REGISTRATION DOCUMENT

DATED 16 SEPTEMBER 2016

This Registration Document is issued in accordance with the provisions of Chapter 4 of the Listing Rules issued by the Listing Authority and in accordance with the provisions of Commission Regulation (EC) No. 809/2004 of 29 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 30 March 2012, Commission Delegated Regulation (EU) No. 862/2012 of 4 June 2012, Commission Delegated Regulation (EU) No. 759/2013 of 30 April 2013, Commission Delegated Regulation (EU) No. 382/2014 of 7 March 2014 and Commission Delegated Regulation (EU) No. 2016/301 of 30 November 2015.

Issue of €40,000,000 4.25% Secured Bonds 2023

issued by

gap

GAP GROUP P.L.C.

A PUBLIC LIMITED LIABILITY COMPANY REGISTERED IN MALTA
WITH COMPANY REGISTRATION NUMBER C 75875

with the joint and several Guarantee* of
Gap Mellieħa (I) Limited, Gap Għargħur Limited, Gap Properties Limited and Geom Developments Limited

*Prospective investors are to refer to the Guarantee contained in Annex II of the Securities Note and section 4.6 of this Registration Document for a description of the Guarantee and the Security. Reference should also be made to the sections entitled "Risk Factors" contained in this 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 the Guarantors.

Legal Counsel to the Sponsor & Manager	Legal Counsel to the Issuer	Trustee	Sponsor & Manager	Registrar
CAMILLERI PREZIOSI ADVOCATES	Dr Chris Cilia	EQUINOX INTERNATIONAL LIMITED	CHARTS WEALTH MANAGEMENT • CORPORATE BROKING	MALTA STOCK EXCHANGE plc

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 TO BE 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.

APPROVED BY THE DIRECTORS

George Muscat   Paul Attard   Adrian Muscat   Francis X. Gouder   Mark Castillo   Chris Cilia

IMPORTANT INFORMATION

THIS REGISTRATION DOCUMENT CONTAINS INFORMATION ON GAP GROUP P.L.C. (IN ITS CAPACITY AS ISSUER) AND THE GUARANTORS IN ACCORDANCE WITH THE REQUIREMENTS OF THE LISTING RULES OF THE LISTING AUTHORITY, THE COMPANIES ACT (CAP. 386 OF THE LAWS OF MALTA) AND COMMISSION REGULATION (EC) NO. 809/2004 OF 29 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 30 MARCH 2012, COMMISSION DELEGATED REGULATION (EU) NO. 862/2012 OF 4 JUNE 2012, COMMISSION DELEGATED REGULATION (EU) NO. 759/2013 OF 30 APRIL 2013 COMMISSION DELEGATED REGULATION (EU) NO. 382/2014 OF 7 MARCH 2014 AND COMMISSION DELEGATED REGULATION (EU) NO. 2016/301 OF 30 NOVEMBER 2015.

NO BROKER, DEALER, SALESMAN OR OTHER PERSON HAS BEEN AUTHORISED BY THE ISSUER OR ITS DIRECTORS, TO ISSUE ANY ADVERTISEMENT OR TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS IN CONNECTION WITH THE SALE OF SECURITIES OF THE ISSUER OTHER THAN THOSE CONTAINED IN THIS REGISTRATION DOCUMENT AND IN THE DOCUMENTS REFERRED TO HEREIN, AND IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORISED BY THE ISSUER OR ITS 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 APPLYING FOR ANY SUCH SECURITIES AND ANY APPLICABLE EXCHANGE CONTROL REQUIREMENTS AND TAXES IN THE COUNTRIES OF THEIR NATIONALITY, RESIDENCE, OR DOMICILE.

SAVE FOR THE OFFERING 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 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 4 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 SAID DIRECTIVE.

A COPY OF THIS DOCUMENT HAS BEEN SUBMITTED TO 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.

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

ALL THE ADVISORS TO THE ISSUER AND THE GUARANTORS NAMED IN THE REGISTRATION DOCUMENT UNDER THE HEADING “ADVISORS” IN SECTION 3.3 OF THIS REGISTRATION DOCUMENT HAVE ACTED AND ARE ACTING EXCLUSIVELY FOR THE ISSUER AND THE GUARANTORS IN RELATION TO THIS PUBLIC OFFER 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 CONTENTS OF THE ISSUER’S WEBSITE OR ANY WEBSITE DIRECTLY OR INDIRECTLY LINKED TO THE ISSUER’S WEBSITE DO NOT FORM PART OF THIS 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 GO UP OR DOWN AND PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE PERFORMANCE. 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.

TABLE OF CONTENTS

1. DEFINITIONS

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

Act	the Companies Act (Cap. 386 of the Laws of Malta);
Bond Issue or **Offer**	the issue of the Secured Bonds;
Bond Obligations	the punctual performance by the Company of all its obligations under the Bonds upon issuance including the repayment of principal and payment of interest thereon;
Bondholder/s	a holder of Secured Bonds;
Collateral or **Security Interests**	i. the first ranking general hypothec for the full nominal value of the Secured Bonds and interests thereon over all the present and future property of the Issuer and each of GML, GPL and GDL; ii. the first ranking special hypothec for the full nominal value of the Secured Bonds and interests thereon over the land on which each of the Mellieħa Development and Blocks A, B and C forming part of the Qawra Development is to be developed together with all and any constructions and other erections to be developed thereon; iii. the first ranking special hypothec for the full nominal value of the Secured Bonds and interests thereon over the remaining 27 residential units and 74 garage spaces forming part of the Żebbuġ Development; iv. the special privilege for the amount of *circa* €9.8 million (or such other amount according to law) over the site in Mellieħa over which the Mellieħa Development shall be constructed in accordance with the provisions of article 2010 (c) of Chapter 16 of the Laws of Malta; v. the pledge over the proceeds from any insurance policy required under clause 6(1)(k) of the Trust Deed; and vi. the Guarantee;
Deed of Hypothec	a deed to be entered into by and between the Trustee and the Issuer in the acts of Dr Notary Sam Abela whereby the Issuer constitutes in favour of the Trustee that part of the Collateral which according to law requires the execution of a notarial deed;
Directors or **Board**	the directors of the Issuer whose names are set out under the heading "Identity of Directors, Senior Management, Advisors and Auditors";
Euro or **€**	the lawful currency of the Republic of Malta;
GDL	Geom Developments Limited (C 50805);
GHL	Geom Holdings Limited (C 64409);
GGF	Gap Group Finance Limited (C 54352);
GGL	Gap Għargħur Limited (C 72015);
GGCL	Gap Group Contracting Limited (C 75879);
Għargħur Development	the construction, development and finishing over the site in Triq Caravaggio, Għargħur, Malta measuring approximately 2,585m^2, of a total 34 luxury apartments (6 of which at penthouse level) and 41 garages/car spaces, spread over 4 blocks with a variety of one, two and three bedroom units, as better described in section 4.3.5 of this Registration Document;
GML	Gap Mellieħa (I) Limited (C 72013);
GPL	Gap Properties Limited (C 47928);
Group or **Gap Group**	the Issuer, its parent, GDL, GHL, GGF, GGL, GGCL, GML, GPL and MHL;
Guarantee	the joint and several guarantee dated 9 September 2016 granted by the Guarantors as security for the punctual performance of the Issuer's payment obligations under the Bond Issue, subject to the terms and conditions contained in the Security Trust Deed and as the same is held on trust for the benefit of the Bondholders by the Security Trustee. A copy of the Guarantee is appended to the Securities Note as Annex II thereto;
Guarantor	each of GDL, GGL, GML and GPL, and the term "**Guarantors**" shall collectively refer to the said companies;
Hypothecated Property	the immovable property described hereunder, namely: (i) the plot of land known as ta' Masrija having a superficial area of approximately 5,220m^2, in Mellieħa, together with the improvements made and to be made thereon, over which there shall be developed the Mellieħa Development as better described in section 4.3.4 of this Registration Document, which site is to be acquired by GML;

