

## **COMPANY ANNOUNCEMENT**

2<sup>nd</sup> December 2019

The following is a Company Announcement issued pursuant to the Listing Rules issued by the Listing Authority

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This statement is being issued by the Board of Directors of Tumas Investments plc ('TI' or the 'Company') to better inform bondholders on the affairs of the Company and of Spinola Development Company Limited ('SDC'), the guarantor of the Company's bonds currently in issue on the Official List of the Malta Stock Exchange. This statement relates to recent developments concerning a former director, Mr Yorgen Fenech.

The Board of TI, having also made enquiries with the management of SDC and of the Tumas Group, would like to state as follows:

- The resignation of Mr Yorgen Fenech is not expected to impact management continuity at SDC. As clearly stated in the Company's May 2017 prospectus, the posts of Executive Chairman and Chief Executive Officer of the Tumas Group are held by Mr Raymond Fenech, who has occupied these roles since the demise of Mr George Fenech in 2014 and who continues in his leadership role. Contrary to that which has been stated by local media, Mr Yorgen Fenech did not hold the post of chief executive officer of the Tumas Group or of SDC;
- Since reports first surfaced last year, linking Mr Yorgen Fenech to irregularities, Mr Yorgen Fenech strenuously denied all allegations in his regard, both publicly as well as within the Tumas Group. The events unfolding recently have caused concern and dismay to the Board of TI, that supports the Tumas Group's statement disassociating itself from the alleged actions being attributed to Mr Yorgen Fenech;
- During the course of 2019, the Board has made enquiries with the directors of SDC on the reputational risk arising from the press allegations made in respect of Mr Yorgen Fenech. The Board established that Mr Yorgen Fenech's position as director on various boards of companies within the Tumas Group, including TI, derived from his shareholding within the Group pursuant to inheritance;
- The Board also sought and received assurances from the Tumas Group that, during the course of 2019, the said Tumas Group has not benefited from any illicit activities being attributed to Mr Yorgen Fenech. The Board has, moreover, been informed that, in the light of the events that have unfolded over the past days, the Tumas Group feels that it should seek additional comfort in this regard through an independent, external report;
- The financial performance of SDC remains satisfactory and fully in line with the annual publication of its Financial Analysis Summary, the last being dated the 28<sup>th</sup> June 2019, and which is made available to all investors on the Tumas Group's website. SDC continues to enjoy the support of the various local and international stakeholders and partners involved in its operations.



Ray Sladden  
Company Secretary