

SUMMARY NOTE

This Summary Note is issued in accordance with the provisions of Chapter 4 of the Listing Rules issued by the Listing Authority and of 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, as amended by Commission Delegated Regulation (EU) No. 486/2012 of the 30th March 2012, Commission Delegated Regulation (EU) No. 862/2012 of the 4th June 2012, Commission Delegated Regulation (EU) No. 759/2013 of the 30th April 2013 and Commission Delegated Regulation (EU) No. 382/2014 of the 7th March 2014.

Dated 7th July 2014

In respect of an issue of €25,000,000 5% Unsecured Bonds 2024
of a nominal value of €100 per Bond issued at par by



Tumas Investments p.l.c.
(duly incorporated in Malta under registration number C-27296)

Guaranteed by
Spinola Development Company Limited
(duly incorporated in Malta under registration number C-331)

Prospective investors are to refer to the Guarantee contained in Annex B of the Securities Note forming part of the Prospectus for a description of the scope, nature and term of the Guarantee. Reference should also be made to the sections entitled "*Risk Factors*" contained in this Summary, the Registration Document and the Securities Note for a discussion of certain risk factors which should be considered by prospective investors in connection with the Bonds and the Guarantee provided by Spinola Development Company Limited.

ISIN: MT0000231242

THE LISTING AUTHORITY HAS AUTHORISED THE ADMISSIBILITY OF THESE SECURITIES AS A LISTED FINANCIAL INSTRUMENT. THIS MEANS THAT THE SAID INSTRUMENTS ARE IN COMPLIANCE WITH THE REQUIREMENTS AND CONDITIONS SET OUT IN THE LISTING RULES. IN PROVIDING THIS AUTHORISATION, THE LISTING AUTHORITY DOES NOT GIVE ANY CERTIFICATION REGARDING THE POTENTIAL RISKS IN INVESTING IN THE SAID INSTRUMENT AND SUCH AUTHORISATION SHOULD NOT BE DEEMED OR BE CONSTRUED AS A REPRESENTATION OR WARRANTY AS TO THE SAFETY OF INVESTING IN SUCH INSTRUMENT.

THE LISTING AUTHORITY ACCEPTS NO RESPONSIBILITY FOR THE CONTENTS OF THE PROSPECTUS, MAKES NO REPRESENTATIONS AS TO ITS ACCURACY OR COMPLETENESS AND EXPRESSLY DISCLAIMS ANY LIABILITY WHATSOEVER FOR ANY LOSS HOWEVER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THE PROSPECTUS, INCLUDING ANY LOSSES INCURRED BY INVESTING IN THESE SECURITIES.

A PROSPECTIVE INVESTOR SHOULD ALWAYS SEEK INDEPENDENT FINANCIAL ADVICE BEFORE DECIDING TO INVEST IN ANY LISTED FINANCIAL INSTRUMENTS. A PROSPECTIVE INVESTOR SHOULD BE AWARE OF THE POTENTIAL RISKS IN INVESTING IN THE SECURITIES OF AN ISSUER AND SHOULD MAKE THE DECISION TO INVEST ONLY AFTER CAREFUL CONSIDERATION AND CONSULTATION WITH HIS OR HER OWN INDEPENDENT FINANCIAL ADVISOR.

George Fenech

Raymond Fenech

Lino Spiteri

Raymond Sladden

Michael Grech

Legal Counsel



Sponsor



Registrar & Joint Manager



Joint Manager



IMPORTANT INFORMATION

THIS SUMMARY CONSTITUTES PART OF A PROSPECTUS AND CONTAINS INFORMATION ON TUMAS INVESTMENTS P.L.C., SPINOLA DEVELOPMENT COMPANY LIMITED IN ITS CAPACITY AS GUARANTOR, THEIR SUBSIDIARIES, AFFILIATES AND THE BUSINESS OF THE GROUP, AND INCLUDES INFORMATION GIVEN IN COMPLIANCE WITH: (A) THE LISTING RULES OF THE LISTING AUTHORITY, THE COMPANIES ACT (CHAPTER 386 OF THE LAWS OF MALTA) AND 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 ADVERTISEMENTS (AS AMENDED BY COMMISSION DELEGATED REGULATION (EU) NO. 486/2012 OF 30TH MARCH 2012, COMMISSION DELEGATED REGULATION (EU) NO. 862/2012 OF 4TH JUNE 2012, COMMISSION DELEGATED REGULATION (EU) NO. 759/2013 OF 30TH APRIL 2013 AND COMMISSION DELEGATED REGULATION (EU) NO. 382/2014 OF 7TH MARCH 2014); AND (B) THE RULES AND REGULATIONS APPLICABLE TO THE ADMISSION OF SECURITIES ON THE OFFICIAL LIST OF THE MALTA STOCK EXCHANGE.

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 HEREIN, 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 OR ADVISORS.

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

THE PROSPECTUS DOES NOT CONSTITUTE, AND MAY NOT BE USED FOR PURPOSES OF, AN OFFER OR INVITATION TO SUBSCRIBE FOR SECURITIES ISSUED BY THE ISSUER 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 PERSONS IN POSSESSION OF THIS DOCUMENT AND ANY PERSONS WISHING TO APPLY FOR ANY SECURITIES ISSUED BY THE ISSUER TO INFORM THEMSELVES OF, AND TO OBSERVE AND COMPLY WITH, ALL APPLICABLE LAWS AND REGULATIONS OF ANY RELEVANT JURISDICTION. PROSPECTIVE INVESTORS FOR ANY SECURITIES THAT MAY BE ISSUED BY THE ISSUER 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 ISSUE IN THE REPUBLIC OF MALTA, NO ACTION HAS BEEN OR WILL BE TAKEN BY THE ISSUER THAT WOULD PERMIT A PUBLIC OFFERING OF THE SECURITIES DESCRIBED IN THE SECURITIES NOTE FORMING PART OF THE PROSPECTUS 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.

IN RELATION TO EACH MEMBER STATE OF THE EUROPEAN ECONOMIC AREA (OTHER THAN MALTA) WHICH HAS IMPLEMENTED DIRECTIVE 2003/71/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL OF 4TH NOVEMBER 2003 ON THE PROSPECTUS TO BE PUBLISHED WHEN SECURITIES ARE OFFERED TO THE PUBLIC OR ADMITTED TO TRADING OR WHICH, PENDING SUCH IMPLEMENTATION, APPLIES ARTICLE 3.2 OF SAID DIRECTIVE, THE SECURITIES CAN ONLY BE OFFERED TO "QUALIFIED INVESTORS" (AS DEFINED IN SAID 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 SAID DIRECTIVE.

