registration Document and the Securities Note respectively, together with the Addendum and Annexes referred to herein;

"Redemption Value"	at par (€100 per Bond);
"Registration Document"	the registration document issued by the Issuer dated 10th June 2009, forming part of the Prospectus;
"SDC Group"	SDC and its subsidiary companies, namely Portomaso Leasing Company Limited (C 33110) and Halland Developments Company Limited (C 46810);
"Securities Note"	the securities note issued by the Issuer dated 9th June 2010, forming part of the Prospectus;
"Sponsor"	Rizzo, Farrugia & Co. (Stockbrokers) Ltd., an authorised financial intermediary licensed by the MFSA and a member of the Malta Stock Exchange;
"Summary"	this document in its entirety;
"Tumas Group"	Tumas Group Company Limited and its subsidiary and associated companies, including the Issuer and the Guarantor, together with various other companies principally involved in hospitality, leisure and tourism, property trading, leasing and development, the importation and retailing of motor vehicles and port operations.

All references in the Prospectus to "Malta" are to the "Republic of Malta".

Unless it appears otherwise from the context:

(a) words importing the singular shall include the plural and vice-versa;

(b) words importing the masculine gender shall include the feminine gender and vice-versa;

(c) the word "may" shall be construed as permissive and the word "shall" shall be construed as imperative.

2. RISK FACTORS

This document contains forward-looking statements. Such forecasts and projections do not bind the Issuer or the Guarantor with respect to future results and no assurance can be given that future results or expectations covered by such forward-looking statements will be achieved. These statements by their nature involve substantial risks and uncertainties, a few of which are beyond the Issuer's and Guarantor's control.

The value of investments can go up or down and past performance is not necessarily indicative of future performance. The nominal value of the Bonds will be repayable in full upon maturity. An investment in the Bonds involves certain risks, including those described below. Prospective investors should carefully consider, with the help of their own independent financial and other professional advisors (including tax, accounting, credit, legal and regulatory advisors) the following risk factors and other investment considerations as well as all the other information contained in the Prospectus before deciding to make an investment in the Bonds. The sequence in which the risks below are listed is not intended to be indicative of any order of priority or the extent of their consequences.

2.1 General

Potential investors in the Bonds must determine the suitability of that investment in the light of their own circumstances. In particular, each potential investor should:

(i) have sufficient knowledge and experience to make a meaningful evaluation of the Bonds, the merits and risks of investing in the Bonds and the information contained or incorporated by reference in the Prospectus or any applicable supplement;

(ii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Bonds, including Bonds with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;

(iii) understand thoroughly the terms of the Bonds and be familiar with the behaviour of any relevant indices and financial markets; and

(iv) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

2.2 Considerations relating to the Issuer

The Company itself does not have any substantial assets and is essentially a special purpose vehicle set up to act as a financing company solely for the needs of the SDC Group. The Bonds are being guaranteed by SDC in respect of both the principal amount and the interest due under said Bonds and the information in the Prospectus is designed to provide prospective investors with sufficient information about SDC and its subsidiary companies to enable investors to make an informed judgement as to the reliance on the guarantee. The said guarantee is unrestricted and unlimited in scope and a copy thereof features as Annex A to the Prospectus.

2.3 Reliance on the SDC Group

The Issuer is mainly dependant on the business prospects of the SDC Group and, therefore, the operating results of the SDC Group have a direct effect on the Issuer's financial position. Accordingly, the risks of the Issuer are indirectly those of the SDC Group.

2.4 Considerations relating to the business of the SDC Group

The Portomaso project is a large real estate development, targeted in part at the commercial and residential market, and in part at the hospitality and tourism sector.

All development projects are subject to a number of specific risks – the risk of cost overruns; the risk of insufficiency of resources to complete and continue to administer and manage; the risk of sales transactions not materialising at the prices and the tempo envisaged; and the risk of sales delays resulting in liquidity strain, higher interest costs and the erosion of profitability. If these risks were to materialise, they would have an adverse impact on the project's profitability and cash flows. The extent to which the Portomaso project is exposed to such factors is described in Section 8 of the Registration Document, as updated in Section 4 of the Addendum forming part of the Prospectus. The advanced stage of the project and its operational success to date both serve to reduce the remaining degree of uncertainty attaching to the future of this development.

A material part of the income currently derived by the project is subject to risks normally associated with the incoming travel industry, in terms of the operation of the Hilton Malta and convention centre. The hotel also depends materially on the business traveller for its earnings and would be adversely affected by economic downturns that curtail the volume of business visitors to Malta.

Portomaso is affected across the span of its components by business liquidity and economic conditions both locally and overseas. The quality and number of overseas visitors to the development has an impact on the attainment of apartment sales to overseas buyers who so far have accounted for around 60% of achieved sales.

The project may be impacted by other existing or planned property developments and by the state of the property market generally. SDC expects to continue to face competition from a number of property developments which are currently underway or projected in the vicinity of Tigne` Point, St. Julian's and other areas. The quality of development and finishing standards, location and vehicular accessibility and the amenities and facilities on offer also impact on competition in the residential real estate market.

Apartments and car parking spaces for sale as at 31st December 2009 are estimated to have a realisable value of €43,000,000 and their disposal proceeds in the immediate years ahead are projected as one of the sources of liquidity that will enable SDC to effect a reduction in its borrowing levels. SDC's future sales expectations recognise that sixty-seven (67) apartments having a value of €22,400,000 are already subject to promise of sale agreements; and that the currently adverse economic scenario may result in other sales materialising at a slower pace than has hitherto been the case. All projections are nevertheless inherently subject to the risk of adverse unexpected events which may result, for instance, in delays in the receipt of expected future cash inflows.

The business of managing, operating and letting of retail and commercial areas within the Portomaso complex may be subject to fluctuations in demand for such space and to counter-party risks over which the Guarantor may have no control. These may be the result of market and economic conditions generally, as well as those affecting the Guarantor's operations directly, such as fluctuations in consumer spending and shifts in consumer trends and preferences.

Material delays in income generation when compared to the company's expectations would necessitate the rescheduling of SDC's loan obligations, which would require the consent of the financing banks. Delays would also serve to prolong the SDC Group's exposure to interest rate risk.

The SDC Group is subject to taxation, planning, environmental, health and safety laws and regulations, including regulations relating to planning permissions. As with any business, the group is at risk in relation to changes in the laws and regulations and the timing and effects of changes in the laws and regulations to which it is subject, including changes in the interpretation thereof which cannot be predicted; and in relation to other factors over which the group has no control, such as catastrophic events, terrorist attacks and other acts of war or hostility all of which could have an adverse affect on the business, financial condition and profitability of the group.

The SDC Group is also subject to various counter-party risks, including the risk of counter-parties such as contractors and subcontractors engaged for the construction and finishing of the development, and prospective purchasers defaulting on their obligations with the group. Such parties may fail to perform or default on their obligations to the Guarantor due to insolvency, lack of liquidity, market or economic downturns, operational failure or other reasons which are beyond SDC's control.

2.5 Considerations relating to the Bonds

An investment in the Bonds involves certain risks including, but not limited to, those described below:

- **Trading and liquidity**
  There is currently no trading record in respect of the Bonds as there has never been a public market for the Bonds prior to the offering contained in the Prospectus. Application has been made to the Listing Authority for the admissibility of the Bonds to listing and to the Malta Stock Exchange for the Bonds to be listed and traded on its Official List. There can be no assurance, however, that an active secondary market for the Bonds will develop or, if it develops, that it will continue, nor can there be any assurance that an investor will be able to re-sell his Bonds at or above the Bond Issue Price, or at all. A public trading market having the desired characteristics of depth, liquidity and orderliness depends on a number of factors including the presence in the market place of willing buyers and sellers of the Issuer's Bonds at any given time, which presence is dependent upon the individual decisions of investors over which the Issuer has no control. Many other factors over which the Issuer has no control may affect the trading market for, and trading value of, the Bonds. These factors include the level, direction and volatility of market interest rates, generally. No prediction can be made about the effect which any future public offerings of the Issuer's securities or any takeover or merger activity involving the Issuer will have on the market price of the Bonds prevailing, from time to time.

- **Early redemption**
  The Issuer has the option to redeem the Bonds, in whole or in part, at any time during the Designated Optional Redemption Period, together with any accrued and unpaid interest until the time of redemption. This optional redemption feature may condition the market value of the Bonds. Should the Issuer decide to redeem the Bonds at any time during the Designated Optional Redemption Period, the Bondholder may not be able to reinvest his monies at an equivalent or higher rate.

- **Changes in laws and regulations**
  The Bonds are based on the requirements of the Listing Rules of the Listing Authority, the Companies Act and the Commission Regulation EC No. 809/2004 of the 29th April 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council in effect as at the date of the Prospectus. No assurance can be given as to the impact of any possible judicial decision or change in law or administrative practice after the date of the Prospectus.

- **Security**
  The Bonds shall constitute the general, direct, unconditional and unsecured obligations of the Issuer and shall be guaranteed in respect of both the principal amount and the interest due under said Bonds by the Guarantor, and shall at all times rank *pari passu*, without any priority or preference among themselves, and save for such exceptions as may be provided by applicable law, shall rank without priority and preference to all other present and future unsecured obligations of the Issuer. The Bonds will, however, rank subordinate to the present secured creditors of the Issuer and the Guarantor.

In essence, this means that Bondholders will rank *pari passu* (equally) with the other unsecured creditors of the Issuer. In addition, the Bonds are being guaranteed by the Guarantor and, therefore, Bondholders are entitled to request the Guarantor to pay both the principal amount and the interest due under said Bonds if the Issuer fails to meet any amount. The guarantee also entitles the Bondholders to take action against the Guarantor without having to first take action against the Issuer. The strength of the guarantee is directly linked to the financial position and solvency of the Guarantor.

In virtue of the building up of the Bond Redemption Fund described in Section 5.8 of the Securities Note, creditors of the Issuer will have a right of action against the funds making up the Bond Redemption Fund in the event that the Issuer becomes insolvent.

- **Amendments to the terms and conditions of the Bond Issue**
  The terms and conditions relating to the Bonds contain provisions in Section 5.11 of the Securities Note for calling meetings of Bondholders in the event that the Issuer wishes to amend any of the terms and conditions of the Bond Issue. These provisions permit defined majorities to bind all Bondholders, including Bondholders who did not attend and vote at the relevant meeting and Bondholders who vote in a manner contrary to the majority.

- **Credit rating**
  The Issuer has not sought the credit rating of an independent rating agency and there has been no assessment by any independent rating agency of the Bonds.

- **Interest rate risk**
  Investment in the Bonds involves the risk that subsequent changes in market interest rates may adversely affect the value of the Bonds.

- **Prior ranking charges**
  The Issuer may incur further borrowings or indebtedness and may create or permit to subsist other security interests upon the whole or any part of its present or future undertakings, assets or revenues (including uncalled capital).

3. DIRECTORS, SENIOR MANAGEMENT, AUDITORS AND ADVISORS

3.1 Directors of the Issuer

As at the date of this Summary the board of the Issuer is composed of the following persons:

George Fenech	Executive Chairman and Managing Director
Raymond Fenech	Executive director
Ray Sladden	Executive director and company secretary
Lino Spiteri	Non-Executive director
Michael Grech	Non-Executive director

3.2 Board Committees

The directors have established an Executive Committee and an Audit Committee as committees of the board. The Issuer considers that the members of the Audit Committee have the necessary experience, independence and standing to hold office as members thereof.

3.2.1 Executive Committee

The Executive Committee acts as the highest delegated authority by the board in over-seeing the activities and management of the Issuer. It is responsible for the direct oversight of management and is also closely involved in the execution of all material contracts.

As at the date of this Summary the members of the Executive Committee are George Fenech *(Chairman)*, Raymond Fenech and Ray Sladden.

3.2.2 Audit Committee

The Audit Committee, composed of two (2) non-shareholders and non-Executive directors, together with a shareholder and Executive director, assists the board in fulfilling its supervisory and monitoring responsibilities in terms of the requirements of the Listing Rules, as well as current best practices and recommendations of good corporate governance. The terms of reference of the Audit Committee include the review of (a) the systems and procedures of internal control implemented by management, (b) the financial statements, disclosures and adequacy of financial reporting, and (c) the external and internal audit processes. The Committee also considers the arm's length nature of related party transactions that the Issuer carries out. The Audit Committee meets at least once every three (3) months. Meetings may be convened at the request of any of its members or at the request of the external auditors. The Issuer's external auditors may be invited to attend.

As at the date of this Summary the members of the Audit Committee are Lino Spiteri *(Chairman)*, Raymond Fenech and Michael Grech. Mr. Lino Spiteri is independent and competent in auditing matters.

3.3 Aggregate emoluments of directors

For the current financial year ending on the 31st December 2010 the Issuer proposes to pay an aggregate of €20,000 to its directors.

3.4 Directors of the Guarantor

As at the date of this Summary the board of the Guarantor is composed of the following persons:

George Fenech	Executive Chairman and Managing Director
Raymond Fenech	Executive director

The two (2) directors occupy senior positions within the Tumas Group of companies and are remunerated by the ultimate parent company rather than by the Guarantor for carrying out functions on behalf of the Tumas Group.

Company secretary
Ray Sladden

Key Executives
In addition to the directors and company secretary, key members of SDC's Executive Team are the following:

Ray Sladden	Tumas Group Finance director
Maurice Tabone	Sales and Marketing director of SDC
Clement Hassid	General Manager Hilton Malta
Gerald Debono	Tumas Group Architect
Kevin Spiteri	Tumas Group Engineer

3.5 Statutory auditors to the Issuer and Guarantor

The financial statements of the Issuer and the Guarantor for the years ended 31st December 2009, 31st December 2008 and 31st December 2007 have been prepared and audited by PricewaterhouseCoopers of 167, Merchants Street, Valletta, Malta. PricewaterhouseCoopers is a firm of certified public accountants holding a practicing certificate to act as auditors in terms of the Accountancy Profession Act, 1979 (Chapter 281 of the Laws of Malta).

3.6 Other advisors to the Issuer and Guarantor

Legal Counsel Name: GVTH Advocates Address: 192, Old Bakery Street, Valletta	**Co-Manager and Registrar** Name: Bank of Valletta p.l.c. Address: BOV Centre, Cannon Road, Santa Venera
Sponsor Name: Rizzo, Farrugia & Co. (Stockbrokers) Ltd. Address: Airways House, Third Floor, High Street, Sliema	**Co-Manager** Name: HSBC Bank Malta p.l.c. Address: Head Office, 233, Republic Street, Valletta

As at the date of the Prospectus the advisors named under this heading have no beneficial interest in the share capital of the Issuer or the Guarantor. Additionally, no transactions have been entered into by the Issuer or the Guarantor with any of the advisors referred to above.

4. ISSUE STATISTICS

"Allocation Preference"	Applications made by Preferred Applicants completing a pre-printed Application Form and stating that the consideration for the Bonds applied for shall be settled by way of transfer to the Issuer of the Maturing Bonds held, shall be for the par value of the Maturing Bonds being transferred to the Issuer, rounded upwards to the nearest €100 or €1,000, subject to a minimum application of €1,200. Bonds applied for by Preferred Applicants by way of transfer as described above shall be allocated prior to any other allocation of Bonds;
"Amount"	€20,000,000, subject to the Over-allotment Option described below;
"Bond Issue Price"	at par (€100 per Bond);
"Denomination"	Euro (€);
"Designated Optional Redemption Period"	any day falling between and including the 9th July 2017 and the 8th July 2020 when the Issuer may, at its option, redeem part or whole of the Bonds then outstanding by giving at least thirty (30) days advance written notice to the Bondholders;
"Form"	the Bonds will be issued in fully registered and dematerialised form and will be represented in uncertificated form by the appropriate entry in the electronic register maintained on behalf of the Issuer at the Central Securities Depository of the Malta Stock Exchange;
"Governing Law and Jurisdiction"	the Bonds are governed by and shall be construed in accordance with Maltese law. The Maltese courts shall have exclusive jurisdiction to settle any disputes that may arise out of or in connection with the Bonds;
"Interest"	the Bonds shall bear interest from and including 9th July 2010 at the rate of six point two per cent (6.2%) per annum, payable semi-annually in arrears on the Interest Payment Dates;
"Interest Payment Dates"	the 9th January and 9th July of each year between 2010 and 2020. The first interest payment will be made on the 9th January 2011;
"ISIN"	MT0000231234;
"Issue"	Bonds denominated in Euro having a nominal value of €100 each, which will be issued at par and shall bear interest at the rate of 6.2% per annum;
"Issue Period"	the period between 08.30 hours on the 25th June 2010 and 12.00 hours on the 2nd July 2010 (or such earlier date as may be determined by the Issuer) during which the Bonds are available for subscription;
"Listing"	application has been made to the Listing Authority for the admissibility of the Bonds to listing and to the Malta Stock Exchange for the Bonds to be listed and traded on its Official List;
"Maturity Date"	9th July 2020, unless otherwise redeemed at the Issuer's sole discretion during the Designated Optional Redemption Period;
"Minimum amount per subscription"	one thousand, two hundred Euro (€1,200);

“Over-allotment Option”	at the sole and absolute discretion of the Issuer, additional Bonds not exceeding €5,000,000 may be issued at the Bond Issue Price to cover outstanding Applications in excess of €20,000,000;
“Plan of Distribution”	the Bonds are open for subscription to Preferred Applicants and to the general public;
“Preferred Applicant”	any holder of Maturing Bonds on the Cut-off Date;
“Redemption Value”	at par (€100 per Bond);
“Status of the Bonds”	the Bonds shall constitute the general, direct, unconditional and unsecured obligations of the Issuer and shall at all times rank *pari passu*, without any priority or preference among themselves and with other outstanding and unsecured obligations of the Issuer and the Guarantor, present and future.

5. EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Issue of formal notice	10th June 2010
Pre-printed Application Forms “A” mailed to Preferred Applicants	10th June 2010
Application Forms “B” available to the general public	11th June 2010
Closing date for Preferred Applicants	23rd June 2010
Opening of subscription lists for the general public	25th June 2010
Closing of subscription lists for the general public	2nd July 2010
Announcement of basis of acceptance	9th July 2010
Commencement of Interest on the Bonds	9th July 2010
Expected dispatch of allotment advices	16th July 2010
Refund of unallocated monies	16th July 2010
Admission to Listing	21st July 2010

The Issuer reserves the right to close the Issue before the 2nd July 2010 in the event of over-subscription, in which case, the events set out in the timetable detailed above, with the exception of the date of commencement of Interest on the Bonds, shall be anticipated in the same chronological order in such a way as to retain the same number of business days between the said events.

6. KEY INFORMATION

6.1 Reasons for the Issue and use of proceeds

The net proceeds of the Bond Issue amounting to approximately €19,500,000, or approximately €24,500,000 in the event of the exercise of the Over-allotment Option, will be used by the Issuer to redeem the outstanding amount of the Maturing Bonds which, as at the date of the Prospectus, amounted to €16,306,329. The remaining net proceeds of the Bond Issue will be advanced, pursuant to a loan agreement, by the Company to the Guarantor for the part re-financing of existing borrowings and the general corporate funding purposes of the SDC Group.

In the event that the Issue is not subscribed up to the amount of the Maturing Bonds, the Issuer will meet its redemption obligations through alternative funding sources.

6.2 Selected financial information of the Issuer

The historical information of the Issuer is available for inspection as set out under the heading “Documents on display” in Section 13.4 of this Summary as well as on the Tumas Group’s website (www.tumas.com).

Extracts from the historical financial information of the Issuer:

Income Statement

for the years ended 31st December	**2009 Actual €’000**	**2008 Actual €’000**	**2007 Actual €’000**
Finance income	2,433	1,744	1,736
Finance costs	(2,321)	(1,655)	(1,656)
Net interest income	**112**	**89**	**80**
Administrative expenses	(67)	(54)	(54)
Profit before tax	**45**	**35**	**26**
Tax expense	(16)	(12)	(9)
Profit for the year	**29**	**23**	**17**

Statement of Financial Position

as at 31st December	**2009 Actual €’000**	**2008 Actual €’000**	**2007 Actual €’000**
Total assets	**52,683**	**27,129**	**27,089**
Total liabilities	**(52,254)**	**(26,729)**	**(26,712)**
Total equity	**429**	**400**	**377**

6.3 Selected financial information of the Guarantor

The historical information of the Guarantor is available for inspection as set out under the heading "Documents on display" in Section 13.4 of this Summary as well as on the Tumas Group's website (www.tumas.com).

Extracts from the historical consolidated financial information of the Guarantor:

Income Statement

for the years ended 31st December	2009 Actual €'000	2008 Actual €'000	2007 Actual €'000
Revenue	33,208	35,287	33,242
Cost of sales	(22,143)	(24,380)	(22,950)
Gross profit	**11,065**	**10,907**	**10,292**
Administrative expenses	(5,403)	(5,496)	(5,040)
Other operating losses	(302)	-	(146)
Operating profit	**5,360**	**5,411**	**5,106**
Investment and finance income	303	362	255
Finance costs	(3,431)	(3,280)	(2,779)
Profit before tax	**2,232**	**2,493**	**2,582**
Tax expense	(833)	(1,014)	(1,101)
Profit for the year	**1,399**	**1,479**	**1,481**

Statement of Financial Position

as at 31st December	2009 Actual €'000	2008 Actual €'000	2007 Actual €'000
Total assets	**134,047**	**125,591**	**111,406**
Total liabilities	**(92,809)**	**(85,552)**	**(77,929)**
Total equity	**41,238**	**40,039**	**33,477**

Historical consolidated financial information of the Guarantor has been extracted from the audited consolidated financial statements of the SDC Group which comprises Spinola Development Company Limited (the "Guarantor") and its subsidiaries till the 31st December 2009, Portomaso Leasing Company Limited and Halland Developments Company Limited.

6.4 Loan capital and indebtedness

The Bonds are guaranteed in respect of both the principal amount and the interest due under said Bonds by SDC and the Issuer's bank loan is secured by specific property owned by the Guarantor. Related finance costs are also guaranteed by the Guarantor. The capital management of the Company therefore consists of a process of regularly monitoring the financial position of the Guarantor.

The Guarantor discloses a borrowing ratio of 60% as at 31st December 2009. It envisages that this ratio will be 62% as at 31st December 2010. This ratio expresses the Guarantor's borrowings as a percentage of the aggregate net assets funded also by shareholders' equity. Details of the loan capital and borrowings of the Guarantor are set out in Section 2.2.3 of the Addendum forming part of the Prospectus. Furthermore, Section 5.4.1 of the Securities Note contains details relative to the liabilities in place at the date of the Prospectus, as well as information concerning a process of hypothecary restructuring which the Guarantor is presently undergoing.

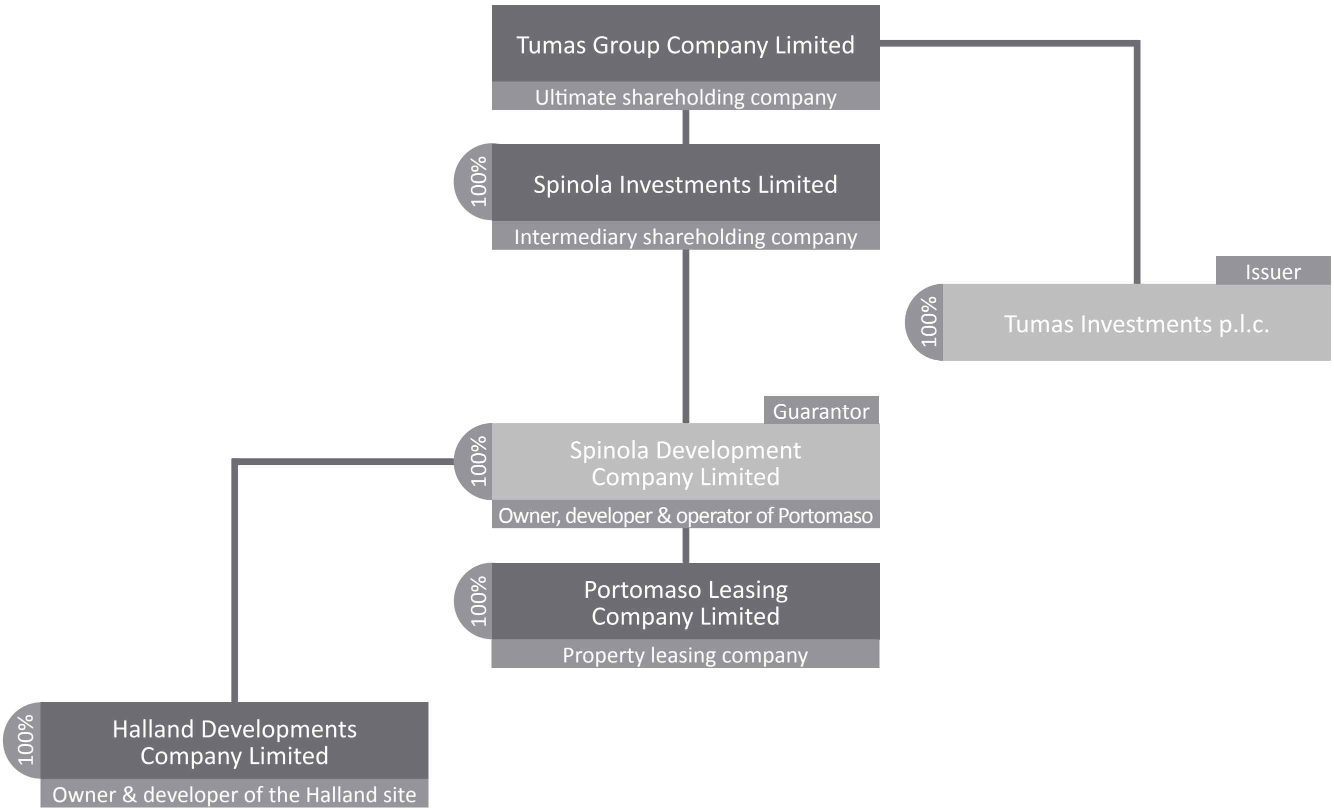
7. INFORMATION ABOUT THE ISSUER AND THE GUARANTOR

7.1 Organisational structure

Tumas Investments p.l.c. does not have any substantial assets and is essentially a special purpose vehicle set up to act as a financing company. Its role is limited to the financing of SDC's operations and it is, accordingly, fully dependent on the cash flows of SDC, the Guarantor of this Bond. The Issuer has no dependence on other parts of the Tumas Group.

The business of the SDC Group is structured so as to limit its financial dependence on the other components of the Tumas Group. At the date of approval of the Prospectus, such financial dependencies were in the main limited to the rental of offices and the casino premises.

The organisational structure of the Tumas Group relevant to the Issuer and the Guarantor (which are fully-owned subsidiary companies of Tumas Group Company Limited) is illustrated in the following diagram as at the date of the Prospectus:



7.2 History and development of the Issuer and Guarantor

7.2.1 The Issuer

The Issuer, as well as the Guarantor, are fully-owned subsidiary companies of Tumas Group Company Limited. The Tumas Group has expanded significantly since its founding in the mid 1960's by the late Chev. Thomas Fenech and is today one of the largest private business groups in the Maltese Islands, comprising various enterprises active primarily in the hospitality, leisure, tourism, property, automotive and port operations sectors. The Group employs a total full-time equivalent staff complement of circa 1,224.

Tumas Investments p.l.c. was incorporated on the 17th November 2000 as a public limited company, registered in terms of the Companies Act with company registration number C 27296 and is domiciled in Malta, having its registered office at Tumas Group Corporate Office, Level 3, Portomaso Business Tower, Portomaso, St. Julian's. The Issuer, which was set up and established to act as a finance company, has an authorised and issued share capital of €232,937.30, divided into 100,000 ordinary shares of €2.329373 each, fully paid up.

In June 2009 the Company issued to the public in Malta €25,000,000 6.25% bonds due 2014 - 2016 having a nominal value of €100 each and issued at par. The bonds are guaranteed by SDC and will, unless previously purchased and cancelled, be redeemed by the Company on the 31st July 2016, but the Company may elect, at its discretion, to redeem the bonds in the said bond issue in whole or in part, prior to their final maturity date on the dates falling between the 31st July 2014 and the 30th July 2016. Interest on the bonds is payable semi-annually in arrears on the 31st January and the 31st July of each year between 2010 and 2016, with the first interest payment having become due and having been duly paid on the 31st January 2010. The proceeds from the bonds were advanced by the Company to SDC for the re-financing of existing borrowings and its general financing needs.

The bonds issued by the Company in June 2009 constitute the general, direct, unconditional, unsecured and unsubordinated obligations of the Issuer and rank *pari passu* at all times, without any priority or preference and with all other outstanding unsecured obligations of the Issuer, other than subordinated obligations, if any.

Under the terms of the 2009 bond issue, the Company and the Guarantor, with respect to their respective assets, undertook for as long as any principal or interest under the bonds or any of the bonds is to remain outstanding, not to create or permit to subsist any Security Interest (as defined in Section 5.4.3 of the Securities Note), other than a Permitted Security Interest (as defined in the said Section 5.4.3), upon the whole or any part of their respective assets, including future assets, or revenues to secure any Relevant Indebtedness (as defined in the said Section 5.4.3) of the Company or the Guarantor unless at the same time or prior thereto the Company and the Guarantor ensure that all amounts payable by them under the bonds are secured by a Security Interest equally and rateably with the Relevant Indebtedness in question being so secured.

The issue of the Bonds falls within the objects of the Issuer, which continues and will continue to play a pivotal role in the further development of the SDC Group. The Issuer is intended to serve as a vehicle through which the group will continue to finance the management and administration of Portomaso and other projects that may be undertaken under the aegis of Spinola Development Company Limited and its subsidiary companies; and/or refinance existing credit facilities, enabling the SDC Group to exploit its potential and seize new opportunities arising in the market.

7.2.2 The Guarantor

SDC, which was incorporated on the 10th May 1966 and was acquired by the Tumas Group in 1986, is a limited liability company incorporated and registered in Malta with company registration number C 331, having its registered office at Tumas Group Corporate Office, Level 3, Portomaso Business Tower, Portomaso, St. Julian's. SDC is a fully-owned subsidiary of the Tumas Group. Its immediate holding company is Spinola Investments Limited (C 8034).

Today, following a number of share capital increases over the years, SDC has an authorised share capital of €13,652,805, divided into shares of a nominal value of €1 each. The issued share capital of SDC is of €13,652,805 divided into 1,164,687 ordinary 'A' shares of €1 each, 6,988,119 ordinary 'B' shares of €1 each and 5,499,999 redeemable preference shares of €1 each which have been fully paid and subscribed.

The business of SDC has to date principally comprised the continuous development, management and operation of the Portomaso project. SDC is the owner of the site on which the Portomaso project is built.

SDC owns 100% of the share capital of Portomaso Leasing Company Limited and of Halland Developments Company Limited.

The operations of Portomaso Leasing Company Limited form an integral part of the management and administration of the Portomaso project. The company focuses on leasing of the long-term commercial and office components of the project.

On the 4th June 2009, Halland Developments Company Limited acquired the freehold title of the Halland site and adjoining land from St. Andrews Hotels Limited, another fully-owned subsidiary of the Tumas Group. The consideration for the transfer was €9,000,000.

The Guarantor, by means of an unlimited and unrestricted guarantee of the 4th June 2009, undertook to guarantee all the obligations of the June 2009 bond issue in the event of the Issuer defaulting on any of its obligations in terms of the prospectus dated 10th June 2009. Furthermore, the Guarantor has, by means of a similar unlimited and unrestricted guarantee of the 29th April 2010 (reproduced in Annex A forming part of the Prospectus), undertaken to guarantee all the obligations of the Bond Issue in respect of both the principal amount and the interest due under said Bonds in the event of the Issuer defaulting on any of its obligations in terms of the Prospectus.

8. OPERATING AND FINANCIAL REVIEW AND PROSPECTS

8.1 Operating and financial review of the Guarantor

Turnover for 2009 amounted to €33,208,162, a decrease of 5.9% over that of 2008. Gross profit totalled €11,064,582, a 1.4% improvement over that reported in 2008. Administrative overheads levelled at €5,403,080. This enabled the SDC Group to reach an operating profit of €5,359,723. Net finance costs stood at €3,127,584 with an interest cash cover of 3.31 as opposed to 3.55 in 2008. Despite cost containment, the decline in revenue impacted the SDC Group's results as profit before tax registered a drop of 10.5% over 2008 levels to reach €2,232,139.

The downward shift in revenue from the hospitality and property development segments was partly compensated for by improved inflows from the rental operations and complex management segments. Segmental operating results followed this shift proportionately. The revenue from hotel and ancillary operations reached €23,887,212 or 71.9% of total revenue, by far the larger revenue segment. This was followed by property development down by €1,792,781 over last year to €4,368,373. Rental operations and complex management reached €4,952,577, a 12.7% improvement over the previous year. These operations comprising both the office and commercial areas improved over 2008 reaching practically full occupancy by the end of 2009.

The SDC Group managed a healthy gross profit result which in total reflects a better performance than that enjoyed by other hotels in the local five star market and the real estate market in general. It must be underlined that this performance was achieved in a scenario which bears the brunt of a major worldwide economic recession. This performance was also possible due to the retention of margins in real estate sales and an operational cost reduction exercise which commenced early in 2009 and is still being pursued.

8.2 Trend information

The continued success of Portomaso depends on the prevailing economic conditions impacting its ongoing operations with a lower degree of construction taking place relative to other business operations. The risks related to real estate development no longer apply to Portomaso in any material respect.

The Hilton Malta is currently the single largest long-term component of Portomaso. As with any hotel establishment, the Hilton Malta is exposed to risks associated with the incoming travel industry. The hotel also enjoys significant business traveller patronage.

As experienced during 2009, the outlook facing the hotel industry is still a subdued one, given the persistent global negative economic outlook, including the main overseas markets that impact Malta. SDC's projections for 2010 and the immediate future is hence a sober one. In fact, SDC has revised its hotel projections downwards in consonance with current market expectations. Despite this, the hotel's resilience in the face of this downturn has been encouraging as above-average results for 2009 have been reported. The hotel's recent extension together with the addition of six served apartments (added in 2010) should enable the hotel to have the necessary capability to meet the eventual expected increased demand. Efforts to retain tight cost control have been pursued during the course of 2009, leading to a leaner operation that should better position the operation to meet future competition.

Looking at the longer term, the directors remain confident that the hotel's leading position within the local market, and its international branding, will both serve to maintain and improve profitability.

Where commercial property is concerned, the SDC Group draws comfort from the continued high occupancy levels prevalent within Portomaso and from the quality of the counterparties with whom SDC and Portomaso Leasing Company Limited are dealing. As in any large property development, Portomaso experienced a fairly significant turnover of tenants in its initial years, particularly on retail and catering units. This process of change has, over the years, resulted in the cessation of weaker tenants and in their replacement by new operators who have better adapted to the particular features of the project. Anchor units such as Arkadia Supermarket, Café Portomaso, the Casino at Portomaso and Club 'Twenty-Two', amongst many others, are now very well established and constitute a stable core.

Very high occupancy has been attained within the Portomaso Business Tower with a quick take-up as and when leasing space becomes available. This building remains a prestigious and unique business address. The tower houses a wide variety of tenants, but the major part of its occupants are linked, in different manners, to Malta's financial services industry, which remains a focal point of Malta's future economic development. This augurs well for the continued success of the tower. The directors also note as encouraging the steady stream of requests received for office facilities within this office block.

While the sale of residential apartments has been a major success and constituted the large part of the project's income to date, the significance of this segment is today largely reduced. As explained in Section 4 of the Addendum forming part of the Prospectus, apartments and car parking spaces for sale as at 31st December 2009 are estimated to have a realisable value of €43,000,000. SDC's future sales expectations recognise that 67 apartments having a value of €22,400,000 are already subject to promise of sale agreements and that the currently adverse economic scenario may result in the other remaining sales to completion materialising at a slower pace than has hitherto been the case.

9. EMPLOYEES

As at April 2010, Spinola Development Company Limited employed a total full-time equivalent staff complement of 497.

Apart from managing the Portomaso complex as a whole, SDC's workforce is predominantly engaged in the operation of the Hilton Malta and the development and sale of the complex property, as well as the management of its rental operations. Regular training for SDC employees is conducted by Hilton International and the Tumas Group HR Department.

10. MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

10.1 Interests of major shareholders of the Issuer

The issued share capital of the Issuer is €232,937.30 divided into 100,000 ordinary shares of €2.329373 each fully paid up and subscribed as follows:

Name and address	Number of shares
Tumas Group Company Limited (C7820)	99,999 ordinary shares of €2.329373 each
Spinola Development Company Limited (C331)	1 ordinary share of €2.329373

10.2 Related party transactions concerning the Guarantor

The Guarantor regularly enters into trading transactions with fellow subsidiaries and associates within the Tumas Group of companies in its normal course of business. Trading transactions between these companies include items which are normally encountered in a group context and include rental charges, management fees, recharging of expenses and financing charges. These transactions are subject to regular scrutiny of the Audit Committee to ensure that they are made on an arm's length basis.