	(ii) the plot of land in Triq il-Porzjunkola, Qawra, Malta having a superficial area of approximately 1,228m², together with any improvements to be made thereon and earmarked for the development of Blocks A, B, and C forming part of the Qawra Development, property of GDL, which is better described in section 4.3.3 of this Registration document; the site is more fully described in the deed of acquisition published by Notary John Spiteri and dated 26 March 2015; (iii) the 27 apartments in a completely finished state, including all common areas and internal streets and the 74 garages and garage spaces forming part of the development on the site in Żebbuġ having a superficial area of approximately 6,878m² constituting the Żebbuġ Development, property of GPL, which development is better described in section 4.3.2 of this Registration Document;
Issuer or **Company**	Gap Group p.l.c., a public limited liability company duly registered and validly existing under the laws of Malta with company registration number C 75875 and having its registered office at Gap Group Head Office, Ċensu Scerri Street, Tigné, Sliema SLM 3060, Malta;
Listing Authority	the MFSA, appointed as Listing Authority for the purposes of the Financial Markets Act (Cap. 345 of the Laws of Malta) by virtue of L.N. 1 of 2003;
Malta Stock Exchange or **MSE**	Malta Stock Exchange p.l.c., as originally constituted in terms of the Financial Markets Act (Cap. 345 of the Laws of Malta) with company registration number C 42525 and having its registered office at Garrison Chapel, Castille Place, Valletta VLT 1063, Malta;
Mellieħa Development	the construction, development and finishing, over the site known as ta' Masrija in Mellieħa measuring approximately 5,220m², of a total of 152 residential units and 174 garages/car spaces, spread over 10 blocks with a variety of one, two and three bedroom units, as better described in section 4.3.4 of this Registration Document;
MFSA	Malta Financial Services Authority, established in terms of the Malta Financial Services Authority Act (Cap. 330 of the Laws of Malta);
MHL	Manikata Holdings Limited (C 53818);
New Developments	the construction and development of each of the Għargħur Development, the Qawra Development and the Mellieħa Development;
Projects	the construction and development of the New Developments and the sale of the remaining unsold units comprised in the Żebbuġ Development;
Prospectus	collectively, this Registration Document, the Securities Note and the Summary Note;
Qawra Development	the construction, development and finishing over the site in Triq il-Porzjunkola, Qawra, Malta measuring approximately 3,508m² of a total of 145 residential units and 180 garages/car spaces, spread over 7 blocks, identified as Blocks A to G (both included) with a variety of one, two and three bedroom units, as better described in 4.3.3 of this Registration Document;
Redemption Date	shall have the meaning set out in the Securities Note;
Registration Document	this document in its entirety;
Regulation	Commission Regulation (EC) No. 809/2004 of 29 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 30 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 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 April 2013 amending Regulation (EC) No. 809/2004 as regards the disclosure requirements for convertible and exchangeable debt securities; Commission Delegated Regulation (EU) No. 382/2014 of 7 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; and Commission Delegated Regulation (EU) No. 2016/301 of 30 November 2015 supplementing Directive 2003/71/EC of the European Parliament and of the Council with regard to regulatory technical standards for publication of the prospectus and dissemination of advertisements and amending Commission Regulation (EC) No. 809/2004;
Securities Note	the securities note issued by the Issuer dated 16 September 2016, forming part of the Prospectus;
Secured Bonds or **Bonds**	the €40 million 4.25% bond issued by the Issuer redeemable on the Redemption Date pursuant to the Prospectus;

Security Trust Deed or **Trust Deed**	The trust deed signed between the Issuer and the Security Trustee dated 9 September 2016;
Summary Note	the summary note issued by the Issuer dated 16 September 2016, forming part of the Prospectus;
Trustee or **Security Trustee**	Equinox International Limited, a private limited liability company duly registered and validly existing under the laws of Malta, with company registration number C 29674 and having its registered office at 9, Level 2, Valletta Buildings, South Street, Valletta VLT 1103, Malta, duly authorised to act as a trustee or co-trustee in terms of Article 43(3) of the Trusts and Trustees Act (Cap. 331 of the Laws of Malta);
Żebbuġ Development	the 193 apartments, 2 retail outlets and 144 underlying garage spaces all in a completely finished state, including all common areas and internal streets, forming part of the development on the site in Żebbuġ measuring approximately 6,878m^2 as better described in section 4.3.2 of this Registration Document.

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 also 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

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 THIS PROSPECTUS, BEFORE MAKING ANY INVESTMENT DECISION WITH RESPECT TO THE ISSUER. SOME OF THESE RISKS ARE SUBJECT TO CONTINGENCIES WHICH MAY OR MAY NOT OCCUR AND NEITHER THE ISSUER NOR THE GUARANTORS ARE IN A POSITION TO EXPRESS ANY VIEWS ON THE LIKELIHOOD OF ANY SUCH CONTINGENCIES OCCURRING.THE SEQUENCE IN WHICH THE RISKS BELOW ARE LISTED IS NOT INTENDED TO BE INDICATIVE OF ANY ORDER OF PRIORITY OR OF THE EXTENT OF THEIR CONSEQUENCES.

IF ANY OF THE RISKS DESCRIBED BELOW WERE TO MATERIALISE, THEY COULD HAVE A SERIOUS EFFECT ON THE ISSUER'S AND/OR GUARANTORS' FINANCIAL RESULTS AND TRADING PROSPECTS AND THE ABILITY OF THE ISSUER AND/OR GUARANTORS TO FULFIL THEIR RESPECTIVE OBLIGATIONS UNDER THE SECURITIES ISSUED BY IT FROM TIME TO TIME. THE RISKS AND UNCERTAINTIES DISCUSSED BELOW ARE THOSE IDENTIFIED AS SUCH BY THE DIRECTORS OF THE ISSUER AND THE GUARANTORS AS AT THE DATE OF THE PROSPECTUS, BUT THESE RISKS AND UNCERTAINTIES MAY NOT BE THE ONLY ONES THAT THE ISSUER AND THE GUARANTORS FACE. ADDITIONAL RISKS AND UNCERTAINTIES, INCLUDING THOSE WHICH THE ISSUER'S AND/OR GUARANTORS' DIRECTORS ARE NOT CURRENTLY AWARE OF, MAY WELL RESULT IN A MATERIAL IMPACT ON THE FINANCIAL CONDITION AND OPERATIONAL PERFORMANCE OF THE ISSUER AND/OR GUARANTORS.

NEITHER THE PROSPECTUS NOR ANY OTHER INFORMATION SUPPLIED IN CONNECTION WITH SECURITIES ISSUED BY THE ISSUER: (I) IS INTENDED TO PROVIDE THE BASIS OF ANY CREDIT OR OTHER EVALUATION NOR (II) SHOULD IT BE CONSIDERED AS A RECOMMENDATION BY THE ISSUER OR THE SPONSOR OR AUTHORISED FINANCIAL INTERMEDIARIES THAT ANY RECIPIENT OF THIS PROSPECTUS OR ANY OTHER INFORMATION SUPPLIED IN CONNECTION THEREWITH, SHOULD PURCHASE ANY SECURITIES ISSUED BY THE ISSUER. PROSPECTIVE INVESTORS SHOULD MAKE THEIR OWN INDEPENDENT EVALUATION OF ALL RISK FACTORS, AND SHOULD CONSIDER ALL OTHER SECTIONS IN THIS DOCUMENT.

2.1 Forward-looking Statements

The Prospectus and the documents incorporated therein by reference or annexed thereto contain forward-looking statements that include, among others, statements concerning the Issuer's and/or Guarantors' strategies and plans relating to the attainment of their respective objectives, capital requirements and other statements of expectations, beliefs, future plans and strategies, anticipated developments and other matters that are not historical facts and which may involve predictions of future circumstances. Investors can generally identify forward-looking statements by the use of terminology such as "may", "will", "expect", "intend", "plan", "estimate", "anticipate", "believe", or similar phrases. These forward-looking statements are inherently subject to a number of risks, uncertainties, and assumptions. Important factors that could cause actual results to differ materially from the expectations of the Issuer's and/or Guarantors' directors include those risks identified under the heading "Risk Factors" and elsewhere in the Prospectus.

Important factors that could cause actual results to differ materially from the expectations of the Issuer's and/or Guarantors' directors include those risks identified under this section 2 and elsewhere in the Prospectus. If any of the risks described were to materialise, they could have a material effect on the Issuer's and/or Guarantors' financial results and trading prospects and the ability of the Issuer to fulfil its obligations under the securities to be issued in terms of the Prospectus and of the Guarantors to honour their obligations under the Guarantee.

Accordingly, the Issuer and Guarantors caution prospective investors that these forward-looking statements are subject to risks and uncertainties that could cause actual events or results to differ materially from those expressed or implied by such statements, that such statements do not bind the Issuer and/or Guarantors with respect to future results and no assurance is given that the projected future results or expectations covered by such forward-looking statements will be achieved.

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, unless the Bonds are previously re-purchased and cancelled. An investment in the Bonds involves certain risks, including those described below.

2.2 Risks relating to the Issuer

(i) The Issuer has a limited history of operations

The Issuer has a limited trading record and history of operations. It was set up in June 2016 primarily to promote the construction and development of the New Developments and raise finance for the purpose of developing and completing the New Developments. The Issuer is substantially a start-up operation with all the attendant risks that start-ups normally entail. These risks include, but are not limited to, the lack of financial stability and risks of delays in completion of the New Developments. In the event that these risks were to materialise they could have a significant impact on the financial position of the Issuer.

2.3 Risks relating to the Group and its Business

(i) The Group is subject to market and economic conditions generally

The Issuer and each Guarantor is subject to the general market and economic risks that may have a significant impact on the Projects or any one of them, the timely completion of any one of the New Developments and budgetary constraints. These include factors such as the state of the local property market, inflation, and fluctuations in interest rates, exchange rates, property prices and other economic and social factors affecting demand for real estate generally. In the event that general economic conditions and property market conditions experience a downturn which is not contemplated in the Group's planning during the construction and completion of the New Developments, this shall have an adverse impact on the financial condition of the Group and the ability of the Issuer to meet its obligations under the Bonds.