A COPY OF THIS DOCUMENT HAS BEEN REGISTERED WITH THE LISTING AUTHORITY IN SATISFACTION OF THE LISTING RULES, THE MALTA STOCK EXCHANGE IN SATISFACTION OF THE MALTA STOCK EXCHANGE BYE-LAWS AND HAS BEEN DULY FILED WITH THE REGISTRAR OF COMPANIES, IN ACCORDANCE WITH THE ACT. APPLICATION HAS ALSO BEEN MADE TO THE MALTA STOCK EXCHANGE FOR THE BONDS TO BE ADMITTED TO THE OFFICIAL LIST OF THE MALTA STOCK EXCHANGE.

A PROSPECTIVE INVESTOR SHOULD BE AWARE OF THE POTENTIAL RISKS IN INVESTING IN THE ISSUER AND SHOULD MAKE THE DECISION TO INVEST ONLY AFTER CAREFUL CONSIDERATION AND CONSULTATION WITH HIS OR HER OWN INDEPENDENT FINANCIAL ADVISOR.

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.

THE VALUE OF INVESTMENTS CAN RISE OR FALL AND PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE PERFORMANCE. IF YOU NEED ADVICE YOU SHOULD CONSULT A LICENSED STOCKBROKER OR AN INVESTMENT ADVISOR LICENSED UNDER THE INVESTMENT SERVICES ACT (CHAPTER 370 OF THE LAWS OF MALTA).

THIS DOCUMENT AND ALL AGREEMENTS, ACCEPTANCES AND CONTRACTS RESULTING THEREFROM SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF MALTA, AND ANY PERSON ACQUIRING ANY BONDS PURSUANT TO THE PROSPECTUS SHALL SUBMIT TO THE JURISDICTION OF THE MALTESE COURTS, WITHOUT LIMITING IN ANY MANNER THE RIGHT OF THE ISSUER TO BRING ANY ACTION, SUIT OR PROCEEDING, IN ANY OTHER COMPETENT JURISDICTION, ARISING OUT OF OR IN CONNECTION WITH ANY PURCHASE OF BONDS, OR AGREEMENT, ACCEPTANCE OR CONTRACT RESULTING HEREFROM, OR THE PROSPECTUS AS A WHOLE.

ALL THE ADVISORS TO THE ISSUER AND THE GUARANTOR NAMED IN THE PROSPECTUS UNDER THE HEADING "ADVISORS TO THE ISSUER AND THE GUARANTOR" IN SUB-SECTION 4.4 OF THE REGISTRATION DOCUMENT FORMING PART OF THE PROSPECTUS HAVE ACTED AND ARE ACTING EXCLUSIVELY FOR THE ISSUER AND THE GUARANTOR IN RELATION TO THIS BOND ISSUE AND HAVE NO CONTRACTUAL, FIDUCIARY OR OTHER OBLIGATION TOWARDS ANY OTHER PERSON AND WILL, ACCORDINGLY, NOT BE RESPONSIBLE TO ANY INVESTOR OR ANY OTHER PERSON WHOMSOEVER IN RELATION TO THE TRANSACTIONS PROPOSED IN THE PROSPECTUS.

THE DIRECTORS OF THE ISSUER CONFIRM THAT WHERE INFORMATION INCLUDED IN THE PROSPECTUS HAS BEEN SOURCED FROM A THIRD PARTY, SUCH INFORMATION HAS BEEN ACCURATELY REPRODUCED, AND AS FAR AS THE DIRECTORS OF THE ISSUER ARE AWARE AND ARE ABLE TO ASCERTAIN FROM INFORMATION PUBLISHED BY THAT THIRD PARTY, NO FACTS HAVE BEEN OMITTED WHICH WOULD RENDER THE REPRODUCED INFORMATION INACCURATE OR MISLEADING.

STATEMENTS MADE IN THIS DOCUMENT ARE, EXCEPT WHERE OTHERWISE STATED, BASED ON THE LAW AND PRACTICE CURRENTLY IN FORCE IN MALTA AND ARE SUBJECT TO CHANGES THERETO.

This Summary is prepared in accordance with the requirements of the Regulation (as defined immediately below).

Summaries are made up of disclosure requirements known as ‘Elements’. These elements are numbered in Sections A – E (A.1 – E.7) in the relative disclosure requirement checklist. This Summary contains all the Elements required to be included in a summary for this type of securities and issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

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

In this Summary the following words and expressions 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/s”	the application to subscribe for and purchase Bonds made by an Applicant/s by completing an Application Form/s and delivering same to the Registrar or any of the Authorised Intermediaries, as applicable, in accordance with the terms of the Securities Note forming part of the Prospectus;
“Application Form/s”	the forms of application for subscription of Bonds, specimens of which are contained in Annex C of the Securities Note forming part of the Prospectus;
“Authorised Intermediaries”	all the licensed stockbrokers and financial intermediaries listed in Annex D of the Securities Note forming part of the Prospectus;
“Bond/s”	the €25,000,000 unsecured bonds 2024 of a nominal value of €100 per bond issued at par and redeemable on the Maturity Date at their nominal value, bearing interest at the rate of 5% per annum;
“Bondholder”	a holder of Bonds;
“Bond Issue”	the issue of the Bonds;
“Bond Issue Price”	at par (€100 per Bond);
“Business Day”	any day between Monday and Friday (both days included) on which commercial banks in Malta settle payments and are open for normal banking business;
“Company” or “Issuer”	Tumas Investments p.l.c., a company registered under the laws of Malta having its registered office at Tumas Group Corporate Office, Level 3, Portomaso Business Tower, Portomaso, St. Julian’s and bearing company registration number C-27296;
“CSD”	the Central Securities Depository of the Malta Stock Exchange authorised in terms of the Financial Markets Act (Chapter 345 of the laws of Malta), having its address at Garrison Chapel, Castille Place, Valletta VLT 1063;
“Cut-off Date”	close of business of the 30 th June 2014 (trading session of the 25 th June 2014);
“Euro” or “€”	the lawful currency of the Republic of Malta;
“Exchange” or “Malta Stock Exchange” or “MSE”	Malta Stock Exchange p.l.c., as originally constituted in terms of the Financial Markets Act, 1990 (Chapter 345 of the laws of Malta), having its registered office at Garrison Chapel, Castille Place, Valletta VLT 1063 and bearing company registration number C-42525;
“Guarantee”	the joint and several suretyship of the Guarantor in terms of the guarantee contained in Annex B of the Securities Note forming part of the Prospectus and as described in Element B.18 of this Summary;
“Guarantor” or “SDC”	Spinola Development Company Limited, a company registered under the laws of Malta having its registered office at Tumas Group Corporate Office, Level 3, Portomaso Business Tower, Portomaso, St. Julian’s and bearing company registration number C-331;
“Interest Payment Dates”	the 31 st January and 31 st July of each year, between and including each of the years 2015 and 2024;
“Issue Date”	31 st July 2014;
“Issue Period”	the period between 08.30 hours on the 10 th July 2014 and 12.00 hours on the 22 nd July 2014 during which the Bonds are available for subscription;
“Joint Manager”	HSBC Bank Malta p.l.c.;
“Listing Authority”	the Malta Financial Services Authority, appointed as Listing Authority for the purposes of the Financial Markets Act (Chapter 345 of the laws of Malta) by virtue of Legal Notice 1 of 2003;
“Listing Rules”	the listing rules issued by the Listing Authority, as may be amended from time to time;
“Maturing Bonds”	the €25,000,000 6.25% bonds 2014 – 2016 with ISIN code MT0000231226 due to mature on 31 st July 2016 at the latest, issued by the Issuer pursuant to a prospectus dated 10 th June 2009 and guaranteed by the Guarantor;
“Maturity Date”	31 st July 2024;
“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;
“Preferred Applicant”	any holder of Maturing Bonds on the Cut-off Date who elects to subscribe for and purchase Bonds;
“Prospectus”	collectively this Summary, the Registration Document and the Securities Note, all dated 7 th July 2014, as such documents may be amended, updated, replaced and supplemented from time to time;
“Redemption Value”	at par (€100 per Bond);
“Registrar and Joint Manager”	Bank of Valletta p.l.c.;
“Registration Document”	the registration document issued by the Issuer dated 7 th July 2014, forming part of the Prospectus;