The Guarantor, through its fully-owned subsidiary, Halland Developments Company Limited, acquired the Halland property (as defined in Section 8.5 of the Registration Document) from St. Andrews Hotels Limited (a fully-owned subsidiary of Tumas Group Company Limited) pursuant to a deed dated 4th June 2009 in the records of Notary Dr. Malcolm Mangion for a consideration of €9,000,000. This transaction was approved by an Extraordinary General Meeting of the Issuer on the 2nd June 2009.

11. FINANCIAL INFORMATION

11.1 Historical financial information

The Issuer's and the Guarantor's audited financial statements for the financial years ended 31st December 2009, 31st December 2008 and 31st December 2007 respectively have been audited by PricewaterhouseCoopers, certified public accountants, Malta.

11.2 Age of latest financial information

The latest audited financial statements available in respect of the Issuer and the Guarantor relate to the financial year ended 31st December 2009 as approved for issuance by the board of directors on the 23rd April 2010. These are available on the Tumas Group's website at www.tumas.com.

11.3 Significant change in the Issuer's or Guarantor's financial or trading position

There has been no significant change in the financial or trading position of the Issuer or the Guarantor which has occurred since 31st December 2009. Furthermore, the Issuer hereby confirms that there has been no material change or recent development which could adversely affect potential investors' assessments in respect of the Bonds to be issued pursuant to the Prospectus other than the information contained in the Addendum.

12. DETAILS OF THE ISSUE

12.1 Admission to trading and markets

The Listing Authority has authorised the Bonds as admissible to Listing pursuant to the Listing Rules by virtue of a letter dated the 10th May 2010.

Application has been made to the Malta Stock Exchange for the Bonds being issued pursuant to the Prospectus to be listed and traded on its Official List.

The Bonds are expected to be admitted to the Official List of the Malta Stock Exchange with effect from the 21st July 2010 and trading is expected to commence on the 22nd July 2010.

12.2 Distribution and allotment

The Bonds are open for subscription to Preferred Applicants and to the general public.

12.2.1 Preferred Applicants

All Applications for the subscription of Bonds by Preferred Applicants must be submitted on pre-printed Application Form "A" to any Authorised Intermediary by 12.00 hours of the 23rd June 2010.

All persons holding Maturing Bonds (the "Preferred Applicants") on the Cut-off Date may apply for Bonds by completing the pre-printed Application Form "A" and stating that the consideration for the Bonds applied for is to be settled by way of transfer to the Issuer of all or part of the Maturing Bonds held, which transfer shall be effected at the par value of the Maturing Bonds, rounded upwards to the nearest €100 or €1,000, subject to a minimum application of €1,200 (the "Maturing Bond Transfer"). Bonds applied for by Preferred Applicants by way of transfer as described above shall be allocated prior to any other allocation of Bonds.

A Preferred Applicant shall have preference in the allocation of Bonds solely with respect to that number of Bonds for which payment is being made by means of a Maturing Bond Transfer, with the payment of such additional amount in cash as may be required for the purpose of rounding up to the nearest €100 or €1,000, subject to a minimum application of €1,200. In the event that a Preferred Applicant applies for additional Bonds other than by Maturing Bond Transfer, no preference shall arise with respect to the excess Bonds applied for.

A Maturing Bond Transfer shall be without prejudice to the rights of Preferred Applicants to receive interest on the Maturing Bonds up to and including 9th July 2010.

The Issuer has reserved a maximum amount of €17,000,000 of the amount of Bonds being issued for subscription by Preferred Applicants.

Preferred Applicants who do not elect to avail themselves of the possibility to roll-over their investment in terms of the procedure outlined herein shall receive all capital and accrued interest to date on the 9th July 2010.

12.2.2 Public offer

The balance of the Bonds not subscribed to by Preferred Applicants shall be offered and issued to the general public during the Issue Period at the Bond Issue Price.

All Applications for the subscription of Bonds by the general public must be submitted on Application Form "B" to any Authorised Intermediary between 08.30 hours of the 25th June 2010 and 12.00 hours of the 2nd July 2010 (subject to the right of the Issuer to close the Issue before the 2nd July 2010).

12.3 Covenants by the Issuer

The Issuer binds itself to ensure that it will, with effect from the end of the financial year ending on 31st December 2012, over the period up to the Maturity Date, build a reserve (the "Bond Redemption Fund"), the value of which will, by the end of such period, be equivalent to at least fifty per cent (50%) of the aggregate outstanding principal amount of the Bonds at the relevant time with a view to funding in part the repayment of capital on the Bonds on the Maturity Date. The Guarantor will, at the request of the Issuer, periodically advance the necessary funds for the build-up of this reserve. These advances will be made out of the Guarantor's net cash flows from operating activities; that is, operating profits adjusted for non-cash items and movements in working capital, net of capital expenditure and payment of taxes and net finance costs, as well as borrowing repayments.

The Bond Redemption Fund will be made up of:

(a) cash and/or deposits at banks licensed by the MFSA; and/or,

(b) debt securities issued or guaranteed by any sovereign state within the Eurozone or which is a member of the Organisation for Economic Co-Operation and Development (OECD) or other debt securities which are rated as AAA by a recognised international rating agency, without any currency exchange risk, at the lower of cost and market value; and/or,

(c) pre-payment of the Bonds within the Designated Optional Redemption Period; and/or,

(d) re-purchase of the Bonds on the open market or by tender offer,

and will be placed in the control of an independent custodian, being an entity which is duly licensed by the MFSA to carry on the business of banking in terms of the Banking Act, 1994 (Chapter 371 of the Laws of Malta) or to hold and control clients' monies and assets under the Investment Services Act, 1994 (Chapter 370 of the Laws of Malta). The funds making up the Bond Redemption Fund and any income thereon will be registered in the name of the independent custodian but will, at all times, belong to the Issuer, which shall remain the legal owner thereof. The said funds constituting the Bond Redemption Fund may only be utilised to cancel or redeem the Bonds, however, the custodian may, in the exceptional circumstance that the Issuer encounters any liquidity problems, authorise the Issuer to use all or part of said funds as collateral for the purpose of engaging in other financing arrangements.

Provided that the independent custodian may, but shall not be required or bound, to ensure or otherwise procure the creation and funding of the said Bond Redemption Fund by the Issuer.

12.4 Estimated expenses and proceeds of the Issue

The Issue will involve expenses including professional fees, publicity, advertising, printing, listing, registration, sponsor, management, registrar fees and a selling commission of 1% in respect of Bonds allotted to the Applicants and other miscellaneous costs incurred in connection with this Issue. Such expenses are estimated not to exceed €500,000 and shall be borne by the Issuer. No expenses will be specifically charged to any Bondholder who subscribes for the Bonds. The amount of the expenses will be deducted from the proceeds of the Issue, which, accordingly, will bring the estimated net proceeds from the Bond Issue to €24,500,000 if the Over-allotment Option is exercised in full.

13. ADDITIONAL INFORMATION

13.1 Share capital

The authorised share capital of the Issuer is €232,937.30 divided into 100,000 ordinary shares of €2.329373 each. The issued share capital is €232,937.30 divided into 100,000 ordinary shares of €2.329373 each fully paid up.

There are no classes of shares and each share confers the right to one (1) vote at general meetings of the Company.

13.2 Memorandum and Articles of Association

The Issuer is a company registered with the Registry of Companies at the MFSA pursuant to the provisions of the Companies Act, with registration number C 27296.

The Guarantor is a company registered with the Registry of Companies at the MFSA pursuant to the provisions of the Companies Act, with registration number C 331.

13.3 Material contracts

Since their incorporation on the 17th November 2000 and the 10th May 1966 respectively, the Issuer and the Guarantor have not entered into any contracts of a material nature which are not in the ordinary course of their business, save as otherwise disclosed in the Prospectus.

13.4 Documents on display

The following documents or certified copies thereof, where applicable, are available for inspection at the registered office of the Issuer at Tumas Group Corporate Office, Level 3, Portomaso Business Tower, Portomaso, St. Julian's during the life of the Bond:

- The Memorandum and Articles of Association of the Issuer and the Guarantor;
- The audited financial statements of the Issuer for the financial years ended 31st December 2009, 2008 and 2007;
- The audited consolidated financial statements of the Guarantor for the financial years ended 31st December 2009, 2008 and 2007;
- The loan agreement between the Issuer and the Guarantor;
- The deed of acquisition in respect of the Halland property dated 4th June 2009;
- The guarantee given by the Guarantor to the Issuer in respect of the Bonds;
- All reports, letters, and other documents, valuations and statements prepared by any expert at the Issuer's request which are included and referred to in the Prospectus.

PART 2 – REGISTRATION DOCUMENT

This document is a Registration Document issued in accordance with the provisions of Chapter 6 of the Listing Rules issued by the Listing Authority and the Commission Regulation (EC) No. 809/2004 of the 29th April 2004 (the "Regulation") implementing Directive 2003/71/EC of the European Parliament and of the Council as regards information contained in prospectuses as well as the format, incorporation by reference and publication of such prospectuses and dissemination of advertisements.

This Registration Document is issued pursuant to the requirements of Listing Rules 6.1 et seq. of the Listing Rules and contains information about Tumas Investments p.l.c. (the "Issuer") as the issuer of securities and about Spinola Development Company Limited (the "Guarantor") ("SDC") as the Guarantor of the said securities. This Registration Document should be read in conjunction with the Securities Note which provides the details of the securities to which it relates and with the Summary.

Application has been made to the Listing Authority in its capacity as the competent authority under the Financial Markets Act (Chapter 345 of the Laws of Malta) (the "FMA") for the Bonds to be admitted to listing on a regulated market and to the Malta Stock Exchange (the "Exchange") for the Bonds to be admitted to the Official List.

A prospective investor should be aware of the potential risks in investing in such Bonds and should make the decision to invest only after careful consideration of all the information contained in the Prospectus as a whole and consultation with his or her own independent financial adviser.

The Listing Authority accepts no responsibility for and makes no representations as to the contents, accuracy or completeness of this Registration Document and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Registration Document.

This document is dated 10th June 2009.

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1. DEFINITIONS

In this Prospectus the following words and expressions shall bear the following meanings except where the context otherwise requires:

"Act"	the Companies Act, 1995, Chapter 386 of the Laws of Malta;
"Applicant"	a person or persons whose name or names (in the case of joint applicants) appear in the registration details of an Application Form;
"Application"	the application to purchase made by an Applicant by completing an Application Form and posting it or delivering it to the Registrar or to any one of the Authorised Intermediaries;
"Application Form"	the form of application for subscription of Bonds issued by the Issuer;
"Authorised Intermediaries"	all the licensed stockbrokers and financial intermediaries listed in Annex E of this Prospectus;
"Bonds"	the €20,000,000 6.25% Bonds 2014 - 2016 of a nominal value of €100 each issued at par, together with any such additional bonds as may be issued in Euro in the case of exercise of the Over-allotment Option;
"Bond Issue Price"	at par (€100 per bond);
"Company" or "Issuer"	Tumas Investments p.l.c., a company registered in Malta with registration number C27296;
"Designated Optional Redemption Period"	the dates falling between the 31st July 2014 and the 30th July 2016 when the Issuer may, at its option, redeem part or whole of the Bonds then outstanding by giving at least thirty (30) days advance written notice to the Bondholders;
"Exchange" or "MSE"	the Malta Stock Exchange;
"FMA"	the Financial Markets Act, Chapter 345 of the Laws of Malta;
"Guarantor" or "SDC"	Spinola Development Company Limited, a company registered in Malta with registration number C331;
"Interest Payment Date"	the 31st January and 31st July of each year, between 2010 and 2016;
"Issue Date"	27th July 2009;
"Issue Period"	the period between 08.30 hours on the 3rd July 2009 and 12.00 hours on the 8th July 2009 (or such earlier date as may be determined by the Issuer) during which the Bonds are available for subscription;
"Manager and Registrar"	HSBC Bank Malta p.l.c.;
"Maturity Date"	31st July 2016;
"MEPA"	the Malta Environment and Planning Authority;
"MFSA"	the Malta Financial Services Authority;
"Over-allotment Option"	the option of the Issuer to increase the original Bond Issue by a maximum amount of an additional €5,000,000, to be issued at par, in the event of over-subscription of the original Bond Issue;
"Preferred Applicant"	any director and /or employee, whether full-time or part-time, of the Tumas Group;
"Prospectus"	this document in its entirety;
"Redemption Value"	at par (€100 per Bond);
"SDC Group"	Spinola Development Company Limited and its subsidiary companies, namely Portomaso Leasing Company Limited and Halland Developments Company Limited;
"Sponsor"	Rizzo, Farrugia & Co. (Stockbrokers) Ltd., an authorised financial intermediary licensed by the MFSA and a Member of the Malta Stock Exchange;
"Tumas Group"	Tumas Group Company Limited and its subsidiary and associated companies, including the Issuer and the Guarantor, together with various other companies principally involved in hospitality, leisure and tourism, property trading, leasing and development, the importation and retailing of motor vehicles and port operations.

All references in this Prospectus to "Malta" are to the "Republic of Malta".

Unless it appears otherwise from the context:

(a) words importing the singular shall include the plural and vice-versa;

(b) words importing the masculine gender shall include the feminine gender and vice-versa;

(c) the word "may" shall be construed as permissive and the word "shall" shall be construed as imperative.

2. RISK FACTORS

This document contains forward-looking statements. Such forecasts and projections do not bind the Issuer or the Guarantor with respect to future results and no assurance can be given that future results or expectations covered by such forward-looking statements will be achieved. These statements by their nature involve substantial risks and uncertainties, a few of which are beyond the Issuer's and Guarantor's control.

The value of investments can go up or down and past performance is not necessarily indicative of future performance. The nominal value of the Bonds will be repayable in full upon maturity. An investment in the Bonds involves certain risks, including those described below. Prospective investors should carefully consider, with the help of their own independent financial and other professional advisors (including tax, accounting, credit, legal and regulatory advisors) the following risk factors and other investment considerations as well as all the other information contained in this Prospectus before deciding to make an investment in the Bonds. The sequence in which the risks below are listed is not intended to be indicative of any order of priority or the extent of their consequences.

2.1 General

Potential investors in the Bonds must determine the suitability of that investment in the light of their own circumstances. In particular, each potential investor should:

(i) have sufficient knowledge and experience to make a meaningful evaluation of the Bonds, the merits and risks of investing in the Bonds and the information contained or incorporated by reference in this Prospectus or any applicable supplement;

(ii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Bonds, including Bonds with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;

(iii) understand thoroughly the terms of the Bonds and be familiar with the behaviour of any relevant indices and financial markets; and,

(iv) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect his/her investment and his/her ability to bear the applicable risks.

2.2 Considerations relating to the Issuer

The Issuer itself does not have any substantial assets and is essentially a special purpose vehicle set up to act as a financing company solely for the needs of the SDC Group. The Bonds are being guaranteed by SDC and the information in this Prospectus is designed to provide prospective investors with sufficient information about SDC and its subsidiary companies to enable investors to make an informed judgement as to the reliance on the guarantee. The said guarantee is unrestricted and unlimited in scope and a copy thereof features as Annex A to this Prospectus.

2.3 Reliance on the SDC Group

The Issuer is mainly dependant on the business prospects of the SDC Group and, therefore, the operating results of the SDC Group have a direct effect on the Issuer's financial position. Accordingly, the risks of the Issuer are indirectly those of the SDC Group.

2.4 Considerations relating to the business of the SDC Group

The Portomaso project is a large real estate development, targeted in part at the commercial and residential market, and in part at the hospitality and tourism sector.

All development projects are subject to a number of specific risks – the risk of cost overruns; the risk of insufficiency of resources to complete and continue to administer and manage; the risk of sales transactions not materialising at the prices and the tempo envisaged; and the risk of sales delays resulting in liquidity strain, higher interest costs and the erosion of profitability. If these risks were to

materialise, they would have an adverse impact on the project's profitability and cash flows. The extent to which the Portomaso project is exposed to such factors is described in Section 8 of this Registration Document. The advanced stage of the project and its operational success to date both serve to reduce the remaining degree of uncertainty attaching to the future of this development.

A material part of the income currently derived by the project is subject to risks normally associated with the incoming travel industry, in terms of the operation of the Hilton Malta and convention centre. The hotel also depends materially on the business traveller for its earnings and would be adversely affected by economic downturns that curtail the volume of business visitors to Malta.

Portomaso is affected across the span of its components by business liquidity and economic conditions both locally and overseas. The quality and number of overseas visitors to the development has an impact on the attainment of apartment sales to overseas buyers who so far have accounted for around 60% of achieved sales.

The project may be impacted by other existing or planned property developments, and by the state of the property market generally. SDC expects to continue to face competition from a number of property developments which are currently underway or projected in the vicinity of Tignè Point, St. Julian's and other areas. The quality of development and finishing standards, location and vehicular accessibility and the amenities and facilities on offer also impact on competition in the residential real estate market.

Apartments and car parking spaces for sale as at 31st December 2008 are estimated to have a realisable value of €44,000,000 and their disposal proceeds in the immediate years ahead are projected as one of the sources of liquidity that will enable SDC to effect a reduction in its borrowing levels. SDC's future sales expectations recognise that 51 apartments having a value of €18,500,000 are already subject to promise of sale agreements and that the currently adverse economic scenario may result in other sales materialising at a slower pace than has hitherto been the case. All projections are nevertheless inherently subject to the risk of adverse unexpected events which may result, for instance, in delays in the receipt of expected future cash inflows.

The business of managing, operating and letting of retail and commercial areas within the Portomaso complex may be subject to fluctuations in demand for such space and to counter-party risks over which the Guarantor may have no control. These may be the result of market and economic conditions generally, as well as those affecting the Guarantor's operations directly, such as fluctuations in consumer spending and shifts in consumer trends and preferences.

Material delays in income generation when compared to the company's expectations would necessitate the rescheduling of SDC's loan obligations, which would require the consent of the financing banks. Delays would also serve to prolong the SDC Group's exposure to interest rate risk.

The SDC Group is subject to taxation, planning, environmental, health and safety laws and regulations, including regulations relating to planning permissions. As with any business, the group is at risk in relation to changes in the laws and regulations and the timing and effects of changes in the laws and regulations to which it is subject, including changes in the interpretation thereof which cannot be predicted; and in relation to other factors over which the group has no control such as catastrophic events, terrorist attacks and other acts of war or hostility all of which could have an adverse affect on the business, financial condition and profitability of the group.

The SDC Group is also subject to various counter-party risks, including the risk of counter-parties such as contractors and sub-contractors engaged for the construction and finishing of the development, and prospective purchasers defaulting on their obligations with the group. Such parties may fail to perform or default in their obligations to the Guarantor due to insolvency, lack of liquidity, market or economic downturns, operational failure or other reasons which are beyond SDC's control.

3. PERSONS RESPONSIBLE

This Registration Document includes information prepared in compliance with the Listing Rules of the Listing Authority for the purpose of providing Bondholders with information with regard to the Issuer and the Guarantor. Each and all of the directors of the Issuer whose names appear under the heading "Administrative, management and supervisory bodies" in Section 11.1 of this Registration Document accept responsibility for the information contained herein, save for the information specifically relating to the Guarantor, for which the directors of the Guarantor whose names appear in Section 11.2 of this Registration Document are responsible. To the best of the knowledge and belief of the directors of the Issuer and the Guarantor, who have taken all reasonable care to ensure that such is the case, the information contained in this Registration Document is in accordance with the facts and does not omit anything likely to affect the import of such information. The directors of the Issuer and the Guarantor hereby accept responsibility accordingly.

4. STATUTORY AUDITORS

The financial statements of the Issuer and the Guarantor for the periods ended 31st December 2008, 31st December 2007 and 31st December 2006 have been prepared and audited by PricewaterhouseCoopers of 167, Merchants Street, Valletta, Malta. PricewaterhouseCoopers is a firm of certified public accountants holding a practising certificate to act as auditors in terms of the Accountancy Profession Act, 1979 (Chapter 281 of the Laws of Malta).

5. ADVISORS TO THE ISSUER

Legal Counsel

Name:	GVTH Advocates
Address:	192, Old Bakery Street, Valletta

Reporting Accountants

Name:	PricewaterhouseCoopers
Address:	167, Merchants Street, Valletta

Sponsoring Stockbrokers

Name:	Rizzo, Farrugia & Co. (Stockbrokers) Ltd.
Address:	Airways House, Third Floor, High Street, Sliema

Manager and Registrar

Name:	HSBC Bank Malta p.l.c.
Address:	Head Office, 233, Republic Street, Valletta

As at the date of this Registration Document the advisors named under this heading have no beneficial interest in the share capital of the Issuer or the Guarantor. Additionally, no transactions have been entered into by the Issuer or the Guarantor with any of the advisors referred to above.

6. SELECTED FINANCIAL INFORMATION

6.1 Selected financial information of the Issuer

The historical information of the Issuer is available for inspection as set out under the heading "Documents on display" in Section 18 of this Registration Document as well as on the Tumas Group website at www.tumas.com.

The most recent financial statements available for inspection are the audited financial statements of the Issuer for the financial year ended 31st December 2008. The audited financial statements of the Issuer for financial years 31st December 2007 and 31st December 2006 are also available for inspection. There were no significant changes to the financial or trading position of the Issuer since the 31st December 2008.

Extracts from the audited financial statements of the Issuer for the three financial years ended 31st December 2006 to 2008 and the forecast for the financial year ending 31st December 2009, as extracted from the Accountants' Report included in Annex B, Part 1, are set out below. The forecast financial information has been prepared on the basis that the Issuer will be able to exercise the Over-allotment Option to increase the Issue to €25,000,000.

Income Statement Extracts

for the years ending 31st December	**2009 Forecast €'000**	**2008 Actual €'000**	**2007 Actual €'000**	**2006 Actual €'000**
Finance income	2,331	1,744	1,736	1,893
Finance costs	(2,197)	(1,655)	(1,656)	(1,785)
Net interest income	**134**	**89**	**80**	**108**
Administrative expenses	(93)	(54)	(54)	(79)
Profit before tax	**41**	**35**	**26**	**29**
Tax expense	(18)	(12)	(9)	(11)
Profit for the year	**23**	**23**	**17**	**18**

Statement of Financial Position Extracts

as at 31st December	**2009 Forecast €'000**	**2008 Actual €'000**	**2007 Actual €'000**	**2006 Actual €'000**
Investments - Loans and receivables	45,851	26,089	26,089	26,089
Total non-current assets	**45,851**	**26,089**	**26,089**	**26,089**
Trade and other receivables	835	797	990	866
Current tax assets	6	1	-	3
Cash and cash equivalents	313	242	10	13
Total current assets	**1,154**	**1,040**	**1,000**	**882**
Total assets	**47,005**	**27,129**	**27,089**	**26,971**
Share capital	233	233	233	233
Retained earnings	190	167	144	127
Total equity	**423**	**400**	**377**	**360**
Borrowings	45,857	26,018	25,976	25,936
Deferred tax liabilities	10	25	40	54
Total non-current liabilities	**45,867**	**26,043**	**26,016**	**25,990**
Trade and other payables	715	686	691	621
Current tax liabilities	-	-	5	-
Total current liabilities	**715**	**686**	**696**	**621**
Total liabilities	**46,582**	**26,729**	**26,712**	**26,611**
Total equity and liabilities	**47,005**	**27,129**	**27,089**	**26,971**

Statement of Cash Flow Extracts

for the years ending 31st December	2009 Forecast €'000	2008 Actual €'000	2007 Actual €'000	2006 Actual €'000
Net cash from/(used in) operating activities	71	232	(3)	20
Increase in loans to Spinola Development Company Limited	(24,420)	-	-	-
Repayment of loans to Spinola Development Company Limited	4,658	-	-	-
Net cash used in investing activities	(19,762)	-	-	-
Issue of Bonds 2014 - 2016	25,000	-	-	-
Bond issue costs	(580)	-	-	-
Repayment of bank loans	(4,658)	-	-	-
Net cash from financing activities	19,762	-	-	-
Movement in cash and cash equivalents	**71**	**232**	**(3)**	**20**
Cash and cash equivalents at the beginning of the year	**242**	**10**	**13**	**(7)**
Cash and cash equivalents at the end of the year	**313**	**242**	**10**	**13**

6.2 Capitalisation and indebtedness of the Issuer

The Bonds are guaranteed by Spinola Development Company Limited (the "Guarantor") and its bank loan is secured by specific property owned by the Guarantor. Related finance costs are also guaranteed by the Guarantor. The capital management of the Company therefore consists of a process of regularly monitoring the financial position of the Guarantor.

The Guarantor forecasts a borrowing ratio of 55% as at 31st December 2009 (2008: 54%) as noted under Section 6.4 below. This ratio expresses the Guarantor's borrowings as a percentage of the aggregate net assets funded also by shareholders' equity. The Guarantor's borrowings are stated net of any funds placed in a sinking fund for the redemption of its own liabilities.

6.3 Selected financial information of the Guarantor

The historical information of the Guarantor is available for inspection as set out under the heading "Documents on display" in Section 18 of this Registration Document.

The most recent financial statements available for inspection are the audited consolidated financial statements of the Guarantor for the financial years ended 31st December 2008 and 31st December 2007 and comparative financial information for the financial year ended 31st December 2006 which have been prepared by SDC and approved on the 29th May 2009. There were no significant changes to the financial or trading position of the Guarantor since the 31st December 2008.

Extracts from the audited consolidated financial statements of the Guarantor for the two financial years ended 31st December 2008 and 2007 and comparative financial information for 2006 as set out below have been extracted from the consolidated financial statements of the Guarantor. These financial statements incorporate the SDC Group which comprises Spinola Development Company Limited and its sole subsidiary till the 31st December 2008, Portomaso Leasing Company Limited. The forecast for the financial year ending 31st December 2009, as extracted from the Accountants' Report included in Annex B, Part 2, is set out below. The prospective financial information has been prepared on the basis that the Guarantor will be allotted the proceeds of the Bond (less issue costs) with the Over-allotment Option exercised to €25,000,000.

Income Statements Extracts

for the years ending 31st December	**2009 Forecast €'000**	**2008 Actual €'000**	**2007 Actual €'000**	**2006 Actual €'000**
Revenue	35,004	35,287	33,242	38,079
Cost of sales	(23,725)	(24,380)	(22,950)	(24,871)
Gross Profit	**11,279**	**10,907**	**10,292**	**13,208**
Administrative expenses	(5,950)	(5,496)	(5,040)	(4,913)
Other operating losses	-	-	(146)	-
Operating profit	**5,329**	**5,411**	**5,106**	**8,295**
Investment and finance income	232	362	255	33
Finance costs	(3,712)	(3,280)	(2,779)	(2,964)
Profit before tax	**1,849**	**2,493**	**2,582**	**5,364**
Tax expense	(877)	(1,014)	(1,101)	(2,002)
Profit for the year	**972**	**1,479**	**1,481**	**3,362**

Supplementary information - analysis of profit before interest, tax, depreciation and amortisation

Sale of apartments and office space	2,855	2,751	3,678	6,886
Ongoing operations	7,995	7,602	6,050	5,522
Total EBITDA	**10,850**	**10,353**	**9,728**	**12,408**

Statement of Financial Position Extracts

as at 31st December	2009 Forecast €'000	2008 Actual €'000	2007 Actual €'000	2006 Actual €'000
Property, plant and equipment	68,429	70,813	65,980	64,613
Investment property	23,906	14,825	14,711	14,327
Intangible assets	7	7	18	29
Financial assets	-	-	-	277
Total non-current assets	**92,342**	**85,645**	**80,709**	**79,246**
Inventories	15,045	12,608	10,415	10,715
Trade and other receivables	18,640	19,207	14,283	8,138
Current tax assets	64	359	225	-
Cash and cash equivalents	6,042	7,772	5,774	7,090
Total current assets	**39,791**	**39,946**	**30,697**	**25,943**
Total assets	**132,133**	**125,591**	**111,406**	**105,189**
Share capital	13,653	13,653	8,153	8,153
Revaluation and other reserves	7,248	7,392	7,544	7,775
Retained earnings	19,694	18,994	17,780	21,877
Total equity	**40,595**	**40,039**	**33,477**	**37,805**
Borrowings	59,145	56,155	49,130	43,437
Trade and other payables	-	-	466	932
Provision for other liabilities and charges	2,992	3,252	3,311	3,081
Total non-current liabilities	**62,137**	**59,407**	**52,907**	**47,450**
Borrowings	-	3,176	3,535	3,816
Trade and other payables	29,401	22,969	21,487	15,465
Current tax liabilities	-	-	-	653
Total current liabilities	**29,401**	**26,145**	**25,022**	**19,934**
Total liabilities	**91,538**	**85,552**	**77,929**	**67,384**
Total equity and liabilities	**132,133**	**125,591**	**111,406**	**105,189**

Statement of Cash Flow Extracts

for the years ending 31st December	2009 Forecast €'000	2008 Actual €'000	2007 Actual €'000	2006 Actual €'000
Net cash from/(used in) operating activities	6,084	5,330	(964)	11,009
Net cash used in investing activities	(7,208)	(9,562)	(5,483)	(5,580)
Net cash (used in)/from financing activities	(968)	7,026	5,551	(3,428)
Movements in cash and cash equivalents	**(2,092)**	**2,794**	**(896)**	**2,001**
Cash and cash equivalents at the beginning of the year	**7,341**	**4,547**	**5,443**	**3,442**
Cash and cash equivalents at the end of the year	**5,249**	**7,341**	**4,547**	**5,443**

6.4 Capitalisation and indebtedness of the Guarantor

The capital of the Guarantor is managed with a view of maintaining a controlled relationship between capital and gearing in order to maintain an optimal capital structure which reduces the cost of capital. To maintain or adjust its capital structure, the Tumas Group may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt.

Total capital employed is measured by reference to the amounts reflected in the financial statements where the hotel and ancillary assets are stated at re-valued amounts that are regularly assessed and updated. Equity includes a portion of revaluation surplus on property not yet released dating back to 1994 when property inventory was reclassified from non-current assets. No account is taken of any further fair value accretion appertaining to trading property inventory since that date. No account is taken of the fair value surplus (net of deferred tax) that may appertain to the carrying amount of investment property.

Structural borrowings include all interest bearing borrowings, less cash and cash equivalents, which includes the bond redemption fund for the Floating Rate Note (the "FRN") bond (in the books of the Guarantor). Borrowings include loans from Tumas Investments p.l.c. whose unsecured bonds and bank borrowings are secured and guaranteed by the Guarantor.

The following table sets out the capitalisation and indebtedness of the Guarantor as at 31st December 2008 and the forecast position as at 31st December 2009 after reflecting the issue of the Bonds and the allocation of the proceeds to the Guarantor.

As at 31st December	**2009 Forecast €'000**	**2008 Actual €'000**
Non-current assets	92,342	85,645
Net working capital	4,348	9,205
Total capital employed including working capital	**96,690**	**94,850**
Total borrowings	59,145	59,331
Cash and cash equivalents	(6,042)	(7,772)
Total indebtedness	**53,103**	**51,559**
Deferred taxation	2,992	3,252
Shareholders funds	40,595	40,039
Total capital employed	**96,690**	**94,850**
Net indebtedness as a proportion of total capital employed	**55%**	**54%**
Interest cover (times)	**3.12**	**3.55**
Debt/asset cover (times)	**1.82**	**1.84**

No covenants going beyond normal lending terms (governing use of funds, security, insurance arrangements, observance of relevant laws and regulations, etc) and which may in any way impede the future operations of SDC are attached to any of the company's borrowings.

7. INFORMATION ON THE ISSUER AND THE GUARANTOR

7.1 History and development of the Issuer and the Guarantor

7.1.1 The Issuer

The Issuer, as well as the Guarantor, are fully-owned subsidiary companies of Tumas Group Company Limited. The Tumas Group has expanded significantly since its founding in the mid 1960's by the late Chev. Thomas Fenech and is today one of the largest private business groups in the Maltese Islands, comprising various enterprises active primarily in the hospitality, leisure, tourism, property, automotive and port operations sectors. The Group employs a total full-time equivalent staff complement of circa 1,400 employees.

Tumas Investments p.l.c. was incorporated on the 17th November 2000 as a public limited company, registered in terms of the Companies Act (Chapter 386 of the Laws of Malta) with company registration number C27296 and is domiciled in Malta, having its registered office at Level 3, Portomaso Business Tower, Portomaso, St. Julian's. The Issuer, which was set up and established to act as a finance company, has an authorised and issued share capital of €232,937.30, divided into 100,000 ordinary shares of €2.329373 each, fully paid up.

In November 2000 the Company issued the equivalent of €9,783,368.27 6.7% secured notes which were privately placed with institutional investors and subsequently admitted to the Official List of the Malta Stock Exchange. The proceeds of the secured notes issue were advanced to SDC pursuant to and under the terms of a loan agreement dated the 22nd November 2000. These notes were redeemed, as scheduled, in 2006.

Subsequently, in July 2002 the Company issued to the public in Malta the equivalent of €16,306,329 6.7% bonds due 2010 - 2012 having a nominal value of the equivalent of €232.94 each and issued at par. The bonds are guaranteed by SDC and will, unless previously purchased and cancelled, be redeemed by the Company on the 9th July 2012, but the Company may elect, at its discretion, to redeem the bonds in the said bond issue in whole or in part, prior to their final redemption date on the 9th July 2010 or on the 9th July 2011. Interest on the bonds falls due and payable semi-annually in arrears on the 9th January and the 9th July of each year, with the first interest payment having become due and having been duly paid on the 9th January 2003 and every 6 months thereafter. The proceeds from the bonds were advanced by the Company to SDC for general funding purposes of the Portomaso development project.

The bonds issued by the Company in July 2002 constitute general, direct, unconditional, unsecured and unsubordinated obligations of the Company and the Guarantor and rank *pari passu*, without any priority or preference, with all other present and future unsecured and unsubordinated obligations of the Company and the Guarantor.

Under the terms of the 2002 bond issue, the Company and the Guarantor with respect to their respective assets, undertook for as long as any principal or interest under the bonds or any of the bonds is to remain outstanding, not to create or permit to subsist any Security Interest (as defined in Section 5.4.3 of the Securities Note forming part of this Prospectus), other than a Permitted Security Interest (as defined in Section 5.4.3 of the Securities Note), upon the whole or any part of their assets, including future assets, or revenues to secure any Relevant Indebtedness (as defined in Section 5.4.3 of the Securities Note) of the Company or the Guarantor unless at the same time or prior thereto the Company's indebtedness under the bonds is secured equally and rateably therewith, and the instrument creating such Security Interest so provides.

The issue of the Bonds falls within the objects of the Issuer, which continues and will continue to play a pivotal role in the further development of the SDC Group. The Issuer is intended to serve as a vehicle through which the Group will continue to finance the management and administration of Portomaso and other projects that may be undertaken under the aegis of Spinola Development Company Limited and its subsidiary companies and/or refinance existing credit facilities, enabling the SDC Group to exploit its potential and seize new opportunities arising in the market.

7.1.2 The Guarantor

SDC, which was incorporated on the 10th May 1966 and was acquired by the Tumas Group in 1986, is a limited liability company incorporated and registered in Malta with company registration number C331, having its registered office at Level 3, Portomaso

Business Tower, Portomaso, St. Julian's. SDC is a fully-owned subsidiary of the Tumas Group. Its immediate holding company is Spinola Investments Limited (C8034).

SDC was set up with an authorised and issued share capital of the equivalent of €1,164,686.70, divided into ordinary shares of the equivalent of €2.329373 each, fully paid up.

Today, following a number of share capital increases over the years, SDC has an authorised share capital of €13,652,805, divided into shares of a nominal value of €1 each. The issued share capital of SDC is of €13,652,805 divided into 1,164,687 ordinary 'A' shares of €1 each, 6,988,119 ordinary 'B' shares of €1 each and 5,499,999 redeemable preference shares of €1 each which have been fully paid and subscribed.

SDC is the issuer of an FRN secured bond issued in 2004 and maturing between 2009 - 2011 for an amount of €12,811,553.69, the purpose of which was to part finance the development at Portomaso. As at 31st December 2008, the balance outstanding on this bond amounted to €5,823,432.54. Additionally SDC was the guarantor on a private placement amounting to €9,783,368.27 issued at 6.7% in 2000 to part finance the development of the Portomaso Business Tower. This was subsequently listed on the Malta Stock Exchange in 2002 and redeemed in 2006.

The business of SDC has to date principally comprised the continuous development, management and operation of the Portomaso project. SDC is the owner of the site on which the Portomaso project is built, which site was acquired from the Government of Malta on a temporary emphyteusis for 150 years which commenced on the 19th May 1964 and was occupied by the Malta Hilton International hotel up to February 1996 when the hotel was demolished to make way for the extensive redevelopment of the area. On the 28th December 2005, SDC subsequently acquired from the Government of Malta the temporary directum dominium up to the year 2114 and the freehold thereafter of the site on which the Portomaso project is built.

SDC owns 100% of the share capital of Portomaso Leasing Company Limited and of Halland Developments Company Limited.

Portomaso Leasing Company Limited was incorporated on the 30th January 2004 and is a limited liability company registered in Malta with company registration number C33110, having its registered office at Level 3, Portomaso Business Tower, Portomaso, St. Julian's. The company was set up with an authorised and issued share capital of €116,469, fully paid up.