(ii) The property market is a very competitive market that can influence the sales of units in the Projects

The real estate market in Malta is very competitive in nature. An increase in supply and/or a reduction in demand in the property segments in which the Group operates and targets to sell the remaining units in stock and the properties being developed, may cause sales of units forming part of the Projects to sell at prices which are lower than is being anticipated by the Group or that sales of such units are in fact slower than is being anticipated. If these risks were to materialise, particularly if due to unforeseen circumstances there is a delay in the tempo of sales envisaged by the Group, they could have a material adverse impact on the Group and the Issuer's ability to repay the Bonds and interest thereon.

(iii) The Group depends on third parties in connection with its business, giving rise to counterparty risks

The Group relies upon third-party service providers such as architects, building contractors and suppliers for the construction and completion of each of the New Developments. The Group has engaged the services of third party contractors for the purpose of the development of the New Developments including, excavation, construction and finishing of the developments in a timely manner and within agreed cost parameters. This gives rise to counter-party risks in those instances where such third parties do not perform in line with the Group's expectations and in accordance with their contractual obligations. If these risks were to materialise, the resulting development delays in completion could have an adverse impact on the Group's businesses, and their respective financial condition, results of operations and prospects, that could have a material adverse impact on the Issuer's ability to meet its obligations under the Bond.

(iv) Material risks relating to real estate development may affect the economic performance and value of the Projects

There are a number of factors that commonly affect the real estate development industry, many of which are beyond the Group's control, and which could adversely affect the economic performance and value of the Group's Projects. Such factors include:

- changes in global economic conditions particularly in the European Union;
- changes in the general economic conditions in Malta;
- general industry trends, including the cyclical nature of the real estate market;
- changes in local market conditions, such as an oversupply of similar properties, a reduction in demand for real estate or change of local preferences and tastes;
- possible structural and environmental problems;
- acts of nature, such as earthquakes and floods, that may damage any of the properties or delay development thereof; and
- increased competition in the market segment in which the Group operates may lead to an oversupply of residential properties in such markets, which could lead to a lowering of prices and a corresponding reduction in revenue of the Group from the Projects.

Any of the factors described above could have a material adverse effect on the Group's business, its respective financial condition and prospects and accordingly on the repayment of the Bond and interest thereon.

(v) The Group may be exposed to environmental liabilities attaching to real estate property

The Group may become liable for the costs of removal, investigation, or remediation of any hazardous or toxic substances that may be located on, or in or which may have migrated from, a property owned or occupied by it, which costs may be substantial. The Group may also be required to remove or remedy any hazardous substances that it causes or knowingly permits at any property that it owns or may in future own. Laws and regulations, which may be amended over time, may also impose liability for the presence of certain materials or substances or the release of certain materials or substances into the air, land or water or the migration of certain materials or substances from a real estate investment, including asbestos, and such presence, release or migration could form the basis for liability to third parties for personal injury or other damages. These environmental liabilities, if realised, could have a material adverse effect on the Group's business, financial condition, and results of operations.

(vi) Property valuations may not reflect actual market values

The valuations referred to in the Prospectus are prepared by an independent qualified architect in accordance with the valuation standards published by the Royal Institution of Chartered Surveyors (RICS). In providing a market value of the respective properties, the independent architect has made certain assumptions which ultimately may cause the actual values to be materially different from any future values that may be expressed or implied by such forward-looking statements or anticipated on the basis of historical trends as reality may not match the assumptions. There can be no assurance that such property valuations and property-related assets will reflect actual market values.

(vii) General exposure to funding risks

The funding of each New Development is partly dependent on the proceeds from the gradual sale of the units in each New Development. In the event that the projected sale of the units is not attained or is delayed, the Group may well not have sufficient funds to complete all the New Developments, to complete the New Developments within the time-frames envisaged in this document, or to pay the contractors for works performed.

(viii) The Group may be exposed to cost overruns and delays in completion of the New Developments

Each of the New Developments being undertaken by the Group is susceptible to certain risks inherent in real estate development, most notably the risk of completing each New Development within its scheduled completion date and within the budgeted cost for that New Development. If either or both of these risks were to materialise they could have a significant impact on the financial condition of each Guarantor and the Issuer, and the ability of the latter to meet its obligations under the Bonds. In particular, the risks of delays and cost overruns, could cause actual sales revenues and costs to differ from those projected and which are affected, amongst others, by factors attributable to counter-parties, general market conditions, and competition which are beyond the Group's control. Delays in the time scheduled for completion of one or more of the New Developments may also cause significant delays in the tempo of the sales forecasted by the Group for units within the Project or Projects affected by such delay, which can have a significant adverse impact on the Group's financial condition and cash flows. Similarly, if any one or more of the New Developments were to incur significant cost overruns that were not anticipated, the Group may have difficulties in sourcing the funding required for meeting such cost overruns and therefore may risk not completing one or more of the New Developments, which shall have a material adverse impact on the cash flows generated from sales of units in that Project and a material adverse impact on the financial condition of the specific Guarantor and ultimately the Issuer.

2.4 Risks relating to the Guarantee

The Secured Bonds, as and when issued and allotted, shall constitute the general, direct, unconditional and secured obligations of the Issuer and shall be guaranteed in respect of both the interest due and the principal amount under said Secured Bonds by the Guarantors. The Secured Bonds shall at all times rank *pari passu* without any priority or preference among themselves but, in respect of the Issuer, GML, GPL and GDL, they shall rank with priority or preference over all unsecured indebtedness of the Issuer, GML, GPL and GDL, if any. In view of the fact that the Secured Bonds are being guaranteed by the Guarantors on a joint and several basis, the Security Trustee, for the benefit of itself and the Bondholders, shall be entitled to request the Guarantors to pay both the interest due and the principal amount under said Secured Bonds if the Issuer fails to meet any amount, when due in terms of the Prospectus.

The joint and several Guarantee also entitles the Security Trustee to take action against the Guarantors without having to first take action against the Issuer. The strength of this undertaking on the part of the Guarantors and therefore, the level of recoverability by the Security Trustee from the Guarantors of any amounts due under any of the Secured Bonds, is dependent upon and directly linked to the financial position and solvency of the Guarantors. The Guarantee is further supported by the Collateral over the Hypothecated Property, whilst this grants the Security Trustee a right of preference and priority for repayment over the Hypothecated Property, there can be no guarantee that the value of the Hypothecated Property over the term of the Secured Bond will be sufficient to cover the full amount of interest and principal outstanding under the Bonds. This may be caused by a number of factors not least of which general economic factors that could have an adverse impact on the value of the Hypothecated Property. If such circumstances were to arise or subsist at the time that the Security Interests are to be enforced by the Trustee, it could have a material adverse effect on the recoverability of all the amounts that may be outstanding under the Secured Bonds.

3. IDENTITY OF DIRECTORS, SENIOR MANAGEMENT, ADVISORS AND AUDITORS

As at the date of this Registration Document, the Board of Directors of the Issuer is constituted as follows:

3.1 Directors of the Issuers and the Guarantors

Directors of the Issuer

George Muscat	Chairman
Paul Attard	Executive Director
Adrian Muscat	Executive Director
Francis X. Gouder	Independent Non-Executive Director
Mark Castillo	Independent Non-Executive Director
Chris Cilia	Independent Non-Executive Director

Directors of the Guarantors

The following are the directors of each of GML, GPL, and GGL:

George Muscat	Executive Director
Paul Attard	Executive Director
Adrian Muscat	Executive Director

The following are the directors of GDL:

George Muscat	Executive Director
Francis X. Gouder	Non-Executive Director

The business address of the directors is Gap Holdings Head Office, Ċensu Scerri Street, Tigné, Sliema SLM 3060, Malta.

THE DIRECTORS OF THE ISSUER ARE THE PERSONS RESPONSIBLE FOR THE INFORMATION CONTAINED IN THIS REGISTRATION DOCUMENT. TO THE BEST OF THE KNOWLEDGE AND BELIEF OF THE DIRECTORS OF THE ISSUER (WHO HAVE ALL TAKEN REASONABLE CARE TO ENSURE 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 ACCEPT RESPONSIBILITY ACCORDINGLY.

The persons listed under the sub-heading "Advisors" have advised and assisted the Directors in the drafting and compilation of the Prospectus.