“Regulation”	Commission Regulation (EC) No. 809/2004 of 29 th April 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council as regards information contained in a prospectus and dissemination of advertisements, as amended by: Commission Delegated Regulation (EU) No. 486/2012 of 30 th March 2012 amending Regulation (EC) No. 809/2004 as regards the format and the content of the prospectus, the base prospectus, the summary and the final terms and as regards the disclosure requirements; Commission Delegated Regulation (EU) No. 862/2012 of 4 th June 2012 amending Regulation (EC) No. 809/2004 as regards information on the consent to use of the prospectus, information on underlying indexes and the requirement for a report prepared by independent accountants or auditors; Commission Delegated Regulation (EU) No. 759/2013 of 30 th April 2013 amending Regulation (EC) No. 809/2004 as regards the disclosure requirements for convertible and exchangeable debt securities; and Commission Delegated Regulation (EU) No. 382/2014 of 7 th March 2014 supplementing Directive 2003/71/EC of the European Parliament and of the Council with regard to regulatory technical standards for publication of supplements to the prospectus (Text with EEA relevance);
“SDC Group”	SDC and its subsidiary companies, namely Portomaso Leasing Company Limited (C-33110), Halland Developments Company Limited (C-46810) and Premium Real Estates Investments Limited (C-52247);
“Securities Note”	the securities note issued by the Issuer dated 7 th July 2014, forming part of the Prospectus;
“Sponsor”	Rizzo, Farrugia & Co. (Stockbrokers) Ltd., an authorised financial intermediary licensed by the MFSA and a member of the MSE;
“Summary”	this summary note issued by the Issuer dated 7 th July 2014, forming part of the Prospectus;
“Terms and Conditions”	the terms and conditions relating to the Bonds as contained in the Prospectus, particularly in Section 9 of the Securities Note;
“Tumas Group”	Tumas Group Company Limited (C-7820) 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;
“2017 – 2020 Issuer Bonds”	the €25,000,000 6.2% bonds 2017 – 2020 with ISIN code MT0000231234 due to mature on 9 th July 2020 at the latest, issued by the Issuer pursuant to a prospectus dated 9 th June 2010 and guaranteed by the Guarantor.

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.

1. SECTION A - INTRODUCTION AND WARNINGS

A.1 Prospective investors are hereby warned that:

- i. This Summary is being provided to convey the essential characteristics and risks associated with the Issuer, the Guarantor and the securities being offered pursuant to the Prospectus. This part is merely a summary and, therefore, should only be read as an introduction to the Prospectus. It is not and does not purport to be exhaustive and investors are warned that they should not rely on the information contained in this Summary alone in making a decision as to whether to invest in the securities described herein. Any decision to invest in the Bonds should be based on a consideration of the Prospectus as a whole by the investor; and
- ii. Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under the national legislation of Malta, have to bear the costs of translating the Prospectus before legal proceedings are initiated; and
- iii. Civil liability attaches only to those persons who have tabled the Summary, including any translation thereof, and who applied for its notification, but only if the Summary, when read together with the other parts of the Prospectus is misleading, inaccurate, inconsistent or does not provide key information in order to aid investors when considering whether to invest in such securities.

A.2 Consent required for use of the Prospectus during the Issue Period: prospective investors are hereby informed that:

- i. For the purposes of any subscription for Bonds through any of the Authorised Intermediaries during the Issue Period and any subsequent resale, placement or other offering of Bonds by such Authorised Intermediaries in circumstances where there is no exemption from the requirement to publish a prospectus under the Regulation, the Issuer consents to the use of the Prospectus (and accepts responsibility for the information contained herein) with respect to any such subsequent resale, placement or other offering of Bonds, provided this is limited only:
 - (a) in respect of Bonds subscribed for through the Authorised Intermediaries during the Issue Period;
 - (b) to any resale or placement of Bonds subscribed for as aforesaid taking place in Malta; and
 - (c) to any resale or placement of Bonds subscribed for as aforesaid taking place within the period of 60 days from the date of the Prospectus.
- ii. **In the event of a resale, placement or other offering of Bonds by an Authorised Intermediary, the Authorised Intermediary shall be responsible to provide information to investors on the terms and conditions of the resale, placement or other offering at the time such is made.**
- iii. Any new information with respect to Authorised Intermediaries unknown at the time of the approval of the Prospectus will be made available through a company announcement which will also be made available on the Issuer’s website www.tumas.com.

2. SECTION B – ISSUER AND GUARANTOR

B.1 The legal and commercial name of the Issuer is Tumas Investments p.l.c. (registration number C-27296). The legal and commercial name of the Guarantor is Spinola Development Company Limited (registration number C-331).