The operations of Portomaso Leasing Company Limited form an integral part of the management and administration of the Portomaso project. The company focuses on leasing of the long-term commercial and office components of the project.

The Guarantor has, by means of an unlimited and unrestricted guarantee of the 4th June 2009, undertaken to guarantee all the obligations of the Bond Issue in the event of the Issuer defaulting on any of its obligations in terms of this Prospectus. The said guarantee constitutes an unconditional commitment on the part of the Guarantor to ensure that the obligations of the Issuer to repay the Bond and/or any interest thereon if and when called upon so to do. There is no conditionality whatsoever on the application of the guarantee in the event of any default on the part of the Issuer and the Guarantor has no power of veto in relation to changes to the Bondholders' rights.

7.2 Investments since last published financial statements

Halland Developments Company Limited was incorporated on the 14th May 2009 and is a limited liability company registered in Malta with company registration number C46810, having its registered office at Level 3, Portomaso Business Tower, Portomaso, St. Julian's. The company was set up with an authorised share capital of €1,500, of which €1,165 has been issued, fully paid up.

On the 4th June 2009, Halland Developments Company Limited acquired the freehold title of the Halland site and adjoining land from St. Andrews Hotels Limited, another fully-owned subsidiary of the Tumas Group. The consideration for the transfer was €9,000,000, and was determined on the basis of a professional valuation drawn up by DeMicoli and Associates (set out in Annex C). The purchase price of the property, which is intended for redevelopment into a residential project, is to be settled by the SDC Group on behalf of Halland Developments Company Limited over a 3 year period, to be met from SDC's operating cash flows.

8. BUSINESS OVERVIEW AND TREND INFORMATION

8.1 The Issuer

As already explained, the Company, Tumas Investments p.l.c., is a fully-owned subsidiary of the Tumas Group and has been set up to act as a financing company.

Accordingly, its business is limited to the raising of capital for the financing of capital projects and the loaning of such capital to SDC, the collection of interest from SDC and the settlement, in turn, of interest payable on capital raised from third parties, typically via the issue of listed bonds.

8.2 Reasons for the Issue and use of proceeds

The net proceeds of the Bond Issue amounting to approximately €19,500,000, or approximately €24,500,000 in the event of the exercise of the Over-allotment Option, will be advanced, pursuant to a loan agreement, by the Company to SDC and will be applied by this latter company for:

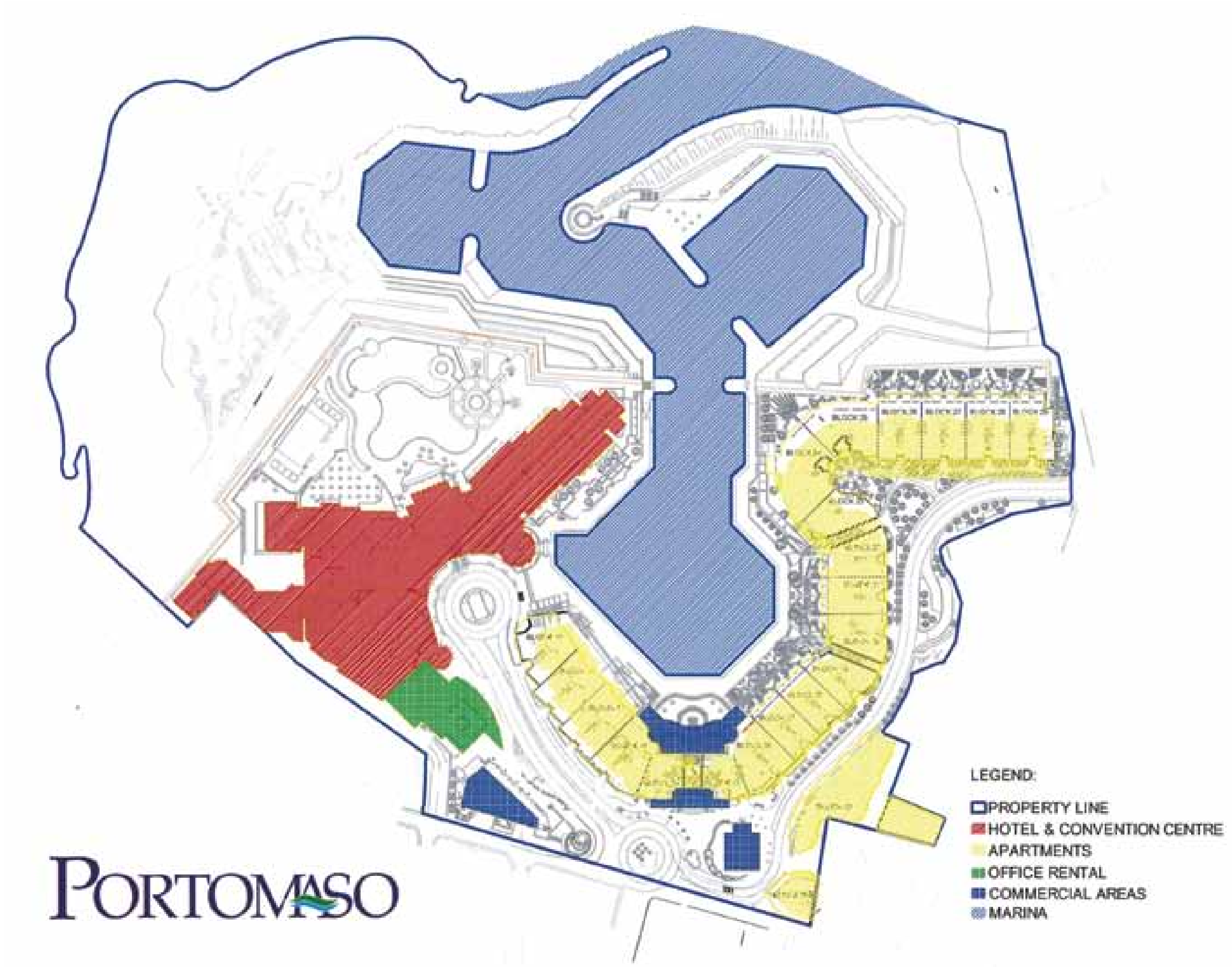
- the re-financing of existing borrowings in the region of €15,000,000 to €20,000,000 depending on whether the Over-allotment Option is exercised, and
- its general financing needs.

8.3 The Portomaso project

The Portomaso project was launched by SDC in 1996 and constituted the largest private sector real estate development hitherto undertaken in the Maltese Islands.

The project is a unique waterfront development enjoying a very central position on Malta's north eastern shore. It is situated in the heart of St. Julian's, Malta's popular commercial and leisure district, less than five minutes walk away from the picturesque Spinola Bay and just off the island's main roads system.

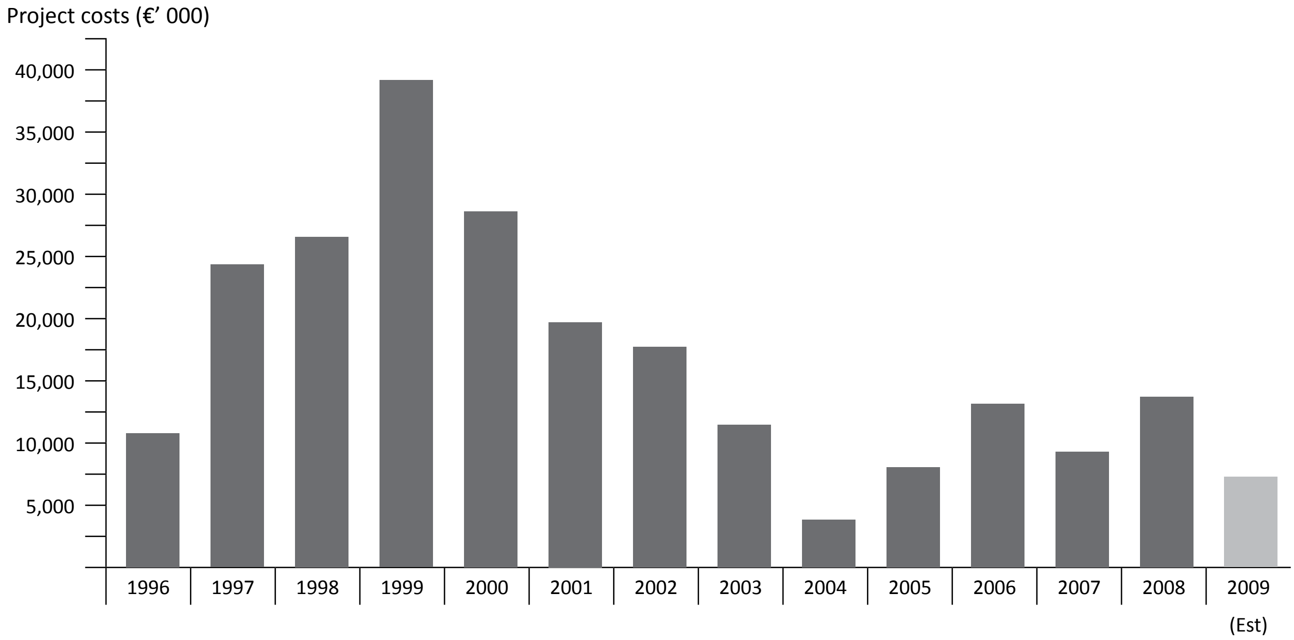
Portomaso comprises a variety of complementary elements imaginatively blended together to create a balanced overall development. The project is constructed around a sheltered excavated marina that extends the natural waterfront of the site and serves to enhance the environment of all the constituent components. These comprise the Hilton Malta hotel (including the convention centre), residential apartments, the business tower, commercial areas, catering outlets, extensive underground car parking facilities and the marina itself. The highly commended award for Marina Developments Worldwide was awarded by International Homes Magazine for three consecutive years branding Portomaso "The best waterfront address on the island". Another award was received from the British Association of Landscaping Industries (BALI) for best landscaping.



Construction of the project as originally conceived was largely completed in 2004, with subsequent works consisting mainly of finishes to apartments in line with buyer specifications and of a 110 room extension to the Hilton Malta hotel that was completed in spring 2008.

In late 2007, SDC commenced construction work on a new residential wing which will come to form an integral part of the Portomaso project and which is expected to be largely completed and delivered to buyers in the course of 2010 and 2011.

SDC is also contemplating the development of a strip of land on the east shore of the site, and has applied for the relevant development permits. This further development is still in its initial planning stage, and its potential contribution towards the success of the project has at this stage been excluded from SDC's business and financial plans.



Note: The 2009 estimated numbers disclosed in the above table, and in other paragraphs and tables in this Prospectus, are derived from the 2009 forecast results and financial position which are included in this document in Annex B, Part 2.

The overall land, construction and financing expenditure on the project is expected to total circa €224,000,000. This amount includes the construction costs yet to be incurred to complete the project, estimated by the directors of SDC at €17,800,000, and which will be met from the operating cash flows of the company and from bank loan facilities already in place. Given the very advanced stage of completion of the project, the experience gained throughout its development and the routine nature of most of the remaining works, the directors of SDC consider that the risks of any material cost overruns and delays up to project completion stage will be contained within the contingency allowances built into the company's estimates.

There has been no material adverse change in the prospects of the Issuer since the date of its last published audited financial statements.

Hilton Malta

The Hilton Malta is one of the foremost operating units within the overall project.

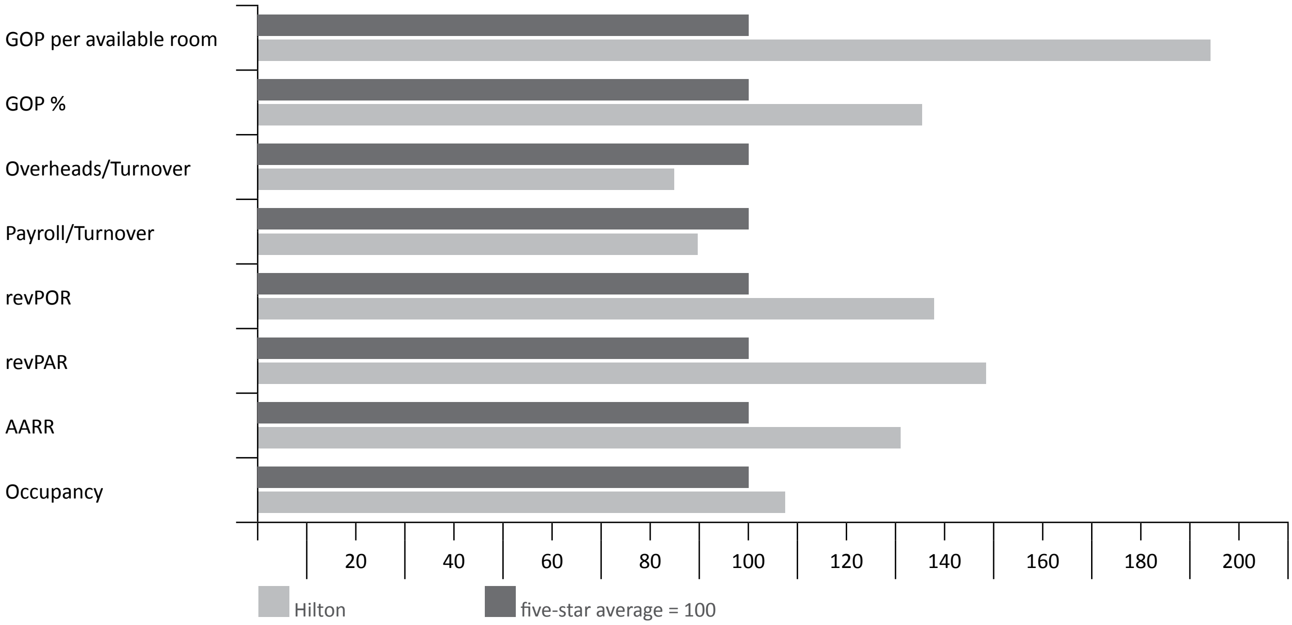
The 404 room five-star hotel welcomed its first guests in February 2000 and has established itself as a leader in its market category. The hotel complex includes modern conference facilities, a state-of-the-art health centre, theme restaurants, banquet halls, a large indoor pool area, a number of outside pools and a beach club.

The hotel was designed and developed in co-operation with Hilton International, which had for many years operated the previous hotel, since demolished, to make space for the project. Hilton International have entered into an operating agreement with SDC to market and manage the hotel, and the adjacent conference centre, as an integral part of its world-wide chain. The operating agreement is based on standard industry norms and provides for a remuneration package that is based on performance. The agreement has an initial term of 15 years, ending in 2015, and is subject to further renewals of successive periods of 5 years each, up to a maximum overall term of 40 years.

The hotel has returned a strong performance in its operations to date, making it one of the most successful five-star hotels in Malta. Its profitability has grown consistently since inception, with the exception of late 2005, 2006 and 2007, which were inevitably impacted by the building of the hotel extension, but which delivered satisfactory results nevertheless. The extension was completed last year and 2009 will accordingly constitute the first full year of the enlarged hotel.

The leading position occupied by the Hilton Malta in the local five-star hotel sector is amply illustrated by the following statistics relating to 2008:

Hilton Malta benchmarked against other five-star hotels in Malta



GOP	Gross operating profit	GOP%	GOP as a percentage of turnover
Overheads/Turnover	Overheads as a proportion of turnover	Payroll/Turnover	Payroll as a proportion of turnover
revPOR	Revenue per occupied room	revPAR	Revenue per available room
AARR	Average achieved room rate		

Note: The above information obtained from the Deloitte MHRA survey 2008 and the Hilton Malta has been accurately reproduced and, as far as the Issuer is aware and is able to ascertain from the information published, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Source: Deloitte MHRA survey 2008, Hilton Malta

Residential apartments

The Portomaso project includes a total of 444 apartments, including the wing which is still in the course of construction. Up to the 31st December 2008, 353 apartments had been sold, for a total consideration of €150,000,000.

The remaining 91 apartments that had yet to be sold at 31st December 2008 included 51 apartments that are currently subject to promise of sale agreements. The majority of these apartments are located within the new wing, and comprise relatively smaller units in the context of the project as a whole. Payments on account received by SDC on these agreements up to the 31st December 2008 total €5,500,000.

The total unsold stock of 91 apartments has an expected sales value estimated at €44,000,000, comprising the following:

Number of apartments	Status	Estimated or agreed value €'000
51	Subject of a promise of sale agreement	18,468
40	Held for sale	25,581
91		44,049

For the purpose of the above analysis, apartments that are already subject to promise of sale agreements have been valued at the amounts contracted therefor. The other remaining apartments have been stated at the directors' expectations of their selling prices, based upon prices attained in recent comparable sales within the project.

Commercial and office developments

The commercial and office developments within the Portomaso project comprise the following:

	Lettable area (sm)
Offices situated within the Portomaso Business Tower	3,627
Commercial spaces including the Arkadia Supermarket, Café Portomaso, the Casino at Portomaso, Luxe Pavilion, Club 'Twenty-Two' and various other retail and catering outlets	9,639
Public car park	1,200 spaces
Portomaso marina	120 berths

Occupancy within the Portomaso Business Tower and within the various commercial elements comprising the project has, as expected, increased substantially as the project matured and major development works ceased. Portomaso is, today, a hive of activity to the common benefit of all its tenants. Ancillary revenue, particularly from car parking, has also increased in step with this enhanced use.

Financial position and gearing of the project

The principal assets of SDC and its subsidiary companies as at 31st December 2008 comprised:

- The Hilton Malta hotel and conference centre and the various office and commercial elements described above, which in 2009 are expected to yield an EBITDA (earnings before interest, tax, depreciation and amortisation) of €8,000,000;
- Unsold apartments having an estimated value of €44,000,000, from which one has to deduct estimated costs to completion of €17,800,000, deposits already received of €5,500,000 and estimated costs of disposal of circa 5% (€2,200,000);
- The directum dominium up to 2114 and the subsequent freehold thereafter of the entire Portomaso site.

The total borrowings of SDC and its subsidiary companies as at 31st December 2008 amounted to €59,331,000, comprising the following:

		Scheduled repayment			
	Balance 2008	by 2009	by 2010	between 2011 & 2013	beyond 2013
	€'000	€'000	€'000	€'000	€'000
Bank borrowings	24,881	2,593	7,852	10,073	4,362
FRN secured bonds	5,818	583	1,165	4,071	-
Loans from Tumas Investments p.l.c.	26,089	-	-	18,053	8,036
Loans from other fellow subsidiaries	2,543	-	-	2,543	-
	59,331	3,176	9,017	34,740	12,398

The financial objective of the SDC Group is that of maintaining a healthy balance between ongoing debt and equity, such that gearing is retained at a level of circa 25% to 30% of the market value of long-term commercial assets, including the hotel. The objective is that of optimising the cost of capital and maximising shareholder returns. SDC Group is, accordingly, aiming to reduce long-term borrowings to circa €30,000,000 to €35,000,000 in the years ahead.

The attainment of the company's financial objective will, accordingly, necessitate the regular re-financing of a portion of its existing long-term debt with bullet loans or bonds that facilitate balance sheet stability. This Bond Issue is being made primarily to help attain this objective.

8.4 Portomaso project - trading prospects

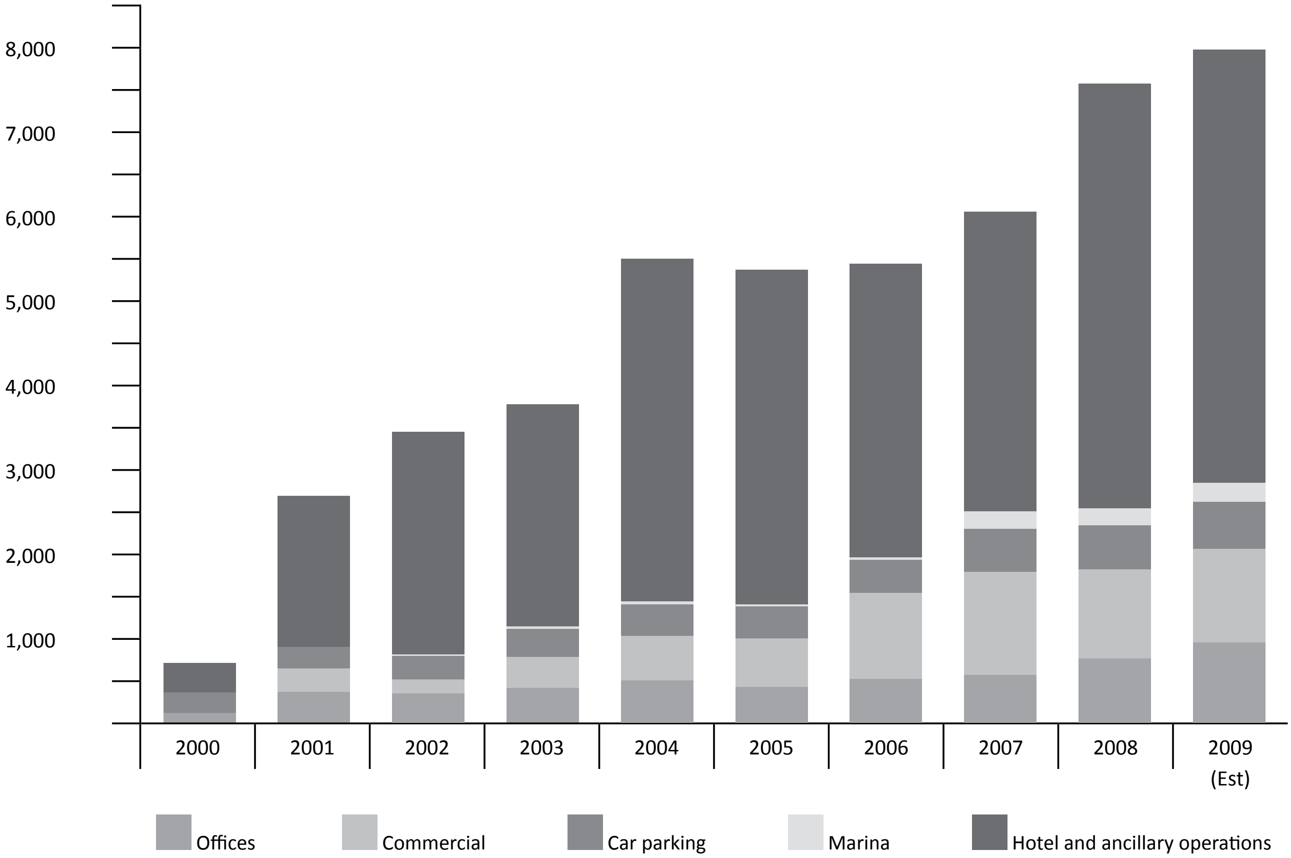
The continued success of the Portomaso project depends in large part on the prevailing economic conditions impacting its ongoing operations. In other respects, the project is now in its final stages of construction and, accordingly, a variety of business risks relating to real estate development no longer apply to Portomaso to any material extent.

The Hilton Malta is currently the single largest long-term component of the project. As with any hotel establishment, the Hilton Malta is exposed to risks associated with the incoming travel industry. The hotel also enjoys significant business traveller patronage.

The immediate outlook facing the hotel industry is not a positive one, given the economic downturn being experienced on a global scale, including the main overseas markets that impact Malta. SDC's expectations for the hotel moving ahead, including the profit forecast for 2009, necessarily reflect this. The hotel's resilience in the face of this downturn has been enhanced by the recent extension, which in other circumstances would have been expected to lead to materially higher profitability and by measures taken to control costs. While the current market uncertainty makes it more difficult than the norm to forecast future performance, the directors are at this stage confident that the hotel's 2009 results will not be inferior to those recorded in 2008.

SDC GROUP EBITDA (€'000)

Excluding outright sale of apartments and offices



Source - Audited financial statements and 2009 forecast (Annex B, Part 2)

Looking at the longer term, the directors remain confident that the hotel's leading position within the local market, and its international branding, will both serve to maintain and improve profitability.

Where commercial property is concerned, the SDC Group draws comfort from the high occupancy levels currently prevalent within Portomaso and from the quality of the counterparties with whom SDC and Portomaso Leasing Company Limited are dealing. As in any large property development, Portomaso experienced a fairly significant turnover of tenants in its initial years, particularly on retail and catering units. This process of change has over the years resulted in the cessation of weaker tenants, and in their replacement by new operators who have better adapted to the particular features of the project. Anchor units such as Arkadia Supermarket, Café Portomaso, the Casino at Portomaso and Club 'Twenty-Two', amongst many others, are now very well established and constitute a stable core.

Full occupancy has been attained within the Portomaso Business Tower, which remains a prestigious and unique business address. The tower houses a wide variety of tenants, but the major part of its occupants are linked, in different manners, to Malta's financial services industry. While this industry is also likely to be adversely effected by the current economic downturn, it remains a focal point of Malta's future development, and this augurs well for the continued success of the tower. The directors are encouraged as well by the steady stream of requests received for office accommodation within the tower.

While the sale of residential apartments has to date accounted for the major part of the project's income, the significance of this segment is today much reduced. As explained earlier in this section, apartments and car parking spaces for sale as at 31st December 2008 are estimated to have a realisable value of €44,000,000. SDC's future sales expectations recognise that 51 apartments having a value of €18,500,000 are already subject to promise of sale agreements and that the currently adverse economic scenario may result in the other remaining sales to completion materialising at a slower pace than has hitherto been the case.

8.5 Other projects

It is the intention of the Tumas Group to use SDC and its subsidiary companies for other real estate developments, going beyond Portomaso.

The first such project is likely to entail the redevelopment of the Halland site, situated at Ibragg, Swieqi.

The Halland was initially constructed as an aparthotel but has since been overtaken by further development that has converted its environs into what is predominantly a residential area. The building is covered by the North Harbours Local Plan approved by the Malta Environment and Planning Authority ("MEPA") in July 2006. This policy encourages the redevelopment of this property for residential use, and permits such redevelopment to the height delineated by the existing structure (as detailed in Maps SW2 and SW4 of the local plan).

Further details of the property and of its redevelopment potential are contained in the valuation report by DeMicoli & Associates set out in Annex C. The existing developed site occupied by the Halland Hotel, built to retain its existing height, would accommodate a development of circa 9,000 square meters of saleable residential volume.

The directors are confident on the outlook for this project, given the location and unobstructed views offered by the Halland site. Design work on the project is at an advanced stage, and applications for the appropriate permits are planned to be lodged with the MEPA in the coming months. The hotel will accordingly cease operations in the course of the current year, such that the redevelopment of the site could commence in 2010 or 2011, depending on market conditions.

The SDC Group will be looking at other initiatives that could be exploited by better leveraging its long-term property holdings. For instance, the Tumas Group owns a second hotel property that is operated by Hilton International, located in Evian, France. Once the operations of this property mature further, it may consider expanding its overseas hotel holdings, alone or in partnership with others, and for this purpose may at that stage concentrate the ownership of such properties within SDC.

The initiatives detailed above represent, respectively, a long-term project at a very early stage of gestation and a potential opportunity that, while receiving due consideration, is still a tentative one at this stage. Accordingly, the financial plans of the SDC Group are not dependent on either of these potential initiatives coming to fruition. They serve to illustrate, nevertheless, the general financing needs and the potential sources of additional revenue that the SDC Group may have, in future years, going beyond the Portomaso project.

9. ORGANISATIONAL STRUCTURE

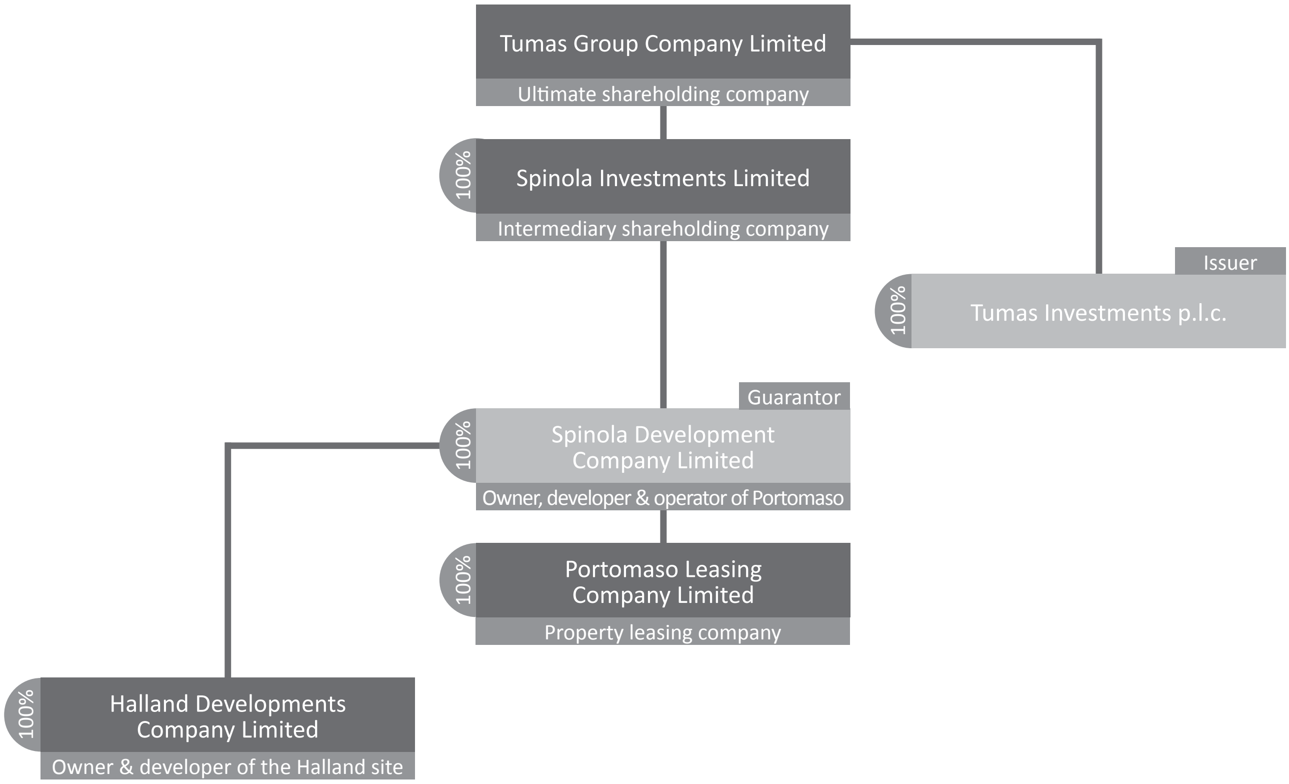
The Tumas Group has expanded significantly since its founding in the mid 1960's by the late Chev. Thomas Fenech. It is today one of the largest private business groups in the Maltese Islands and comprises various enterprises active primarily in the hospitality, leisure, tourism, property development and leasing, port operations and automotive sectors.

The Group attained revenue of €89,316,000 in 2007. Its latest audited consolidated financial statements, which are for the year ended 31st December 2007, disclose net assets of €75,000,000 and a pre-tax profit of €3,500,000. The Group employs a total full-time equivalent staff complement of 1,400 employees.

Tumas Investments p.l.c. does not have any substantial assets and is essentially a special purpose vehicle set up to act as a financing company. Its role is limited to the financing of SDC's operations and it is, accordingly, fully dependent on the cash flows of SDC, the Guarantor of this Bond. The Issuer has no dependence on other parts of the Tumas Group.

The business of the SDC Group is structured so as to limit its financial dependence on the other components of the Tumas Group. At the date of approval of this Prospectus, such financial dependencies were in the main limited to the rental of offices occupied by the Tumas Group and the casino premises situated within the complex.

The organisational structure of the Tumas Group, relevant to the Issuer and the Guarantor (which are fully-owned subsidiary companies of Tumas Group Company Limited), is illustrated in the diagram below as at the date of this Prospectus:



- **Tumas Investments p.l.c.**, the Issuer of the Bond, is a special purpose vehicle set up to solely finance the operations of the SDC Group.

- The **SDC Group** comprises:
  - **Spinola Development Company Limited,** the Guarantor of the Bond Issue, whose primary purpose is that of developing the Portomaso Complex and operating the different operational segments within the development;
  - **Portomaso Leasing Company Limited,** a fully-owned subsidiary of the Guarantor which was set up in 2004 to act as a property leasing vehicle for commercial properties within the Portomaso complex;
  - **Halland Developments Company Limited,** a fully-owned subsidiary of the Guarantor incorporated in 2009 set up to acquire and develop the Halland site in Ibragg, Malta.

10. PROFIT FORECASTS OR ESTIMATES

Information relative to the profit forecasts or estimates of the Issuer and the Guarantor results from the information contained under the heading “Selected financial information” in Section 6 of this Registration Document. The forecast financial statements, together with significant assumptions and relevant accounting policies for the Issuer and the Guarantor, are included in Parts 1 and 2 of Annex B. Additionally, Annex B contains the report prepared by the independent accountants which confirms that the forecasts have been properly compiled on the basis stated therein and that the basis of accounting used for the forecast financial information is consistent with the accounting policies of the Issuer and Guarantor respectively.

11. ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

11.1 The Issuer

The Memorandum of Association of Tumas Investments p.l.c. provides that the board of directors shall be composed of not less than 2 and not more than 6 directors, who are nominated by the shareholders. As at the date of this Prospectus, the board of the Issuer is composed of the following persons:

Directors

Name:	**George Fenech**; Executive Chairman and Managing Director
Address:	Apartment 51, Block 11, Portomaso, St. Julian's

George Fenech is a member of the Institute of Directors (U.K.), as well as a former governor of the Malta Arbitration Centre. From an early age he was actively involved in the business development of the main divisions within the Tumas Group. Mr. Fenech was the driving force that channelled the Tumas Group into new areas of activity, particularly the hotel and leisure sector. He has been one of the main promoters in the setting up of the timeshare industry both locally and abroad. His vision and leadership skills are considered as his trademarks. Under Mr. Fenech's guidance the Tumas Group expanded into new areas of activity and undertook the construction and management of the Portomaso project and subsequently other major real estate projects. Mr. Fenech is presently the Chairman and Managing Director of all the companies within the Tumas Group.

Name:	**Raymond Fenech**; Executive director
Address:	Zotos, Triq il-Qasba, Swieqi

Raymond Fenech has been involved for a number of years in the management of the hospitality division of the Tumas Group. In 1999 he was appointed Executive director of the property division. In this capacity he was mainly involved in the re-organisation of this division and in overseeing the development of various real estate projects undertaken by the Tumas Group across the island. Mr. Fenech is presently a director of all the companies within the Tumas Group. He is also the Chairman of the Foundation for Tomorrow's Schools and sits on the board of the Malta Tourism Authority.

Name:	**Lino Spiteri**; Non-Executive director
Address:	Aurora, Triq il-Linja, Attard

Lino Spiteri is an economist by profession and holds a Masters degree, in Politics and Economics and a diploma in Social Studies from Oxford University. He started his professional career as a journalist and subsequently editor of one of the main newspapers on the island. He has had a long political career and was a Member of Parliament for 21 years between 1962 and 1998. Within this period, Mr. Spiteri was Minister of Finance (1981 – 1983), Minister of Trade and Economic Development (1983 - 1987) and Minister of Finance (1996 – 1997). He served as Deputy Governor and Chairman of the board of directors of the Central Bank of Malta between 1974 and 1981. He is currently a financial consultant and holds directorships in a number of companies within the manufacturing, insurance, Banking, hospitality, and consultancy services sectors. Mr Spiteri is a Companion of the National Order of Merit

Name:	**Ray Sladden**; Executive director and company secretary
Address:	Il-Quccata, Prof. John Buontempo Street, St. Julian's

Ray Sladden is a Certified Public Accountant and a fellow of the Malta Institute of Accountants. He is also an associate of the Chartered Institute of Bankers and the Association of Corporate Treasurers. As from 1998, Mr. Sladden has held the position of Group Finance director and company secretary of all the companies within the Tumas Group. He is also a director of Tomino Limited and Dolmen Properties p.l.c., both Tumas Group subsidiaries and sits on the board of two of the Tumas Group's associate companies. Mr. Sladden has previously occupied the position of Financial Controller and subsequently Group Treasurer of AirMalta p.l.c., the national airline. He has held a number of directorships in various companies within the airline, hospitality, insurance and finance sectors. Mr. Sladden is also a founding member of the board of Trustees of the Tumas Fenech Foundation for Education in Journalism.

Name: **Michael Grech**; Non-Executive director
Address: No. 5, Triq id-Dris, Swieqi

Michael Grech graduated Bachelor of Arts and Doctor of Laws from the University of Malta, following which he pursued a Master of Laws at University College, London. He heads the intellectual property department at GVTH Advocates and his practice focuses on all aspects of intellectual property law, including the representation of several local and multi-national clients in brand protection and anti-counterfeiting measures. Dr. Grech also assists the firm's commercial and corporate department and, more recently, has been part of the firm's team on privatisation matters, advising the Government of Malta, as well as private clients. Dr. Grech sits on the boards of a number of local companies, and is also a member of the boards of Governors of Fondazzjoni Patrimonju Malti and St. Edward's College. He is a Knight of Magistral Grace of the Sovereign Military Order of Malta.