3.2 Senior Management

The Issuer itself has no employees and is managed directly by its board of directors. Each project company employs a number of management personnel and other employees devoted to managing each Project. The Group adopts a centralised management structure whereby it can deploy senior management personnel to perform duties in different parts of the Group depending on the requirements of each Group company; those services are then re-charged to the Group company where they are from time to time deployed. Senior management of the Group is engaged by GGCL and consists of:

George Muscat	Chairman
Paul Attard	Director of Sales and Marketing
Chris Gauci	Sales and Marketing Manager
Elton Deguara	Sales and Marketing Manager
Adrian Muscat	Director of Sites
Raymond Grixti	Project Manager
Emanuel Cortis	Sites Manager
Joseph J. Formosa	Finance Manager

3.3 Advisors

Legal Counsel to the Sponsor & Manager

Name:	Camilleri Preziosi
Address:	Level 3, Valletta Buildings, South Street, Valletta VLT 1103 - MALTA

Legal Counsel to the Issuer and Guarantors

Name:	Dr Chris Cilia
Address:	53, Doni Street, Rabat RBT 1324 - MALTA

Financial Advisors to the Issuer and Guarantors

Name:	Deloitte Services Limited
Address:	Deloitte Place, Mrieħel Bypass, Mrieħel BKR 3000 - MALTA

Sponsor & Manager

Name:	Charts Investment Management Service Limited
Address:	Valletta Waterfront, Vault 17, Pinto Wharf, Floriana FRN 1913 – MALTA

Registrar

Name:	Malta Stock Exchange p.l.c.
Address:	Garrison Chapel, Castille Place, Valletta VLT 1063 - MALTA

3.4 Auditor of the Issuer and the Guarantors

In relation to each of the Issuer, GML and GGL, no audited financial statements have been prepared since incorporation to the date of this Registration Document.

The financial statements of GDL and GPL for the financial years ended 31 December 2013, 2014 and 2015 have been audited by Emanual P. Fenech of 1, Tal-Providenza Mansions, Main Street, Balzan BZN 1254, Malta. Mr Fenech is a certified public accountant holding a practicing certificate to act as an auditor in terms of the Accountancy Profession Act, 1979 (Cap. 281 of the laws of Malta).

3.5 Security Trustee

Name:	Equinox International Limited
Address:	Level 3, Valletta Buildings, South Street, Valletta VLT 1103 - MALTA

4. INFORMATION ABOUT THE ISSUER AND THE GUARANTORS

4.1 Historical Development

4.1.1 Introduction

Full Legal and Commercial Name of the Issuer:	Gap Group p.l.c.
Registered Address:	Gap Group Head Office Ċensu Scerri Street, Tigné, Sliema, SLM 3060
Place of Registration and Domicile:	Malta
Registration Number:	C 75875
Date of Registration:	1 June 2016
Legal Form:	The Issuer is lawfully existing and registered as a public limited liability company in terms of the Act
Telephone Number:	+356 23271000
Fax:	+356 23271210
Email:	info@gap.com.mt
Website:	http://www.gap.com.mt

The principal objects of the Issuer is that of a holding company and to promote, including through subsidiaries, the acquisition and development of real estate properties. As such, the Issuer is mainly dependent on the business prospects of its operating subsidiaries. At present, the Issuer, through the Guarantors and other subsidiaries, is involved in the construction and development of the New Developments, following the successful completion of the Żebbuġ Development. Each project undertaken by the Group is typically undertaken through a special purpose vehicle established for that project, and each special purpose vehicle is managed through its board of directors, which has common members with the directors of the Issuer. The Issuer is not dependent on other entities within the Group or outside the Group with respect to the management of the Projects.

4.1.2 Overview of the Issuer's business

The Issuer was established in June 2016 for the purpose of a re-organisation of the Gap Group. On 6 September 2016, the Issuer acquired from Gap Group Investments p.l.c. (C 72012) the entire issued share capital of two companies, namely GML and GGL. GML is a party to a preliminary agreement for the purchase of the site known as ta' Masrija over which the Mellieħa Development is to take place. GGL acquired the site over which the Għargħur Development will be constructed by virtue of a deed published by Notary Dr Andre Farrugia on 4 February 2016. Following the acquisition of both these companies, and the completion of the deed of acquisition for the site over which the Mellieħa Development will be constructed, which is expected to take place following the Bond Issue, the Issuer will have the indirect legal and beneficial interest and control over the Mellieħa and the Għargħur Developments. The transactions are described in further detail in section 8 under the heading "Related Party Transactions".

In addition, by virtue of another share purchase agreement dated 6 September 2016, entered into with Gap Group Investments (III) Limited (C 76675), the Issuer acquired the entire issued share capital of GDL and all the issued ordinary 'A' shares of GHL. GDL holds a one hundred per cent interest in GGF which in turn has the controlling interest in each of GPL and MHL. GPL is the group company that owns the Żebbuġ Development, which has now been completed, but that still retains unsold stock of 27 residential units and 74 garage spaces.

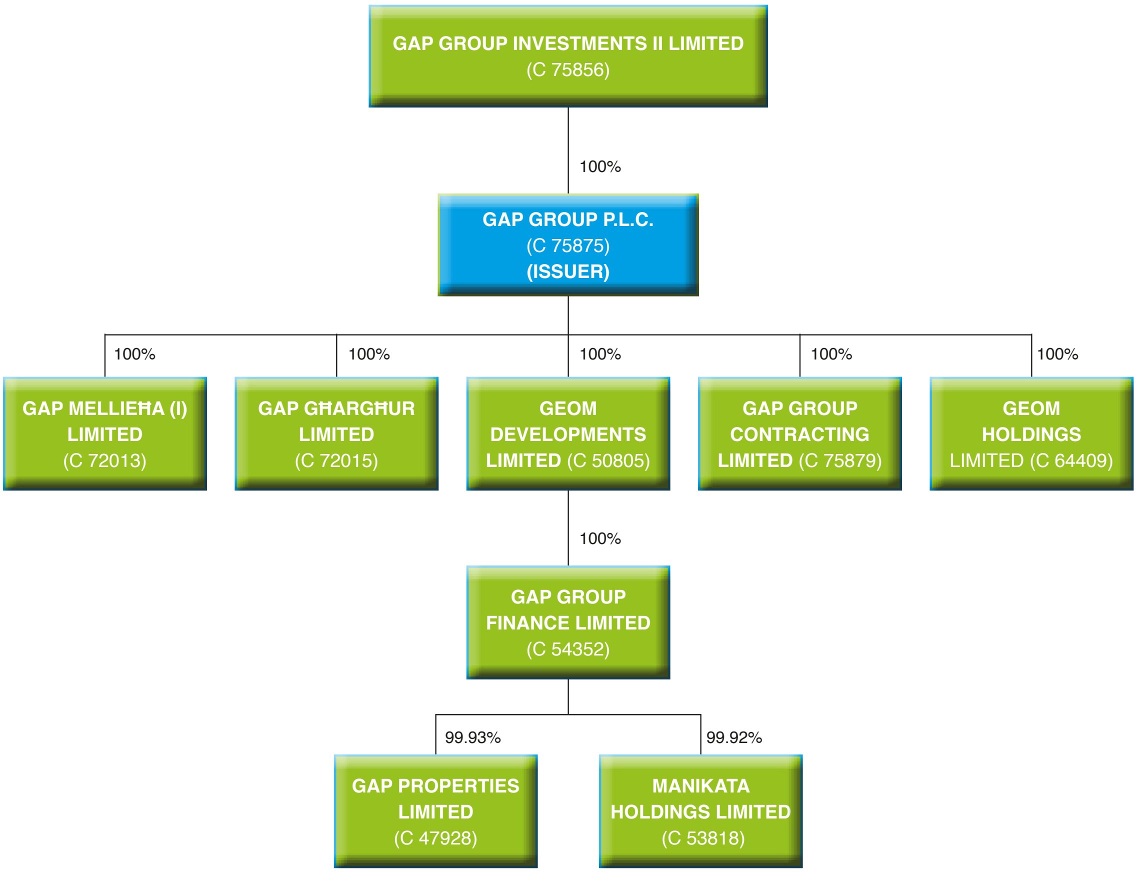
By virtue of these acquisitions the Issuer has indirectly acquired all of the sites over which the New Developments will take place, save for the site over which the Mellieħa Development will be constructed that is the subject matter of a preliminary agreement, which is expected to lead to the final deed of sale and purchase following completion of the Bond issue, the proceeds of which shall be partly allocated to the acquisition cost of the site in Mellieħa.

In March 2012, GGF had issued €15,500,000 7% Secured Notes of a nominal value of €1,000 each, redeemable at par between 2014 and 2016 to finance two residential projects. Both of the projects have been completed, one of which is the Żebbuġ Development and another project consisting of a number of luxury villas in Manikata. The Notes then issued were fully redeemed on their redemption date 30 March 2016.

The said transactions are described in further detail in section 8 under the heading "Related Party Transactions."

Save for the above, the Issuer itself has no other trading history.

4.1.3 *Group organisational structure*



The organisational structure of the Group, which comprises the acquisitions mentioned in section 4.1.2 above, is depicted above. The Group is owned by three individual shareholders, with Paul Attard and Adrian Muscat each having a 25% equity interest in the Group and George Muscat having the remaining 50% equity interest through Gap Group Investments II Limited (C 75856). Each of GML, GGL, GDL, and GHL are project companies each entrusted with the construction and development of one of the New Developments, whilst GPL is the owner of the Żebbuġ Development.