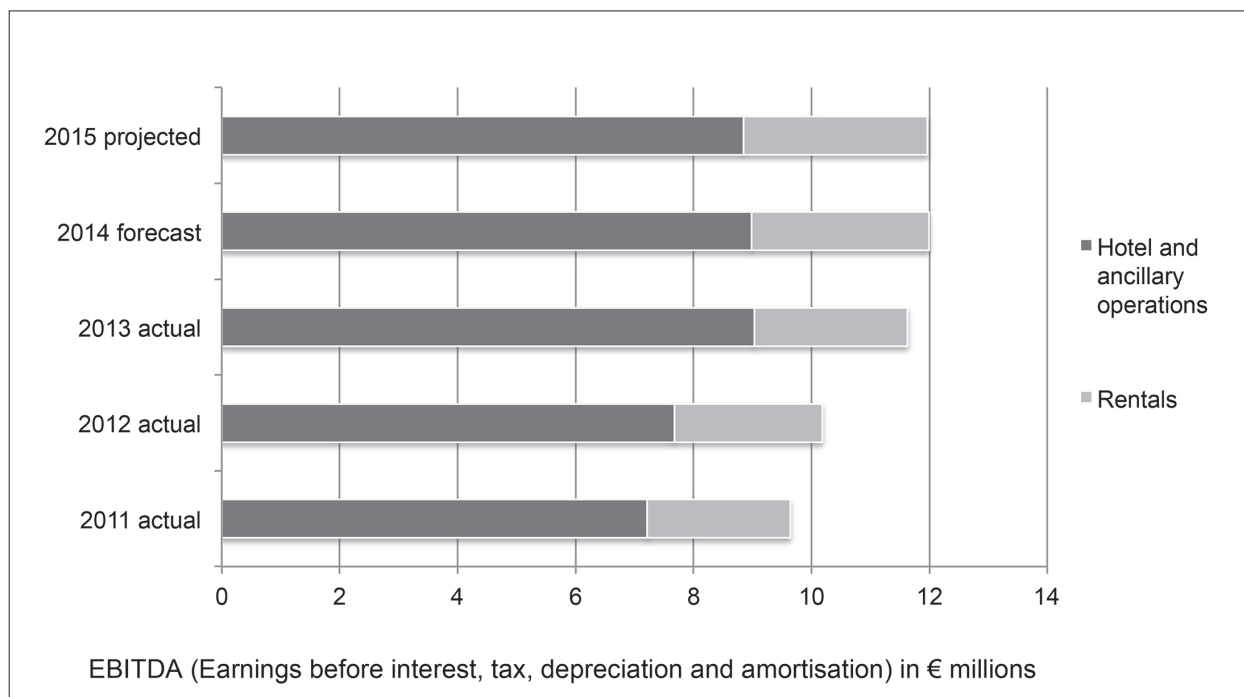
B.2 The Issuer was incorporated in Malta on the 17th November 2000 as a public limited company, registered in terms of the Companies Act and is domiciled in Malta, having its registered office at Tumas Group Corporate Office, Level 3, Portomaso Business Tower, Portomaso, St. Julian's.

The Guarantor was incorporated in Malta on the 10th May 1966 (and was acquired by the Tumas Group in 1986) as a limited liability company registered in terms of the Companies Act and is domiciled in Malta, having its registered office at Tumas Group Corporate Office, Level 3, Portomaso Business Tower, Portomaso, St. Julian's.

B.4b The Issuer has been set up to act as a financing company and 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. The Issuer does not have any substantial assets. Its role is limited to the financing of the Guarantor's operations and it is, accordingly, fully dependent on the cash flows of the Guarantor.

The principal business of SDC is the operation of the Portomaso complex. Portomaso comprises a variety of complementary elements 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.

SDC's expectations from its long-term commercial operations in the immediate years ahead, excluding the sale of apartments, is illustrated below:



The Hilton Malta hotel remains the largest single component of Portomaso's operations. The incoming travel industry is currently performing at a strong level and is projected to continue to do so in the foreseeable future. The hotel also enjoys significant business traveller patronage, and this is expected to continue to increase in line with Malta's success as an international business centre, which remains a focal point for Malta's future development.

Rental operations are expected to yield a steady income stream moving ahead, in line with contracted inflationary increments. The complex is fully rented and demand for office space remains strong in what remains a primary premium office location. Portomaso remains a holistic development of complementary activities that make it an attractive location for tenants. SDC draws comfort from the quality of the counterparties whom the project is housing.

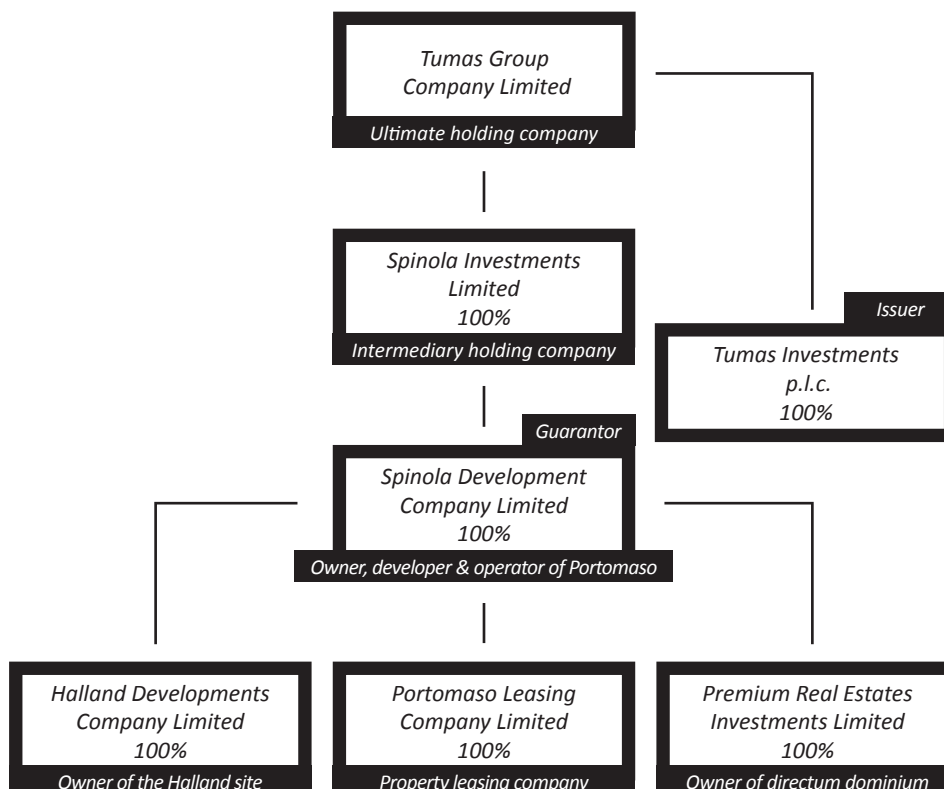
Apart from the Laguna extension (an extension of the Portomaso complex that will include 44 apartments and in respect of which SDC has commenced excavation works), the main activity of the property division in coming years will be that of disposing of the remaining stock of 23 apartments, of which 6 are already the subject of promise of sale agreements.