11.2 The Guarantor

The Memorandum of Association of SDC provides that the board of directors shall be composed of not less than 2 and not more than 3 directors, who are nominated by the shareholders. As at the date of this Prospectus, the board of the Guarantor is composed of the following persons:

Directors
Name: **George Fenech**; Executive Chairman and Managing Director
Address: Apartment 51, Block 11, Portomaso, St. Julian's

Name: **Raymond Fenech**; Executive director
Address: Zotos, Triq il-Qasba, Swieqi

Name: **Angelo Fenech**; Executive director
Address: Witamy, Triq is-Siegh, Swieqi

Angelo Fenech has been involved for a number of years in the management of the construction division of the Tumas Group. His main contribution has been at Portomaso where he has overseen the development since its inception. Other projects in which he was involved concern the hotels division and turnkey projects for third parties. Mr. Fenech sits on a number of boards of Tumas Group subsidiaries.

The 3 directors occupy senior positions within the Tumas Group and are remunerated by the ultimate parent company, rather than by the Guarantor, for carrying out functions on behalf of the Tumas Group.

Company secretary
Name: Ray Sladden

Directors' service contracts
None of the directors have definite service contracts with SDC. Their appointment is made directly by the shareholders.

Removal of directors
A director may, unless he resigns, be removed by an ordinary resolution of the shareholders as provided by Section 140 of the Act.

Powers of directors
The directors are, by virtue of the Articles of Association of SDC, empowered to transact all business that is not by the Articles expressly reserved for the shareholders in general meeting.

Key Executives
In addition to the directors and company secretary, key members of SDC's Executive Team are the following:

Ray Sladden; information relating to Mr. Sladden is contained in Section 11.1 of this Registration Document.

Maurice Tabone has been involved with the Portomaso project since the planning stage and since 1999 has served as Sales and Marketing director for the project, leading the company's dedicated marketing force. Mr. Tabone has been involved in the property market since 1968. Between 1975 and 1989 he was Managing Director of Cassar and Cooper (Real Estate) Limited and during the same period he served as President of the Association of Estate Agents for 13 years and as secretary for 7 years. During his career Mr. Tabone specialised in the sale of property to foreigners. Since the early seventies he has taken part in property exhibitions and organised property related seminars in a number of countries. He has also served on several Government boards, including the Hotel & Catering Establishments Board and the Planning Consultative Council.

Clement Hassid is the General Manager of Hilton Malta. Having a strong background in hotel sales and marketing for the past 30 years, Mr. Hassid has been General Manager of some of the most prestigious hotels in the region, such as the Carlton, Tel Aviv, The Sheraton Jerusalem Plaza, the Sheraton Tel Aviv Hotel & Tower, the Hilton Jerusalem Hotel, as well as the Hilton Izmir, Turkey. Past Chairman of the Jerusalem Hotel Association as well as the Israel Hotel Managers Association, amongst others, Mr. Hassid has also been the recipient of a number of international awards including the Hilton International Core Value Award which he received in 2003 and Manager of the Year for Hilton Europe in 2006. He is proficient in 6 languages, whilst counting Innovation, Implementation and Employee Motivation as key areas of his expertise.

Gerald Debono is a warranted Architect and holds a Bachelor Degree in Civil Engineering and Architecture from the University of Malta. In the first 3 years of his career he developed skills in various small scale projects. Since 1996, he was involved in major projects of mixed use in the hotel, commercial and residential sectors, both in Malta and overseas. He presently occupies the position of Tumas Group architect and is actively involved in the project management of the various projects launched by the Tumas Group. He is also a member of the Royal Institute of British Architects.

Kevin Spiteri is a warranted Engineer and holds a Bachelor Degree in Mechanical Engineering from the University of Malta, as well as a Masters in Building Services Engineering from Brunel University in London. He started his career in 1995 as a contracts and site engineer with a local building services contractor. He then moved to a building services consultancy company as an MEP building services consultant engineer where he was actively involved in the design and execution of two major mixed use developments, including Portomaso. Since January 2009, Mr. Spiteri joined Tumas Group as Group Engineer, and is now responsible both for new projects carried out by the Tumas Group as well as for the various subsidiary companies. He is also a member of the Chartered Institute of Building Services Engineers of the UK (CIBSE) as well as of the American Society of Heating Refrigeration and Air Conditioning Engineers (ASHRAE).

Working capital

The directors of the Company and of SDC are of the opinion that working capital available to the Company and SDC, respectively, is sufficient for the attainment of their objects and the carrying out of their respective business for the next 12 months of operations.

12. BOARD PRACTICES

12.1 Corporate governance

The board of directors sets the strategy and direction of the Company and retains direct responsibility for appraising and monitoring the Company's financial statements and annual report. The activities of the board are exercised in a manner designed to ensure that it can effectively supervise the operations of the Company so as to protect the interests of bondholders, amongst other stakeholders. The board is also responsible for making relevant public announcements and for the Company's compliance with its continuing listing obligations.

The board of directors is committed to sound corporate governance and to the best practice in this regard as guided by international codes. The Listing Rules contain at Chapter 8, Appendix 8.1, the Code of Principles of Good Corporate Governance (the "Principles"), which at the date of this Prospectus are not yet mandatory. The board strongly believes that the Principles are in the best interest of the shareholders because they commit the directors, management and the employees of the Issuer to internationally recognised high standards of corporate governance. The ultimate responsibility for good corporate governance is of the directors who, therefore, resolved to adopt the Principles and endorse them accordingly, except for those instances where there exist particular circumstances that warrant non-adherence thereto, or at least postponement for the time being.

12.2 Board committees

The directors have established an Executive Committee and an Audit Committee as committees of the board. The Issuer considers that the members of the Audit Committee have the necessary experience, independence and standing to hold office as members thereof.

12.2.1 Executive Committee

The Executive Committee acts as the highest delegated authority by the board in over-seeing the activities and management of the Issuer. It is responsible for the direct oversight of management and is also closely involved in the execution of all material contracts.

As at the date of this Registration Document the members of the Executive Committee are as follows: George Fenech (*Chairman*), Raymond Fenech and Ray Sladden.

12.2.2 Audit Committee

The Audit Committee, composed of 2 non-shareholders and Non-Executive directors, together with a shareholder and Executive director, assists the board in fulfilling its supervisory and monitoring responsibilities in terms of the requirements of the Listing Rules, as well as current best practices and recommendations of good corporate governance. The terms of reference of the Audit Committee include the review of (a) the systems and procedures of internal control implemented by management, (b) the financial statements, disclosures and adequacy of financial reporting, and (c) the external and internal audit processes. The Committee also considers the arm's length nature of related party transactions that the Issuer carries out. The Audit Committee meets at least once every 3 months. Meetings may be convened at the request of any of its members or at the request of the external auditors. The Issuer's external auditors may be invited to attend.

As at the date of this Registration Document the members of the Audit Committee are as follows: Lino Spiteri (Chairman), Raymond Fenech and Michael Grech. Mr. Lino Spiteri is independent and competent in auditing matters.

13. MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

13.1 Incorporation

The Company, whose registered office is at Level 3, Portomaso Business Tower, Portomaso, St. Julian's, was incorporated on the 17th November, 2000 as a public company with limited liability in terms of the Act, with company registration number C27296.

The authorised share capital of the Company is €232,937.30 divided into 100,000 ordinary shares of €2.329373 each.

The issued share capital is €232,937.30 divided into 100,000 ordinary shares of €2.329373 each fully paid up and subscribed as follows:

Name and address	Number of shares
Tumas Group Company Limited (C7820) Tumas Group Corporate Office, Level 3, Portomaso Business Tower, Portomaso, St. Julian's	99,999 ordinary shares of €2.329373 each
Spinola Development Company Limited (C331) Tumas Group Corporate Office, Level 3, Portomaso Business Tower, Portomaso, St. Julian's	1 ordinary share of €2.329373

Tumas Group Company Limited C7820 was incorporated on the 2nd January 1986 and is the holding company of the Tumas Group. The authorised share capital of the company is €102,497 divided into 44,002 ordinary shares of €2.329373 each. The issued share capital is €102,497 divided into 44,002 ordinary shares of €2.329373 each fully paid up and is subscribed to by the members of the Fenech family.

13.2 Directors' interests

The following 2 directors of the Issuer and of the Guarantor hold shares in Tumas Group Company Limited which is the major shareholder in the Issuer and which holds the majority of shares in Spinola Investments Limited, which in turn is the major shareholder in the Guarantor.

Their respective shareholding in Tumas Group Company Limited is as follows:

Name of director	Number of shares held
George Fenech	1 special "B" share of €2.329373 5,500 ordinary shares of €2.329373 each
Raymond Fenech	5,500 ordinary shares of €2.329373 each

As at the date of this Prospectus, Mr. George Fenech and Mr. Raymond Fenech act as directors of both the Issuer and the Guarantor. The Audit Committee of the Issuer keeps a watching brief to ensure that any conflicts of interest that may arise at any time pursuant to this state of affairs are duly and appropriately managed.

13.3 Related party transactions

The Guarantor regularly enters into trading transactions with fellow subsidiaries and associates within the Tumas Group in its normal course of business. Trading transactions between these companies include items which are normally encountered in a group context and include rental charges, management fees, recharging of expenses and financing charges. These transactions are subject to regular scrutiny of the Audit Committee to ensure that they are made on an arm's length basis.

The Guarantor, through its fully-owned subsidiary Halland Developments Company Limited, acquired the Halland property (as defined in Section 8.5 of this Registration Document) from St. Andrews Hotels Limited (a fully-owned subsidiary of Tumas Group Company Limited) pursuant to a deed dated 4th June 2009 in the records of Notary Dr. Malcolm Mangion. Pursuant to the same deed, the consideration of €9,000,000 will be settled by the Guarantor on behalf of Halland Developments Company Limited between 2009 and 2011 in the following instalments - €4,000,000 by the 31st December 2009, €3,000,000 by the 31st December 2010 and €2,000,000 by the 31st December 2011. This transaction was approved by an Extraordinary General Meeting of the Issuer on the 2nd June 2009.

14. FINANCIAL INFORMATION CONCERNING THE ISSUER'S AND GUARANTOR'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFIT AND LOSSES

14.1 Historical financial information

The Issuer's and the Guarantor's audited financial statements for the financial years ended 31st December 2008, 31st December 2007 and 31st December 2006 respectively have been audited by PricewaterhouseCoopers, certified public accountants, Malta.

14.2 Age of latest financial information

The latest audited financial statements available in respect of the Issuer and the Guarantor relate to the financial year ended 31st December 2008 as approved for issuance by the board of directors on the 30th April 2009. These are available on the Tumas Group's website at www.tumas.com.

The latest audited consolidated financial statements available in respect of the Guarantor relate to the financial year ended 31st December 2008 as approved for issuance by the board of directors on the 29th May 2009. These are available for inspection at the Issuer's registered office.

14.3 Legal and arbitration proceedings

There have been no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) during a period covering 12 months prior to the date of this Registration Document which may have, or have had, in the recent past significant effects on the financial position or profitability of the Issuer.

14.4 Significant change in the Issuer's financial or trading position

There has been no significant change in the financial or trading position of the Issuer or the Guarantor which has occurred since the 31st December 2008.

15. ADDITIONAL INFORMATION

15.1 Incorporation and objects

The Issuer was incorporated on the 17th November, 2000 as a public company with limited liability in terms of the Act, with company registration number C27296.

In terms of clause 3(f) of the Memorandum of Association, the Issuer is authorised to "issue bonds, commercial papers or other instruments creating or acknowledging indebtedness and to sell or offer same to the public".

15.2 Share capital

15.2.1 The authorised share capital of the Company is €232,937.30 divided into 100,000 ordinary shares of €2.329373 each. The issued share capital is €232,937.30 divided into 100,000 ordinary shares of €2.329373 each fully paid up.

15.2.2 The authorised share capital of the Issuer may be increased by an ordinary resolution of the shareholders in general meeting. In terms of the Issuer's Memorandum and Articles of Association, none of the capital shall be issued in such a way as would effectively alter the control of the Company or nature of the business, without the prior approval of the Company in general meeting.

15.2.3 The shares of the Company are not listed on the Malta Stock Exchange. Application has not been filed for the shares of the Company to be quoted on the Official List of the Malta Stock Exchange.

15.2.4 Save for the capital issued on original subscription, there is no further capital of the Company and nor is it expected that the Company issues during the next financial year any shares, whether fully or partly paid up, in consideration for cash or otherwise.

15.2.5 There is no capital of the Company which is currently under option, nor is there any agreement by virtue of which any part of the capital of the Company is to be put under option.

15.3 Appointment of directors

The directors are appointed in terms of the Company's Articles of Association. In line with generally accepted principles of sound corporate governance, at least 1 of the directors shall be a person independent of the Tumas Group.

15.4 Powers of directors

The directors are vested with the management of the Company and their powers of management and administration emanate directly from the Memorandum and Articles of Association and the law. The directors are empowered to act on behalf of the Company and in this respect have the authority to enter into contracts, sue and be sued in representation of the Company. In terms of the Memorandum and Articles of Association they may do all such things as are not by the Memorandum and Articles of Association reserved for the Company in general meeting.

Directors may not vote on any proposal, issue, arrangement or contract in which they have a personal material interest.

In terms of the Memorandum and Articles of Association, the maximum limit of aggregate emoluments of the directors is to be established by the shareholders in general meeting. Within that limit the directors shall have the power to vote remuneration to themselves or any number of their body. Any increases in the maximum limit of directors' aggregate emoluments have to be approved by the general meeting. The directors may also vote pensions, gratuities or allowances on retirement to any director who has held any other salaried office with the Company or to his widow or dependants. However, any such proposal shall have to be approved by the shareholders in general meeting.

In terms of the Memorandum and Articles of Association, the board of directors may exercise all the powers of the Company to borrow money and give security thereof, subject to the limit established in the Articles of Association and the overriding authority of the shareholders in general meeting to change, amend, restrict and/or otherwise modify such limit and the directors' borrowing powers.

There are no provisions in the Memorandum and Articles of Association regulating the retirement or non-retirement of directors over an age limit.

15.5 Commissions

There were no commissions, discounts, brokerages or other special terms granted during the 2 years immediately preceding the publication of this Prospectus in connection with the issue or sale of any capital of the Company or any of its subsidiaries.

15.6 Directors' interests

Save for what is stated in Section 13 of this Registration Document, the directors of the Company have no beneficial interests in the share capital of the Company as at this date. There are no assets which have been leased or otherwise transferred by or to the Company in which any of the directors have any interest, direct or indirect, nor are any such leases or transfers being proposed. In addition, there is no contract or arrangement subsisting at the date of this document in which a director of the Company is materially interested.

As at the date of this Prospectus, Mr. George Fenech and Mr. Raymond Fenech act as directors of both the Issuer and the Guarantor. The Audit Committee of the Issuer keeps a watching brief to ensure that any conflicts of interest that may arise at any time pursuant to this state of affairs are duly and appropriately managed.

15.7 Directors' service contracts

None of the directors have a service contract with the Issuer.

15.8 Aggregate emoluments of directors

For the current financial year ending on the 31st December 2009 the Issuer proposes to pay an aggregate of €20,000 to its directors.

15.9 Loans to directors

There are no loans outstanding by the Issuer to any of its directors, nor any guarantees issued for their benefit by the Issuer.

15.10 Loan capital and borrowings

Details of the loan capital and borrowings of the Guarantor are set out in Section 6.4 and Section 8.3 of this Registration Document.

16. MATERIAL CONTRACTS

Since their incorporation on the 17th November 2000 and the 10th May 1966 respectively, the Issuer and the Guarantor have not entered into any contracts of a material nature which are not in the ordinary course of their business, save as otherwise disclosed in this Prospectus.

17. THIRD PARTY INFORMATION AND THE STATEMENT BY EXPERTS AND DECLARATIONS OF ANY INTEREST

Save for the Accountants' Report on the forecast financial information of the Guarantor set out in Annex B, Part 2 and on the forecast financial information of the Issuer set out in Annex B, Part 1 and the Architect's Valuation report set out in Annex C, this Registration Document does not contain any statement or report attributed to any person as an expert. The Accountants' Reports dated 10th June 2009 and the Architect's Valuation report dated 3rd June 2009 have been included in the form and context in which they appear with the authorisation of PricewaterhouseCoopers of 167, Merchants Street, Valletta, Malta and DeMicoli and Associates of 8/5, Portomaso Business Tower, St. Julian's, respectively, who have given and have not withdrawn their consent to their inclusion herein. None of the foregoing experts have any beneficial interest in the Issuer. The Issuer confirms that the Accountants' Reports both dated 10th June 2009 and the Architect's Valuation report dated 3rd June 2009 have been accurately reproduced in this Registration Document and that there are no facts of which the Issuer is aware that have been omitted and which would render the reproduced information inaccurate or misleading.

18. DOCUMENTS ON DISPLAY

The following documents or certified copies thereof, where applicable, are available for inspection at the registered office of the Issuer at Tumas Group Corporate Office, Level 3, Portomaso Business Tower, Portomaso, St. Julian's during the life of the Bond:

- The Memorandum and Articles of Association of the Issuer and the Guarantor;
- The audited financial statements of the Issuer for the financial years ended 31st December 2008, 2007 and 2006;
- The audited consolidated financial statements of the Guarantor for the financial years ended 31st December 2008 and 2007 and comparative financial information for the financial year ended 31st December 2006;
- The loan agreement between the Issuer and the Guarantor;
- The deed of acquisition in respect of the Halland property dated 4th June 2009;
- The Guarantee given by the Guarantor to the Issuer;
- All reports, letters, and other documents, valuations and statements prepared by any expert at the Issuer's request which are included and referred to in this Prospectus.

PART 3 – SECURITIES NOTE

This Securities Note has been prepared in accordance with the provisions of Chapter 6 of the Listing Rules issued by the Listing Authority and the Commission Regulation (EC) No. 809/2004 of 29th April 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council as regards information contained in prospectuses as well as the format, incorporation by reference and publication of such prospectuses and dissemination of information.

This Securities Note is issued pursuant to the requirements of Listing Rule 6.4.3 and contains information about the Bonds being offered by the Issuer as described in this document.

Application has been made to the Listing Authority and to the Malta Stock Exchange for the Bonds to be admitted to the Official List and to trading on the Malta Stock Exchange. This Securities Note shall be read in conjunction with the Registration Document issued by the Issuer.

Neither this Securities Note, nor any other part of the Prospectus or any other information supplied in connection with the Bonds:

(a) is intended to provide the basis of any credit or other evaluation; or,

(b) should be considered as a recommendation by the Issuer or the Sponsor that any recipient of this Prospectus or any other information supplied in connection with this Prospectus should purchase any Bond.

Prospective investors should be aware of the potential risks in investing in such companies and should make the decision to invest only after careful consideration of all the information contained in the Prospectus as a whole and consultation with their own independent financial advisors.

The Listing Authority accepts no responsibility for and makes no representations as to the contents, accuracy or completeness of this Securities Note and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Securities Note.

This document is dated 9th June 2010.

ISIN: MT0000231234

The Bonds shall constitute the general, direct, unconditional and unsecured obligations of the Issuer and shall at all times rank *pari passu,* without any priority or preference among themselves and with other outstanding unsecured obligations of the Issuer, other than subordinated obligations, if any.

The Prospectus includes an Addendum, specifically termed "Updates to the Registration Document", which is intended to serve the purpose of updating, where necessary, the information contained in the Registration Document dated 10th June 2009.

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1. DEFINITIONS

Words and expressions used in this Securities Note in their capitalised form shall, except where the context otherwise requires and except where otherwise defined herein, bear the same meaning as the meaning given to such words and expressions in the Registration Document. Additionally, the following words and expressions as used in this Securities Note shall bear the following meanings whenever such words and expressions are used in their capitalised form, except where the context otherwise requires:

"Act" or "Companies Act"	the Companies Act, 1995, Chapter 386 of the Laws of Malta;
"Applicant/s"	a person or persons whose name or names (in the case of joint applicants) appear in the registration details of an Application Form;
"Application"	the application to purchase Bonds made by an Applicant by completing an Application Form and posting it or delivering it to the Registrar or to any of the Authorised Intermediaries;
"Application Form/s"	the form of application for subscription of Bonds issued by the Issuer, specimens of which are contained in Annex D of the Prospectus;
"Authorised Intermediaries"	all the licensed stockbrokers and financial intermediaries listed in Annex E of the Prospectus;
"Bonds"	the €20,000,000 6.2% bonds 2017 - 2020 of a nominal value of €100 each issued at par, together with any such additional bonds as may be issued in Euro in the case of exercise of the Over-allotment Option;
"Bondholder"	a holder of Bonds;
"Bond Issue"	the issue of the Bonds;
"Bond Issue Price"	at par (€100 per Bond);
"Company" or "Issuer"	Tumas Investments p.l.c., a company registered in Malta with registration number C 27296;
"Cut-off Date"	close of business of the 4th June 2010 (trading session of the 1st June 2010);
"Designated Optional Redemption Period"	any day falling between and including the 9th July 2017 and the 8th July 2020 when the Issuer may, at its option, redeem part or whole of the Bonds then outstanding by giving at least thirty (30) days advance written notice to the Bondholders;
"Euro" or "€"	the currency of the European Monetary Union, of which Malta forms part;
"Financial Markets Act"	the Financial Markets Act, 1990, Chapter 345 of the Laws of Malta;
"Guarantor" or "SDC"	Spinola Development Company Limited, a company registered in Malta with registration number C 331;
"Interest Payment Date/s"	the 9th January and 9th July of each year between 2010 and 2020. The first interest payment will be made on the 9th January 2011;
"Issue Date"	21st July 2010;
"Issue Period"	the period between 08.30 hours on the 25th June 2010 and 12.00 hours on the 2nd July 2010 (or such earlier date as may be determined by the Issuer) during which the Bonds are available for subscription;
"Listing Authority"	the MFSA, appointed as Listing Authority for the purposes of the Financial Markets Act by virtue of Legal Notice 1 of 2003;
"Malta Stock Exchange" or "MSE"	Malta Stock Exchange p.l.c., as originally constituted in terms of the Financial Markets Act, having its registered office at Garrison Chapel, Castille Place, Valletta and company registration number C 42525;
"Maturing Bonds"	the €16,306,329 6.7% bonds 2010-2012 due to mature on the 9th July 2012 issued by the Issuer pursuant to a prospectus dated the 10th July 2002;
"Maturity Date"	9th July 2020, unless otherwise redeemed at the Issuer's sole discretion during the Designated Optional Redemption Period;
"MFSA"	the Malta Financial Services Authority, established in terms of the Malta Financial Services Authority Act, 1988 (Chapter 330 of the Laws of Malta);
"Official List"	the list prepared and published by the Malta Stock Exchange as its official list in accordance with the Malta Stock Exchange Bye-Laws;
"Over-allotment Option"	the option of the Issuer to increase the original Bond Issue by a maximum amount of an additional €5,000,000 to be issued at par, in the event of over-subscription of the original Bond Issue;
"Preferred Applicant"	any holder of Maturing Bonds on the Cut-off Date;
"Prospectus"	this document dated 9th June 2010 made up of three distinct parts, namely the Summary, the Registration Document and the Securities Note respectively, together with the Addendum and Annexes referred to herein;

"Redemption Value"	at par (€100 per Bond);
"Registration Document"	the registration document issued by the Issuer dated 10th June 2009, forming part of the Prospectus;
"SDC Group"	SDC and its subsidiary companies, namely Portomaso Leasing Company Limited (C 33110) and Halland Developments Company Limited (C 46810);
"Securities Note"	this document in its entirety;
"Sponsor"	Rizzo, Farrugia & Co. (Stockbrokers) Ltd., an authorised financial intermediary licensed by the MFSA and a member of the Malta Stock Exchange;
"Summary"	the summary note issued by the Issuer dated 9th June 2010, forming part of the Prospectus;
"Tumas Group"	Tumas Group Company Limited and its subsidiary and associated companies, including the Issuer and the Guarantor, together with various other companies principally involved in hospitality, leisure and tourism, property trading, leasing and development, the importation and retailing of motor vehicles and port operations.

All references in the Prospectus to "Malta" are to the "Republic of Malta".

Unless it appears otherwise from the context:

(a) words importing the singular shall include the plural and vice-versa;

(b) words importing the masculine gender shall include the feminine gender and vice-versa;

(c) the word "may" shall be construed as permissive and the word "shall" shall be construed as imperative.

2. RISK FACTORS

This document contains forward-looking statements. Such forecasts and projections do not bind the Issuer or the Guarantor with respect to future results and no assurance can be given that future results or expectations covered by such forward-looking statements will be achieved. These statements by their nature involve substantial risks and uncertainties, a few of which are beyond the Issuer's and Guarantor's control.

The value of investments can go up or down and past performance is not necessarily indicative of future performance. The nominal value of the Bonds will be repayable in full upon maturity. An investment in the Bonds involves certain risks, including those described below. Prospective investors should carefully consider, with the help of their own independent financial and other professional advisors (including tax, accounting, credit, legal and regulatory advisors) the following risk factors and other investment considerations as well as all the other information contained in the Prospectus before deciding to make an investment in the Bonds. The sequence in which the risks below are listed is not intended to be indicative of any order of priority or the extent of their consequences.

2.1 General

Potential investors in the Bonds must determine the suitability of that investment in the light of their own circumstances. In particular, each potential investor should:

(i) have sufficient knowledge and experience to make a meaningful evaluation of the Bonds, the merits and risks of investing in the Bonds and the information contained or incorporated by reference in the Prospectus or any applicable supplement;

(ii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Bonds, including Bonds with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;

(iii) understand thoroughly the terms of the Bonds and be familiar with the behaviour of any relevant indices and financial markets; and

(iv) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

2.2 Considerations relating to the Bonds

An investment in the Bonds involves certain risks including, but not limited to, those described below:

- **Trading and liquidity**
  There is currently no trading record in respect of the Bonds as there has never been a public market for the Bonds prior to the offering contained in the Prospectus. Application has been made to the Listing Authority for the admissibility of the Bonds to listing and to the Malta Stock Exchange for the Bonds to be listed and traded on its Official List. There can be no assurance, however, that an active secondary market for the Bonds will develop or, if it develops, that it will continue, nor can there be any assurance that an investor will be able to re-sell his Bonds at or above the Bond Issue Price, or at all. A public trading market having the desired characteristics of depth, liquidity and orderliness depends on a number of factors including the presence in the market place of willing buyers and sellers of the Issuer's Bonds at any given time, which presence is dependent upon the individual decisions of investors over which the Issuer has no control. Many other factors over which the Issuer has no control may affect the trading market for, and trading value of, the Bonds. These factors include the level, direction and volatility of market interest rates, generally. No prediction can be made about the effect which any future public offerings of the Issuer's securities or any takeover or merger activity involving the Issuer will have on the market price of the Bonds prevailing, from time to time.

- **Early redemption**
  The Issuer has the option to redeem the Bonds, in whole or in part, at any time during the Designated Optional Redemption Period, together with any accrued and unpaid interest until the time of redemption. This optional redemption feature may condition the market value of the Bonds. Should the Issuer decide to redeem the Bonds at any time during the Designated Optional Redemption Period, the Bondholder may not be able to reinvest his monies at an equivalent or higher rate.

- **Changes in laws and regulations**
  The Bonds are based on the requirements of the Listing Rules of the Listing Authority, the Companies Act and the Commission Regulation EC No. 809/2004 of the 29th April 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council in effect as at the date of the Prospectus. No assurance can be given as to the impact of any possible judicial decision or change in law or administrative practice after the date of the Prospectus.

- **Security**
  The Bonds shall constitute the general, direct, unconditional and unsecured obligations of the Issuer and shall be guaranteed in respect of both the principal amount and the interest due under said Bonds by the Guarantor, and shall at all times rank *pari passu*, without any priority or preference among themselves, and save for such exceptions as may be provided by applicable law, shall rank without priority and preference to all other present and future unsecured obligations of the Issuer. The Bonds will, however, rank subordinate to the present secured creditors of the Issuer and the Guarantor.

  In essence, this means that Bondholders will rank *pari passu* (equally) with the other unsecured creditors of the Issuer. In addition, the Bonds are being guaranteed by the Guarantor and, therefore, Bondholders are entitled to request the Guarantor to pay both the principal amount and the interest due under said Bonds if the Issuer fails to meet any amount. The guarantee also entitles the Bondholders to take action against the Guarantor without having to first take action against the Issuer. The strength of the guarantee is directly linked to the financial position and solvency of the Guarantor.

  In virtue of the building up of the Bond Redemption Fund described in Section 5.8 of this Securities Note, creditors of the Issuer will have a right of action against the funds making up the Bond Redemption Fund in the event that the Issuer becomes insolvent.

- **Amendments to the terms and conditions of the Bond Issue**
  The terms and conditions relating to the Bonds contain provisions in Section 5.11 of this Securities Note for calling meetings of Bondholders in the event that the Issuer wishes to amend any of the terms and conditions of the Bond Issue. These provisions permit defined majorities to bind all Bondholders, including Bondholders who did not attend and vote at the relevant meeting and Bondholders who vote in a manner contrary to the majority.

- **Credit rating**
  The Issuer has not sought the credit rating of an independent rating agency and there has been no assessment by any independent rating agency of the Bonds.

- **Interest rate risk**
  Investment in the Bonds involves the risk that subsequent changes in market interest rates may adversely affect the value of the Bonds.

- **Prior ranking charges**
  The Issuer may incur further borrowings or indebtedness and may create or permit to subsist other security interests upon the whole or any part of its present or future undertakings, assets or revenues (including uncalled capital).

3. PERSONS RESPONSIBLE

This Securities Note includes information prepared in compliance with the Listing Rules of the Listing Authority for the purpose of providing Bondholders with information with regard to the Issuer and the Guarantor. Each and all of the directors of the Issuer whose names appear under the heading "Administrative, management and supervisory bodies" in Section 11.1 of the Registration Document accept responsibility for the information contained in the Prospectus. To the best of the knowledge and belief of the directors of the Issuer, who have taken all reasonable care to ensure that such is the case, the information contained in this Securities Note is in accordance with the facts and does not omit anything likely to affect the import of such information. The directors of the Issuer hereby accept responsibility accordingly.

4. KEY INFORMATION

4.1 Issue statistics

"Allocation Preference"	Applications made by Preferred Applicants completing a pre-printed Application Form and stating that the consideration for the Bonds applied for shall be settled by way of transfer to the Issuer of the Maturing Bonds held, shall be for the par value of the Maturing Bonds being transferred to the Issuer, rounded upwards to the nearest €100 or €1,000, subject to a minimum application of €1,200. Bonds applied for by Preferred Applicants by way of transfer as described above shall be allocated prior to any other allocation of Bonds;
"Amount"	€20,000,000, subject to the Over-allotment Option described below;
"Bond Issue Price"	at par (€100 per Bond);
"Denomination"	Euro (€);
"Designated Optional Redemption Period"	any day falling between and including the 9th July 2017 and the 8th July 2020 when the Issuer may, at its option, redeem part or whole of the Bonds then outstanding by giving at least thirty (30) days advance written notice to the Bondholders;
"Form"	the Bonds will be issued in fully registered and dematerialised form and will be represented in uncertificated form by the appropriate entry in the electronic register maintained on behalf of the Issuer at the Central Securities Depository of the Malta Stock Exchange;
"Governing Law and Jurisdiction"	the Bonds are governed by and shall be construed in accordance with Maltese law. The Maltese courts shall have exclusive jurisdiction to settle any disputes that may arise out of or in connection with the Bonds;
"Interest"	the Bonds shall bear interest from and including 9th July 2010 at the rate of six point two per cent (6.2%) per annum, payable semi-annually in arrears on the Interest Payment Dates;

"Interest Payment Dates"	the 9th January and 9th July of each year between 2010 and 2020. The first interest payment will be made on the 9th January 2011;
"ISIN"	MT0000231234;
"Issue"	Bonds denominated in Euro having a nominal value of €100 each, which will be issued at par and shall bear interest at the rate of 6.2% per annum;
"Issue Period"	the period between 08.30 hours on the 25th June 2010 and 12.00 hours on the 2nd July 2010 (or such earlier date as may be determined by the Issuer) during which the Bonds are available for subscription;
"Listing"	application has been made to the Listing Authority for the admissibility of the Bonds to listing and to the Malta Stock Exchange for the Bonds to be listed and traded on its Official List;
"Maturity Date"	9th July 2020, unless otherwise redeemed at the Issuer's sole discretion during the Designated Optional Redemption Period;
"Minimum amount per subscription"	one thousand, two hundred Euro (€1,200);
"Over-allotment Option"	at the sole and absolute discretion of the Issuer, additional Bonds not exceeding €5,000,000 may be issued at the Bond Issue Price to cover outstanding Applications in excess of €20,000,000;
"Plan of Distribution"	the Bonds are open for subscription to Preferred Applicants and to the general public;
"Preferred Applicant"	any holder of Maturing Bonds on the Cut-off Date;
"Redemption Value"	at par (€100 per Bond);
"Status of the Bonds"	the Bonds shall constitute the general, direct, unconditional and unsecured obligations of the Issuer and shall at all times rank *pari passu*, without any priority or preference among themselves and with other outstanding and unsecured obligations of the Issuer and the Guarantor, present and future.

4.2 Expected timetable of principal events

Issue of formal notice	10th June 2010
Pre-printed Application Forms "A" mailed to Preferred Applicants	10th June 2010
Application Forms "B" available to the general public	11th June 2010
Closing date for Preferred Applicants	23rd June 2010
Opening of subscription lists for the general public	25th June 2010
Closing of subscription lists for the general public	2nd July 2010
Announcement of basis of acceptance	9th July 2010
Commencement of Interest on the Bonds	9th July 2010
Expected dispatch of allotment advices	16th July 2010
Refund of unallocated monies	16th July 2010
Admission to Listing	21st July 2010

The Issuer reserves the right to close the Issue before the 2nd July 2010 in the event of over-subscription, in which case, the events set out in the timetable detailed above, with the exception of the date of commencement of Interest on the Bonds, shall be anticipated in the same chronological order in such a way as to retain the same number of business days between the said events.

4.3 Interest of natural and legal persons involved in the Issue

Information on the interest of any natural and legal person involved in the Issue has been disclosed under the heading ''Major shareholders and related party transactions" in Section 13 of the Registration Document, as updated in Section 6 of the Addendum forming part of the Prospectus.

As at the date of the Prospectus, Mr. George Fenech and Mr. Raymond Fenech act as directors of both the Issuer and the Guarantor. The Audit Committee of the Issuer keeps a watching brief to ensure that any conflicts of interest that may arise at any time pursuant to this state of affairs are duly and appropriately managed.

4.4 Reasons for the Issue and use of proceeds

The net proceeds of the Bond Issue amounting to approximately €19,500,000, or approximately €24,500,000 in the event of the exercise of the Over-allotment Option, will be used by the Issuer to redeem the outstanding amount of the Maturing Bonds which, as at the date of the Prospectus, amounted to €16,306,329. The remaining net proceeds of the Bond Issue will be advanced, pursuant to a loan agreement, by the Company to the Guarantor for the part re-financing of existing borrowings and the general corporate funding purposes of the SDC Group.

In the event that the Issue is not subscribed up to the amount of the Maturing Bonds, the Issuer will meet its redemption obligations through alternative funding sources.

4.5 Estimated expenses and proceeds of the Issue

The Issue will involve expenses including professional fees, publicity, advertising, printing, listing, registration, sponsor, management, registrar fees and a selling commission of 1% in respect of Bonds allotted to the Applicants and other miscellaneous costs incurred in connection with this Issue. Such expenses are estimated not to exceed €500,000 and shall be borne by the Issuer. No expenses will be specifically charged to any Bondholder who subscribes for the Bonds. The amount of the expenses will be deducted from the proceeds of the Issue, which accordingly will bring the estimated net proceeds from the Bond Issue to €24,500,000 if the Over-allotment Option is exercised in full.

5. INFORMATION CONCERNING THE BONDS

Each Bond shall be issued on the terms and conditions (the "Terms and Conditions") set out herein and, by subscribing to or otherwise acquiring the Bonds, the Bondholders are deemed to have knowledge of all the Terms and Conditions of the Bonds hereafter described and to accept and be bound by the said Terms and Conditions.

5.1 General

5.1.1 Each Bond forms part of a duly authorised issue of an aggregate principal amount of €20,000,000 6.2% bonds due 2017 - 2020 of a nominal value of €100 per Bond issued by Tumas Investments p.l.c. at par, guaranteed by Spinola Development Company Limited (the "Guarantor"). Provided that in the event that during the Issue Period the Issuer receives applications for Bonds in excess of €20,000,000, the Issuer may increase the issue of Bonds by a maximum amount of up to an additional €5,000,000 (the "Over-allotment Option"), for an aggregate principal amount of €25,000,000.

5.1.2 The issue of the Bonds has been authorised by a resolution of the board of directors of the Issuer on the 12th April 2010.

5.1.3 The Bonds shall bear interest at the rate of 6.2% per annum payable semi-annually in arrears on the 9th January and the 9th July of each year (each an "Interest Payment Date"), the first Interest Payment Date being on the 9th January 2011. Any Interest Payment Date which falls on a day other than a business day will be carried over to the next following day that is a business day.