Each of GML, GGL and GDL is dependent on the Issuer as to the amount of Bond Issue net proceeds that will be on-lent by the Issuer to each of the afore-mentioned companies in terms of the Securities Note. Each of the Guarantors is not dependent on other entities within the Group. A short description of each of the Guarantors is included in section 4.2 below.

4.2 The Guarantors

4.2.1 *Gap Mellieħa (I) Limited*

GML is a private limited liability company, registered and operating in Malta in terms of the Act with company registration number C 72013, having its registered office at GAP Holdings Head Office, Ċensu Scerri Street, Tigné, Sliema, SLM 3060, Malta. GML has an authorised share capital of €1,200 (one thousand two hundred Euro) and an issued share capital of €1,200 (one thousand two hundred Euro) divided into ordinary shares of €1 (one Euro) each, fully paid up. GML was set up on 26 August 2015 to acquire the site and develop the Mellieħa Development. See also section 4.3.4 on the Mellieħa Development.

The telephone number of GML is +356 23271000

4.2.2 *Gap Għargħur Limited*

GGL is a private limited liability company, registered and operating in Malta in terms of the Act with company registration number C 72015, having its registered office at GAP Holdings Head Office, Ċensu Scerri Street, Tigné, Sliema, SLM 3060, Malta. GGL has an authorised share capital of €3,458 (three thousand four hundred and fifty Euro) and an issued share capital of €3,458 (three thousand four hundred and fifty eight Euro) divided into ordinary shares of €1 (one Euro) each, fully paid up. GGL was set up on 26 August 2015 to acquire the site and develop the Għargħur Development. See also section 4.3.5 on the Għargħur Development.

The telephone number of GGL is +356 23271000

4.2.3 *Gap Properties Limited*

GPL is a private limited liability company, registered in Malta in terms of the Act with company registration number C 47928, having its registered office at GAP Holdings Head Office, Ċensu Scerri Street, Tigné, Sliema, SLM 3060, Malta. GPL has an authorised share capital of €2,800 (two thousand eight hundred Euro) and an issued share capital of €2,800 (two thousand eight hundred Euro) divided into ordinary shares of €1 (one Euro) each, fully paid up. GPL was established to act as a property development company on 14 October 2009, initially for the Żebbuġ project. See also section 4.3.2 on the Żebbuġ Development.

The telephone number of GPL is +356 23271000

4.2.4 *Geom Developments Limited*

GDL is a private limited liability company, registered in Malta in terms of the Act with company registration number C 50805, having its registered office at GAP Holdings Head Office, Ċensu Scerri Street, Tigné, Sliema, SLM 3060, Malta. GDL has an authorised share capital of €2,000 (two thousand Euro) and an issued share capital of €2,000 (two thousand Euro) divided into ordinary shares of €1 (one Euro) each, fully paid up. GDL was established on 7 October 2010, and owns an undivided portion of the site situated in Triq il-Porzjunkola corner with Triq it-Tamar in Qawra, over which Blocks A, B and C of the Qawra Development are being developed. The other undivided portion of land is owned by its affiliate Geom Holdings Limited. See also section 4.3.3 on the Qawra Development.

The telephone number of GDL is +356 23271000

4.3 The Projects

4.3.1 *General Market Situation*

The real estate market in Malta remains a particularly competitive one, in the context of existing and projected developments, particularly in the Sliema and St Julians area. The New Developments envisaged by the Group are intended to cater for a market which is not directly in competition, in terms of location, with the market for real estate in the Sliema and St Julians area. The strategy is to address the demand for a niche market of luxury apartments in other locations principally the north part of the island with views of both rural landscapes and seascapes. The target buyers, in the case of the Mellieħa and Għargħur Developments are the medium to high end customers, both locals and foreigners, who are more interested in residential units away from the urban sprawl of the Sliema – St Julians area. As far as the Issuer is aware, there are currently no comparable projects in Mellieħa and Għargħur. The Directors believe that the New Developments should not face immediate direct competition from new residential developments in that area. The Group may however face new competition from developers who may enter this property market segment in the coming years.

The Directors believe that there has been a shift in the real estate market in these last couple of years with renewed levels of demand that are meeting the high levels of supply in the residential property market. Whilst this recovery from a stagnated market may be in its early stages, and the environment may still be challenging, the Directors believe that the signs of recovery in the market should sustain the demand for middle to higher end properties in the current market dynamics.

4.3.2 *The Żebbuġ Development - History and Overview*

GPL embarked on the Żebbuġ Development in June 2012 when it acquired the land situated at 'Ta' Robba' in the district of 'Ħal-Mula' in Żebbuġ, which area is located just off the village centre.

Development
As at the date of this Registration Document, the project is complete in terms of the overall development. The project originally consisted of the acquisition of the afore-mentioned site in Żebbuġ measuring approximately 6,878m^2 and the subsequent construction and development of 193 apartments, 2 retail outlets, and 226 garages/car spaces. The site over which the project is built is indicated in the site plan in the Architect's valuation report attached to this Registration Document.

The units occupy a total built up saleable area of *circa* 32,700m^2 spread over 20 blocks within five zones forming the project which vary in size and include a variety of one, two, and three bedroom units.

Units within the development have been sold and the remaining stock of apartments will be delivered in a completely finished state, including all common areas and internal streets.

Project Cost
The total cost of the Żebbuġ Development amounted to *circa* €10.5 million all of which has been incurred. No further costs are to be incurred in connection with this development. The cost of the Żebbuġ Development was financed principally through the €15,500,000 7% Secured Notes 2014 - 16 issued by GGF. The said secured notes were fully redeemed on the scheduled redemption date, that is, 30 March 2016.

Pricing and Sales Approach
Sales of units to date have indicated a strong demand for the development in particular from first-time buyers wishing to live in this part of the island. When compared to similar projects in the direct vicinity, the pricing of the units is considered to be verging on the medium to high side. Nonetheless, the velocity of the sales to date has been a positive one. This is mainly attributed by the Directors to the layouts and finishes of the units. Marketing strategies have also proven well received with campaigns being undertaken through various forms of media including social media.

As at 31 August 2016 there were 27 apartments and 74 garages/car spaces which remain to be sold. These apartments can be divided into the following configurations:

Żebbuġ Development

	No. of Units	%
1-bedroom unit	1	3.70
2-bedroom unit	12	44.45
3-bedroom unit	13	48.15
Commercial unit	1	3.70
	27	**100.00**

The unsold apartments and garage spaces within the Żebbuġ Development form part of the Hypothecated Property.

Permits
The development is covered by three full development permits. Further detail on the permits is provided in Annex I of this Registration Document under the heading "Property Valuation Reports".

4.3.3 The Qawra Development - History and Overview

The Qawra Development is a joint venture between GDL and GHL, both subsidiaries of the Issuer. The Project is being constructed over a site consisting of two divided portions of land, one measuring approximately 2,280m^2 (inclusive of the road formation) belonging to GHL and another portion of land measuring approximately 1,228m^2 belonging to GDL, and both situated in Triq il-Porzjunkola corner with Triq it-Tamar which is situated just off the Qawra seafront. Both portions of land were purchased by GDL and GHL by two separate contracts dated 26 March 2015 published by Notary Dr John Spiteri.

As at 31 July 2016, *circa* 60% of Blocks A, B and C and 45% of Blocks D, E, F and G have been completed in terms of development. It is envisaged that full completion will be achieved by quarter 4, 2017.

Despite the fact that works on the said Project are still in the phase of construction, the companies have already secured, by way of preliminary agreement, the sale of approximately 83% of the total number of apartments and 37% of the garages. It is planned that the first contracts of sale will be signed in the last quarter of 2017.

Development
The Project consists of the construction and development over the afore-mentioned site in Qawra measuring approximately 3,508m^2 of a total of 145 residential units and 180 garages/car spaces.

The units will occupy a total built up saleable area of *circa* 24,879m^2 spread over seven blocks with a variety of one, two, and three bedroom units. Three of the said blocks are being constructed over the property owned by GDL, whilst the remaining four blocks are being constructed over the property owned by GHL. The blocks identified as A, B and C (property of GDL and forming part of the Hypothecated Property) will consist of 62 residential units and 58 underlying garage spaces, whilst Blocks D, E, F and G (property of GHL) will consist of 83 residential units and 122 underlying garage spaces.

The development will be delivered in a completely finished state, including all common areas and internal streets. The location of the Qawra Development is indicated in the site plan attached to the Architect's valuation report forming part of this document.

Estimated Costs of the Project
Excavation works relating to the Qawra Development have been completed in full whilst construction is underway. It is envisaged that construction will be completed by beginning of quarter 2, 2017. In the third quarter of 2017, the finishes will commence and should be completed by the fourth quarter of 2017, bringing the total completion of the Project within *circa* 28 months from initiation.