The Laguna extension, while limited to 44 apartments, will nevertheless be an exciting one aimed at the top end of the market, with low lying apartments overlying a sea water lagoon. It will complete the overall project at the high level tone that is expected of Portomaso. The extension will, however, have a very limited impact on SDC's business expectations in the period 2014 to 2015, during which it is expected to incur net cash outflows, on construction costs, that will be financed through separate borrowings sanctioned for the purpose.

B.5 The Issuer and the Guarantor are fully-owned subsidiary companies of Tumas Group Company Limited (C-7820), which latter company is also domiciled in Malta.

The position of the SDC Group within Tumas Group is structured so as to limit its financial dependence on the other components of the Tumas Group.

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, as aforesaid), is illustrated in the following diagram as at the date of this Summary:



B.9 *Not Applicable:* the Registration Document does not contain any profit forecasts or estimates.

B.10 *Not Applicable:* The Issuer's and Guarantor's respective audit reports on the audited financial statements for the years ended 31st December 2011, 2012 and 2013 do not contain any qualifications.

B.12

The historical financial information of the Issuer and the Guarantor for the financial years ended 31st December 2011, 2012 and 2013, as audited by PricewaterhouseCoopers of 78, Mill Street, Qormi QRM 3101, Malta, is available for inspection on the Tumas Group's website (www.tumas.com) and from the registered office of the Issuer during office hours.

Extracts from the historical financial information of the Issuer and the SDC Group for financial years ended 31st December 2011, 2012 and 2013 are set out below. The remaining components of Element B.12 are not applicable, given that there has been no material adverse change in the prospects or in the financial or trading position of the Issuer and/or of the Guarantor since the date of their respective last published audited financial statements.

Extracts from the historical financial information of the Issuer:

Extract from the Statements of comprehensive income for the years ended 31 December	2011 Actual €'000	2012 Actual €'000	2013 Actual €'000
Net interest income	138	140	156
Profit before tax	18	8	28
Profit for the year	17	3	18

Extract from the Statements of financial position as at 31 December	2011 Actual €'000	2012 Actual €'000	2013 Actual €'000
Non-current assets	58,380	59,308	55,428
Current assets	2,231	2,566	8,260
Total assets	60,611	61,874	63,688

Shareholder's equity	469	472	490
Total liabilities	60,142	61,402	63,198
Total equity and liabilities	60,611	61,874	63,688

Extracts from the historical consolidated financial information of the Guarantor:

Extract from the Statements of comprehensive income for the years ended 31 December	2011 Actual €'000	2012 Actual €'000	2013 Actual €'000
EBITDA	11,715	13,551	11,696
Profit before tax	2,742	4,234	2,169
Profit for the year	1,677	2,660	1,309

Extract from the Statements of financial position as at 31 December	2011 Actual €'000	2012 Actual €'000	2013 Actual €'000
Non-current assets	87,597	99,067	97,815
Current assets	45,323	48,635	44,620
Total assets	132,920	147,702	142,435

Shareholder's equity	37,736	49,281	48,367
Total liabilities	95,184	98,421	94,068
Total equity and liabilities	132,920	147,702	142,435

B.13 *Not Applicable:* neither the Issuer nor the Guarantor is aware of any recent events which are, to a material extent, relevant to the evaluation of their respective solvency.

B.14 The Issuer is dependent on the operations of the Guarantor (see also sub-Section B.4b above). 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 situated within the Portomaso Business Tower, and to the group-wide management of treasury operations.

B.15 The Issuer has been set up, and continues to act, as a financing company within the Tumas Group, with its main business being limited to the raising of capital for the financing of capital projects and the loaning of such capital to SDC.

The principal business of SDC is the operation and continued development of the Portomaso complex, which comprises the operation of the Hilton Malta hotel and ancillary operations such as the car park and the marina, as well as the rental of office and other commercial spaces within the complex.

B.16 The Issuer's current authorised and issued share capital is €232,937.30 divided into 100,000 ordinary shares of €2.329373 each, fully paid up and subscribed as follows: (i) 99,999 ordinary shares of €2.329373 each held by Tumas Group Company Limited (C-7820) and (ii) 1 ordinary share of €2.329373 held by SDC.

The Guarantor has an authorised share capital of €13,652,805 divided into shares of a nominal value of €1 each. The issued share capital of the Guarantor 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, all of which have been fully paid and subscribed as follows: (i) 5,499,999 redeemable preference shares of €1 each, 1,164,686 ordinary 'A' shares of €1 each and 6,988,119 ordinary 'B' shares of €1 each held by Spinola Investments Limited (C-8034) and (ii) 1 ordinary 'A' share of €1 held by the heirs of the late Thomas Fenech.

The Issuer is wholly owned (except for one share which is held by SDC) by Tumas Group Company Limited (C-7820) which is the ultimate parent company of the Tumas Group and which latter company is, therefore, also the ultimate beneficial owner of the Guarantor.

In terms of the Articles of Association of the Issuer, Tumas Group Company Limited (the ultimate parent company of the Tumas Group) is empowered to appoint the Directors of the Issuer via the general meeting or by extraordinary resolution, putting it in a position to appoint a majority of the Directors of the Issuer and, accordingly, having control over the management and operations of the Issuer. The close association with the Tumas Group is central to the attainment by the Issuer of its investment objectives and the implementation of its strategies.

The Issuer adopts measures in line with the Code of Principles of Good Corporate Governance to ensure that its relationship with the Guarantor is retained at arm's length, including adherence to rules on related party transactions requiring the sanction of the Audit Committee of the Issuer, which is constituted in its majority by non-executive Directors, of which one, in the person of Mr Lino Spiteri, also act as Chairman. In this regard, the Audit Committee of the Issuer has the task of ensuring that any potential abuse which may arise in consequence of the foregoing state of affairs is immediately identified and resolved.