5.1.4 Unless previously purchased and cancelled, the Bonds shall be redeemed at the Redemption Value of €100 per Bond on the 9th July 2020 (the "Maturity Date"), or in the event that the Issuer exercises the option to redeem all or any part of the Bonds at their nominal value prior to the Maturity Date, between the 9th July 2017 and the 8th July 2020 (the "Designated Optional Redemption Period") as the Issuer may determine on giving not less than thirty (30) days' notice in writing to the Bondholders.

5.1.5 The currency of the Bonds is Euro (€).

5.1.6 The Bond Issue is not underwritten and the Issuer has not established an aggregate minimum subscription level for the said Bond Issue. In the event that the Issue is not fully subscribed, and provided that the Bonds are listed on the Official List of the MSE, the subscribed portion of the Bonds shall be allocated to the respective Applicants in accordance with the terms of the Prospectus.

5.1.7 Subject to admission to listing of the Bonds to the Official List of the Malta Stock Exchange, the Bonds are expected to be assigned the following ISIN: MT0000231234.

5.1.8 The Bond shall be offered and issued to Preferred Applicants until 23rd June 2010 and to the general public during the Issue Period. Authorised Intermediaries may do so for their own account or for the account of their customers and shall, in addition, be entitled to distribute any portion of the Bonds subscribed for and allotted upon commencement of trading.

5.1.9 All persons holding Maturing Bonds (the "Preferred Applicants") on the Cut-off Date may apply for Bonds by completing the pre-printed Application Form "A" and stating that the consideration for the Bonds applied for is to be settled by way of transfer to the Issuer of the Maturing Bonds held, which transfer shall be effected at the par value of the Maturing Bonds, rounded upwards to the nearest €100 or €1,000, subject to a minimum application of €1,200. Bonds applied for by Preferred Applicants by way of transfer as described above shall be allocated prior to any other allocation of Bonds.

The Issuer has reserved a maximum amount of €17,000,000 of the amount of Bonds being issued for subscription by holders of Maturing Bonds on the Cut-off Date.

5.1.10 The balance of the Bonds not subscribed to by Preferred Applicants shall be offered and issued to the general public during the Issue Period at the Bond Issue Price.

All Applications for the subscription of Bonds by the general public must be submitted on Application Form "B" to any Authorised Intermediary between 08.30 hours of the 25th June 2010 and 12.00 hours of the 2nd July 2010 (subject to the right of the Issuer to close the Issue before the 2nd July 2010).

5.1.11 The Issuer will determine and announce the allocation policy for the Bonds within five (5) business days of the closing of the Issue Period. The results of the offer, including the allocation policy, will be announced through a press release in at least one (1) local newspaper. It is expected that allotment letters will be dispatched to Bondholders within five (5) business days of the date of the announcement of the allocation policy.

5.1.12 Subject to anticipation of dates detailed under the heading "Expected timetable of principal events" (Section 4.2 of this Securities Note) in the event of over-subscription, the Bonds will be listed on the Official List of the Malta Stock Exchange on the 21st July 2010 and such date shall constitute the date of issue, allotment as well as Listing of the Bonds. Dealing shall commence on the following trading day.

5.1.13 Should any Application not be accepted, or be accepted for fewer Bonds than those applied for, the monies or the balance of the amount paid but not allocated will be returned by the Issuer without interest by direct credit into the Applicant's bank account as indicated by the Applicant in the Application Form within five (5) business days from the date of final allocation. The Issuer will not be responsible for any loss or delays in transmission of the refunds.

5.1.14 There are no special rights attached to the Bonds other than the right of the Bondholders to payment of capital and interest (as detailed below) and in accordance with the ranking specified at Section 5.4.

5.2 Form, denomination and title

The Bonds will be issued in fully registered form, without interest coupons, in denominations of any integral multiple of €100, provided that on subscription the Bonds will be issued for a minimum of €1,200. The nominal value of the Bonds is being established to facilitate the trading therein and the exchange in definitive Bonds in accordance with the provisions of these Terms and Conditions. The Bonds, and transfer thereof, shall be registered as provided under Section 5.3 "Registration, replacement, transfer and exchange" below.

5.3 Registration, replacement, transfer and exchange

5.3.1 The Issuer will not issue certificates representing the Bonds to the Bondholders since the Bonds will be represented in uncertificated form by the appropriate entry in the Issuer's electronic register of Bondholders maintained on behalf of the Issuer at the Central Securities Depository (the "CSD") of the Malta Stock Exchange, Garrison Chapel, Castille Place, Valletta. There will be entered into such electronic register the names, addresses, ID Card number (in the case of natural persons), Registration Numbers (in the case of companies), MSE A/C numbers of the Bondholders and the number of Bonds held by them respectively, and a copy of such register will, at all reasonable times during business hours, be available for inspection by the Bondholders at the registered office of the Issuer. The CSD will issue, upon request by the Bondholder, a statement of holdings to Bondholders evidencing their entitlement to Bonds held in the register kept by the CSD. The entry in such register shall, in the absence of manifest error, be conclusive evidence of the interests of Bondholders.

5.3.2 A Bond may be transferred or transmitted only in whole (in multiples of €100) by the Bondholder in accordance with the bye-laws of the Malta Stock Exchange and any applicable laws, rules or regulations governing the transfer of the Bonds, from time to time. If Bonds are transferred or transmitted in part, the transferee thereof will not be registered as a Bondholder.

5.3.3 Any person becoming entitled to a Bond in consequence of the death or bankruptcy of a Bondholder may, upon such evidence being produced as may, from time to time, properly be required by the Issuer or the MSE, elect either to be registered himself as holder of the Bond or to have some person nominated by him registered as the transferee thereof. If the person so becoming entitled shall elect to be registered himself, he shall deliver or send to the Issuer a notice in writing signed by him stating that he so elects. If he shall elect to have another person registered he shall testify his election by transferring the Bond, or procuring the transfer of the Bond, in favour of that person. Provided always that if a Bond is transmitted or transferred in furtherance of this paragraph 5.3.3, a person will not be registered as a Bondholder unless such transmission or transfer is made in multiples of €100.

5.3.4 All transfers and transmissions are subject in all cases to any pledge (duly constituted in terms of law) of the Bonds and to any applicable laws and regulations.

5.3.5 The cost and expenses of affecting any registration of transfer or transmission in the Bonds shall be at the charge of the Bondholder or at the charge of such person as the rules and bye-laws of the MSE may, from time to time, determine.

5.3.6 The Issuer will not register the transfer or transmission of Bonds for a period of fifteen (15) business days preceding the due date for any payment of interest on the Bonds or the due date for redemption.

5.4 Status of the Bonds and negative pledge

5.4.1 The Bonds constitute the general, direct, unconditional and unsecured obligations of the Issuer and shall be guaranteed in respect of both the principal amount and the interest due under said Bonds by the Guarantor, and shall at all times rank *pari passu*, without any priority or preference among themselves, and save for such exceptions as may be provided by applicable law, shall rank without priority and preference to all other present and future unsecured obligations of the Issuer. The Bonds will, however, rank subordinate to the present secured creditors of the Issuer and the Guarantor.

Both the Issuer and the Guarantor have certain liabilities which are secured by hypothecary warranties over assets pertaining to the two entities. As at the date of this Securities Note the following secured liabilities are in place:

i. Hypothecary secured liabilities

(a) Bank of Valletta p.l.c. in its capacity as 'Trustee' – General hypothecary guarantee over the assets of the Guarantor present and future, and a special hypothecary guarantee over a number of selected apartments situated at Portomaso, St. Julian's in security of the issue of a FRN April 2004 maturing 2009 - 2011 for an amount standing at €4,076,404 (€5,241,291 as at 31st December 2009), granted by the Guarantor;

(b) HSBC Bank Malta p.l.c. – General hypothecary guarantee over the Guarantor's assets present and future, and a special hypothecary guarantee given by the Guarantor over the Hilton hotel for a loan for an amount of

€11,646,776 and for an overdraft of an amount of €698,820 (€nil balance as at 31st December 2009), granted by the Guarantor;

(c) Bank of Valletta p.l.c. – General hypothecary guarantee over the Guarantor's assets present and future, and a special hypothec in security of these facilities over the Hilton development, yacht marina, car park, commercial area and surrounding grounds in St. Julian's, in security of overdrafts for amounts of €1,630,550 (€638,690 overdraft balance as at 31st December 2009) and €698,800 (€243,277 overdraft balance as at 31st December 2009);

(d) Bank of Valletta p.l.c. – Special hypothecary guarantee over selected commercial areas at Portomaso, St. Julian's and over a number of selected floors in Portomaso Business Tower, St. Julian's in security of a loan for an amount of €9,783,368, granted by the Guarantor; and,

(e) HSBC Bank Malta p.l.c. – General hypothecary guarantee over all the Guarantor's assets present and future, and a special hypothecary guarantee given by the Guarantor in security of an overdraft of €931,749 and a loan of €2,521,000 (€2,656,186 balance as at 31st December 2009) of a fellow subsidiary company.

ii. Other liabilities

(a) Bank of Valletta p.l.c. – guarantee of €400,000 in respect of bank facilities granted to a fellow subsidiary company;

(b) bonds in issue – the €25,000,000 6.25% bonds 2014 - 2016 due to mature on the 31st July 2016 issued pursuant to a prospectus dated the 10th June 2009; and,

(c) bonds in issue – the €16,306,329 6.7% bonds 2010 - 2012 due to mature on the 9th July 2012 issued pursuant to a prospectus dated the 10th July 2002 (the "Maturing Bonds").

Relative to the Guarantor, as at 31st December 2009, total secured and/or guaranteed debt amounted to €72,847,666 (€68,859,731 in respect of liabilities held or guaranteed by the Guarantor and €3,987,935 in respect of liabilities held by fellow subsidiaries), while total assets and shareholders' equity amounted to €134,047,244 and €41,238,014 respectively.

Further to the above declaration of state of affairs, and concurrently with the preparation of the Prospectus, the Guarantor is undergoing a process of hypothecary restructuring in view of the substantial reduction of the actual contingent liabilities due. Upon the completion of such hypothecary restructuring, each individual creditor, to the exception of Bank of Valletta in its capacity as Trustee, will have a definite and limited special hypothecary guarantee over selected properties, whereas the general hypothecary guarantee which currently encumbers all assets present and future of the Guarantor will be released from other assets of the Portomaso development over which no special encumbrance with the said special hypothecary guarantee is valid. Consequent to such process, not only will all hypothecary inscriptions be reviewed and confirmed in their validity, but such process, upon completion, will also streamline and segment each individual creditor's field of operation and avoid overlapping of creditors' rights both in regard to the special hypothecary warranties and also, and particularly, in regard to the general hypothecary warranty of each individual creditor over the Portomaso development. This process will result not only in a better secured creditor position and ranking, but will also release from any hypothecary warranty other non specifically secured immovable properties pertaining to the Guarantor situated within the Portomaso development in St. Julian's. With regard to Bank of Valletta in its capacity as Trustee, the liabilities secured by the general and special hypothecary guarantees will be settled by 2011 and, consequently, such guarantees will be removed. This restructuring process is expected to be completed in the coming weeks.

5.4.2 The Issuer and Guarantor with respect to their respective assets undertake, for as long as any principal or interest under the Bonds or any of the Bonds remains outstanding, not to create or permit to subsist any Security Interest (as defined below), other than a Permitted Security Interest (as defined below), upon the whole or any part of their respective present or future assets or revenues to secure any Relevant Indebtedness (as defined below) of the Issuer and Guarantor unless the Issuer and Guarantor, in the case of the creation of a Security Interest, before or at the same time and, in any other case, promptly, take any and all action necessary to ensure that:

i. all amounts payable by them under the Bonds are secured by a Security Interest equally and rateably with the Relevant Indebtedness in question being so secured; or

ii. such other Security Interest is approved by a resolution duly passed by the Bondholders.

5.4.3 For the purposes of this Section and of Section 5.10 "Events of Default" below:

"Relevant Indebtedness" means any indebtedness in respect of:

(a) monies borrowed;

(b) any debenture, bond, note, loan, stock or other security creating or acknowledging indebtedness;

(c) any acceptance credit;

(d) the acquisition cost of any asset to the extent payable before or after the time of acquisition or possession by the party liable where the advance or deferred payment is arranged primarily as a method of raising finance or financing the acquisition of that asset;

(e) leases entered into primarily as a method of raising finance or financing the acquisition of the asset leased;

(f) amounts raised under any other transaction having the commercial effect of borrowing or raising of money;

(g) any guarantee, indemnity or similar assurance in respect of any such indebtedness.

"Security Interest" means any privilege, hypothec, pledge, lien, charge or other encumbrance which grants rights of preference to a creditor over the assets of the debtor.

"Permitted Security Interest" means:

(a) any Security Interest arising by operation of law;

(b) any Security Interest securing payment refund obligations under promise of sale agreements relating to immovable property;

(c) any Security Interest securing any indebtedness of the Issuer and Guarantor created for the sole purpose of financing or raising finance for the redemption of all the Bonds;

(d) any Security Interest securing any Relevant Indebtedness, including bank loans or overdrafts, in the ordinary course of business;

(e) any other Security Interest (in addition to those referred to in (a), (b), (c) and (d) above) securing Relevant Indebtedness of the Issuer and Guarantor in an aggregate outstanding amount, from time to time, not exceeding eighty percent (80%) of the amount resulting after taking the Relevant Value and subtracting therefrom (i) the aggregate value of the liabilities of the Issuer and Guarantor secured by Security Interests referred to in (a), (b) (c) and (d) above and (ii) the aggregate principal amount of all bonds still outstanding at the time.

Provided that the aggregate Security Interests referred to in (d) and (e) above do not result in the amount arrived at after taking the Relevant Value and subtracting therefrom the aggregate value of the liabilities of the Issuer and Guarantor secured by Security Interests referred to in (a), (b), (c), (d) and (e) above being less than one hundred and seven per cent (107%) of the aggregate principal amount of all bonds still outstanding.

"Relevant Value" means the value of the assets of the Issuer and Guarantor calculated on the basis of their book value (as reflected in the accounts of the Issuer and Guarantor) adjusted by reference to the open market value of the immovable property of the Issuer and Guarantor respectively as determined by their respective directors on the basis of independent professional advice/valuation procured by them.

5.5 Interest

5.5.1 The Bonds shall bear interest from and including 9th July 2010 at the rate of 6.2% per annum on the nominal value thereof, payable semi-annually in arrears on the 9th January and 9th July of each year, (each an "Interest Payment Date"), the first Interest Payment Date being on the 9th January 2011. Provided that any Interest Payment Date which falls on a day other than a business day, will be carried over to the next following day that is a business day. Each Bond will cease to bear interest from and including its due date for redemption, unless payment of the principal in respect of the Bond is improperly withheld or refused or unless default is otherwise made in respect of payment, in any of which events interest shall continue to accrue at the rate specified above plus one per cent (1%).

5.5.2 When interest is required to be calculated for any period of less than a full year, such interest shall be calculated on the basis of the actual number of days elapsed from and including the most recent Interest Payment Date, or as appropriate, the Issue Date divided by the actual number of days (365 or 366 as the case may be) in the respective year.

5.6 Payments

5.6.1 Payment of the principal amount of a Bond will be made by the Issuer in Euro to each Bondholder whose name is entered in the register of the Bonds held at the Central Securities Depository with interest accrued to the date fixed for redemption, by means of a direct credit against surrender of the Bonds by the Bondholders at the registered office of the Issuer or at such other place in Malta as may be notified by the Issuer. The Issuer shall not be responsible for any loss or delay in transmission. Upon payment of the Redemption Value, the Bonds shall be redeemed and the appropriate entry made in the electronic register of the Bonds at the Central Securities Depository.

5.6.2 Payment of any instalment of interest on a Bond will be made by the Issuer in Euro to each Bondholder whose name is entered in the register of the Bonds held at the Central Securities Depository at the close of business fifteen (15) business days prior to the Interest Payment Date by means of a direct credit into such bank account as the Bondholder will designate on the Interest Payment Date (provided that if any such day is not a business day such Interest Payment Date will be carried over to the next following day that is a business day). The Bondholder shall be required to make such designation in the Application Form. The Issuer shall not be responsible for any loss or delay in transmission.

5.6.3 All payments with respect to the Bonds are subject in all cases to any pledge (duly constituted) of the Bonds and to any applicable fiscal or other laws and regulations. In particular, but without limitation, all payments of principal and interest by or on behalf of the Issuer in respect of the Bonds shall be made net of any amount which the Issuer may be compelled by law to deduct or withhold for or on account of any present or future taxes, duties, assessments or other government charges of whatsoever nature imposed, levied, collected, withheld or assessed by or within the Republic of Malta or any authority thereof or therein having power to tax.

5.6.4 No commissions or expenses shall be charged by the Issuer to the Bondholders in respect of payments made in accordance with this Section 5.6. The Issuer shall not be liable for charges, expenses and commissions levied by parties other than the Issuer.

5.7 Redemption and prepayment

The Issuer hereby irrevocably covenants in favour of each Bondholder that:

(a) The Bonds will be redeemed at par (together with interest accrued to the date fixed for redemption) on the 9th July 2020 by payment direct to the Bondholders whose names are entered in the register of the Bonds held at the CSD. In such a case the Issuer shall be discharged of any and all obligations under the Bonds. The Issuer reserves the right to prepay the Bonds prior to the Maturity Date, within the Designated Optional Redemption Period, in whole or in part, together with all interest accrued up to the date of prepayment, by giving not less than thirty (30) days' prior written notice to Bondholders of its intention to effect such prepayment, specifying the date when such prepayment shall be effected. The notice of prepayment shall be effective only on actual receipt by the Bondholders and once received by such Bondholder shall be irrevocable, and shall oblige the Issuer to make and the Bondholders to accept such prepayment on the date specified in the notice.

(b) The Issuer will, until the Bonds have been paid, pre-paid or redeemed in accordance with the provisions of sub-clause (a) above, pay directly to the Bondholders by direct credit into the account indicated by them in the Application Form, interest on such principal amount for the time being outstanding on the Bonds at the rate of six point two per cent (6.2%) per annum, which shall be payable semi-annually in arrears on the 9th January and 9th July of each year. The first of such payment shall be made on the 9th January 2011.

(c) The Issuer shall be discharged from any payment obligations under this clause upon payment made net of any withholding or other taxes due or which may be due under Maltese Law and which have been paid to the Bondholders.

5.8 Covenants by the Issuer

The Issuer binds itself to ensure that it will, with effect from the end of the financial year ending on 31st December 2012, over the period up to the Maturity Date, build a reserve (the "Bond Redemption Fund"), the value of which will, by the end of such period, be equivalent to at least fifty per cent (50%) of the aggregate outstanding principal amount of the Bonds at the relevant time with a view to funding in part the repayment of capital on the Bonds on the Maturity Date. The Guarantor will, at the request of the Issuer, periodically advance the necessary funds for the build-up of this reserve. These advances will be made out of the Guarantor's net cash flows from operating activities; that is, operating profits adjusted for non-cash items and movements in working capital, net of capital expenditure and payment of taxes and net finance costs, as well as borrowing repayments.

The Bond Redemption Fund will be made up of:

(a) cash and/or deposits at banks licensed by the MFSA; and/or,

(b) debt securities issued or guaranteed by any sovereign state within the Eurozone or which is a member of the Organisation for Economic Co-Operation and Development (OECD) or other debt securities which are rated as AAA by a recognised international rating agency, without any currency exchange risk, at the lower of cost and market value; and/or,

(c) pre-payment of the Bonds within the Designated Optional Redemption Period; and/or,

(d) re-purchase of the Bonds on the open market or by tender offer,

and will be placed in the control of an independent custodian, being an entity which is duly licensed by the MFSA to carry on the business of banking in terms of the Banking Act, 1994 (Chapter 371 of the Laws of Malta) or to hold and control clients' monies and assets under the Investment Services Act, 1994 (Chapter 370 of the Laws of Malta). The funds making up the Bond Redemption Fund and any income thereon will be registered in the name of the independent custodian but will, at all times, belong to the Issuer, which shall remain the legal owner thereof. The said funds constituting the Bond Redemption Fund may only be utilised to cancel or redeem the Bonds, however, the custodian may, in the exceptional circumstance that the Issuer encounters any liquidity problems, authorise the Issuer to use all or part of said funds as collateral for the purpose of engaging in other financing arrangements.

Provided that the independent custodian may, but shall not be required or bound, to ensure or otherwise procure the creation and funding of the said Bond Redemption Fund by the Issuer.

5.9 Representations and warranties

5.9.1 The Issuer represents and warrants to the Bondholders, that shall be entitled to rely on such representations and warranties, that:

(a) it is duly incorporated and validly existing under the laws of Malta and has the power to carry on its business as it is now being conducted and to hold its property and other assets under legal title; and,

(b) no litigation, arbitration or administrative proceedings are taking place, pending or, to the knowledge of the officers of the Issuer, threatened against the Issuer which could have a material adverse effect on the business, assets or financial condition of the Issuer; and,

(c) there has been no material adverse change in the financial position of the Issuer from that set forth in the financial statements referred to in Section 2 of the Addendum forming part of the Prospectus.

5.9.2 The Prospectus contains all relevant material information with respect to the Issuer and the Guarantor and all information contained therein is in every material respect true and accurate and not misleading, and there are no other facts in relation to the Issuer, its respective businesses and financial position, the omission of which would in the context of issue of the Bonds make any statement in the Prospectus misleading or inaccurate in any material respect.

5.10 Events of default

The Bonds shall become immediately due and repayable at their principal amount, together with accrued interest, if any of the following events ("Events of Default") shall occur:

(a) the Issuer shall fail to pay any interest on any Bond when due and such failure shall continue for thirty (30) days after written notice thereof shall have been given to the Issuer by any Bondholder; or,

(b) the Issuer shall fail duly to perform or shall otherwise be in breach of any other material obligation contained in the Terms and Conditions of the Bonds and such failure shall continue for thirty (30) days after written notice thereof shall have been given to the Issuer by any Bondholder; or,

(c) an order is made or resolution passed or other action taken for the dissolution, termination of existence, liquidation, winding-up or bankruptcy of the Issuer; or,

(d) the Issuer stops or suspends payments (whether of principal or interest) with respect to all or any class of its debts or announces an intention to do so or ceases or threatens to cease to carry on its business or a substantial part of its business; or,

(e) the Issuer is unable, or admits in writing its inability, to pay its debts as they fall due or otherwise becomes insolvent; or,

(f) there shall have been entered against the Issuer a final judgment by a court of competent jurisdiction from which no appeal may be or is taken for the payment of money in excess of €1,250,000 or its equivalent and ninety (90) days shall have passed since the date of entry of such judgment without its having been satisfied or stayed; or,

(g) any default occurs and continues for ninety (90) days under any contract or document relating to any Financial Indebtedness (as defined above) of the Issuer in excess of €1,250,000 or its equivalent at any time.

5.11 Meetings of the Bondholders

5.11.1 The Issuer may, at any time, convene a meeting of Bondholders to consider and approve by Extraordinary Resolution any of the following: (i) any matter affecting their interest, including the amendment, modification, waiver, abrogation or substitution of any of the terms or conditions of the Bonds and the rights of the Bondholders, whether or not those rights arise under the Prospectus; (ii) the exchange or substitution of the Bonds by, or the conversion of the Bonds into, shares, debentures or other obligations or securities of the Issuer; and (iii) the earlier redemption or roll-over of the Bonds on their Maturity Date.

5.11.2 Notice in writing shall be given to Bondholders by the Issuer at least fourteen (14) clear days before the meeting (excluding the day on which the notice is given and the day for which it is given). The notice shall specify the date, time and location of the meeting.

5.11.3 The instrument appointing a proxy shall be deposited at least forty-eight (48) hours before the time fixed for the meeting at such place as the Issuer shall designate or approve and, in default, it shall not be valid unless the Chairman of the meeting decides otherwise before the meeting proceeds to business. A proxy need not be a Bondholder.

5.11.4 The Chairman of a meeting of Bondholders shall be the Chairman of the board of directors of the Issuer or such other person as the Issuer may nominate in writing from time to time. The Chairman of an adjourned meeting need not be the same person as the Chairman of the original meeting.

5.11.5 The following may attend and speak at a meeting of Bondholders: (i) the Chairman of the meeting; (ii) representatives and directors of the Issuer; and (iii) Bondholders and/or their proxies. No other person shall be entitled to attend or speak at a meeting.

5.11.6 Bondholders holding in aggregate at least 50% in nominal value of the Bonds for the time being outstanding (present in person or by proxy) shall constitute a quorum.

5.11.7 No business (except when choosing a Chairman in accordance with paragraph 5.11.4 above) shall be transacted at a meeting of Bondholders unless a quorum is present at the commencement of the meeting. If a quorum is not present within thirty (30) minutes from the time initially fixed for the meeting, it shall stand adjourned to such date, time and place as the Chairman may decide. If a quorum is not present within thirty (30) minutes from the time fixed for a meeting so adjourned the meeting shall be dissolved.

5.11.8 Each matter submitted to a meeting shall be decided by a show of hands unless a poll is (before or following the result of the show of hands) demanded by the Chairman. Every Bondholder shall be entitled to one (1) vote for each Bond held whether on a show of hands or on a poll. Voting, whether on a show of hands or on a poll, shall be taken in such manner as the Chairman of the meeting shall direct. The voting process shall be managed by the Company Secretary under the supervision and scrutiny of the Auditors of the Issuer.

5.11.9 An Extraordinary Resolution shall be binding on all Bondholders, whether or not present at the meeting, and each of them shall be bound to give effect to it accordingly. The Issuer shall give notice of the passing of an Extraordinary Resolution to Bondholders within fourteen (14) days, but failure to do so shall not invalidate the resolution.

5.11.10 The Chairman shall have the power to decide upon any other procedural issues that may arise in connection with meetings of Bondholders. In this clause 5.11, unless the context otherwise requires:

(a) "Extraordinary Resolution" means a resolution proposed by the Issuer and passed at a meeting duly convened and held in accordance with the provisions of this paragraph by a majority of at least 75% in nominal value of the Bondholders present at that meeting in person or by proxy;

(b) Reference to a meeting is to a meeting of Bondholders and includes any adjournment thereof.

5.12 Further issues

The Issuer may, from time to time, without the consent of the Bondholders, create and issue further Bonds, debentures, bonds or any other debt securities either having the same terms and conditions as the Bonds in all respects and so that such further issue shall be consolidated and form a single series with the Bonds or otherwise upon such terms and conditions as the Issuer may determine. Any further debt securities so issued may rank *pari passu* in all respects with the Bonds but shall not rank ahead of the Bonds.

5.13 Bonds held jointly

In respect of a Bond held jointly by several persons (including husband and wife), the joint holders shall nominate one (1) of their number as their representative and his/her name will be entered in the register with such designation. The person whose name shall be inserted in the field entitled "Applicant" on the Application Form, or the first named in the register of Bondholders shall, for all intents and purposes, be deemed to be such nominated person by all those joint holders whose names appear in the field entitled "Additional Applicants" in the Application Form or joint holders in the register, as the case may be. Such person shall, for all intents and purposes, be deemed to be the registered holder of the Bond/s so held.

5.14 Taxation

5.14.1 General

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

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

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

5.14.2 Malta tax on interest

Insofar that the Bondholder falls within the definition of "recipient" in terms of article 41(c) of the Income Tax Act (Chapter 123 of the Laws of Malta) and the said Bondholder does not elect otherwise, interest shall be paid to such person net of a final withholding tax, on the basis that the interest is paid in respect of a public issue as required in the Income Tax Act. Currently, final withholding tax is applied at a rate of ten per cent (10%) of the gross amount of the interest where the Bondholder is a collective investment scheme which is a prescribed fund, or at a rate of fifteen per cent (15%) of the said gross amount in other cases.

Bondholders which do not fall within the definition of a "recipient" do not qualify for the said rates and should seek advice on the taxation of such income as special rules may apply.

This withholding tax is considered as a final tax and a Maltese resident Bondholder who is an individual need not declare the interest so received in his income tax return. No person shall be charged to further tax in respect of such income. However, tax withheld shall in no case be available to any person as a credit against that person's tax liability or for a refund, as the case may be.

In the case of a valid election made by an eligible Bondholder to receive the interest due without the deduction of final tax, interest is paid gross and such person is obliged to declare the interest so received in his income tax return and be subject to tax on it at the standard rates applicable to that person at that time. Additionally, in this latter case the Issuer and/or Trustee will advise the Inland Revenue on an annual basis in respect of all interest paid gross and of the identity of all such recipients unless the recipient is not resident in Malta and satisfies the requisite statutory requirements.

Any such election made by a resident Bondholder at the time of the application may be subsequently changed by giving notice in writing to the Issuer and/or Trustee. Such election or revocation will be effective within the time limit set out in the Income Tax Act.

In terms of article 12(1)(c) of the Income Tax Act, Bondholders who are not resident in Malta satisfying the applicable conditions set out in the Income Tax Act are not taxable in Malta on the interest received and should receive interest gross, subject to the requisite declaration/evidence being provided to the Issuer and/or the Trustee in terms of law.

5.14.3 European Union Savings Directive

Persons who are not resident in Malta should note that payment of interest to individuals and certain entities residing in another EU Member State or in certain other states who have concluded an appropriate agreement in this regard is reported on an annual basis to the Malta Commissioner of Inland Revenue, who in turn exchanges the information with the competent authorities of the Member State where the recipient of the interest is resident. This exchange of information takes place in terms of Council Directive 2003/48/EC.

5.14.4 Malta tax on capital gains on transfer of the Bonds

On the assumption that the Bonds would not fall within the definition of "securities" in terms of the definition applicable for income tax purposes that such Bonds are held by the Bondholder as a capital asset, no tax should be chargeable in respect of a capital gain arising on the transfer of the Bonds.

Gains that arise on the transfer of the bonds, when such bonds are not held as a capital asset by the Bondholder, should be taxable in the hands of the Bondholder in accordance with the applicable provisions of the Income Tax Act.

5.14.5 Duty on documents and transfers

No Maltese duty on documents and transfers should be chargeable on the issue of the Bonds. Moreover, in terms of article 50 of the Financial Markets Act, as long as the Bonds constitute financial instruments of a quoted company on a regulated market, as is the Malta Stock Exchange, redemptions and transfers of the Bonds should be exempt from Maltese duty on documents and transfers.

5.15 Yield

For Bonds issued at the Bond Issue Price, the gross yield calculated on the basis of the interest, the Bond Issue Price and the Redemption Value of the Bonds at maturity is six point two per cent (6.2%) per annum.

5.16 Authorisations, approvals and Issue Date

The issue of the Bonds has been authorised by means of a resolution of the board of directors adopted on the 12th April 2010. The Prospectus has been authorised by means of a resolution of the board of directors adopted on the 30th April 2010.

The Listing Authority has authorised the Bonds to be admitted to Listing by virtue of a letter dated the 10th May 2010.

Application has been made to the Malta Stock Exchange for the Bonds to be issued pursuant to the Prospectus to be listed and traded on the Official List of the Malta Stock Exchange and for dealings to commence once the Bonds are authorised as admissible to Listing by the Listing Authority.

The Issue Date of the Bonds is the 21st July 2010.

5.17 Bonds held subject to usufruct

In respect of a Bond held subject to usufruct, the name of the bare owner and the usufructuary shall be entered in the register. The usufructuary shall, for all intents and purposes, be deemed vis-a-vis the Issuer to be the holder of the Bond/s so held and shall have the right to receive interest on the Bond/s and to vote at meetings of the Bondholders but shall not, during the continuance of the Bond/s, have the right to dispose of the Bond/s so held without the consent of the bare owner. In the event that an Applicant is the holder of Maturing Bonds held subject to usufruct, both the signatures of the bare owner as well as that of the usufructuary will be required in the Application Form.

5.18 Governing law and jurisdiction

5.18.1 The Bonds are governed by and shall be construed in accordance with Maltese law.

5.18.2 Any legal action, suit or proceedings against the Issuer arising out of or in connection with the Bonds shall be brought exclusively before the Maltese courts.

5.19 Notices

Notices will be mailed to Bondholders at their registered addresses and shall be deemed to have been served at the expiration of twenty-four (24) hours after the letter containing the notice is posted, and in proving such service it shall be sufficient to prove that a pre-paid letter containing such notice was properly addressed to such Bondholders at his/her registered address and posted.

5.20 Listing

The Bonds, upon issue and subscription, shall be admitted to the Official List of the Malta Stock Exchange. Accordingly, all these terms and conditions shall be read in conjunction with the Listing Rules of the Listing Authority and with the Bye-Laws of the Malta Stock Exchange, applicable from time to time.

6. TERMS AND CONDITIONS OF THE ISSUE

i. The contract created by the acceptance of an Application shall be subject to the Terms and Conditions set out herein. If any Application is not accepted or if any Application is accepted for fewer Bonds than those applied for, the Application monies or the balance of the amount paid on Application will be returned by the Issuer, without interest, by direct credit into the Applicant's bank account as indicated by the Applicant on the Application Form. The Issuer will not be responsible for any loss or delay in transmission.

ii. Subject to all other terms and conditions set out in the Prospectus, the Issuer reserves the right to reject, in whole or in part, or to scale down any Application, including multiple or suspected multiple Applications and to present any cheques and/or drafts for payment upon receipt. The right is also reserved to refuse any Application which, in the opinion of the Issuer, is not properly completed in all respects in accordance with the instructions or is not accompanied by the required documents and/or payments. Only original Application Forms will be accepted and photocopies/facsimile copies will not be accepted.

    In the case of joint Applications, reference to the Applicant in these terms and conditions is a reference to each Applicant, and liability therefor is joint and several.

iii. The consideration payable by a Preferred Applicant for the Bonds may be settled by submitting a pre-printed Application Form "A", by the transfer of all or part of the Maturing Bonds held by such Preferred Applicant together with the payment of such additional amount in cash as may be required for the purpose of rounding up to the nearest €100 or €1,000, subject to a minimum application of €1,200 (the "Maturing Bond Transfer").

The Preferred Applicant shall fill in and submit a pre-printed Application Form "A" to any Authorised Intermediary for the Bonds being applied for in exchange for Maturing Bonds. A Preferred Applicant may apply for Bonds in excess of the amount of Maturing Bonds held by completing a separate Application Form "B", attaching payment for the said excess amount of Bonds and delivering same to any Authorised Intermediary.

By submitting a signed pre-printed Application Form "A" indicating that the Maturing Bond Transfer is being selected (whether in whole or in part consideration for the Bonds being applied for), the Preferred Applicant is thereby confirming that:

(a) all or part (as the case may be) of the Maturing Bonds held by the Preferred Applicant are being transferred to the Issuer; and

(b) the pre-printed Application Form "A" constitutes the Preferred Applicant's irrevocable mandate to the Issuer to (i) cause the transfer of the said Maturing Bonds in the Issuer's name in consideration of the issue of Bonds, and (ii) engage, at the Issuer's cost, the services of such brokers or intermediaries as may be necessary to fully and effectively vest title in said Maturing Bonds in the Issuer and fully and effectively vest title in the appropriate number of Bonds in the Preferred Applicant.

As already indicated in Section 5.1.9 of this Securities Note, Preferred Applicants applying for Bonds indicating their agreement to settle the consideration for the Bonds by surrendering in the Issuer's favour Maturing Bonds of an equivalent nominal value (subject to the payment of such additional amount as may be required for the purpose of rounding up in multiples of €100 to the nearest €100 or €1,000), shall be allocated in their favour the full amount of Bonds.

A Preferred Applicant shall have preference in the allocation of Bonds solely with respect to that number of Bonds for which payment is being made by means of a Maturing Bond Transfer, with the payment of such additional amount in cash as may be required for the purpose of rounding up to the nearest €100 or €1,000, subject to a minimum application of €1,200. In the event that a Preferred Applicant applies for additional Bonds other than by Maturing Bond Transfer, no preference shall arise with respect to the excess Bonds applied for.

A Maturing Bond Transfer shall be without prejudice to the rights of Preferred Applicants to receive interest on the Maturing Bonds up to and including 9th July 2010.

The Issuer intends to settle the payment of interest due to Preferred Applicants in respect of the 6.7% coupon rate on the Maturing Bonds on the 9th July 2010 as per the terms and conditions of issue of such Maturing Bonds, and, thereafter, interest will commence to run on the 9th July 2010 in respect of the Bonds. This will apply to all Preferred Applicants who would have submitted a pre-printed Application Form and would, consequently, have exercised their option to subscribe for Bonds and settle the consideration for Bonds by transferring their Maturing Bonds to the Issuer as mentioned above.

Holders of Maturing Bonds on the Cut-off Date who do not elect to avail themselves of the possibility to roll-over their investment in terms of the procedure outlined herein shall receive all capital and accrued interest to date on the 9th July 2010.

iv. Any person, whether natural or legal, shall be eligible to submit an Application, and any one person, whether directly or indirectly, should not submit more than one Application Form. Preferred Applicants can submit one pre-printed Application Form "A" and one Application Form "B" as indicated above. In the case of corporate Applicants or Applicants having separate legal personality, the Application Form must be signed by a person authorised to sign and bind such Applicant. It shall not be incumbent on the Issuer or the Registrar to verify whether the person or persons purporting to bind such an Applicant is or are in fact authorised.