Certain risks and uncertainties associated with the Group's business are set out in section 2 of this Registration Document. In particular, investors should note the risks of delays and cost overruns, which could cause actual sales revenues and costs to differ from those projected and which are affected, amongst others, by factors attributable to counter-parties, general market conditions, and competition which are beyond the Group's control. The Directors consider, however, that the projected development costs are reasonable and that, save for any unforeseen circumstances, potential cost overruns can be contained within the contingency allowance built into the Company's estimates.

The Group will carry insurance with respect to building works in accordance with normal standards in the construction industry and depending on available terms of cover from time to time.

QAWRA DEVELOPMENT – BLOCKS A, B AND C

The estimated cost to develop Blocks A, B and C is *circa* €2.9 million as follows:

Qawra Development Estimated Costs of the Project	**€'000**
Blocks A, B and C (owned by GDL):	
Excavation	340
Construction	856
Finishes	1,649
Contingency	82
	2,927

GDL has already entered into a contract for the development of Blocks A, B and C with GGCL for a value of approximately €2.9 million. Payment under the said contract will be settled by GDL according to agreed fixed monthly payments of *circa* €60,000. In general, such payment terms are subject to negotiation and agreement by GDL and GGCL. GDL and GGCL entered into a public deed in the records of Notary Dr Andre Farrugia and dated 5 August 2016 which makes provision for the contractual waiver by GGCL of its right at law to register a special privilege for any amount over Blocks A, B and C in the event of non-payment by GDL until such time that the hypothecs and privileges granted in favour of the Security Trustee have been settled and repaid in full. The public deed is intended to protect the security interests of the Security Trustee for the benefit of Bondholders and to preserve their ranking over the assets of the Issuer and the Guarantor.

The Company's projected costs set out above have been reviewed by Roderick Camilleri, B.E.&A. (Hons.), A.&C.E. Architect and Civil Engineer, of 103, Triq San Piju V, Rabat RBT 2251, whose report is set out in Annex I of this Registration Document.

QAWRA DEVELOPMENT – BLOCKS D, E, F AND G

The cost to develop Blocks D, E, F and G is estimated at *circa* €5.2 million as follows:

Qawra Development Estimated Costs of the Project	**€'000**
Blocks D, E, F and G (owned by GHL):	
Excavation	454
Construction	2,220
Finishes	2,433
Contingency	122
	5,229

The above financial information has been provided for the purpose of completeness, since GHL forms part of the Gap Group. GHL will be funding the afore-mentioned development costs of *circa* €5.2 million from proceeds to be derived from sales of units in Blocks D, E, F and G forming part of the Qawra Development and from other funding sources. As such, GHL will not be a recipient of any of the Bond Issue proceeds. Furthermore, GHL is not a joint and several guarantor for the Bond under the Guarantee and will not be providing any rights of preference over Blocks D, E, F and G forming part of the Qawra Development in favour of the Trustee for the benefit of Bondholders.

Pricing and Sales Approach

The apartments to form part of the Qawra Development have been targeted principally towards first-time buyers, rental investors, and foreigners wishing to relocate to Malta. This approach has achieved significant results, notwithstanding that the said Project is in the phase of construction with 83% of the apartments already committed through a preliminary agreement. As at 31 August 2016, 48 out of 62 residential units in Blocks A, B and C and 72 out of 83 residential units in Blocks D, E, F and G are subject to preliminary sale agreements.

Revenue that the Group is expected to generate from sales of units in the Qawra Development is *circa* €16.7 million, being €7.3 million from the sales of units in the blocks owned by GDL and €9.4 million from the sales of units in the blocks owned by GHL.

Permits

A full development permit issued by the competent authorities covers the Qawra Development. Further detail on the permit relating to Blocks A, B and C forming part of the Qawra Development is provided in Annex I of this Registration Document under the heading “Property Valuation Reports.”

4.3.4 The Mellieħa Development - History and Overview

In October 2015, GML entered into a preliminary agreement for the purchase and acquisition of a plot of land measuring *circa* 5,220m^2 with access from the three streets surrounding the property situated in the Ta’ Masrija area in Mellieħa over which the Mellieħa Development shall be constructed and developed.

The site is located in the village of Mellieħa in the northern region of Malta. It enjoys unobstructed country views of the imposing area known as Miżieb and distant sea views of the island’s north western coastline. Moreover, the site is a short drive away from Malta’s largest sandy beaches, Għadira Bay and Golden Bay and a short walk to the village centre of Mellieħa.

Given the location of the site and the proposed level of finishes which the Mellieħa Development will embrace, the Directors believe that the Project will offer a unique opportunity for owning residential property in this part of the island.

Development

The Mellieħa Development is planned to comprise 152 luxury apartments which will be sold finished in a complete state, including all common areas and the formation of the road. The development is projected to encompass 10 blocks of apartments, each with separate entrances and served with passenger lifts accessing both the apartments and underlying garage levels. The apartments at the top level will also have access to roof level and will enjoy full ownership thereof.

The progress of the apartments will be spread over 5 phases with each phase comprising 2 blocks of apartments. Out of the 10 blocks, 7 will contain 16 apartments, 2 will contain 14 apartments and 1 block will contain 12 apartments. The apartments shall be spread over 8 levels in each block. The development shall also include 174 lock-up underground garages spread over 3 underground levels. Both apartments and garages combined shall occupy a total built up saleable area of *circa* 44,325m^2. The site over which the Mellieħa Development shall be constructed is indicated in the site plan attached to the Architect’s valuation report forming part of this document.

The development of the Project is planned to span over 32 months from commencement of works. It is envisaged that full demolition and excavation works will commence around September 2016 and will take 2 months from commencement date to complete, whilst the Project will be fully constructed within 26 months from commencement date. Upon the 9th month of construction, the finishes will get underway and last for about 22 months, scheduling the full completion of the Project to *circa* 32 months after initiation.

Estimated Costs of the Project

The Mellieħa Development is estimated to cost *circa* €16.3 million as follows:

Mellieħa Development Estimated Costs of the Project	**€’000**
Excavation	289
Construction	5,529
Finishes	9,728
Contingency	777
Total	**16,323**

GML has already entered into a contract for the development of the Mellieħa Development with GGCL for a value of approximately €16.3 million. Payment under the said contract will be settled by the company according to agreed fixed monthly payments of *circa* €272,000. In general, such payment terms are subject to negotiation and agreement by GML and GGCL. GML and GGCL entered into a public deed in the records of Notary Dr Andre Farrugia and dated 5 August 2016 which makes provision for the contractual waiver by GGCL of its right at law to register a special privilege for any amount over the Mellieħa Development in the event of non-payment by the Guarantor until such time that the hypothecs and privileges granted in favour of the Security Trustee have been settled and repaid in full. The public deed is intended to protect the security interests of the Trustee for the benefit of Bondholders and to preserve their ranking over the assets of the Issuer and the Guarantor.

The Directors are confident that the final contract values will be within the overall budgeted parameters. The Company's projected costs set out above have been reviewed by Roderick Camilleri, B.E.&A. (Hons.), A.&C.E. Architect and Civil Engineer, of 103, Triq San Piju V, Rabat RBT 2251, whose report is set out in Annex I of this Registration Document.

Certain risks and uncertainties associated with the Group's business are set out in section 2 of this Registration Document. In particular investors should note the risks of delays and cost overruns, which could cause actual sales revenues and costs to differ from those projected and which are affected, amongst others, by factors attributable to counter-parties, general market conditions, and competition which are beyond the Group's control. The Directors consider, however, that the projected development costs are reasonable and that, save in the case of unforeseen circumstances, potential cost overruns can be contained within the contingency allowance built into the Company's estimates.

The Group will carry insurance with respect to building works in accordance with normal standards in the construction industry and depending on available terms of cover from time to time.

Pricing and Sales approach

Taking into account the characteristics of the development and its location, the Directors are of the view that these units should be an attractive proposition, in particular to Maltese residents wishing to upgrade to a higher end property, those wishing to downsize from a bigger residence or those wishing to reside in a tranquil area, steps away from the countryside and closer to recreational areas, but still away from the urban sprawl characterising other parts of the island. Moreover, these apartments may also be appealing to foreigners seeking to relocate to Malta and investors wishing to maximise rental income potential.

The majority of the apartments will have areas varying between 180m^2 and 240m^2 with approximate prices ranging between €300,000 and €450,000. The larger, top most apartments (which are much fewer in number) range from 250m^2 and 400m^2 with prices exceeding €500,000.

Once construction work commences, the company intends to immediately proceed with the marketing of the Project through a number of agents in Malta as well as through the Group's internet website and various forms of social media. The Group expects to generate pre-tax cash inflows from sales of the Mellieħa Development in excess of €54 million.

The Directors feel that the Project will be a competitive proposition when considering the available properties which are on the market in Mellieħa, the location of the Mellieħa Development, the size and layout of the apartments together the finishes being proposed.

Permits

The Mellieħa Development as described above is covered by a full development permit. Further detail on the said permitis provided in Annex I of this Registration Document under the heading "Property Valuation Reports".