B.17 *Not Applicable:* neither the Issuer nor the Guarantor have sought the credit rating of an independent rating agency, and there has been no assessment by any independent rating agency of the Bonds issued by the Issuer.

B.18 For the purposes of the Guarantee, SDC stands surety jointly and severally with the Issuer and irrevocably and unconditionally guarantees the due and punctual performance of all the obligations undertaken by the Issuer in terms of such Issue. Accordingly, until such time as Bonds remain in issue, the Guarantor undertakes to pay any amounts of principal and interest which may become due and payable should the Issuer default in paying the Bondholders under the Bonds. In such cases the Guarantor would be under an obligation to pay to the Bondholders, upon demand and without the necessity of action first being taken by Bondholders against the Issuer itself, the amount due and payable by the Issuer to such Bondholders. The Guarantor's obligations under the Guarantee shall remain in full force and effect until no sum remains payable to any Bondholder pursuant to the issue of the Bonds.

3. SECTION C – SECURITIES

C.1 The Issuer shall issue an aggregate amount of €25,000,000 in Bonds having a nominal value of €100 per Bond, subject to a minimum subscription of €2,000. 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 CSD. On admission to trading, the Bonds will have the following ISIN number: MT0000231242. The Bonds, which are guaranteed by Spinola Development Company Limited, shall bear interest from and including 31st July 2014 at the rate of five per cent (5%) per annum and shall be repayable in full upon maturity, unless they are re-purchased or cancelled.

C.2 The Bonds are denominated in Euro (€).

- C.5** The Bonds are freely transferable and, once admitted to the Official List, shall be transferrable only in whole (in multiples of €100) in accordance with the bye-laws of the MSE and any applicable laws, rules or regulations governing the transfer of the Bonds, from time to time.
- C.8** Investors wishing to participate in and subscribe for the Bonds will be able to do so by duly executing the appropriate Application Form/s in relation to the Bonds. Execution of the Application Form/s will entitle such investor to:
- (i) the payment of capital;
 - (ii) the payment of interest;
 - (iii) ranking with respect to other indebtedness of the Issuer and Guarantor in accordance with the status of the Bonds, as follows: “the Bonds 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”;
 - (iv) attend, participate in and vote at meetings of Bondholders in accordance with the Terms and Conditions of the Bonds; and
 - (v) enjoy all such other rights attached to the Bonds emanating from the Prospectus.
- C.9** Interest is expected to accrue on the Bonds as from and including 31st July 2014 at the rate of 5% per annum on the nominal value thereof, payable semi-annually in arrears on 31st January and 31st July of each year. The first interest payment will be effected on 30th January 2015 (such first payment is being brought forward by a day so as to fall on a Business Day). 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 gross yield calculated on the basis of the interest, the Bond Issue Price and the Redemption Value of the Bonds at maturity is five per cent (5%). The Bonds will mature on 31st July 2024.
- The remaining component of Element C.9 is not applicable, given that no representative of debt security holders has been appointed.
- C.10** *Not Applicable:* there is no derivative component in the interest payments on the Bonds.
- C.11** The Listing Authority has authorised the Bonds as admissible to Listing pursuant to the Listing Rules by virtue of a letter dated 7th July 2014. Application has been made to the MSE 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 MSE with effect from 31st July 2014 and trading is expected to commence on 1st August 2014.

4. SECTION D – RISKS

Holding of a Bond involves certain risks. Prospective investors should carefully consider, with their own independent financial and other professional advisors, the following risk factors and other investment considerations, as well as all the other information contained in the Prospectus before deciding to acquire Bonds. Prospective investors are warned that by investing in the Bonds they may be exposing themselves to significant risks that may have the consequence of losing a substantial part or all of their investment.

The Prospectus contains statements that are, or may be deemed to be, “*forward-looking statements*”, which relate to matters that are not historical facts and which may involve projections of future circumstances. They appear in a number of places throughout the Prospectus and include statements regarding the intentions, beliefs or current expectations of the Issuer, the Guarantor and/or their respective Directors. These forward-looking statements are subject to a number of risks, uncertainties and assumptions and important factors that could cause actual risks to differ materially from the expectations of the Issuer’s and Guarantor’s Directors. No assurance is given that the future results or expectations will be achieved.

Below is a summary of the principal risks associated with an investment in the Issuer and the Bonds – there may be other risks which are not mentioned in this Summary. Investors are, therefore, urged to consult their own financial or other professional advisors with respect to the suitability of investing in the Bonds.

D.2 (a) Risks related to the Issuer’s reliance on the SDC Group

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 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.

(b) Risks related to the business of the SDC Group

The Portomaso project is a mature property development, targeted in part at the commercial and residential market, and in part at the hospitality and tourism sector. The material part of the income currently earned by the project is derived from the operations of the Hilton Malta hotel, from the rental of office and other commercial space, and from the operation of ancillary facilities such as the car park and the marina. The Hilton Malta hotel derives substantial income from business travellers and from tourists. Portomaso is affected across the span of its components by business liquidity and economic conditions both locally and overseas.

Income from business travellers, and income from office and commercial lettings, depend on the continued economic well-being of the Maltese islands and, in particular, on the continuity of the incentives and broader legislative framework that help drive Malta’s success as an international business centre. A severe curtailment in the country’s level of activity in this sector would curtail the volume of business visitors to Malta, while reducing the demand for office space, and would have an adverse impact on SDC’s business.

The operation of the Hilton Malta hotel is, in part, subject to the risks normally associated with the incoming tourism industry. The industry is impacted primarily by economic conditions in the countries from which Malta's tourism is sourced; by economic and political conditions in competing destinations; by the availability of air travel capacity and connections to the Maltese islands; and by the continued growth in global tourism, that impacts overall hotel occupancy across European destinations. Adverse movements in the overall balance of these factors would negatively impact SDC's operations.

The hotel is managed by Hilton International. A diminution in the global success of Hilton, leading to a reduction in the popularity of its reservations system, would have a negative impact on the operations of the Hilton Malta hotel.

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.

Rental operations may also 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 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 2013 are estimated to have a realisable value of less than 10% of the project's total value as at the date of this Summary. While of limited materiality in the context of the project as a whole, 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. 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.

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.

SDC has commenced excavation works on an extension of the complex (the Laguna project) that will include 44 apartments. 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 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 effect on the business, financial condition and profitability of the group.

The SDC Group is also subject to various counter-party risks 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.