Applications in the name and for the benefit of minors shall be allowed provided that they are signed by both parents or by the legal guardian/s and accompanied by a Public Registry birth certificate of the minor in whose name and for whose benefit the Application Form is submitted. Any Bonds allocated pursuant to such an Application shall be registered in the name of the minor as Bondholder, with interest and redemption monies payable to the parents / legal guardian/s signing the Application Form until such time as the minor attains the age of eighteen (18) years, following which all interest and redemption monies shall be paid directly to the registered holder. Provided that the Issuer has been duly notified, in writing, of the fact that the minor has attained the age of eighteen (18) years.

v. All Applications for the subscription of Bonds by Preferred Applicants must be submitted on a pre-printed Application Form "A" to any Authorised Intermediary by 12.00 hours of the 23rd June 2010. All Applications for the subscription of Bonds by the general public must be submitted on an Application Form "B" to any Authorised Intermediary between 08.30 hours of the 25th June 2010 and 12.00 hours of the 2nd July 2010 (subject to the right of the Issuer to close the Issue before the 2nd July 2010). The minimum subscription amount of Bonds by any subscriber is €1,200 and subscriptions in excess of €1,200 in value must be in multiples of €100. The completed Application Forms are to be lodged with any of the Authorised Intermediaries. All Application Forms, including those which provide for subscription for additional Bonds (other than Maturing Bond Transfers), must be accompanied by the full price of the Bonds applied for in Euro and in clear funds. Payment may be made either in cash or by cheque payable to "The Registrar – Tumas Investments p.l.c. Bond Issue". In the event that cheques accompanying Application Forms are not honoured on their first presentation, the Issuer and the Registrar reserve the right to invalidate the relative Application.

vi. By completing and delivering an Application Form, you as the Applicant(s) shall:

(a) irrevocably offer to purchase the number of Bonds specified in your Application Form (or any smaller number for which the Application is accepted) at the Bond Issue Price subject to the Prospectus, the terms and conditions thereof and the Memorandum and Articles of Association of the Issuer; and,

(b) authorise the Registrar and the directors to include your name or, in the case of joint Applications the first named Applicant, in the register of debentures of the Issuer in respect of the Bonds allocated to you; and,

(c) warrant that your remittance will be honoured on first presentation and agree that, if such remittance is not so honoured, you will not be entitled to receive a registration advice, or to be registered in the register of debentures or to enjoy or receive any rights in respect of such Bonds unless and until payment in cleared funds for such Bonds is received and accepted by the Issuer (which acceptance shall be made in the absolute discretion of the Issuer and may be on the basis that the Issuer is indemnified against all costs, damages, losses, expenses and liabilities arising out of or in connection with the failure of such remittance to be honoured on first presentation) and that, at any time prior to unconditional acceptance by the Issuer of such late payment in respect of such Bonds, the Issuer may (without prejudice to other rights) treat the agreement to allocate such Bonds as void and may allocate such Bonds to some other person, in which case you will not be entitled to any refund or payment in respect of such Bonds (other than return of such late payment); and,

(d) agree that the registration advice and other documents and any monies returnable by the Issuer may be retained pending clearance of the remittance and any verification of identity as required by all applicable laws and regulations in Malta, including the Prevention of Money Laundering Act, 1994 (and regulations made thereunder) and that such monies will not bear interest; and,

(e) agree that all Applications, acceptances of applications and contracts resulting therefrom will be governed by, and construed in accordance with, Maltese law and that you submit to the jurisdiction of the Maltese courts and agree that nothing shall limit the right of the Issuer to bring any action, suit or proceeding arising out of or in connection with any such Applications, acceptances of applications and contracts in any other manner permitted by law in any court of competent jurisdiction; and,

(f) warrant that if you sign the Application Form on behalf of another party or on behalf of a corporation or corporate entity or association of persons, you have due authority to do so and such person, corporation, corporate entity, or association of persons will also be bound accordingly, and will be deemed also to have given the confirmations, warranties and undertakings contained in these terms and conditions and undertake to submit a power of attorney or a copy thereof duly certified by a lawyer or notary public if so required by the Registrar; and,

(g) agree that all documents in connection with the issue of the Bonds and any returned monies, including refunds of all unallocated Application monies, will be sent at your risk and may be sent in the case of documents by post at the address (or, in the case of joint Applications, the address of the first named Applicant) as set out in the Application Form and in the case of monies by direct credit into the Applicant's bank account as indicated by the Applicant on the Application Form; and,

(h) agree that, having had the opportunity to read the Prospectus, you have and shall be deemed to have had notice of all information and representations concerning the Issuer and the issue of the Bonds contained therein; and,

(i) confirm that in making such Application you are not relying on any information or representation in relation to the Issuer or the issue of the Bonds other than those contained in the Prospectus and you, accordingly, agree that no person responsible solely or jointly for the Prospectus or any part thereof will have any liability for any such other information or representation; and,

(j) confirm that you have reviewed and will comply with the restriction contained in paragraph vii and the warning in paragraph viii below; and,

(k) warrant that you are not under the age of eighteen (18) years or if you are lodging an Application in the name and for the benefit of a minor, warrant that you are the parents or legal guardian/s of the minor; and,

(l) agree that such Application Form is addressed to the Issuer and that in respect of those Bonds for which application has been accepted by the Issuer, you shall receive a registration advice confirming such acceptance; and,

(m) confirm that, in the case of a joint Application entered into in joint names, the first named Applicant shall be deemed the holder of the Bonds; and,

(n) agree to provide the Registrar and/or the Issuer, as the case may be, with any information which it/they may request in connection with your Application(s); and,

(o) agree that Rizzo, Farrugia & Co. (Stockbrokers) Ltd. in its capacity of Sponsor will not treat you as its customer by virtue of your making an Application for Bonds or by virtue of your Application to subscribe for Bonds being accepted and that Rizzo, Farrugia & Co. (Stockbrokers) Ltd. will owe you no duties or responsibilities concerning the price of the Bonds or their suitability for you; and,

(p) warrant that, in connection with the Application, you have observed all applicable laws, obtained any requisite governmental or other consents, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with your Application in any territory and that you have not taken any action which will or may result in the Issuer or the Registrar acting in breach of the regulatory or legal requirements of any territory in connection with the Bond Issue or your Application; and,

(q) warrant that all applicable exchange control or other such regulations (including those relating to external transactions) have been duly and fully complied with; and,

(r) represent that you are not a U.S. person (as such term is defined in Regulation "S" under the Securities Act of 1933 of the United States of America, as amended (the "Securities Act")) and that you are not accepting the invitation set out in the Prospectus from within the United States of America, its territories or its possessions, or any area subject to its jurisdiction (the "United States") or on behalf or for the account of anyone within the United States or anyone who is a U.S. person, unless indicated otherwise on the Application Form in accordance with the instructions on the Application Form; and,

(s) agree that, in all cases, any refund of unallocated Application monies will be sent to the Applicant by direct credit into the Applicant's bank account as indicated by the Applicant on the Application Form, within five (5) business days from the date of final allocation. No interest shall be due on refunds.

vii. The Bonds have not been and will not be registered under the Securities Act and accordingly may not be offered or sold within the United States or to or for the account or benefit of a U.S. person.

viii. No person receiving a copy of the Prospectus in any territory other than Malta may treat the same as constituting an invitation or offer to him/her nor should he/she in any event use such Application Form, unless, in the relevant territory, such an invitation or offer could lawfully be made to him/her or such Application Form could lawfully be used without contravention of any registration or other legal requirements. It is the responsibility of any person outside Malta wishing to make any Application to satisfy himself/herself as to full observance of the laws of any relevant territory in connection therewith, including obtaining any requisite governmental or other consents, observing any other formalities required to be observed in such territory and paying any issue, transfer or other taxes required to be paid in such territory.

ix. For the purposes of the Prevention of Money Laundering and Funding of Terrorism Regulations 2008, as subsequently amended, all Authorised Intermediaries are under a duty to communicate upon request, all information about clients as laid down in Articles 1.2(d) and 2.4 of the "Code of Conduct for Members of the Malta Stock Exchange" appended as Appendix IV to Chapter 3 of the Malta Stock Exchange Bye-Laws, irrespective of whether the Authorised Intermediaries are Malta Stock Exchange members or not. Such information shall be held and controlled by the Malta Stock Exchange in terms of the Data Protection Act (Chapter 440 of the Laws of Malta) for the purposes, and within the terms of, the Malta Stock Exchange's Data Protection Policy as published from time to time.

x. Within five (5) business days from the closing of the subscription lists, the Issuer shall, either directly or through the Registrar, determine and announce the basis of allotment to be adopted.

xi. Save where the context requires otherwise, terms defined in the Prospectus bear the same meaning when used in these terms and conditions, in the Application Forms, in the Addendum, in any of the Annexes and in any other document issued pursuant to the Prospectus.

xii. The subscription lists will open at 08.30 hours on the 25th June 2010 and will close as soon thereafter as may be determined by the Issuer, but not later than 12.00 hours on the 2nd July 2010.

xiii. If the Application Form(s) and proof of payment of cleared funds do not reach the Registrar by the close of the Issue Period, the Application will be deemed to have been declined.

xiv. Subject to all other terms and conditions set out in the Prospectus, the Issuer reserves the right to revoke the Issue at any time before the closing of the Issue Period. The circumstances in which such revocation might occur are expected to be exceptional, for example where a significant change in market conditions occurs.

xv. The Issuer has not sought assessment of the Bonds by any independent credit rating agency.

7. ADMISSION TO TRADING AND DEALING ARRANGEMENTS

Application has been made to the Listing Authority for the admissibility of the Bonds to Listing and to the Malta Stock Exchange for the Bonds to be issued pursuant to the Prospectus to be listed and traded on its Official List.

8. ADDITIONAL INFORMATION

8.1 Statement by experts

The Prospectus does not contain any statement or report attributed to any person as an expert, save for that disclosed in Section 17 of the Registration Document.

9. DOCUMENTS ON DISPLAY

The following documents or certified copies thereof, where applicable, are available for inspection at the registered office of the Issuer at Tumas Group Corporate Office, Level 3, Portomaso Business Tower, Portomaso, St. Julian's during the life of the Bond:

- The Memorandum and Articles of Association of the Issuer and the Guarantor;
- The audited financial statements of the Issuer for the financial years ended 31st December 2009, 2008 and 2007;
- The audited consolidated financial statements of the Guarantor for the financial years ended 31st December 2009, 2008 and 2007;
- The loan agreement between the Issuer and the Guarantor;
- The deed of acquisition in respect of the Halland property dated 4th June 2009;
- The guarantee given by the Guarantor to the Issuer in respect of the Bonds;
- All reports, letters, and other documents, valuations and statements prepared by any expert at the Issuer's request which are included and referred to in the Prospectus.

ADDENDUM – UPDATES TO THE REGISTRATION DOCUMENT

TABLE OF CONTENTS

1. ADVISORS TO THE ISSUER AND GUARANTOR

Legal Counsel		**Co-Manager and Registrar**	
Name:	GVTH Advocates	Name:	Bank of Valletta p.l.c.
Address:	192, Old Bakery Street, Valletta	Address:	BOV Centre, Cannon Road, Santa Venera
Sponsor		**Co-Manager**	
Name:	Rizzo, Farrugia & Co. (Stockbrokers) Ltd.	Name:	HSBC Bank Malta p.l.c.
Address:	Airways House, Third Floor, High Street, Sliema	Address:	Head Office, 233, Republic Street, Valletta
Reporting Accountants			
Name:	PricewaterhouseCoopers		
Address:	167, Merchants Street, Valletta		

To date the advisors named under this heading have no beneficial interest in the share capital of the Issuer or the Guarantor. Additionally, no transactions have been entered into by the Issuer or the Guarantor with any of the advisors referred to above.

2. SELECTED FINANCIAL INFORMATION

2.1.1 Selected financial information of the Issuer

The historical information of the Issuer is available for inspection as set out under the heading "Documents on display" in Section 13.4 of the Summary as well as on the Tumas Group's website (www.tumas.com).

The most recent financial statements available for inspection are the audited financial statements of the Issuer for the financial year ended 31st December 2009. The audited financial statements of the Issuer for financial years 31st December 2008 and 31st December 2007 are also available for inspection. There were no significant changes to the financial or trading position of the Issuer since the 31st December 2009.

Extracts from the audited financial statements of the Issuer for the three financial years ended 31st December 2007 to 2009 are set out below:

Income Statement Extracts for the years ended 31st December	**2009** **Actual** **€'000**	**2008** **Actual** **€'000**	**2007** **Actual** **€'000**
Finance income	2,433	1,744	1,736
Finance costs	(2,321)	(1,655)	(1,656)
Net interest income	**112**	**89**	**80**
Administrative expenses	(67)	(54)	(54)
Profit before tax	**45**	**35**	**26**
Tax expense	(16)	(12)	(9)
Profit for the year	**29**	**23**	**17**

Statement of Financial Position Extracts

as at 31st December	2009 Actual €'000	2008 Actual €'000	2007 Actual €'000
Investments - Loans and receivables	50,807	26,089	26,089
Total non-current assets	**50,807**	**26,089**	**26,089**
Trade and other receivables	1,631	797	990
Current tax assets	2	1	-
Cash and cash equivalents	243	242	10
Total current assets	**1,876**	**1,040**	**1,000**
Total assets	**52,683**	**27,129**	**27,089**
Share capital	233	233	233
Retained earnings	196	167	144
Total equity	**429**	**400**	**377**
Borrowings	50,806	26,018	25,976
Deferred tax	9	25	40
Total non-current liabilities	**50,815**	**26,043**	**26,016**
Trade and other payables	1,423	686	691
Current tax	16	-	5
Total current liabilities	**1,439**	**686**	**696**
Total liabilities	**52,254**	**26,729**	**26,712**
Total equity and liabilities	**52,683**	**27,129**	**27,089**

Statement of Cash Flow Extracts

for the years ended 31st December	2009 Actual €'000	2008 Actual €'000	2007 Actual €'000
Net cash from/(used in) operating activities	3	232	(3)
Issue of loan to Spinola Development Company Limited	(24,719)	-	-
Net cash used in investing activities	(24,719)	-	-
Issue of Bonds 2014 - 2016	25,000	-	-
Bond issue costs	(283)	-	-
Net cash from financing activities	24,717	-	-
Movement in cash and cash equivalents	1	232	(3)
Cash and cash equivalents at the beginning of the year	**242**	**10**	**13**
Cash and cash equivalents at the end of the year	**243**	**242**	**10**

2.1.2 Indebtedness of the Issuer

The Bonds are guaranteed by Spinola Development Company Limited (the "Guarantor") and the Issuer's bank loan is secured by specific property owned by the Guarantor. Related finance costs are also guaranteed by the Guarantor. The capital management of the Company, therefore, consists of a process of regularly monitoring the financial position of the Guarantor.

The Guarantor forecasts a borrowing ratio of 62% as at 31st December 2010 (2009: 60%) as noted below. This ratio expresses the Guarantor's borrowings as a percentage of the aggregate net assets funded also by shareholders' equity. The Guarantor's borrowings are stated net of any funds placed in a Bond Redemption Fund (as defined in Section 5.8 of the Securities Note) for the redemption of its own liabilities.

2.2.1 Selected financial information of the Guarantor

The historical information of the Guarantor is available for inspection as set out under the heading "Documents on display" in Section 13.4 of the Summary as well as on the Tumas Group's website (www.tumas.com).

The most recent financial statements available for inspection are the audited consolidated financial statements of the Guarantor for the financial year ended 31st December 2009. The audited financial statements of the Guarantor for financial years 31st December 2008 and 31st December 2007 are also available for inspection. There were no significant changes to the financial or trading position of the Guarantor since the 31st December 2009.

Extracts from the audited consolidated financial statements of the Guarantor for the three financial years ended 31st December 2007 to 2009 have been extracted from the consolidated financial statements of the Guarantor. These financial statements incorporate the SDC Group which comprises Spinola Development Company Limited (the "Guarantor") and its subsidiaries, Portomaso Leasing Company Limited and Halland Developments Company Limited.

Income Statement Extracts

for the years ended 31st December	**2009 Actual €'000**	**2008 Actual €'000**	**2007 Actual €'000**
Revenue	33,208	35,287	33,242
Cost of sales	(22,143)	(24,380)	(22,950)
Gross profit	**11,065**	**10,907**	**10,292**
Administrative expenses	(5,403)	(5,496)	(5,040)
Other operating losses	(302)	-	(146)
Operating profit	**5,360**	**5,411**	**5,106**
Investment and finance income	303	362	255
Finance costs	(3,431)	(3,280)	(2,779)
Profit before tax	**2,232**	**2,493**	**2,582**
Tax expense	(833)	(1,014)	(1,101)
Profit for the year	**1,399**	**1,479**	**1,481**

Supplementary information - analysis of profit before interest, tax, depreciation and amortisation

Sale of apartments and office space	2,241	2,751	3,678
Ongoing operations	8,101	7,602	6,050
Total EBITDA	**10,342**	**10,353**	**9,728**

Statement of Financial Position Extracts

as at 31st December

	2009 Actual €'000	2008 Actual €'000	2007 Actual €'000
Property, plant and equipment	69,425	70,813	65,980
Investment property	14,591	14,825	14,711
Intangible assets	-	7	18
Trade and other receivables	10,052	-	-
Total non-current assets	**94,068**	**85,645**	**80,709**
Inventories	21,733	12,608	10,415
Trade and other receivables	13,916	19,207	14,283
Current tax assets	-	359	225
Cash and cash equivalents	4,330	7,772	5,774
Total current assets	**39,979**	**39,946**	**30,697**
Total assets	**134,047**	**125,591**	**111,406**
Share capital	13,653	13,653	8,153
Revaluation and other reserves	7,305	7,392	7,544
Retained earnings	20,280	18,994	17,780
Total equity	**41,238**	**40,039**	**33,477**
Borrowings	66,810	56,155	49,130
Trade and other payables	2,000	-	466
Provision for other liabilities and charges	2,858	3,252	3,311
Total non-current liabilities	**71,668**	**59,407**	**52,907**
Borrowings	4,022	3,176	3,535
Trade and other payables	16,499	22,969	21,487
Current tax liabilities	620	-	-
Total current liabilities	**21,141**	**26,145**	**25,022**
Total liabilities	**92,809**	**85,552**	**77,929**
Total equity and liabilities	**134,047**	**125,591**	**111,406**

Statement of Cash Flow Extracts

for the years ending 31st December	2009 Actual €'000	2008 Actual €'000	2007 Actual €'000
Net cash (used in)/from operating activities	(1,014)	5,330	(964)
Net cash used in investing activities	(13,687)	(9,562)	(5,483)
Net cash from financing activities	10,004	7,026	5,551
Movements in cash and cash equivalents	**(4,697)**	**2,794**	**(896)**
Cash and cash equivalents at the beginning of the year	**7,341**	**4,547**	**5,443**
Cash and cash equivalents at the end of the year	**2,644**	**7,341**	**4,547**

2.2.2 Comparison between the actual and forecasted reported results for the financial year ended 31st December 2009

In the year ended 31st December 2009, the Guarantor reported profit after tax of €1,398,932 as compared to the €972,000 profit forecast prepared for the purpose of inclusion in the prospectus dated 10th June 2009 in relation to the issue of €25,000,000 6.25% bonds to the public.

The improvement in profit after tax emanated mainly from higher revenue generated from the rental of commercial property and lower costs, comprising amongst others depreciation and amortisation charges, finance costs and tax. This improvement more than offset the lower revenue and contribution generated from hospitality and ancillary operations and property development operations.

2.2.3 Capitalisation and indebtedness of the Guarantor

The capital of the Guarantor is managed with a view of maintaining a controlled relationship between capital and gearing in order to maintain an optimal capital structure which reduces the cost of capital. To maintain or adjust its capital structure, the Tumas Group may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt.

Total capital employed is measured by reference to the amounts reflected in the financial statements where the hotel and ancillary assets are stated at re-valued amounts that are regularly assessed and updated. Equity includes a portion of revaluation surplus on property not yet released dating back to 1994 when property inventory was reclassified from non-current assets. No account is taken of any further fair value accretion appertaining to trading property inventory since that date. No account is taken of the fair value surplus (net of deferred tax) that may appertain to the carrying amount of investment property.

Structural borrowings include all interest bearing borrowings, less cash and cash equivalents, which includes the bond redemption fund for the Floating Rate Note (the "FRN") bond (in the books of the Guarantor). Borrowings include loans from Tumas Investments p.l.c. whose unsecured bonds and bank borrowings are secured and guaranteed by the Guarantor.

The following table sets out the capitalisation and indebtedness of the Guarantor as at 31st December 2009 and the pro forma estimate after reflecting the Issue of the Bonds and the allocation of the proceeds to the Guarantor and the re-financing and redemption of the Maturing Bonds.

As at 31st December	**2009 Pro forma €'000**	**2009 Actual €'000**
Non-current assets	94,068	94,068
Net working capital	21,501	16,530
Total capital employed including working capital	**115,569**	**110,598**
Total borrowings	75,832	70,832
Cash and cash equivalents	(4,330)	(4,330)
Total indebtedness	**71,502**	**66,502**
Deferred taxation	2,858	2,858
Shareholders funds	41,209	41,238
Total capital employed	**44,067**	**44,096**
Net indebtedness as a proportion of total capital employed	**62%**	**60%**
Interest cover (times)	**3.26**	**3.31**
Debt/asset cover (times)	**1.62**	**1.67**

No covenants going beyond normal lending terms (governing use of funds, security, insurance arrangements, observance of relevant laws and regulations, etc) and which may in any way impede the future operations of SDC are attached to any of the company's borrowings.

3 HISTORY AND DEVELOPMENT OF THE ISSUER

In June 2009 the Company issued to the public in Malta €25,000,000 6.25% bonds due 2014 - 2016 having a nominal value of €100 each and issued at par. The bonds are guaranteed by SDC and will, unless previously purchased and cancelled, be redeemed by the Company on the 31st July 2016, but the Company may elect, at its discretion, to redeem the bonds in the said bond issue in whole or in part, prior to their final maturity date on the dates falling between the 31st July 2014 and the 30th July 2016. Interest on the bonds is payable semi-annually in arrears on the 31st January and the 31st July of each year between 2010 and 2016, with the first interest payment having become due and having been duly paid on the 31st January 2010. The proceeds from the bonds were advanced by the Company to SDC for the re-financing of existing borrowings and its general financing needs.

The bonds issued by the Company in June 2009 constitute the general, direct, unconditional, unsecured and unsubordinated obligations of the Issuer and rank *pari passu* at all times, without any priority or preference and with all other outstanding unsecured obligations of the Issuer, other than subordinated obligations, if any.

Under the terms of the 2009 bond issue, the Company and the Guarantor, with respect to their respective assets, undertook for as long as any principal or interest under the bonds or any of the bonds is to remain outstanding, not to create or permit to subsist any Security Interest (as defined in Section 5.4.3 of the Securities Note), other than a Permitted Security Interest (as defined in the said Section 5.4.3), upon the whole or any part of their respective assets, including future assets, or revenues to secure any Relevant Indebtedness (as defined in the said Section 5.4.3) of the Company or the Guarantor unless at the same time or prior thereto the Company and the Guarantor ensure that all amounts payable by them under the bonds are secured by a Security Interest equally and rateably with the Relevant Indebtedness in question being so secured.

4 BUSINESS OVERVIEW AND TREND INFORMATION

4.1 The Issuer

Tumas Investments p.l.c. is a fully-owned subsidiary of the Tumas Group and has been set up to act as a financing company. Accordingly, its business is limited to the raising of capital for the financing of capital projects and the loaning of such capital to SDC, the collection of interest from SDC and the settlement, in turn, of interest payable on capital raised from third parties, typically via the issue of listed bonds.

4.2 Reasons for the Issue and use of proceeds

The net proceeds of the Bond Issue amounting to approximately €19,500,000, or approximately €24,500,000 in the event of the exercise of the Over-allotment Option, will be used by the Issuer to redeem the outstanding amount of the Maturing Bonds which, as at the date of the Prospectus, amounted to €16,306,329. The remaining net proceeds of the Bond Issue will be advanced, pursuant to a loan agreement, by the Company to the Guarantor for the part re-financing of existing borrowings and the general corporate funding purposes of the SDC Group.

In the event that the Issue is not subscribed up to the amount of the Maturing Bonds, the Issuer will meet its redemption obligations through alternative funding sources.

4.3 The Portomaso project

The Portomaso project was launched by SDC in 1996 and constituted the largest private sector real estate development hitherto undertaken in the Maltese Islands.

The project is a unique waterfront development enjoying a very central position on Malta's north eastern shore. It is situated in the heart of St. Julian's, Malta's popular commercial and leisure district, less than five minutes walk away from the picturesque Spinola Bay and just off the island's main roads system.

Portomaso comprises a variety of complementary elements imaginatively blended together to create a balanced overall development. The project is constructed around a sheltered excavated marina that extends the natural waterfront of the site and serves to enhance the environment of all the constituent components. These comprise the Hilton Malta hotel (including the convention centre), residential apartments, the business tower, commercial areas, catering outlets, extensive underground car parking facilities and the marina itself. The highly commended award for Marina Developments Worldwide was awarded by International Homes Magazine for three consecutive years branding Portomaso "The best waterfront address on the island". Another award was received from the British Association of Landscaping Industries (BALI) for best landscaping.

Construction of the project as originally conceived was largely completed in 2004, with subsequent works consisting mainly of finishes to apartments in line with buyer specifications; and of a 110 room extension to the Hilton Malta hotel that was completed in spring 2008. At the start of 2010 an additional 6 serviced apartments were handed over to the hotel.

In late 2007, SDC commenced construction work on a new residential wing which will come to form an integral part of the Portomaso project and which is expected to be completed and delivered to buyers in the main during 2011.

A further development on the east shore of the Portomaso site is being contemplated. Although an application has been submitted, this development is still in its initial planning stage, and its potential contribution towards the success of the project has, at this stage, been completely excluded from SDC's business and financial plans.

The overall land, construction and financing expenditure on the Portomaso project is expected to total circa €222,000,000. This amount includes the construction costs yet to be incurred to complete the project, estimated by the directors of SDC at €15,500,000, and which will be met from the operating cash flows of the company and from borrowing facilities both from capital markets and local banks. Given the very advanced stage of completion of the project, the experience gained throughout its development and the routine nature of most of the remaining works, the directors of SDC consider that the risks of any material cost overruns and delays up to project completion stage will be contained within the contingency allowances built into the company's estimates.

There has been no material adverse change in the prospects of the Issuer since the date of its last published audited financial statements.

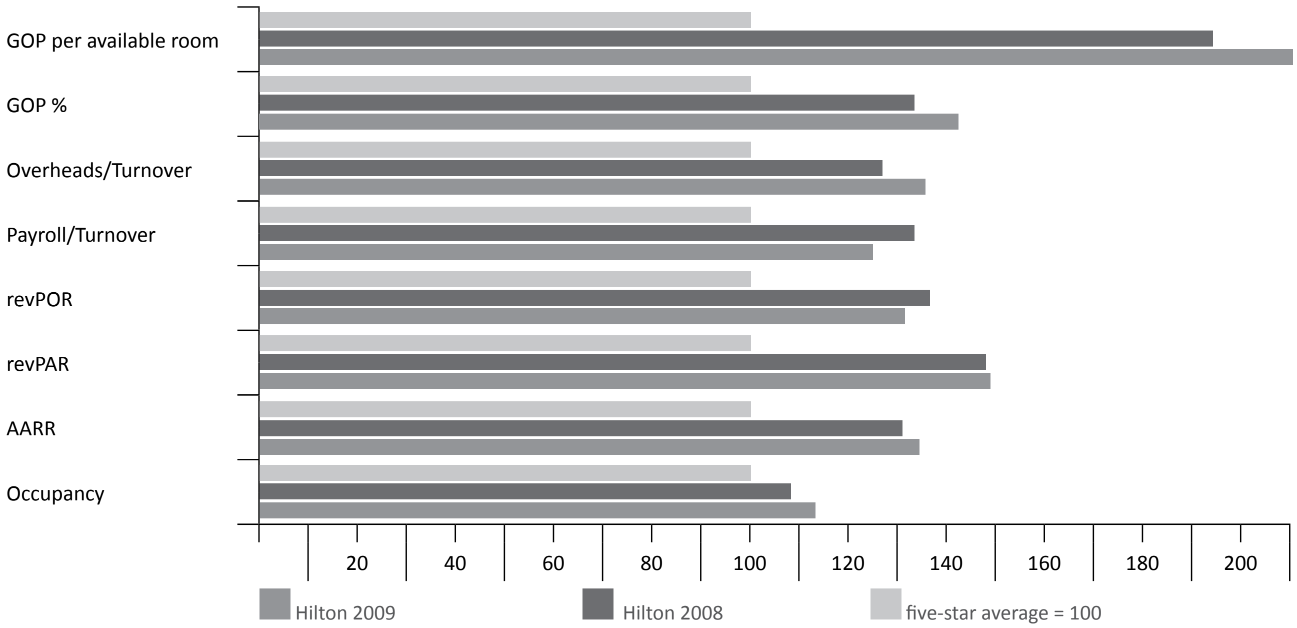
Hilton Malta

The Hilton Malta is one of the foremost operating units within the overall project. The 410 room five star hotel welcomed its first guests in February 2000 and has established itself as a leader in its market category. The hotel complex includes modern conference facilities, a state-of-the-art health centre, theme restaurants, banquet halls, a large indoor pool area, a number of outside pools and a beach club.

The hotel was designed and developed in co-operation with Hilton International, which had for many years operated the previous hotel, since demolished, to make space for the project. Hilton International enjoy a management agreement with SDC to market and manage the hotel, and the adjacent conference centre, as an integral part of its world-wide chain. The operating agreement is based on standard industry norms and provides for a remuneration package that is based on performance. The agreement has an initial term of 15 years, ending in 2015 and is subject to further renewals of successive periods of 5 years each, up to a maximum overall term of 40 years.

The hotel has returned a strong performance in its operations to date, making it one of the most successful five-star hotels in Malta. Its profitability has grown consistently since inception, with the exception of late 2005, 2006 and 2007, which were inevitably impacted by the building of the hotel extension, but which delivered satisfactory results nevertheless. The extension was completed in 2008 and 2009 was the first full year of the enlarged hotel.

The leading position occupied by the Hilton Malta in the local five star hotel sector is amply illustrated by the following statistics relating to 2009:



GOP	Gross operating profit	GOP%	GOP as a percentage of turnover
Overheads/Turnover	Overheads as a proportion of turnover	Payroll/Turnover	Payroll as a proportion of turnover
revPOR	Revenue per occupied room	PAR	Revenue per available room
AARR	Average achieved room rate		

Note: The above information obtained from the Deloitte MHRA survey 2009 and the Hilton Malta has been accurately reproduced and, as far as the Issuer is aware and is able to ascertain from the information published, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Residential apartments

The Portomaso project comprises a total of 457 apartments, including a recently added apartment block which is at an advanced stage of construction. Up to the 31st December 2009, 359 apartments had been sold, for a total consideration of €155,000,000.

The remaining 98 apartments that had yet to be sold at 31st December 2009 included 67 apartments that are currently subject to promise of sale agreements. The majority of these apartments are located within the new block, and comprise relatively smaller units in the context of the project as a whole. Payments on account received by SDC on these agreements up to the 31st December 2009 total €2,200,000.

The total unsold stock of 98 apartments has an expected sales value estimated at €43,000,000, comprising the following:

Number of apartments	Status	Estimated or agreed value
		€’000
67	Subject of a promise of sale agreement	22,443
31	Held for sale	20,349
98		42,792

For the purpose of the above analysis, apartments that are already subject to promise of sale agreements have been valued at the amounts contracted therefor. The other remaining apartments have been stated at the directors’ expectations of their selling prices, based upon prices attained in recent comparable sales within the project.

Commercial and office developments

The commercial and office developments within Portomaso comprise the following lettable areas:

Offices situated within the Portomaso Business Tower	3,627 sqm
Commercial spaces including the Arkadia Supermarket, Café Portomaso, the Casino at Portomaso, Luxe Pavilion, Club ‘Twenty-Two’ and various other retail and catering outlets	9,639 sqm
Public car park	1,200 spaces
Portomaso marina	120 berths

Occupancy within the Portomaso Business Tower and within the various commercial elements comprising the project has, as expected, increased substantially as the project matured and major development works ceased. Portomaso is today a hive of activity, for the common benefit of all its stakeholders and tenants.

Financial position and gearing of the project

The principal assets of SDC and its subsidiary companies as at 31st December 2009 comprised:

- The Hilton Malta hotel and conference centre, and the various office and commercial elements described above, which in 2009 yielded an EBITDA (earnings before interest, tax, depreciation and amortisation) of €8,101,000;
- Unsold apartments having an estimated value of €43,000,000, from which one has to deduct estimated costs to completion of €15,500,000, deposits already received of €2,200,000 and estimated costs of disposal of circa 5% (€2,100,000);
- The directum dominium up to 2114 and the subsequent freehold thereafter of the entire Portomaso site.

The total borrowings of SDC and its subsidiary companies as at 31st December 2009 amounted to €70,832,000, comprising the following:

		Scheduled repayment			
	Balance 2009	**by 2010**	**by 2011**	**between 2012 & 2014**	**beyond 2014**
	€'000	**€'000**	**€'000**	**€'000**	**€'000**
Bank borrowings	12,529	2,857	1,975	5,926	1,771
FRN secured bonds	5,236	1,165	4,071	-	-
Loans from Tumas Investments p.l.c.	50,523	16,306	-	29,377	4,840
Loans from other fellow subsidiaries	2,544	-	-	2,544	-
	70,832	20,328	6,046	37,847	6,611

The financial objective of the SDC Group is that of maintaining a healthy balance between ongoing debt and equity, such that gearing is retained at a level of circa 25% to 30% of the market value of long-term commercial assets, including the hotel. The objective is that of optimising the cost of capital and maximising shareholder returns. The company is, accordingly, aiming to reduce long-term borrowings to circa €30,000,000 to €35,000,000 in the long-term.

The attainment of the company's financial objective will, accordingly, necessitate the regular reassessment of the company's long-term debt profile (with bullet loans or bonds) that facilitates balance sheet stability. This Bond Issue is being made primarily to help attain this objective.

This assessment excludes the value added contribution which can be derived from new property developments which could be undertaken by SDC and which are being referred to in this section.

4.4 Portomaso - trading prospects

The continued success of Portomaso depends on the prevailing economic conditions impacting its ongoing operations with a lower degree of construction taking place relative to other business operations. The risks related to real estate development no longer apply to Portomaso in any material respect.

The Hilton Malta is currently the single largest long-term component of the project. As with any hotel establishment, the Hilton Malta is exposed to risks associated with the incoming travel industry. The hotel also enjoys significant business traveller patronage.

As experienced during 2009, the outlook facing the hotel industry is still a subdued one, given the persistent global negative economic outlook, including the main overseas markets that impact Malta. SDC's projections for 2010 and the immediate future is hence a sober one. In fact, SDC has revised its hotel projections downwards in consonance with current market expectations. Despite this, the hotel's resilience in the face of this downturn has been encouraging as above-average results for 2009 have been reported. The hotel's recent extension together with the addition of six served apartments (added in 2010) should enable the hotel to have the necessary capability to meet the eventual expected increased demand. Efforts to retain tight cost control have been pursued during the course of 2009 leading to a leaner operation that should better position the operation to meet future competition.

Looking at the longer term, the directors remain confident that the hotel's leading position within the local market, and its international branding, will both serve to maintain and improve profitability.

Where commercial property is concerned, the SDC Group draws comfort from the continued high occupancy levels prevalent within Portomaso; and from the quality of the counterparties with whom SDC and Portomaso Leasing Company Limited are dealing. As in any large property development, Portomaso experienced a fairly significant turnover of tenants in its initial years, particularly on retail and catering units. This process of change has over the years resulted in the cessation of weaker tenants, and in their replacement by new operators who have better adapted to the particular features of the project. Anchor units such as Arkadia Supermarket, Café Portomaso, the Casino at Portomaso and Club 'Twenty-Two', amongst many others, are now very well established and constitute a stable core.

Very high occupancy has been attained within the Portomaso Business Tower with a quick take-up as and when leasing space becomes available. This building remains a prestigious and unique business address. The tower houses a wide variety of tenants, but the major part of its occupants are linked, in different manners, to Malta's financial services industry which remains a focal point of Malta's future economic development. This augurs well for the continued success of the tower. The directors are encouraged as well by the steady stream of requests received for office facilities within this office block.

While the sale of residential apartments has been a major success and constituted the large part of the project's income to date, the significance of this segment is today largely reduced. As explained earlier in this section, apartments and car parking spaces for sale as at 31st December 2009 are estimated to have a realisable value of €43,000,000. SDC's future sales expectations recognise that 67 apartments having a value of €22,400,000 are already subject to promise of sale agreements; and that the currently adverse economic scenario may result in the other remaining sales to completion materialising at a slower pace than has hitherto been the case.

4.5 Other projects

It is the intention of the Tumas Group to use SDC and its subsidiary companies for other real estate developments, going beyond Portomaso.

The first such project is likely to entail the redevelopment of the Halland site, situated at Ibragg, Swieqi.