4.3.5 The Għargħur Development - History and Overview

In February 2016, GGL acquired the legal title of a portion of land, which includes its sub-terrain and airspace and measures *circa* 2,585m^2, in Għargħur accessible from an entrance bearing the official number 39 (previously numbered 20) in Triq il-Kbira and from another entrance in Triq Caravaggio.

The site is located in the small village of Għargħur in the north eastern region of Malta. Over the years, the locality has gained its popularity with regards to the property market due to the small size, exclusivity and tranquility of the village, together with its accessible location. The site is situated in a residential area, close to the village centre and just a short walk to one of the island's most picturesque valleys, Wied id-Dies/Wied Santa Marija taż-Żellieqa, which connects Għargħur with Madliena.

Development

The Għargħur Development includes the development of 28 residential units and 6 penthouses, 38 (1-car) lock up garages and 3 (2-car) lock up garages. The total area of the development will add up to *circa* 10,680m^2 (built up area) with a further 330m^2 of internal street area. The apartments shall be spread over 5 levels, whilst garages shall be over 1 underground level.

The apartments will be sold finished in a complete state, including all common areas and the formation of the internal street. The development will be spread over 4 blocks of apartments, each with separate entrances and served with passenger lifts accessing both the apartments and underlying garage levels.

The development of the Project is planned to span over 25 months from commencement of works. It is envisaged that demolition and excavation works will commence in or around September 2016 and will take 2 months from commencement date to complete, whilst the Project is expected to be fully constructed within 19 months from commencement date. Upon the 7th month of construction, the finishes will get underway and last for *circa* 17 months, bringing the full completion of the Project to approximately 25 months after initiation.

Estimated Costs of the Project

The estimated total cost of completion is *circa* €3.7 million which is divided as follows:

Għargħur Development **Estimated Costs of the Project**	**€'000**
Excavation	360
Construction	1,550
Finishes	1,568
Contingency	174
Total	**3,652**

GGL has already entered into a contract for the development of the Għargħur Development with GGCL for a value of approximately €3.7 million. Payment under the said contract will be settled by GGL according to agreed fixed monthly payments of *circa* €60,000. In general, such payment terms are subject to negotiation and agreement by GGL and GGCL.

The Directors are confident that the final contract values will be within the overall budgeted parameters. The Company's projected costs set out above have been reviewed by Roderick Camilleri, B.E.&A. (Hons.), A.&C.E. Architect and Civil Engineer, of 103, Triq San Piju V, Rabat RBT 2251, whose report is set out in Annex I of this Registration Document.

Certain risks and uncertainties associated with the Group's business are set out in section 2 of this Registration Document. In particular, investors should note the risks of delays and cost overruns, which could cause actual sales revenues and costs to differ from those projected and which are affected, amongst others, by factors attributable to counter-parties, general market conditions, and competition which are beyond the Group's control. The Directors consider, however, that the projected development costs are reasonable and that, save in the case of unforeseen circumstances, potential cost overruns can be contained within the contingency allowance built into the Company's estimates.

GGL is a joint and several guarantor for the Bond under the Guarantee, but will not be supporting its guarantee with any rights of preference over the Għargħur Development.

The Group will carry insurance with respect to building works in accordance with normal standards in the construction industry and depending on available terms of cover from time to time.

Pricing and Sales Approach

The Directors believe that given the location of the site, the apartment layouts and the proposed level of finishes which the development will comprise, the Project will be a competitive offering for prospective buyers to acquire a property in this locality. The strategy being adopted for the marketing of these apartments is similar to the one for the Mellieħa Development - a development that is aimed at appealing to Maltese residents wishing to upgrade to a more exquisite home, or others wishing to downsize from a bigger residence and wishing to reside in a tranquil, more central and coveted village location. Moreover, these apartments may also be suitable for people seeking to invest in property for rental purposes and foreigners wishing to relocate to Malta and enjoy tranquility of Maltese village life.

The majority of the apartments will have areas varying between 195m^2 and 250m^2 with approximate prices ranging between €240,000 and €300,000. The larger (which are much fewer in number) will range from 250m^2 and 400m^2 with prices ranging between €350,000 and €450,000.

Once construction works start, the company intends to immediately proceed with the marketing of the Project through a number of agents in Malta as well as through the Company's internet website and various forms of social media. It is also notable to mention the fact that this will be the second development by the Directors in the village of Għargħur, the first one being a success where targets were met with ease. The Group expects to generate pre-tax cash inflows from sales of the Għargħur Development in excess of €10 million.

Permits

The development is covered by a full development permit. Further detail on the permit is provided in Annex I of this Registration Document under the heading "Property Valuation Reports".

4.4 Project Funding

The Issuer intends to fund each of the New Developments, except for Blocks D, E, F and G that form part of the Qawra Development, through a mix of Bond proceeds and cash flows generated from the sales of units from the Projects. The development of the afore-mentioned Blocks D, E, F and G will be funded from cash flows generated from the sales of units in the respective blocks and other sources of funds. It is expected that in the initial months such cash flow will be generated from sales of the completed Żebbuġ Development. As the New Developments progress to a position where the Group can commence marketing each New Development, it is expected that preliminary agreements will start being executed with deposits from these preliminary agreements being retained by the Group to further fund construction and other completion costs of each New Development.

The funding of the New Developments is therefore partly dependent on the proceeds from the gradual sale of units in each New Development. In the event that projected sales of units are not attained or are delayed, the Group may well not have sufficient funds to complete all the New Developments, to complete the New Developments within the time-frames envisaged in this document, or to pay GGCL for works performed.

The table below illustrates that out of the total projected cost of the New Developments of *circa* €31.8 million, the sum of €13.4 million will be financed out of the Bond proceeds, whilst the balance of approximately €18.4 million is to be funded from the proceeds of sales of each of the Projects. The net sales proceeds from the Projects during the term of the Bond are projected to amount to *circa* €91.8 million, which leaves a margin of approximately €73.4 million (€91.8 mllion less €18.4 million). These cash flows will be principally applied to service the annual interest payments on the Bond, cover administrative expenses of the Group and fund a reserve account to be held by the Security Trustee for the benefit of Bondholders (the "Reserve Account"). (see section 4.5 below).

GAP Group p.l.c. Project Funding	**(€'000)**
Use of net proceeds from Bond Issue	
Repayment of bank borrowings	3,000
Acquisition of Group companies	13,100
Net balance of consideration payable for the Mellieha land	9,895
Part funding of New Developments (excluding Qawra Development - Blocks D, E, F and G)	13,405
	39,400
Estimated development cost payments (by Project)	
Żebbuġ	3,705
Qawra	8,157
Għargħur	3,652
Mellieħa	16,323
	31,837
Source of funding	
Maximum funding through Bond Issue proceeds	13,405
Minimum funding required through property sales	18,432
	31,837

4.5 Reserve Account

All sales of units forming part of the Hypothecated Property shall be made on condition that units are released of all hypothecary rights and privileges encumbering the units being sold. For this purpose, the Security Trustee shall be empowered to release individual units of the Hypothecated Property from the Security Interest encumbering such unit/s upon receipt by it from the Company or from a prospective purchaser of a fixed amount of the purchase price attributed to each unit forming part of the Hypothecated Property.

For this purpose, the Security Trustee and the Issuer have agreed that a fixed amount shall be set for each unit, and it is only upon receipt by the Security Trustee of such an amount that the Security Trustee shall be bound to release a particular unit from the effects of any Security Interests encumbering the Hypothecated Property. Accordingly, the security created for the interest of Bondholders shall only be reduced against a cash payment made by the Issuer in the Reserve Account to be held by the Trustee for the benefit of Bondholders. The Security Trustee shall hold the funds received in a segregated bank account with a credit institution in Malta and shall hold such funds for the benefit of Bondholders with a view to meeting the redemption of the Bonds on the Redemption Date.

Any shortfall in the amount receivable by the Security Trustee pursuant to the foregoing shall be required to be made up, in whole or in part, out of the available sale proceeds from any subsequent sale or sales until such shortfall shall have been made up in its entirety.

In accordance with the Trust Deed, the Security Trustee is authorised to release to the Issuer any funds held in and to the credit of the Reserve Account which are in excess of the aggregate value of Bonds outstanding, provided that there remain sufficient units, covered by the Security Interests, to be sold to cover the interest still to become payable on the Bonds until the Redemption Date.

The Trustee shall hold such monies standing to the credit of the Reserve Account to ensure their preservation and the Security Trustee may from time to time, but shall not be obliged to, through the engagement of a licensed investment advisor, invest such monies in such a manner and in such instruments as are herein provided, namely:

(i) investment or re-investment in any EU Government debt securities or other debt securities issued or guaranteed by an OECD sovereign state and without any currency exchange risk, in either case for a term not exceeding the Redemption Date; or
(ii) Re-purchase of the Bonds for cancellation; or
(iii) not more than 20 per cent of any amounts held in the Reserve Account may be invested in debt securities listed on the Malta Stock Exchange or in other rated (not less than AA or its equivalent) debt securities denominated in Euro and traded on a regulated market in the European Union.