D.3 Risks related to the Bonds

The value of investments, including the Bonds, can go up or down and past performance is not necessarily indicative of future performance.

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 time remaining to the maturity of the Bonds, the outstanding amount of the Bonds and 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.

The Bonds are based on the requirements of the Listing Rules of the Listing Authority, the Companies Act and the Regulation. 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.

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 and future 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.

The terms and conditions relating to the Bonds contain provisions in sub-Section 7.13 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.

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

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).

5. SECTION E – OFFER

E.2b The net proceeds of the Bond Issue amounting to approximately €24,500,000 will be available to the Issuer to redeem the outstanding amount of the Maturing Bonds which, as at the date of this Summary, amounted to €25,000,000.

Any shortfall will be met by the Issuer through alternative funding sources, including funds making up the bond redemption fund built up in connection with the Maturing Bonds, which as at 31st December 2013 amounted to €4,000,000.

E.3 The Bonds are open for subscription to Preferred Applicants and to holders of 2017 – 2020 Issuer Bonds on the Cut-off Date and, thereafter, to Authorised Intermediaries through an Intermediaries' Offer in respect of any balance of the Bonds not subscribed to by Preferred Applicants and holders of 2017 - 2020 Issuer Bonds on the Cut-off Date.

All Preferred Applicants as at the Cut-off Date may apply for Bonds by completing the pre-printed Application Form "A" by way of transfer of all or part of the Maturing Bonds held by such Applicant, which transfer shall be effected at the par value of the Maturing Bonds, rounded upwards to the nearest €100, subject to a minimum application of €2,000 (a "Maturing Bond Transfer"). Bonds applied for by Preferred Applicants by way of Maturing Bond Transfer 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, subject to a minimum application of €2,000. 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 but such excess Bonds shall, together with applications by holders of 2017 – 2020 Issuer Bonds on the Cut-off Date, be subject to such allocation policy as shall be determined by the Issuer.

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 the 30th July 2014.

Holders of Maturing Bonds on the Cut-off Date who do not elect to avail themselves of the possibility to exchange their investment in terms of the procedure outlined herein shall receive all capital and accrued interest to date on the 31st July 2014.

Any balance of the Bonds not subscribed to by Preferred Applicants and holders of 2017 – 2020 Issuer Bonds on the Cut-off Date shall be available for subscription by Authorised Intermediaries. In this regard, the Issuer may enter into conditional subscription agreements with Authorised Intermediaries for the subscription of the Bonds, whereby it will bind itself to allocate Bonds to such investors subsequent to closing of the Issue Period but by no later than 10.00 hours on 28th July 2014. In terms of each subscription agreement the Issuer will be conditionally bound to issue, and each of the said Authorised Intermediaries will bind itself to subscribe for, a number of Bonds subject to being admitted to trading on the Official List. The subscription agreements will become binding on each of the Issuer and the respective Authorised Intermediaries upon delivery, provided that said intermediaries would have paid to the Issuer all subscription proceeds in cleared funds on delivery of the subscription agreement.

The following is a synopsis of the general terms and conditions applicable to the Bonds. A Bondholder is deemed to have invested only after having received, read and understood the contents of the Prospectus, including the full terms and conditions contained in the annexes thereto:

1. Registration, form, denomination and title

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 CSD. 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 account 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.

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 €2,000.

Any person in whose name a Bond is registered may (to the fullest extent permitted by applicable law) be deemed and treated at all times, by all persons and for all purposes (including the making of any payments) as the absolute owner of such Bond.

Title to the Bonds may be transferred as provided below under the heading "*Transferability of the Bonds*".

Subject to the admission to listing of the Bonds to the Official List, the Bonds are expected to be assigned the following ISIN code: MT0000231242.

2. Status of the Bonds and negative pledge

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 with all other present and future outstanding and unsecured obligations of the Issuer and Guarantor. The Bonds will, however, rank subordinate to the present and future 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 Summary, the following secured liabilities are in place concerning the Issuer and/or Guarantor:

I) Hypothecary secured liabilities:

- (a) Bank of Valletta p.l.c. – General hypothec 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, selected commercial areas at Portomaso, St. Julian’s, a number of selected floors in Portomaso Business Tower, St. Julian’s and surrounding grounds in St. Julian’s, in security of overdrafts for amounts of €1,630,550 (€131,715 overdraft balance as at 31st May 2014) and €698,800 (€51,013 overdraft balance as at 31st May 2014); and,
- (b) Bank of Valletta p.l.c. – Special hypothecary guarantee over a selected commercial area 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 €8,036,000, granted to a fellow subsidiary; and,
- (c) Bank of Valletta p.l.c. – General hypothec limited to, and special hypothec over, a selected commercial area at Portomaso, St. Julian’s and over a number of selected floors in Portomaso Business Tower, St. Julian’s in security of loans for an aggregate amount of €9,000,000, and,
- (d) HSBC Bank Malta p.l.c. – General hypothecary guarantee and a special hypothecary guarantee given by the Guarantor in each case limitedly over the Hilton Malta hotel and its extension for an overdraft in an amount of €698,812 (€nil balance as at 31st May 2014); and,
- (e) HSBC Bank Malta p.l.c. – General hypothecary guarantee and a special hypothecary guarantee given by the Guarantor in each case limitedly over the Hilton Malta hotel and its extension in security of an overdraft of €930,730 (€nil overdraft balance as at 31st May 2014) and a loan of €1,814,597 of a fellow subsidiary company; and,
- (f) HSBC Bank Malta p.l.c. – Special hypothecary guarantee given by the Guarantor over the Hilton Malta hotel at Portomaso, St. Julian’s up to an amount of €2,400,000 in security of a loan of €21,600,000 of a fellow subsidiary company; and,
- (g) APS Bank Limited – Special hypothecary guarantee given by the Guarantor over the Conference Centre at the Portomaso complex in security of a loan for an amount of €10,000,000; and,
- (h) Lombard Bank Malta plc – General hypothecary guarantee limited to, and special hypothecary guarantee over, a specific apartment at Portomaso, St. Julian’s, in security of loans for an aggregate amount of €1,411,238 and overdrafts for an aggregate amount of €3,494,374;

As at the date of this Summary the following hypothecary secured liabilities have been confirmed by way of sanction letter duly issued by Bank of Valletta p.l.c. but are not yet in effect, subject only to publication of the relative deeds:

- (i) Bank of Valletta p.l.c. – General hypothec limited to, and special hypothec over, a parcel of land measuring 7,550 sqm at Portomaso, Triq il-Knisja, St. Julian’s, in security of an overdraft for an amount of €1,500,000 (€nil overdraft balance as at 31st May 2014); and,
- (j) Bank of Valletta p.l.c. – General hypothec limited to, and special hypothec over, a parcel of land measuring 7,550 sqm at Portomaso, Triq il-Knisja, St. Julian’s, in security of a loan for an amount of €5,500,000; and,
- (k) Bank of Valletta p.l.c. – General hypothecary guarantee limited to, and special hypothecary guarantee over, a parcel of land measuring 7,550 sqm at Portomaso, Triq il-Knisja, St. Julian’s, up to an amount of €2,500,000 in security of a loan for an amount of €7,000,000, granted to a fellow subsidiary company.