The Halland was initially constructed as an aparthotel but has since been overtaken by further development that has converted its environs into what is predominantly a residential area. The building is covered by the North Harbours Local Plan approved by MEPA in July 2006. This policy encourages the redevelopment of this property for residential use, and permits such redevelopment to the height delineated by the existing structure (as detailed in Maps SW2 and SW4 of the local plan).

Further details of the property and of its redevelopment potential are contained in the valuation report by DeMicoli & Associates set out in Annex C. The existing developed site occupied by the Halland Hotel, built to retain its existing height, would accommodate a development of circa 9,000 square meters of saleable residential volume.

The directors are confident on the outlook for this project, given the location and unobstructed views offered by the Halland site. Further works on the design of the project were undertaken and it is the intention of the directors that an initial application for the appropriate permits is to be lodged with MEPA in the near future. At the end of 2009, the hotel ceased operations and it is planned that redevelopment works will commence once permits are in hand and market conditions are considered appropriate.

The SDC Group will be looking at other initiatives that could be exploited by better leveraging its long-term property holdings. For instance, the Tumas Group owns a second hotel property that is operated by Hilton International, located in Evian, France. Once the operations of this property mature, it may consider expanding its overseas hotel holdings, alone or in partnership with others, and for this purpose may at that stage concentrate the ownership of such properties within SDC.

The initiatives detailed above represent, respectively, a long-term project at a very early stage of gestation and a potential opportunity that, while receiving due consideration, is still a tentative one at this stage. Accordingly, the financial plans of the SDC Group are not dependent on either of these potential initiatives coming to fruition. They serve to illustrate, nevertheless, the general financing needs and the potential sources of additional revenue that the SDC Group may have, in future years, going beyond the Portomaso project.

5 ADMINISTRATION AND MANAGEMENT OF THE GUARANTOR

5.1 Directors

The Memorandum of Association of SDC provides that the board of directors shall be composed of not less than two (2) and not more than three (3) directors, who are nominated by the shareholders. As at the date of the Prospectus, the board of the Guarantor is composed of the following persons:

Name:	**George Fenech**; Executive Chairman and Managing Director
Address:	Apartment 51, Block 11, Portomaso, St. Julian's
Name:	**Raymond Fenech**; Executive director
Address:	Zotos, Triq il-Qasba, Swieqi

Mr. Angelo Fenech is no longer a director of the company due to his demise.

The two (2) directors of the Guarantor occupy senior positions within the Tumas Group of companies and are remunerated by the ultimate parent company rather than by the Guarantor for carrying out functions on behalf of the Tumas Group.

Mr. Ray Sladden occupies the position of company secretary.

5.2 Directors' service contracts

None of the directors have definite service contracts with SDC. Their appointment is made directly by the shareholders.

5.3 Removal of directors

A director may, unless he resigns, be removed by an ordinary resolution of the shareholders as provided by Section 140 of the Act.

5.4 Powers of directors

The directors are, by virtue of the Articles of Association of SDC, empowered to transact all business that is not by the Articles expressly reserved for the shareholders in general meeting.

5.5 Working capital of the Issuer and the Guarantor

As at the date of the Prospectus, the directors of both the Issuer and the Guarantor are of the opinion that working capital available to the Issuer and the Guarantor, respectively, is sufficient for the attainment of their objects and the carrying out of their respective business for the next twelve (12) months of operations.

6 MAJOR SHAREHOLDERS

6.1 Directors' interests

The following two (2) directors of the Issuer and of the Guarantor hold shares in Tumas Group Company Limited (C 7820), which is the major shareholder in the Issuer and which holds the majority of shares in Spinola Investments Ltd (C 8034), which in turn is the major shareholder in the Guarantor.

Their respective shareholding in Tumas Group Company Limited is as follows:

Name of director	Number of shares held
George Fenech	1 special "B" share of €2.329373 5,893 ordinary shares of €2.329373 each
Raymond Fenech	5,893 ordinary shares of €2.329373 each

To date Mr. George Fenech and Mr. Raymond Fenech act as directors of both the Issuer and the Guarantor. The Audit Committee of the Issuer keeps a watching brief to ensure that any conflicts of interest that may arise at any time pursuant to this state of affairs are duly and appropriately managed.

7. FINANCIAL INFORMATION CONCERNING THE ISSUER'S AND GUARANTOR'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFIT AND LOSSES

7.1 Historical financial information

The Issuer's and the Guarantor's audited financial statements for the financial years ended 31st December 2009, 31st December 2008 and 31st December 2007 respectively have been audited by PricewaterhouseCoopers, certified public accountants, Malta.

7.2 Age of latest financial information

The latest audited financial statements available in respect of the Issuer and the Guarantor relate to the financial year ended 31st December 2009 as approved for issuance by the board of directors on the 23rd April 2010. These are available on the Tumas Group's website at www.tumas.com.

7.3 Legal and arbitration proceedings

There have been no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) during a period covering 12 months prior to the date of the Prospectus which may have, or have had, in the recent past significant effects on the financial position or profitability of the Issuer.

7.4 Significant change in financial or trading position

There has been no significant change in the financial or trading position of the Issuer or the Guarantor which has occurred since 31st December 2009. Furthermore, the Issuer hereby confirms that there has been no material change or recent development which could adversely affect potential investors' assessments in respect of the Bonds to be issued pursuant to the Prospectus other than the information contained in this Addendum.

ANNEX A - GUARANTEE

THE GUARANTEE

SPINOLA DEVELOPMENT COMPANY LIMITED

Level 3, Portomaso Business Tower,
Portomaso, St. Julian's.

To All Bondholders:
We make reference to the issue of €20,000,000 6.2% bonds due 2017-2020 (the "Bonds") by Tumas Investments p.l.c. (the "Issuer") pursuant to and subject to the terms and conditions contained in the Prospectus dated 9th June 2010.

Now, therefore, by virtue hereof we, Spinola Development Company Limited, hereby stand surety jointly and severally with the Issuer and irrevocably and unconditionally guarantee the due and punctual performance of all the obligations undertaken by the Issuer under the Bonds and, without prejudice to the generality of the foregoing, undertake to pay all amounts of principal and interest which may become due and payable should the Issuer default in paying the Bondholders under the Bonds.

We understand that the aggregate principal amount of Bonds issued by the Issuer may be increased by a maximum amount of €5,000,000 in the event that the Issuer exercises its Over-allotment Option, in which event this guarantee shall extend to such increased amount.

All words and expressions used in this guarantee in their capitalised form shall, unless the context otherwise requires, have the same meaning assigned to them in the Prospectus.

This guarantee shall be governed by the laws of Malta.

Signed and executed on this the 29th April 2010, after approval of the board of directors of Spinola Development Company Limited at its meeting of the same date.

George Fenech
Managing Director

Raymond Fenech
Director

Directors: George Fenech and Raymond Fenech
Company Reg. No. C 331

ANNEX B - PART 1
FORECAST FINANCIAL INFORMATION OF THE ISSUER

TABLE OF CONTENT - FORECAST FINANCIAL INFORMATION OF THE ISSUER

Summary of significant assumptions and accounting policies

1. Introduction

The forecast financial statements of Tumas Investments p.l.c. (the "Issuer") for the financial year ending 31st December 2009 have been prepared to provide financial information for the purposes of inclusion in the Prospectus of Tumas Investments p.l.c. dated 10th June 2009. These forecast financial statements, set out on pages 90 to 91, and the assumptions below are the sole responsibility of the directors of the Issuer.

The forecast financial statements for the year ending 31st December 2009 have been based on the following unaudited financial information:

a) the management accounts of the Issuer for the three months ended 31st March 2009;
b) the forecast financial information of the Issuer covering the period 1st April 2009 to 31st December 2009.

The prospective financial information is intended to show a possible outcome based on assumptions as to future events, which the directors expect to take place, and on actions the directors expect to take. Events and circumstances frequently do not occur as expected and therefore actual results may differ materially from those included in the prospective financial information. Attention is drawn, in particular, to the risk factors set out in the Prospectus which describe the primary risks associated with the business to which the prospective financial information relates.

The directors have exercised due care and diligence in adopting these assumptions. The forecast financial information was formerly approved on the 10th June 2009 and the stated assumptions reflect the judgements made by the directors at that date. The assumptions that the directors believe are significant to the prospective financial information are set out in Section 3 below.

2. Significant accounting policies

The significant accounting policies of the Issuer are set out in its audited financial statements for the financial year ended 31st December 2008. Where applicable, these accounting policies, in so far as they relate to recognition and measurement criteria, have been consistently applied in the preparation of the forecast financial statements.

3. Basis of preparation and principal assumptions

The principal assumptions relating to the environment in which the Issuer operates, and the factors which are exclusively outside the influence of the directors and which underlie the forecast financial statements are the following:

- there will be no material adverse events originating from market and economic conditions including spending levels, exchange rate movements, employment and job growth, which would endanger the ability of Spinola Development Company Limited to meet its commitments to the Issuer;
- the Issuer will continue to enjoy the confidence of its bankers;
- the basis and rates of taxation will not change materially throughout the period covered by the forecast.

The principal assumptions relating to the environment in which the Issuer operates, and the factors which the directors can influence and which underlie the forecast financial information, are the following:

3.1 Finance income

3.1.1 The Issuer's forecast revenue relates to interest receivable from Spinola Development Company Limited and has been forecast on the basis of the Over-allotment Option being exercised. In the case of floating interest rate loans, the forecast has been based on interest rates applicable at the date of approving the Prospectus.

3.2 Finance costs

3.2.1 Finance costs represent, in the main, the interests due on bonds in issue and on bank loans, and have been forecast at the appropriate contracted rates. In the case of floating interest rate loans, the forecast has been based on interest rates applicable at the date of approving the Prospectus.

3.3 Taxation

3.3.1 Tax is provided at 35% of the chargeable income for the year.

4. Conclusion

The directors of Tumas Investments p.l.c. believe that the assumptions on which the forecasts are based are reasonable. The directors further believe that, in the absence of unforeseen circumstances outside their control, the working capital available to the Issuer will be sufficient for the carrying out of its business.

Approved by the board of directors on the 10th June 2009 and signed on its behalf by:

Mr George Fenech
Chairman

Mr Raymond Fenech
Director

Forecast Income Statement

for the year ending 31st December 2009	Forecast €'000
Finance income	2,331
Finance costs	(2,197)
Net interest income	134
Administrative expenses	(93)
Profit before tax	41
Tax expense	(18)
Profit for the year	23
Earnings per share (cents)	23

Forecast Statement of Financial Position

as at 31st December 2009	Forecast €'000
ASSETS	
Investments - Loans and receivables	45,851
Total non-current assets	45,851
Trade and other receivables	835
Current tax assets	6
Cash and cash equivalents	313
Total current assets	1,154
Total assets	47,005
EQUITY AND LIABILITIES	
Share capital	233
Retained earnings	190
Total equity	423
Borrowings	45,857
Deferred tax liabilities	10
Total non-current liabilities	45,867
Trade and other payables	715
Total current liabilities	715
Total liabilities	46,582
Total equity and liabilities	47,005

Forecast Statement of Cash Flows

for the year ending 31st December 2009

	Forecast €'000
Operating activities	
Cash generated from operations	**109**
Income tax paid	**(38)**
Net cash from operating activities	**71**
Investing activities	
Issue of loans and receivables	**(24,420)**
Proceeds from loans and receivables	**4,658**
Net cash used in investing activities	**(19,762)**
Financing activities	
Proceeds from new bond issue	**25,000**
Bond issue costs	**(580)**
Repayment of bank loans	**(4,658)**
Net cash from financing activities	**19,762**
Net movement in cash and cash equivalents	**71**
Cash and cash equivalents at the beginning of the year	**242**
Cash and cash equivalents at the end of the year	**313**

Forecast Statement of Changes in Equity

for the year ending 31st December 2009

	Share capital €'000	Retained earnings €'000	Total €'000
Balance at 1st January 2009	233	167	**400**
Profit for the financial year - total recognised income for 2009	-	23	**23**
Balance at 31st December 2009	**233**	**190**	**423**

PRICEWATERHOUSECOOPERS

PricewaterhouseCoopers
PO Box 61 VLT 1000
167 Merchants Street
Valletta VLT 1174
Malta
Telephone +356 21 247 000
Facsimile +356 21 244 768
www.pwc.com

The Directors
Tumas Investments p.l.c.
Tumas Group Corporate Office
Level 3
Portomaso Business Tower
Portomaso
St. Julian's
Malta

10th June 2009

Dear Sirs,

Independent Accountants' Report on the forecast financial statements of Tumas Investments p.l.c.

We report on the forecast financial statements of Tumas Investments p.l.c. for the financial year ending 31st December 2009, which comprise the forecast income statement, statement of financial position, statement of cash flows, and statement of changes in equity. The forecast financial statements are set out under Annex B of Tumas Investments p.l.c.'s (the "Company") Prospectus dated 10th June 2009 on pages 90 and 91.

This report is required in terms of rule 9.19 of the Listing Rules issued by the Listing Authority of the Malta Financial Services Authority and is given for the purpose of complying with that regulation and for no other purpose.

Director's responsibility for the forecast financial statements

The directors are responsible for the preparation of the forecast financial statements together with the notes and assumptions on which they are based in accordance with the Listing Rules issued by the Listing Authority of the Malta Financial Services Authority and EU Regulation EC 809/2004, as set out on pages 88 to 91.

Accountants' responsibility

Our responsibility is to form an opinion, in terms of the requirements of Listing Rule 9.19 and Annex IV item 9.2 of EU Regulation EC 809/2004, as to whether the forecast financial statements, in so far as the application of the underlying accounting policies and accuracy of calculations are concerned, have been properly compiled on the basis adopted by the directors of the Company.

The forecast financial statements and the assumptions on which they are based relate to the future and may be affected by unforeseen events. The variation between forecast and actual results may be material. Consequently, we express no opinion on the validity of the assumptions on which the forecast financial statements are based nor on how closely the results actually achieved will compare with the forecast financial statements.

Basis for opinion

We have examined the basis of compilation and the accounting policies of the accompanying forecast financial statements of the Company for the year ending 31st December 2009 in accordance with the International Standard on Assurance Engagements 3000 - Assurance Engagements Other than Audits or Reviews of Historical Financial Information. Our work included an evaluation of the procedures undertaken by the directors in compiling the forecast financial statements and the consistency of the forecast financial statements with the accounting policies adopted by the Company.

We have planned and performed our work so as to obtain all the information and the explanations which we considered necessary in order to provide us with reasonable assurance that the forecast financial statements, in so far as the accounting policies and calculations are concerned, have been properly compiled on the basis stated.

Opinion

In our opinion:

- the forecast financial statements have been properly compiled on the basis stated; and
- this basis is consistent with the accounting policies normally adopted by the Company.

Further, we emphasise that the forecast financial statements are not intended to, and do not, provide all the information and disclosures necessary to give a fair presentation of the results of the operations of the Company in accordance with International Financial Reporting Standards as adopted by the EU.

The opinion is solely intended for the purposes of the Prospectus dated 10th June 2009. Readers are cautioned that the forecast financial statements may not be appropriate for any other purpose. We accept no responsibility to any other person in respect of, arising out of, or in connection with our work.

Yours faithfully,

Romina Soler
Partner
for and behalf of

PRICEWATERHOUSECOOPERS

167, Merchants Street,
Valletta,
Malta

ANNEX B - PART 2

TABLE OF CONTENT - FORECAST CONSOLIDATED FINANCIAL INFORMATION OF THE GUARANTOR

Summary of significant assumptions and accounting policies

1. Introduction

The consolidated forecast financial statements of Spinola Development Company Limited (the "Guarantor") and its subsidiary companies for the financial year ending 31st December 2009 have been prepared to provide financial information for the purposes of inclusion in the Prospectus of Tumas Investments p.l.c. dated 10th June 2009. These consolidated forecast financial statements, set out on pages 98 to 100, and the assumptions below are the sole responsibility of the directors of the Guarantor.

The consolidated forecast financial statements for the year ending 31st December 2009 have been based on the following unaudited financial information:

a) the management accounts of the Guarantor and its group undertakings for the three months ended 31st March 2009;
b) the forecast financial information of the Guarantor and its group undertakings covering the period 1st April 2009 to 31st December 2009.

The prospective financial information is intended to show a possible outcome based on assumptions as to future events, which the directors expect to take place, and on actions the directors expect to take. Events and circumstances frequently do not occur as expected and therefore actual results may differ materially from those included in the prospective financial information. Attention is drawn, in particular, to the risk factors set out in the Prospectus which describe the primary risks associated with the business to which the prospective financial information relates.

The directors have exercised due care and diligence in adopting these assumptions. The consolidated forecast financial information was formerly approved on the 10th June 2009 and the stated assumptions reflect the judgements made by the directors at that date. The assumptions that the directors believe are significant to the prospective financial information are set out in Section 3 below.

2. Significant accounting policies

The significant accounting policies of the Guarantor are set out in its audited consolidated financial statements for the financial year ended 31st December 2008. Where applicable, these accounting policies, in so far as they relate to recognition and measurement criteria, have been consistently applied in the preparation of the consolidated forecast financial statements.

3. Basis of preparation and principal assumptions

The principal assumptions relating to the environment in which the Guarantor operates, and the factors which are exclusively outside the influence of the directors and which underlie the consolidated forecast financial statements are the following:

- there will be no material adverse events originating from market and economic conditions including spending levels, exchange rate movements, employment and job growth, beyond those already reflected in the forecasts;
- the Guarantor will continue to enjoy the confidence of its suppliers and bankers;
- there will be no material cost overruns on budgeted capital expenditure;
- the basis and rates of taxation will not change materially throughout the period covered by the forecast.

The principal assumptions relating to the environment in which the Guarantor operates, and the factors which the directors can influence and which underlie the forecast financial information, are the following:

3.1 Revenues

3.1.1 The revenues of the Guarantor relate principally to income receivable from the Hilton Malta, the sale of apartments, office and retail rentals, the car park and the marina.

3.1.2 The revenue forecast on the Hilton Malta has been based on management budgets, flexed to reflect bookings in hand and other available sources of information relevant to forming an understanding of the likely outcome of the current financial year. Key assumptions on which the forecast for the full year is based include the total available room nights, which reflect an increase of 9% over 2008; and the average revenue per available room, which is a function both of occupancy and yield, and which is projected to reduce by 10% when compared to 2008.

3.1.3 The second major item of revenue relates to the sale of a number of residential units which have been or will be handed over to the purchasers during 2009. Revenue earned from these long-term contracts is recognised upon the delivery of the contracted items and is included in the financial statements as revenue. Total revenue for 2009 is forecast at €5,600,000, comprising a total of six units (of which four have already been contracted as at the date of the Prospectus).

3.1.4 The revenue forecasts in respect of office, retail and marina rentals are based on existing tenant agreements. Car parking revenues have been forecast largely on the basis of the income experienced in previous years.

3.2 Cost of sales

3.2.1 Cost of sales includes direct costs incurred and the indirect cost allocations during the year. Depreciation costs on the hotel are accounted for as an operational cost.

3.2.2 Direct costs within the hotel operation have been forecast on the basis of normal levels of expenditure adjusted, where applicable, to reflect the level and type of occupancy forecast for 2009.

3.2.3 Direct costs incurred in relation to the property development are accounted for as part of the development costs until project completion and classified in the financial statements as inventories. Direct costs incurred in developing the residential apartments and related car parking spaces are transferred from inventories to the income statement on sale.

3.2.4 Direct costs comprise the cost of land together with other costs incurred during its subsequent development including:

- the costs incurred on development works, demolition, site clearance, excavation, construction and finishing works;
- the cost of various design and other studies conducted in connection with the project together with architect fees, project management costs, legal expenses and marketing costs; and
- any borrowing costs, net of any interest receivable attributable to the development phases of the project.

3.2.5 Indirect costs include inter alia pre-project costs, depreciation, administrative and finance overheads. The amount transferred to cost of sales is based on the direct costs incurred in that year.

3.2.6 Depreciation is calculated on the straight-line method to allocate the cost of the assets to their residual values over their estimated useful lives. The depreciation charge is based on the Guarantor's fixed asset base adjusted for forecast additions and disposals during the year and on the following depreciation rates:

	%
Buildings	2 - 14
Mechanical and electrical equipment	5 - 25
Furniture, fixtures and operational equipment	7 - 50

Freehold land and land held on perpetual emphyteusis are not depreciated.

3.3 Administrative expenses

3.3.1 Administrative expenses consist primarily of payroll, advertising, professional fees, certain depreciation costs and other general overheads and expenses.

3.4 Financial expenses

3.4.1 Interest on borrowings outstanding in the period covered by the forecast, including the interests due on the amounts due to the Issuer, have been computed on the basis of contracted rates. In the case of floating interest rate loans, the forecast has been based on interest rates applicable at the date of approving the Prospectus.

3.5 Taxation

3.5.1 Tax is provided at 35% of the chargeable income for the year.

3.5.2 Deferred tax is provided using the liability method for all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes.

4. Conclusion

The directors of Spinola Development Company Limited believe that the assumptions on which the forecasts are based are reasonable. The directors further believe that, in the absence of unforeseen circumstances outside their control, the working capital available to the Guarantor will be sufficient for the carrying out of its business.

Approved by the board of directors on the 10th June 2009 and signed on its behalf by:

Mr George Fenech
Chairman

Mr Raymond Fenech
Director

Forecast Consolidated Income Statement

for the year ending 31st December 2009

	Forecast €'000
Revenue	**35,004**
Cost of sales	**(23,725)**
Gross profit	**11,279**
Administrative expenses	**(5,950)**
Operating profit	**5,329**
Investment and finance income	**232**
Finance costs	**(3,712)**
Profit before tax	**1,849**
Tax expense	**(877)**
Profit for the year	**972**
Earnings per share (cents)	**7.1**

Supplementary information - analysis of profit before interest, tax, deprecation and amortisation

Sale of apartments and office space	**2,855**
Ongoing operations	**7,995**
Total EBITDA	**10,850**

Forecast Consolidated Statement of Financial Position
as at 31st December 2009

	Forecast
	€'000
ASSETS	
Property, plant and equipment	**68,429**
Investment property	**23,906**
Intangible assets	**7**
Total non-current assets	**92,342**
Inventories	**15,045**
Trade and other receivables	**18,640**
Current tax assets	**64**
Cash and cash equivalents	**6,042**
Total current assets	**39,791**
Total assets	**132,133**
EQUITY AND LIABILITIES	
Share capital	**13,653**
Revaluation and other reserves	**7,248**
Retained earnings	**19,694**
Total equity	**40,595**
Borrowings	**59,145**
Provision for other liabilities and charges	**2,992**
Total non-current liabilities	**62,137**
Trade and other payables	**29,401**
Total current liabilities	**29,401**
Total liabilities	**91,538**
Total equity and liabilities	**132,133**

Forecast Consolidated Statement of Cash Flows
for the year ending 31st December 2009

	Forecast €'000
Cash flows from operating activities	
Cash generated from operations	**10,402**
Interest received	**232**
Interest paid	**(3,712)**
Income tax paid	**(838)**
Net cash generated from operating activities	**6,084**
Cash flows from investing activities	
Net purchases of property, plant and equipment and investment property	**(7,208)**
Net cash used in investing activities	**(7,208)**
Cash flows from financing activities	
Proceeds from bank borrowings	**1,616**
Repayments of bank borrowings	**(21,565)**
Net proceeds from loans from fellow subsidiaries	**19,763**
Dividends paid	**(420)**
Contribution to bond redemption fund	**(362)**
Net cash used in financing activities	**(968)**
Net movement in cash and cash equivalents	**(2,092)**
Cash and cash equivalents at the beginning of the year	**7,341**
Cash and cash equivalents at the end of the year	**5,249**

Forecast Consolidated Statement of Changes in Equity
for the year ending 31st December 2009

	Share capital €'000	Revaluation and other reserves €'000	Retained earnings €'000	Total equity €'000
Balance at 1st January 2009	13,653	7,392	18,994	**40,039**
Movement in deferred tax determined on the basis applicable to capital gains	-	4	-	**4**
Transfer upon realisation through inventory disposals, net of deferred tax	-	(148)	148	**-**
Net (expense)/income recognised directly in equity	-	(144)	148	**4**
Profit for the financial year	-	-	972	**972**
Total recognised income for 2009	-	(144)	1,120	**976**
Dividends for 2009	-	-	(420)	**(420)**
Balance at 31st December 2009	**13,653**	**7,248**	**19,694**	**40,595**

PRICEWATERHOUSECOOPERS

PricewaterhouseCoopers
PO Box 61 VLT 1000
167 Merchants Street
Valletta VLT 1174
Malta
Telephone +356 21 247 000
Facsimile +356 21 244 768
www.pwc.com

The Directors
Spinola Development Company Limited
Tumas Group Corporate Office
Level 3
Portomaso Business Tower
Portomaso
St. Julian's
Malta

10th June 2009

Dear Sirs,

Independent Accountants' Report on the forecast consolidated financial statements of Spinola Development Company Limited

We report on the forecast consolidated financial statements for the financial year ending 31st December 2009 of Spinola Development Company Limited (the "Guarantor") and its subsidiary companies, which comprise the forecast consolidated income statement, statement of financial position, statement of cash flows, and statement of changes in equity. The forecast consolidated financial statements are set out under Annex B of Tumas Investments p.l.c.'s (the "Company") Prospectus dated 10th June 2009 on pages 98 to 100.

This report is required in terms of rule 9.19 of the Listing Rules issued by the Listing Authority of the Malta Financial Services Authority and is given for the purpose of complying with that regulation and for no other purpose.

Director's responsibility for the forecast consolidated financial statements

The directors of the Guarantor are responsible for the preparation of the forecast consolidated financial statements together with the notes and assumptions on which they are based in accordance with the Listing Rules issued by the Listing Authority of the Malta Financial Services Authority and EU Regulation EC 809/2004, as set out on pages 95 to 100.

Accountants' responsibility

Our responsibility is to form an opinion, in terms of the requirements of Listing Rule 9.19 and Annex IV item 9.2 of EU Regulation EC 809/2004, as to whether the forecast consolidated financial statements, in so far as the application of the underlying accounting policies and accuracy of calculations are concerned, have been properly compiled on the basis adopted by the directors of the Guarantor.

The forecast consolidated financial statements and the assumptions on which they are based relate to the future and may be affected by unforeseen events. The variation between forecast and actual results may be material. Consequently, we express no opinion on the validity of the assumptions on which the forecast consolidated financial statements are based nor on how closely the results actually achieved will compare with the forecast consolidated financial statements.

Basis for opinion

We have examined the basis of compilation and the accounting policies of the accompanying forecast consolidated financial statements of the Guarantor for the year ending 31st December 2009 in accordance with the International Standard on Assurance Engagements 3000 - Assurance Engagements Other than Audits or Reviews of Historical Financial Information. Our work included an evaluation of the procedures undertaken by the directors of the Guarantor in compiling the forecast consolidated financial statements and the consistency of the forecast consolidated financial statements with the accounting policies adopted by the Guarantor.

We have planned and performed our work so as to obtain all the information and the explanations which we considered necessary in order to provide us with reasonable assurance that the forecast consolidated financial statements, in so far as the accounting policies and calculations are concerned, have been properly compiled on the basis stated.

Opinion

In our opinion:

- the forecast consolidated financial statements have been properly compiled on the basis stated; and
- this basis is consistent with the accounting policies normally adopted by the Guarantor.

Further, we emphasise that the forecast consolidated financial statements are not intended to, and do not, provide all the information and disclosures necessary to give a fair presentation of the results of the operations of the Guarantor in accordance with International Financial Reporting Standards as adopted by the EU.

The opinion is solely intended for the purposes of the Prospectus dated 10th June 2009. Readers are cautioned that the forecast financial statements may not be appropriate for any other purpose. We accept no responsibility to any other person in respect of, arising out of, or in connection with our work.

Yours faithfully,

Romina Soler
Partner
for and behalf of

PRICEWATERHOUSECOOPERS

167, Merchants Street,
Valletta,
Malta

ANNEX C - ARCHITECT'S VALUATION

Postal Address: 8/5 Portomaso Tower, Portomaso PTM01 - Malta.
tel: [+356] 21381500 **fax:** [+356] 21381600 **e-mail:** info@danda.com.mt **web:** www.danda.com.mt

DeMicoli & Associates
Architects

The Board of Directors
Tumas Investments p.l.c.

3rd June 2009

Architect's Valuation of the Halland site belonging to Halland Developments Limited

1. SCOPE OF VALUATION

In accordance with your instructions, the undersigned is hereby carrying out a Valuation of the sites occupied by the Halland Hotel at Tal-Ibragg. A detailed report is submitted hereunder.

It is understood that the purpose of the Valuation Report is in connection with the proposed bond issue, and that a copy of this report will be included with the Prospectus, in accodance with the Listing Rules for Property Companies.

The undersigned is carrying out this valuation as an external valuer in terms of, and with regard given to, the UK Royal Institute of Chartered Surveyors (RICS) Appraisal and Valuation Manual. The valuation is based on direct knowledge of the site, and its potential for residential purposes, as well as such inspections and investigations as are, in the professional judgement of the undersigned, appropriate and possible in the circumstances. The valuation relies on information provided by the directors, and their professional advisers, as far as concerns tenure, privileges, charges and other related matters. The valuation is nevertheless based on the assumption that no harmful and hazardous materials have been used in the construction of the existing property,or have since been incorporated, and that there is no contamination in or from the ground.
The undersigned has relied on the floor areas taken from the plans prepared in our offices.

2. BASIS OF VALUATION

In considering the market value of the property, consideration of the definition of "Market Value" of both the Royal Institute of Chartered Surveyors' Appraisal and Valuation Manual, and that of the European Council Directive, was taken.

The latter's definition of "Market Value" is as follows;

Market Value shall mean the price at which the land site could be sold under private contract between a willing buyer and a willing seller in an arm's length transaction on the date of the valuation. It is being assumed that the property is publicly exposed to the market, that market conditions permit orderly disposal and that a normal period, having regard to the nature of the property, is available for the negotiation of the sale.

Furthermore, the Open Market Value is defined as the best price at which an interest in property might reasonably be expected to be sold, on the date of the valuation, assuming:

(a) a willing seller

(b) a reasonable period within which to negotiate the sale, taking into account the nature of the property and the state of the market.

(c) that values remain static during that period

(d) the property will be freely exposed on the open market

3. LOCATION AND BRIEF DESCRIPTION OF THE PROPERTY

The property is located on high ground at the edge of Tal-Ibragg bordering Madliena, on the topmost side of the valley end (see site plan). It is bounded to the North by the main road, to the West, South and East by other properties belonging to third parties. There is a small winding road dividing the site. The site of the hotel is bounded by this winding road to the West of the road, whilst the rest of the site which is green and not built is to the East of the winding road.

The site covers approximately 7627 square meters of sloping land at the top of the valley side, divided as follows;

A. area of 4037 s.m. at present occupied by the Halland Hotel

B. area of 3590 s.m. green area for landscaping purposes

The hotel, which is approximately about 30 years old, is intended to be demolished in order to provide space for residential development. No specific value has therefore been attached to the existing buildings on the site.

Moreover, in attaching a value to the land, a deduction has been made in respect of the expected cost of demolishing the existing structure and of clearing the site.

The site is favourably located on Triq l-Ibragg which connects St. Andrew's and Madliena. The road is reasonably wide, and the site lends itself to a residential development, as it overlooks the valley and will thus offer excellent views from the back of the apartments, especially the higher floors, which will enjoy the better views.

4. ACCESS ROADS TO THE SITE.

The main access to the site is from the existing main road which leads to the main road of Bahar-ic-caghaq in one direction, and to Madliena on the other.

5. TENURE

The site is subject to an annual perpetual ground rent of € 1281.16 (LM 550), otherwise free and unencumbered with all its rights and appurtenances, with vacant possession, free from, privileges, hypothecs, charges, litigation, taxes, levies, easements and/or any other burdens.

(The ground rent is currently being redeemed by the company).

6. LOCAL PLAN.

The site qualifies as building land, and it is designated a Residential Priority Area in the Swieqi South, Tal-Ibragg and St. Andrew's Policy Map no. SW2. In Map no. SW4, Swieqi South Tal-Ibragg and St. Andrew's Building Heights and Urban Design Map, the

building height limitation is "to retain the existing building heights", which is the potential height being taken into consideration in this valuation.

7. DEVELOPMENT OF THE SITE.

An application for planning permission will soon be submitted to cover the construction of 51 large units. The building height of the block varies and rises to eight storeys, but the maximum height allowable in the proposal will be the same as the existing building according to MEPA policies.

The building existing on the site, the Halland Hotel, was allowed to go up to eight stories on condition that a large area be left green more in line with today's Floor Area Ratio Policy.

In the proposal, there will be 154 car parking spaces on three levels, having a gross floor area of 6000 s.m..

The development will comprise the following units;

36 three-bedroomed units

9 two-bedroomed units

6 duplex units

for a total of 51 units.

The approximate area of the three-bedroomed unit is 250 to 300 s.m., a two-bedroomed unit has 115 s.m., and the duplex units have 149 s.m. The greater part of the units are therefore large by any standard, and will cater for the higher income bracket. In this respect, the development will be quite unique for Malta. The majority of the apartments have 40.s.m. of terraces, and all the units have very good views to enjoy.

There will be common amenities to be enjoyed by all the residents. These include an internal swimming pool, a fitness centre, a retail area and a reception/lounge space.

The valuation is based on the assumption that the replacement to the existing building will offer a net saleable volume equivalent to the volume of the existing hotel building.

8. SOURCE OF INFORMATION

Information was given to the undersigned by Mr. Ray Sladden, the Finance Director of the Tumas Group.

Other information has been obtained from the drawings being designed by Messrs. DeMicoli & Associates, and from the undersigned's inspections of the site

The professional qualifications of the valuer are

Raymond DeMicoli, I.D. card no. 780252 (M) is a warranted perit no. 105, year of issue 1976, in terms of Section 7(3) of the Architecture and Civil Engineering Professionals (PERITI) Act 1996.

There is no information to be included in this valuation report with regard to listing rules 14.7.1.6, 14.7.1.8, 14.7.1.11, 14.7.1.12, 14.7.7.

VALUATION

After taking into consideration all matters which to our knowledge affect the value of the property under scrutiny, including the locality at the top of a valley, the size of the site, the prevalent local market condition, the potential of the proposal as a residential development, the volume of developable space, the common amenities of the complex, the excellent views enjoyed from all rooms, the car parking provision and all the other factors which effect the value of the property, we consider that the market value of the site on the open market as of today, based on the present capital value in existing state, net of demolition cost, is in the region of **€ 9,000,000** (nine million Euros).

The Halland property is being valued on the use of the land without attributing any value to the building which in the current state makes it of uneconomic use.

The directors had no interest in any acquisitions or disposals during the two years preceding the valuation. Moreover, as of the date of this valuation, the directors have not
decided as to when the development is to commence. It follows that listing rules 14.10.4 and 14.10.5 do not apply at this moment in time, precisely because the commencement date is not known.

10. CONFIDENTIALITY

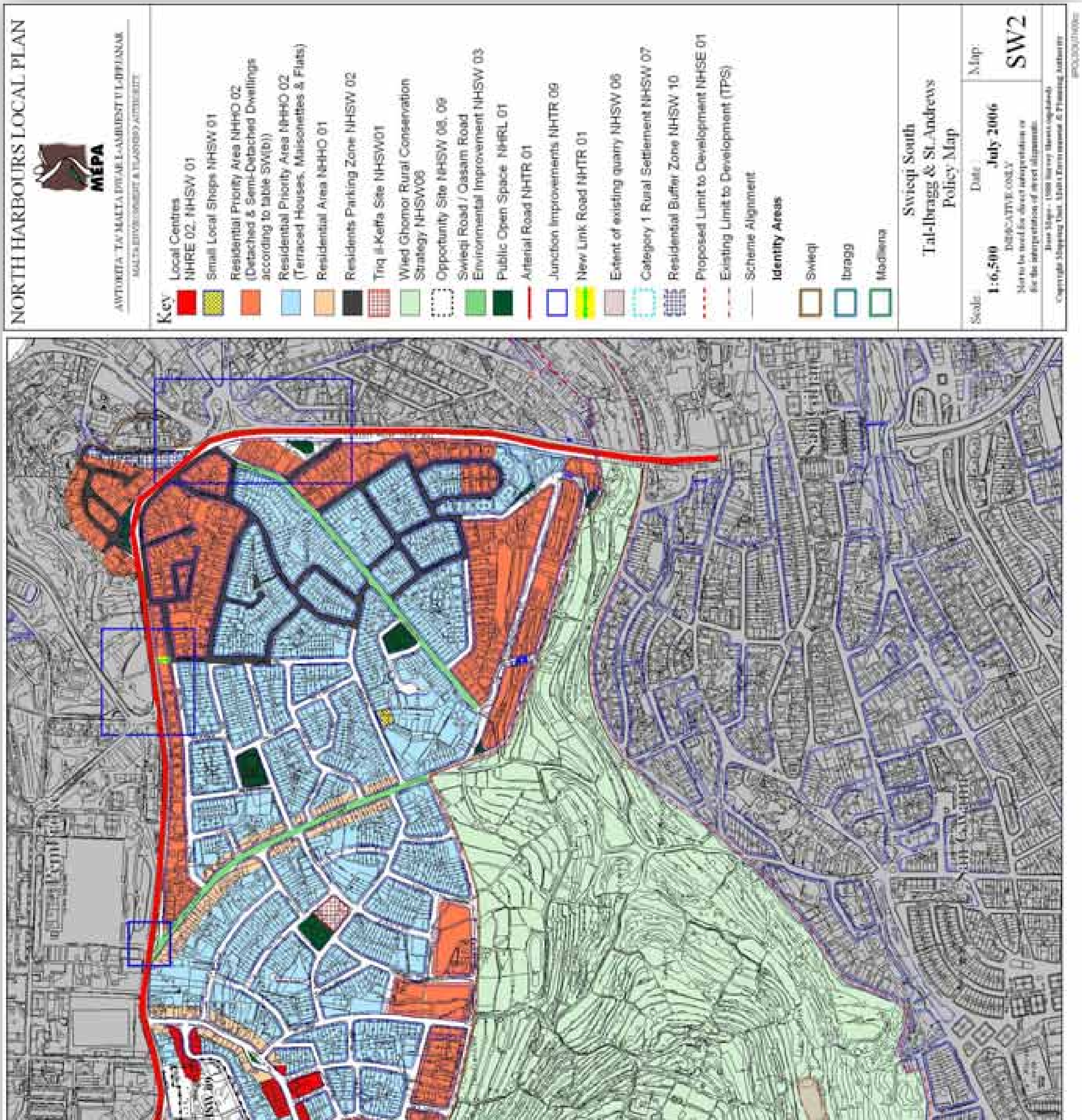
It is to be noted that this report is being submitted solely for the use of Tumas Investments p.l.c. for listing purposes, and in accordance with the MFSA Listing Rules, and it will form part of the Company's Prospectus. No liability for its use by third parties is accepted.

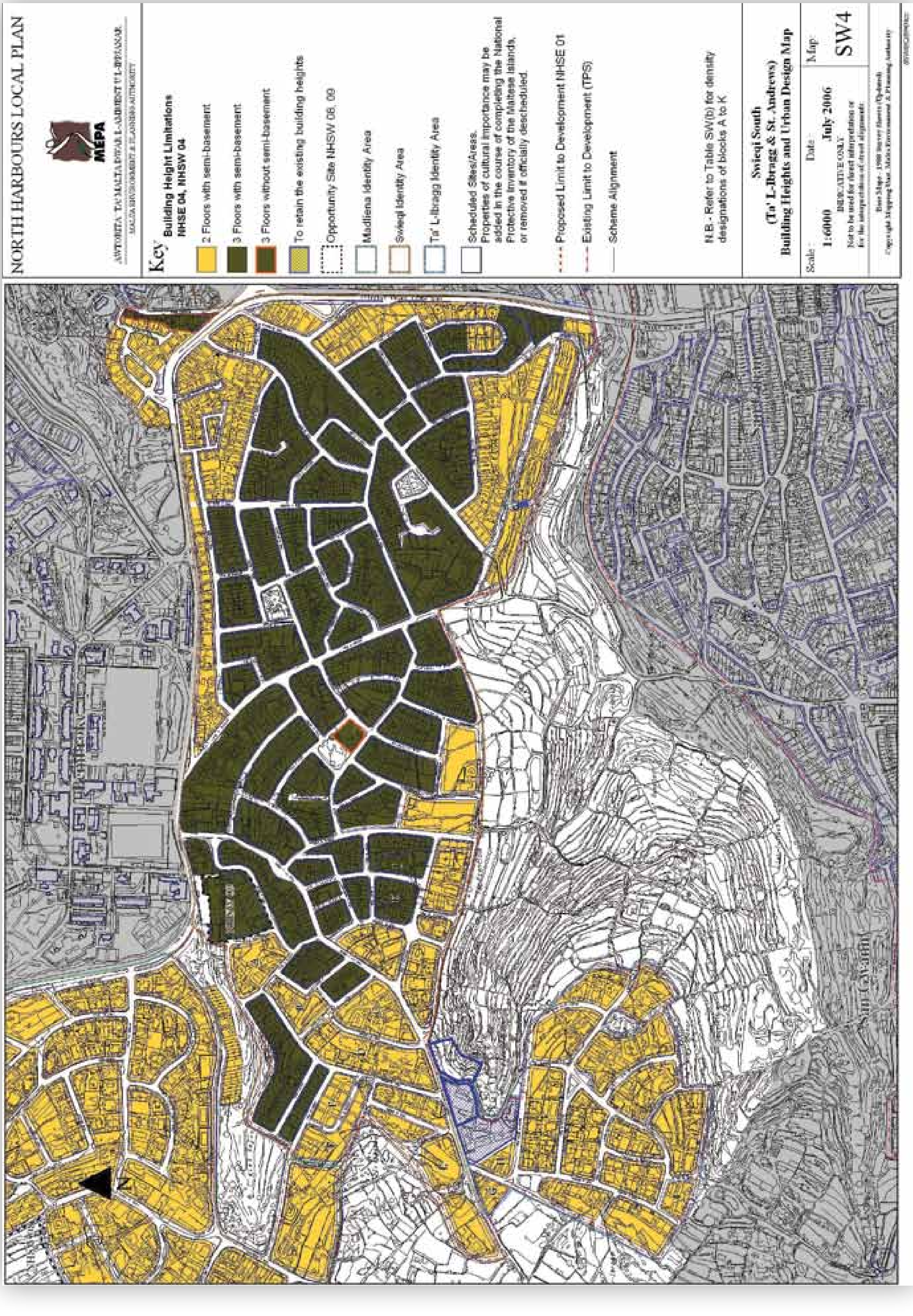
Finally we would like to add that we have taken all reasonable care to ensure that the information is correct, and to the best of our knowledge all of the above is in accordance with the facts as given to us, and contains no omission likely to effect its import.

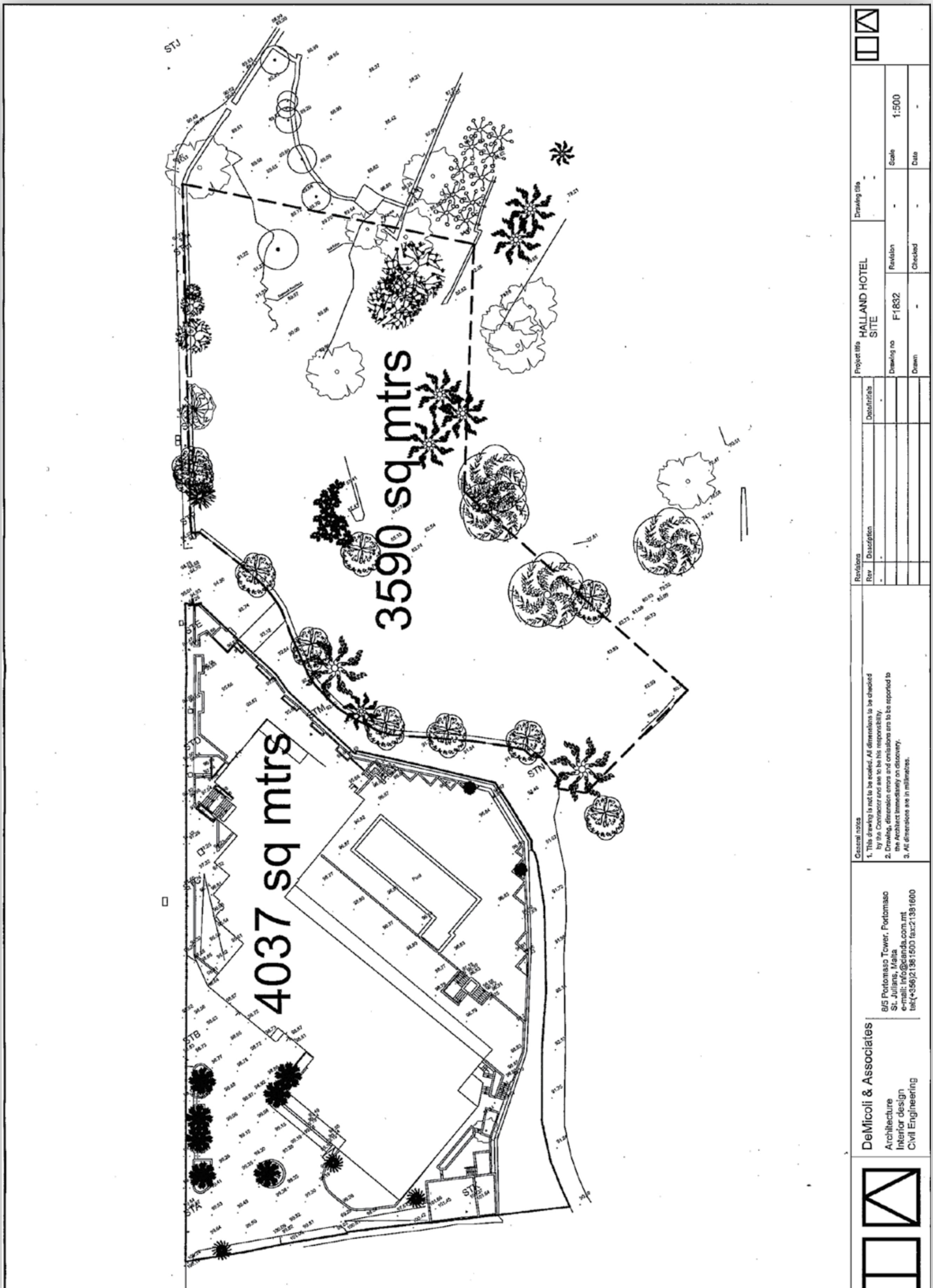
There are no other matters which we consider as relevant for the purposes of the valuation.

Ray DeMicoli

DeMicoli & Associates


NORTH HARBOURS LOCAL PLAN
MEPA
Key
Local Centres NHRE 02, NHSW 01
Small Local Shops NHSW 01
Residential Priority Area NHHO 02 (Detached & Semi-Detached Dwellings according to table SW(b))
Residential Priority Area NHHO 02 (Terraced Houses, Maisonettes & Flats)
Residential Area NHHO 01
Residents Parking Zone NHSW 02
Triq il-Keffa Site NHSW01
Wied Ghomor Rural Conservation Strategy NHSW06
Opportunity Site NHSW 08, 09
Swieqi Road / Qasam Road Environmental Improvement NHSW 03
Public Open Space NHRL 01
Arterial Road NHTR 01
Junction Improvements NHTR 09
New Link Road NHTR 01
Extent of existing quarry NHSW 06
Category 1 Rural Settlement NHSW 07
Residential Buffer Zone NHSW 10
Proposed Limit to Development NHSE 01
Existing Limit to Development (TPS)
Scheme Alignment
Identity Areas
Swieqi
Ibragg
Madliena
Swieqi South
Tal-Ibragg & St.Andrews
Policy Map
Scale 1:6,500
Date July 2006
Map SW2
NHSW 09


NORTH HARBOURS LOCAL PLAN
MEPA
Key
Building Height Limitations
NHSE 04, NHSW 04
2 Floors with semi-basement
3 Floors with semi-basement
3 Floors without semi-basement
To retain the existing building heights
Opportunity Site NHSW 08, 09
Madliena Identity Area
Swieqi Identity Area
Ta' L-Ibragg Identity Area
Scheduled Sites/Areas.
Properties of cultural importance may be added in the course of completing the National Protective Inventory of the Maltese Islands, or removed if officially descheduled.
Proposed Limit to Development NHSE 01
Existing Limit to Development (TPS)
Scheme Alignment
N.B. - Refer to Table SW(b) for density designations of blocks A to K
Swieqi South
(Ta' L-Ibragg & St. Andrews)
Building Heights and Urban Design Map
Scale:
1:6000
Date:
July 2006
INDICATIVE ONLY
Map:
SW4
N


3590 sq mtrs
4037 sq mtrs
DeMicoli & Associates
Architecture
Interior design
Civil Engineering
HALLAND HOTEL SITE
F1832
1:500

ANNEX D - SPECIMEN APPLICATION FORMS

Tumas Investments p.l.c.
6.2% Bonds 2017 - 2020

APPLICATION FORM "A"

TUMAS INVESTMENTS plc

Please read the notes overleaf before completing this Application Form. **Mark 'X' if applicable.**

APPLICANT/S

A

B

TEL. NO. | MOBILE NO.

C

Nominal value of Tumas Invesments p.l.c. 6.7% bonds 2010-2012 ("Maturing Bonds") held in Euro:

I/We apply to purchase and acquire the amount set out below in Tumas Investments p.l.c. 6.2% Bonds 2017-2020 at the Bond Issue Price (at par) pursuant to the Summary Note dated 9 June 2010, The Regisration Document dated 10 June 2009 and the Securities Note dated 9 June 2010 (the "Prospectus").

AMOUNT IN FIGURES Box 1 €

AMOUNT IN WORDS

AMOUNT IN FIGURES Box 2 €

If your holding of the Maturing Bonds set out in Box 1 is less that €1,200, the amount of 6.2% Bonds 2017-2020 which you can apply for and the amount set out in Box 2 must be €1,200. If your holding of the Maturing Bonds set out in Box 1 is more than €1,200, the amount of 6.2% Bonds 2017-2020 applied for and the amount set out in Box 2 must not be less than €1,200 and not more than the amount of your holding of the Maturing Bonds set out in Box 1 rounded up to the nearest integral multiple of €100 or €1,000. See note 5 overleaf.

AMOUNT IN FIGURES Box 3
Difference payable on Application for rounding up purposes
€

Application for an amount in excess of the said amounts may be made by completing the separate Application Form "B".

D **RESIDENT - WITHHOLDING TAX DECLARATION** *(to be completed ONLY if the Applicant is a Resident of Malta)*

☐ I/We elect to have Final Withholding Tax deducted from my/our interest. ☐ I/We elect to receive interest GROSS (i.e. without deduction of withholding tax).

In terms of Section 5.14.2 of the Securities Note dated 9 June 2010, unless the Issuer is otherwise instructed by a Bondholder, or if the Bondholder does not fall within the definition of "Recipient" in terms of article 41(c) of the Income Tax Act, interest shall be paid to such person net of a final withholding tax, currently at the rate of 15% of the gross amount of the interest pursuant to Article 33 of the Income Tax Act.

E **NON-RESIDENT - DECLARATION FOR TAX PURPOSES** *(to be completed ONLY if the Applicant is a Non-Resident)*

TAX COUNTRY		TOWN OF BIRTH	
T I N (Tax Identification Number)		COUNTRY OF BIRTH	
PASSPORT/NATIONAL I.D. NUMBER	COUNTRY OF ISSUE	NUMBER	ISSUE DATE

☐ I/We are NOT Resident in Malta but I/We am/are Resident in the European Union

☐ I/We are NOT Resident in Malta but I/We am/are NOT Resident in the European Union

F **INTEREST & REDEMPTION MANDATE** *(Completion of this section is MANDATORY)*

BANK	BRANCH	ACCOUNT NUMBER

This Application Form is to be submitted in the case where the Applicant selects, as a method of payment for the Tumas Investments p.l.c. 6.2% 2017-2020 Bonds being applied for, to surrender to the Issuer all or part of the Maturing Bonds held by the Applicant as at the Cut-off Date, the nominal value of which is set out in Euro in Box 1 of Panel C above. By submitting this signed Application Form, holders of the Maturing Bonds, shall be deemed to confirm that:

(a) their holding of the Maturing Bond indicated in this Application Form are being surrendered in favour of the Issuer; and
(b) this Application Form constitutes the Bondholder's irrevocable mandate to the Issuer to:
   i. surrender the said Maturing Bonds in the Issuer's favour and to pay the cash difference, if any, in consideration of the issue of 6.2% 2017-2020 Bonds and
   ii. engage the services of such brokers or intermediaries as may be necessary to fully and effectively carry out all procedures necessary with the MSE for the surrender of the said Maturing Bonds and to fully and effectively vest title in the appropriate number of 6.2% 2017-2020 Bonds in the name of the Applicant.

G **I/We have fully understood the instructions for completing this Application Form, and am/are making this Application solely on the basis of the Prospectus, and subject to its Terms and Conditions which I/we fully accept. Furthermore, I/we confirm that this is the only Application Form I/we am/are submitting on my/our behalf or on behalf of the company or other entity I/we represent.**

Signature/s of Applicant/s
(Both parents or legal guardian/s are/is to sign if Applicant is a minor)
(All parties are to sign in the case of a joint Application)
Bare owner/s and usufractuary/ies to sign in case of Bondholding/s that are subject to usufruct

Date

AUTHORISED INTERMEDIARY'S STAMP	AUTHORISED INTERMEDIARY'S CODE	APPLICATION NUMBER

Notes on how to complete this Application Form and other information

The following notes are to be read in conjunction with the Summary Note dated 9 June 2010, the Registration Document dated 10 June 2009 and the Securities Note dated 9 June 2010.

1. This Application is governed by the Terms and Conditions contained in the Summary Note dated 9 June 2010, The Registration Documents dated 10 June 2009 and the Securities Notes dated 9 June 2010 (the "Prospectus"). Capitilised terms not defined herein shall, unless the context otherwise requires, have the meanings ascribed to them in the Prospectus.

2. The Application Form is to be completed in BLOCK LETTERS.

3. This Application Form is not transferable and entitles you to a preferential treatment as a bondholder of Tumas Investments p.l.c. 6.7 % 2010-2012 bonds.

4. Interest and redemption proceeds will be credited to the account indicated in Panel F or as otherwise amended by the Bondholder/s during the term of the Bond.

5. This Application Form is to be submitted in the case where the Applicant selects, as a method of payment for the Tumas Investments p.l.c.6.2% 2017-2020 Bonds being applied for, to surrender to the Issuer all or part of the Maturing Bonds held by the Applicant at the Cut-off Date, the nominal value of which is set out in Euro in Box 1 of Panel C overleaf. By submitting this signed Application Form, holders of the Maturing Bonds, shall be deemed to confirm that:
   (a) their holding of the Maturing Bonds indicated in this Application Form are being surrendered in favour of the Issuer; and
   (b) this Application Form constitutes the Bondholder's irrevocable mandate to the Issuer to:
      i. surrender the said Maturing Bonds in the Issuer's favour and to pay the cash difference, if any, in consideration of the issue of 6.2% 2017-2020 Bonds; and
      ii. engage the services of such brokers or intermediaries as may be necessary to fully and effectively carry out all procedures necessary with the MSE for the surrender of the said Maturing Bonds and to fully and effectively vest title in the appropriate number of 6.2% 2017-2020 Bonds in the name of the Applicant.

6. The amount set out in Box 2 of Panel C overleaf must be in multiples of €100. The Issuer will be giving prefence to Applications made by the holders of the Maturing Bonds up to their full amount rounded up to (a) €1,200, if less than €1,200 or (b) to the nearest integral multiple of €100 or €1,000. Any such Applicant must ensure that the relative Application Form is accompanied by payment of the difference between the full price of the amount of 6.2% 2017-2020 Bonds applied for and the nominal value of the Maturing Bonds being transferred. The amount representing such differences, which is to be inserted in Box 3 of panel C overleaf, may be made payable to 'The Registrar - Tumas Investment p.l.c. Bond Issue' which is to be attached to the Application Form being submitted to any Authorised Intermediary listed in Annex E of the Prospectus.

7. Where the Applicant wishes to acquire a number of 6.2% 2017-2020 Bonds having an aggregate value which exceeds the amount in respect of which preference is given as indicated in paragraph 6 above, the Applicant may do so through any of the Authorised Intermediaries listed in Annex E of the Prospectus, subject to availability.

8. Applicants who are Non-Resident in Malta for tax purposes, must complete Panel E overleaf.

9. In the case where a holder of the Maturing Bonds is a body corporate, Applications must be signed by duly authorised representative/s indicating their capacity in which they are signing.

10. Only applicants who hold a valid official Maltese Identity Card or Companies registered in Malta will be treated as residents in Malta. In such a case, the Applicant may elect to have Final Withholding Tax, currently 15%, deducted from interest payments in which case such interest need not be declared in the Applicant's income tax return. The Applicant may elect to receive the interest gross (i.e. without deduction of Final Withholding Tax), but he/she will be obliged to declare interest so received on his/her return. Interest received by non-resident Applicants is not taxable in Malta and non-residents will receive interest gross. Authorised entities applying in the name of a Prescribed Fund will have Final Withholding Tax, currently at 10%, deducted from interest payments. Applicants will receive their interest directly in a bank account held locally in Euro and such choice is to be indicated in Panel F overleaf.

11. European Council Directive 2003/48/EC on the Taxation of Savings Income in the form of interest payments requires all payors established in the EU which pay interest to an individual resident in another EU Member State, to report the interest payment to the tax authorities of the Member State in which the payor is established. If the Applicant's permanent residential address is in an EU Member State or in another country to which the Directive applies (called a "specified territory") then the interest paid will be reported.

12. **THE MSE ACCOUNT NUMBER HAS BEEN PRE-PRINTED IN PANEL B AND REFLECTS THE MSE ACCOUNT NUMBER ON THE ISSUER'S REGISTER AT THE CSD AS AT CLOSE OF BUSINESS 4 JUNE 2010. APPLICANTS ARE TO NOTE THAT BONDS ALLOTTED TO THEM WILL BE RECORDED BY THE MALTA STOCK EXCHANGE IN THE MSE ACCOUNT NUMBER QUOTED ON THE APPLICATION FORM EVEN IF THE DETAILS OF SUCH MSE ACCOUNT NUMBER, AS HELD BY THE MALTA STOCK EXCHANGE, DIFFER FROM ANY OR ALL THE DETAILS APPEARING OVERLEAF.**

13. **APPLICATIONS BY HOLDERS OF THE MATURING BONDS ARE TO BE RECEIVED BY ANY OF THE AUTHORISED INTERMEDIARIES LISTED IN ANNEX E OF THE SUMMARY NOTE DATED 9 JUNE 2010, THE REGISTRATION DOCUMENTS DATED 10 JUNE 2009 AND THE SECURITIES NOTES DATED 9 JUNE 2010 BY 12.00 PM ON 23 JUNE 2010.** The Issuer reserves the right to refuse any Application which appears to be in breach of the terms and conditions of the Bond as contained in the Prospectus. Any Applications received by the Registrar from Authorised Intermediaries after 12.00 pm on 24 June 2010 will be rejected. Completed Application Forms are to be delivered at any of the Authorised Intermediaries as listed in Annex E of the Prospectus, during normal office hours. Remittances by post are made at the risk of the Applicant and the Issuer disclaims all responsibiity for such remittances not received by the cut-off time indicated above.

14. By completing and delivering this Application Form, you (as the Applicant(s)) shall acknowledge that the Issuer and the MSE may process the personal data that the Applicant provides in this Application Form, for all purposes necessary and subsequent to the Bond Issue applied for in accordance with the Data Protection Act, Cap 440 of the laws of Malta. The Applicant has the right to request access to and rectification of the personal data relating to him/her as processed by the Issuer and/or the MSE. Any such requests must be made in writing and sent to the Issuer at the address indicated in the Prospectus. The requests must further be signed by the Applicant to whom the personal data relates.

The value of investments can go up or down and past performance is not necessarily indicative of future performance. The nominal value of the Bonds on offer will be repayable in full upon redemption. An investor should consult a licensed stockbroker or an investment advisor, licensed under the Investment Services Act (Cap. 370 of the Laws of Malta), for advice.

Tumas Investments p.l.c.
6.2% Bonds 2017-2020

TUMAS INVESTMENTS plc

APPLICATION FORM "B"

Please read the notes overleaf before completing this Application Form. **Mark 'X' if applicable.**

APPLICANT/S *(see notes 2 to 7)*

A ☐ Non-Resident ☐ Minor (under 18) ☐ Body Corporate/ Body of Persons ☐ CIS-Prescribed Fund

B

TITLE (Mr/Mrs/Ms/ ......)	FULL NAME & SURNAME / REGISTERED NAME		
ADDRESS			
			POSTCODE
MSE A/C NO. (if applicable)	I.D. CARD / PASSPORT / COMPANY REG. NO.	TEL. NO.	MOBILE NO.

C **ADDITIONAL (JOINT) APPLICANTS** *(see note 3)* ***(please use additional Application Forms if space is not sufficient)***

TITLE (Mr/Mrs/Ms/ ......)	FULL NAME & SURNAME	I.D. CARD / PASSPORT NO.
TITLE (Mr/Mrs/Ms/ ......)	FULL NAME & SURNAME	I.D. CARD / PASSPORT NO.

D **MINOR'S PARENTS / LEGAL GUARDIAN/S** *(see note 4)* ***(to be completed ONLY if the Applicant is a minor)***

	TITLE (Mr/Mrs/Ms/ ......)	FULL NAME & SURNAME	I.D. CARD / PASSPORT NO.
I	TITLE (Mr/Mrs/Ms/ ......)	FULL NAME & SURNAME	I.D. CARD / PASSPORT NO.
II	TITLE (Mr/Mrs/Ms/ ......)	FULL NAME & SURNAME	I.D. CARD / PASSPORT NO.

E **I/WE APPLY TO PURCHASE AND ACQUIRE** *(see notes 8 and 9)*:

AMOUNT IN FIGURES	AMOUNT IN WORDS
€	

Tumas Investments p.l.c. 6.2% Bonds 2017-2020 (minimum €1,200 and in multiples of €100 thereafter) at the Bond Issue Price, as defined in the Summary Note dated 9 June 2010, The Registration Document dated 10 June 2009 and the Securities Note dated 9 June 2010 (the "Prospectus"), payable in full upon application under the Terms and Conditions as defined in the said Prospectus.

F **RESIDENT - WITHHOLDING TAX DECLARATION** *(see note 10)* ***(to be completed ONLY if the Applicant is a Resident of Malta)***

☐ I/We elect to have Final Withholding Tax deducted from my/our interest.

☐ I/We elect to receive interest GROSS (i.e. without deduction of withholding tax).

In terms of Section 5.14.2 of the Securities Note dated 9 June 2010, unless the Issuer is otherwise instructed by a Bondholder, or if the Bondholder does not fall within the definition of "Recipient" in terms of Article 41(c) of the Income Tax Act, interest shall be paid to such persons net of a final witholding tax, currently at the rate of 15% of the gross amount of the interest pursuant to article 33 of the Income Tax Act.

G **NON-RESIDENT - DECLARATION FOR TAX PURPOSES** *(see note 12)* ***(to be completed ONLY if the Applicant is a Non-Resident)***

TAX COUNTRY		TOWN OF BIRTH	
T I N (Tax Identification Number)		COUNTRY OF BIRTH	
PASSPORT/NATIONAL I.D. CARD	COUNTRY OF ISSUE	NUMBER	ISSUE DATE

☐ I/We am/are **NOT** Resident in Malta but I/we am/are Resident in the European Union.

☐ I/We am/are **NOT** Resident in Malta and I/we am/are **NOT** Resident in the European Union.

H **INTEREST, REFUND & REDEMPTION MANDATE** *(see note 11)*

BANK	BRANCH	ACCOUNT NUMBER

I **I/We have fully understood the instructions for completing this Application Form, and am/are making this Application soley on the basis of the Prospectus, and subject to the terms and conditions as contained therein which I/we fully accept.**

Signature/s of Applicant/s
(Both parents or legal guardian/s are/is to sign if Applicant is a minor)
(All parties are to sign in the case of a joint Application)

Date

AUTHORISED INTERMEDIARY'S STAMP	*AUTHORISED INTERMEDIARY'S CODE*	*APPLICATION NUMBER*

Notes on how to complete this Application Form and other information

The following notes are to be read in conjunction with the Summary Note dated 9 June 2010, the Registration Document dated 10 June 2009 and the Securities Note dated 9 June 2010.

1. This Application is governed by the Terms and Conditions contained in the Summary Notes dated 9 June 2010 the Registration Document dated 10 June 2009 and the Securities Note dated 9 June 2010 (the "Prospectus"). Capitalised terms not defined herein shall, unless the context otherwise requires, have the meaning ascribed to them in the Prospectus.

2. The Application Form is to be completed in BLOCK LETTERS.

3. Applicants are to insert full personal details in Panel B. In the case of an application by more than one person (including husband and wife) full details of all individuals - including I.D. Card Numbers - must be given in Panels B and C **but the person whose name appears in Panel B shall, for all intents and purposes, be deemed to be the registered holder of the Bonds (vide note 7 below).**

4. Applications in the name and for the benefit of minors shall be allowed provided that they are signed by both parents or by the legal guardian/s and accompanied by a Public Registry birth certificate of the minor in whose name and for whose benefit the Application Form is submitted. The relative box in Panel A must also be marked appropriately. Any Bonds allocated pursuant to such an Application shall be registered in the name of the minor as Bondholder, with interest and redemption proceeds payable to the parents or legal guardian/s signing the Application Form until such time as the minor attains the age of eighteen (18) years, following which all interest and redemption proceeds shall be payable directly to the registered holder, provided that the Issuer has been duly notified in writing of the fact that the minor has attained the age of eighteen (18) years.

5. Applicants who are Non-Resident in Malta for tax purposes, must indicate their passport number in Panel B and complete Panel G; the relative box in Panel A must also be marked appropriately.

6. In the case of a body corporate, the name of the entity exactly as registered, and the registration number are to be inserted in Panel B. Applications must be signed by duly authorised representatives indicating the capacity in which they are signing.

7. **APPLICANTS WHO HOLD SECURITIES ON THE MALTA STOCK EXCHANGE ARE TO INDICATE THEIR MSE ACCOUNT NUMBER IN PANEL B. APPLICANTS ARE TO NOTE THAT ANY SECURITIES ALLOTTED TO THEM WILL BE RECORDED BY THE MALTA STOCK EXCHANGE IN THE MSE ACCOUNT NUMBER QUOTED ON THE APPLICATION FORM EVEN IF THE DETAILS OF SUCH MSE ACCOUNT NUMBER, AS HELD BY THE MALTA STOCK EXCHANGE, DIFFER FROM ANY OR ALL OF THE DETAILS APPEARING OVERLEAF.**

8. Applications must be for a minimum of €1,200 and thereafter in multiples of €100.

9. Payment in Euro may be made by cheque payable to 'The Registrar - Tumas Investments p.l.c. Bond Issue'.

10. Only applicants who hold a valid official Maltese Identity Card or Companies registered in Malta will be treated as resident in Malta. In such a case the Applicant may elect to have Final Withholding Tax, currently 15%, deducted from interest payments in which case such interest need not be declared in the Applicant's income tax return. The Applicant may elect to receive the interest gross (i.e. without deduction of Final Withholding Tax), but he/she will be obliged to declare interest so received on his/her return. Authorised entities applying in the name of a Prescribed Fund (having indicated their status in the appropriate box in Panel A) will have Final Withholding Tax, currently 10%, deducted from interest payments.

11. If any Application is not accepted, or is accepted for fewer Bonds after the closure of the subscriptions lists, than those applied for, the monies or the balance of the amount paid but not allocated, as the case may be, will be returned by direct credit into the bank account as indicated in Panel H. Interest and redemption proceeds will be credited to the account indicated in Panel H or as otherwise amended by the Bondholder/s during the term of the Bond.

12. European Council Directive 2003/48/EC on the Taxation of Savings Income in the form of interest payments requires all payors established in the EU which pay interest to an individual resident in another EU Member State, to report the interest payment to the tax authorities of the Member State in which the payor is established. If the Applicant's permanent residential address is in a EU Member State or in another country to which the Directive applies (called a "specified territory") then the interest paid will be reported.

13. Subscription lists will open at 08:30 hours on 25 June 2010 and will close as soon thereafter as may be determined by the Issuer, but not later than 12:00 hours on 2 July 2010. The Issuer reserves the right, however, to close the Bond Issue before the 2 July 2010, in the event of over-subscription. The Issuer reserves the right to refuse any Application which appears to be in breach of the terms and conditions of the Bond as contained in the Prospectus. Any Applications received by the Registrar after the subscription lists close will be rejected. Completed Application Forms are to be delivered at any of the Authorised Intermediaries listed in Annex E of the Prospectus, during the normal normal office hours. Remittances by post are made at the risk of the Applicant and the Issuer disclaims all responsibility for any such remittances not received by the closing of the subscription lists.

14. By completing and delivering an Application Form you (as the Applicant(s)):
    a) acknowledge that the Issuer may process the personal data that you provide in the Application Form in accordance with the Data Protection Act 2001;
    b) acknowledge that the Issuer may process such personal data for all purposes necessary for and related to the Bonds applied for; and
    c) acknowledge that you, as the Applicant, have the right to request access to and rectification of the personal data relating to you, as processed by the Issuer. Any such requests must be made in writing and addressed to the Issuer. The request must be signed by yourself, as the Applicant to whom the personal data relates.

The value of investments can go up or down and past performance is not necessarily indicative of future performance. The nominal value of the Bonds on offer will be repayable in full upon redemption. An investor should consult a licensed stockbroker or an investment advisor, licensed under the Investment Services Act (Cap. 370 of the Laws of Malta), for advice.

ANNEX E - AUTHORISED INTERMEDIARIES

Members of the Malta Stock Exchange

Atlas Investment Services Ltd - Abate Rigord Street, Ta Xbiex XBX 1121	23265690	21322584
Bank of Valletta p.l.c. - BOV Centre, Cannon Road, Santa Venera SVR 9030	21312020	22751733
Calamatta Cuschieri & Co. Ltd - 5th Floor, Valletta Buildings, South Street, Valletta VLT 1103	25688688	25688256
Charts Investment Management Services Ltd - Vault 17, Valletta Waterfront, Pinto Wharf, Floriana FRN 1913	21224106	21241101
Curmi & Partners Ltd - Finance House, Princess Elizabeth Street, Ta Xbiex XBX 1102	21347331	2134 7333
Financial Planning Services Ltd - 4, Marina Court, No 1, G Cali Street, Ta Xbiex	21344255	21341202
FINCO Treasury Management Ltd - Level 5, The Mall Complex, The Mall, Floriana FRN 1470	21220002	21243280
GlobalCapital Financial Management Ltd - 120, The Strand, Gzira GZR 03	21342342	2328 2207
Hogg Capital Investments Ltd - Regent House, Level 3, Suite 33, Bisazza Street, Sliema SLM 1641	21322872	21342760
HSBC Stockbrokers (Malta) Ltd - 233, Republic Street, Valletta	25972241	25972494
Lombard Bank Malta p.l.c. - 67, Republic Street, Valletta VLT 1117	21248411	25581150
Rizzo, Farrugia & Co. (Stockbrokers) Ltd - Airways House, Third Floor, High Street, Sliema SLM 1549	22583000	22583001

Investment Services Providers

APS Bank Ltd - APS Centre, Tower Street, B'Kara	25593400	25671164
Crystal Finance Investments Ltd - University Roundabout, Msida MSD 1751	21226190	21226188
D.B.R. Investments Ltd - Deber, Nigret Road, Zurrieq	21647763	21647765
Epic Financial Services - Burmarrad Road, Burmarrad SPB 9064	21572010	21571998
Growth Investments Ltd - Middlesea House, Floriana FRN 1442	21234582	21249811
HSBC Bank Malta p.l.c. - Shareshop, High Street, Sliema SLM 1549	23802381	23246046
Jesmond Mizzi Financial Services Ltd - 67, Flat 3, South Street, Valletta VLT 1105	21224410	21223810
Joseph Scicluna Investment Services Ltd - Level 3, Bellavista Court, Gorg Borg Olivier Street, Gozo VCT 2517	21565707	21565706
Mercieca Financial Investment Services Ltd - 'Mercieca', John F. Kennedy Square, Victoria, Gozo VCT 2580	21553892	21553892
MFSP Financial Management - 220, Immaculate Conception Str., Msida MSD 1838	21332200	21332190
Michael Grech Financial Investment Services Ltd - No 1 Mican Court, J.F.Kennedy Square, Victoria, Gozo	21554492	21559199
MPM Capital Investments Limited - 81, B. Bontadini Street, B'Kara	21493250	21493077
MZ Investment Services Ltd - 55, MZ house, St Rita Street, Rabat RBT1523	21453739	21453407
Quest Investment Services Ltd - 101, Townsquare, Ix-Xatt ta Qui-Si-Sana, Sliema SLM 3112	21343500	21313733

Issuer

Tumas Investments p.l.c.

Tumas Group Corporate Office, Level 3, Portomaso Business Tower, Portomaso, St. Julian's

Guarantor

Spinola Development Company Limited

Tumas Group Corporate Office, Level 3, Portomaso Business Tower, Portomaso, St. Julian's

Advisors to the Issuer:

Reporting Accountants

PricewaterhouseCoopers

167, Merchants Street, Valletta

Legal Counsel

GVTH Advocates

192, Old Bakery Street, Valletta

Sponsor

Rizzo, Farrugia & Co. (Stockbrokers) Ltd.

Airways House, Third Floor, High Street, Sliema

Co-Manager & Registrar

Bank of Valletta p.l.c.

BOV Centre, Cannon Road, St. Venera

Co-Manager

HSBC Bank Malta p.l.c.

Head Office, 233, Republic Street, Valletta