II) Other liabilities:

- (a) Bank of Valletta p.l.c. – guarantee in an aggregate amount of €3,353,100 in respect of bank facilities granted to a fellow subsidiary company; and,
- (b) HSBC Bank Malta p.l.c. – guarantee in an aggregate amount of €625,000 in respect of bank facilities granted to a fellow subsidiary company; and,
- (c) bonds in issue – the Maturing Bonds. The Maturing Bonds are being redeemed in virtue of the terms and conditions of the relative prospectus dated 10th June 2009; and,
- (d) bonds in issue – the 2017 – 2020 Issuer Bonds.

Relative to the Guarantor, as at 31st May 2014, total secured and/or guaranteed debt amounted to €103,593,209 (€87,064,170 in respect of liabilities held by the Guarantor and €16,529,039 in respect of liabilities held by fellow subsidiaries), while total assets and shareholders’ equity as at 31st December 2013 amounted to €142,434,492 and €48,366,646 respectively.

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 in accordance with the provisions of sub-Section 7.13 of the Securities Note.

“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; and
- (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 Issuer or Guarantor, as the case may be.

“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; and
- (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 (as defined below) 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 five per cent (105%) 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) and in the case of immovable property adjusted by reference to the open market value of the said 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.

3. Redemption and purchase

Unless previously purchased and cancelled, the Bonds shall be redeemed at the Redemption Value of €100 per Bond (together with interest accrued to the date fixed for redemption) on the 31st July 2024.

4. Interest and Yield

The Bonds shall bear interest from and including 31st July 2014 at the rate of 5% per annum on the nominal value thereof, payable semi-annually in arrears on the 31st January and 31st July of each year (each an “Interest Payment Date”), the first Interest Payment Date being on the 30th January 2015 (such first payment is being brought forward by a day so as to fall on a Business Day). 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%). In terms of article 2156 of the Civil Code (Chapter 16 of the laws of Malta), the right of Bondholders to bring claims for payment of interest and repayment of the principal on the Bonds is barred by the lapse of five (5) years.

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.

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 five per cent (5%).

5. Payments

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 CSD, 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 CSD.

Payment of any instalment of interest on a Bond will be made by the Issuer in Euro directly to each Bondholder whose name is entered in the register of the Bonds held at the CSD 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 held by the CSD. The Issuer shall not be responsible for any charges, loss or delay in transmission.

6. Events of Default

The Securities Note in sub-Section 7.12 sets out a list of events of default the occurrence of which would result in the Bonds becoming immediately due and repayable at their principal amount, together with accrued interest.

7. Transferability of the Bonds

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 MSE 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. Any person becoming entitled to a Bond/s 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/s 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/s, or procuring the transfer of the Bond/s, in favour of that person; provided always that if a Bond is transmitted or transferred in furtherance of this paragraph, a person will not be registered as a Bondholder unless such transmission or transfer is made in multiples of €100.

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. 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. 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.

8. 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.

9. Meetings of the Bondholders

The Issuer may, at any time, convene a meeting of Bondholders in accordance with the terms and procedure set out under sub-Section 7.13 of the Securities Note to consider and approve 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 of the Bonds.

10. Governing law and jurisdiction

The Bonds have been created, and the Bond Issue relating thereto is being made, in terms of the Act. From their inception the Bonds, and all contractual arrangements arising therefrom, shall be governed by and shall be construed in accordance with Maltese law. Any legal action, suit, action or proceeding against the Issuer arising out of or in connection with the Bonds shall be brought exclusively before the Maltese courts and the Bondholder shall be deemed to acknowledge that he/she/it is submitting to the exclusive jurisdiction of the Maltese courts as aforesaid.

E.4 Save for the subscription for Bonds by the Authorised Intermediaries (which include the Sponsor, the Registrar & Joint Manager and the Joint Manager) and any fees payable to Rizzo, Farrugia & Co (Stockbrokers) Ltd. as Sponsor in connection with the Bond Issue, and to Bank of Valletta p.l.c. and HSBC Bank Malta p.l.c. respectively as Registrar & Joint Manager and Joint Manager, so far as the Issuer is aware no person involved in the Issue has an interest material to the Bond Issue.

E.7 Professional fees, costs related to publicity, advertising, printing, listing and registration, a selling commission in respect of the Bonds allotted to Applicants, as well as sponsor, management, registrar fees and other miscellaneous expenses in connection with this Bond Issue, are estimated not to exceed €500,000 and shall be borne by the Issuer and/or the Guarantor. Accordingly, no expenses will be specifically charged to any Bondholder who subscribes for the Bonds. There is no particular order of priority with respect to such expenses.

6. EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Pre-printed Application Forms 'A' and 'B' mailed to Preferred Applicants and holders of 2017 – 2020 Issuer Bonds on the Cut-off Date	Tuesday 8 th July 2014
Application Forms 'A' and 'B' available to Preferred Applicants and holders of 2017 – 2020 Issuer Bonds on the Cut-off Date	Thursday 10 th July 2014
Closing of Issue Period for Preferred Applicants and holders of 2017 – 2020 Issuer Bonds on the Cut-off Date	Tuesday 22 nd July 2014
Intermediaries' Offer Date	Monday 28 th July 2014
Announcement of basis of acceptance	Tuesday 29 th July 2014
Commencement of Interest on the Bonds	Thursday 31 st July 2014
Expected admission of the Bonds to Listing	Thursday 31 st July 2014
Expected date of commencement of trading	Friday 1 st August 2014
Expected dispatch of allotment advices and refund of unallocated monies	Tuesday 5 th August 2014

In the event that the total amount of Applications received from Preferred Applicants and holders of the 2017-2020 Issuer Bonds on the Cut-off Date exceeds €25,000,000, the Intermediaries' Offer will not take place.