All amounts received by the Trustee from the sales proceeds of units in any one of the Projects shall be credited to the Reserve Account and shall, subject to the immediately preceding paragraph, be retained for the purpose of redeeming the Bonds on maturity. The Group intends to utilise all sales proceeds arising from the Għargħur Development to meet development and construction costs of the New Developments and as such, none of those proceeds are earmarked to be allocated to the Reserve Account. In the absence of unforeseen circumstances and subject to there being no material adverse changes in circumstances, the Directors are of the view that the percentages available for cash flows that will be credited to the Reserve Account will be sufficient to cover the redemption of the Bonds on Redemption Date.

4.6 Hypothecary Situation

The Żebbuġ Development, Blocks A, B and C forming part of the Qawra Development and the Għargħur Development are all owned by one of the Guarantors as set out in section 4.2 of this Registration Document. On the other hand, the site over which the Mellieħa Development is to be constructed and developed is still the subject of a preliminary agreement and GML does not as at the date of this Prospectus have legal title to that site. The Mellieħa site will be purchased following the full subscription of the Bonds, the proceeds of which will be partly applied against the acquisition price of that site.

Pursuant to the Trust Deed, each of the Guarantors and the Company agreed to jointly and severally between them guarantee the punctual performance by the Company of the Bond obligations by entering into the Guarantee, which shall become effective upon the full subscription of the Bonds. Over and above the general hypothec over all its assets present and future, to be granted by the Issuer for the full amount of €40 million and interests thereon, each of GPL, GDL and GML has agreed to support its joint and several guarantee under the Guarantee as follows:

i. GPL: by virtue of a general hypothec over all its assets present and future and a first ranking special hypothec for the amount of €40 million and interests thereon granted in favour of the Trustee for the benefit of Bondholders as beneficiaries, over the remaining 27 units and 74 garage spaces forming part of the Żebbuġ Development;
ii. GDL: by virtue of a general hypothec over all its assets present and future and a first ranking special hypothec for the amount of €40 million and interests thereon granted in favour of the Trustee for the benefit of Bondholders as Beneficiaries, over the apartments and garage spaces in Blocks A, B, and C forming part of the Qawra Development; and
iii. GML: by virtue of a general hypothec over all its assets present and future and a first ranking special hypothec for the amount of €40 million and interests thereon, over and above the special privilege for the amount of *circa* €9.8 million representing the amount to be disbursed by the Security Trustee to vendors to discharge the purchase consideration of the site over which the Mellieħa Development will be constructed, and granted in favour of the Trustee for the benefit of Bondholders, over the Mellieħa Development.

GGL is a joint and several Guarantor for the Bond under the Guarantee, but will not be supporting its guarantee with any rights of preference over the Għargħur Development.

The Collateral will secure the claim of the Trustee, for the benefit and in the interest of Bondholders, for the repayment of the principal and interest under the Bonds by a preferred claim over the Hypothecated Property. In addition, the general hypothecs will also grant to the Trustee, as additional and further security for the repayment of the Bonds, a preferred and prior ranking claim over all other unsecured creditors of the Guarantors on the assets present and future of the Issuer and Guarantors (save in the case of GGL as explained above).

Accordingly, following the issue of the Bonds and application of the Bond proceeds in accordance with the terms of the Securities Note, the Security Trustee will have the benefit of first ranking special hypothecs over the Hypothecated Property for the full amount of €40 million (forty million Euro) and interests thereon in addition to the general hypothecs over all the assets, present and future of the Company, GPL, GDL and GML for the full amount of €40 million (forty million Euro), and the special privilege over the Mellieħa Development in the amount of approximately €9.8 million.

In the event that sales from units are delayed or the Group does not generate the required cash flows from sales as anticipated, the Group may well not have sufficient funds to complete the Projects, or to pay GGCL for works performed. Whilst in terms of law an unpaid contractor would be entitled to register a special privilege, GDL and GML have entered into public deeds with GGCL which make provision for the contractual waiver by GGCL of its right at law to register a special privilege for any amount in relation to Blocks A, B and C forming part of the Qawra Development and the Mellieħa Development respectively in the event of non-payment by GDL and GML respectively until such time that the hypothecs and privileges granted in favour of the Security Trustee have been settled and repaid in full.

4.6.1 Dynamics for Closing

Following the Bond Issue all proceeds shall be held by the Security Trustee who shall, save for the payment of the expenses related to the Bond Issue, retain all remaining Bond proceeds until all security for the benefit of Bondholders has been duly perfected and registered and the Bonds admitted to the Official List of the Malta Stock Exchange. The Bonds shall not be admitted to the Official List of the Malta Stock Exchange unless all security has been duly perfected. It is expected that within 15 Business Days from the close of the Bond Issue and following allocation of the Bonds:

I. GML shall enter into a public deed with the vendors of the Mellieħa site, for the purchase and acquisition of legal title of the site over which the Mellieħa Development is to be constructed on the same terms and conditions contained in the promise of sale agreement. The Security Trustee shall appear on that deed for the purpose of:

   (a) Ensuring that the Issuer obtains legal title to the site of the Mellieħa Development;
   (b) Releasing in favour of vendors the cash amount of the purchase consideration and related costs and duty on documents, amounting to *circa* €9.9 million. Upon receipt of the afore-mentioned payment, all general hypothecary rights as well as all special hypothecs over the site of the Mellieħa Development, if any, shall be waived accordingly;
   (c) Obtaining from GML the Security Interests over the Mellieħa Development.

II. Each of the Issuer and the other Guarantors (except GGL) shall appear on a deed of constitution of hypothec with the Security Trustee to grant and constitute in favour of the Security Trustee the Security Interests over their respective assets.

Following registration of the notarial deeds described in (I) and (II) above and the presentation to the Security Trustee of the appropriate notes of privilege and hypothec, the Security Trustee shall release the remaining proceeds of the Bond Issue to the Issuer.

The Issuer has entered into an Intra-Group Facility Agreement with each of the Guarantors pursuant to which, following the successful completion of the Bond Issue it has made available to each member of the Group a credit-line for utilisation in the costs of development of the New Developments (save in the case of Blocks D, E, F and G forming part of the Qawra Development). The Issuer shall act as the Group cash manager and accordingly shall receive from each of the subsidiaries any excess cash held by it from sales proceeds and which is not required for the New Development undertaken by that subsidiary, for deployment and utilisation in the New Developments where a subsidiary has a cash short-fall.

Out of the net Bond Issue proceeds, the Security Trustee shall retain the amount of €10 million to be disbursed to GGCL undertaking works on the Developments on account of each Guarantor, which amounts so disbursed will be taken as drawdowns by each Guarantor under the Intra-Group Facility Agreement. These disbursements will be made on a monthly basis as and when works are undertaken by GGCL on the New Developments. All disbursements made by the Security Trustee shall be covered by certificates of an architect confirming that works at least equivalent to payments disbursed by the Security Trustee have accrued to the New Developments.This is intended to ensure, as far as practicably possible that the aggregate value of cash held by the Trustee and the underlying value of the Hypothecarted Property are equivalent to the value of Bonds outstanding.

4.7 Releasing Security and the Reserve Account

All sales of residential units and garage spaces forming part of the Hypothecated Property are expected to be executed on the basis that units are sold free, and unencumbered, and accordingly released of all hypothecary rights and privileges encumbering those units. For this purpose, the Security Trustee is authorised and empowered, pursuant to the Trust Deed, to release individual units of the Hypothecated Property from the Security Interest encumbering such unit/s and garage space/s upon receipt by it from the Company or from a prospective purchaser of a fixed portion of the purchase price of each unit and garage space, as better described below.

The Security Trustee and the Issuer have agreed on a list of projected prices for each unit and garage space (the "Projected Sales Price") and then established a fixed allocation of the Projected Sales Price from each unit (whether commercial or residential) and garage space in each Project forming part of the Hypothecated Property, based on a percentage allocation of the Projected Sales Price. The Trustee shall only be bound to release the Security Interests registered in its favour over a particular residential unit or garage space against receipt by it of the agreed fixed amount that is attributed to that unit or garage space in the Trust Deed. This is intended to ensure, save for amounts required by the Issuer for the completion of the Projects, that the security created for the interest of Bondholders is only reduced against a cash payment made by the Issuer to the credit of the Reserve Account to be held by the Security Trustee for the benefit of Bondholders.

The funds so received by the Security Trustee shall be held by it under trust in a segregated bank account with a licensed credit institution in Malta for the benefit of the Bondholders and shall be so held with a view to meeting the redemption of the Secured Bonds on the Redemption Date or otherwise for the Issuer to re-purchase Secured Bonds in the market for cancellation. Any shortfall in the amount receivable by the Security Trustee pursuant to the foregoing shall be required to be made up, in whole or in part, out of the available sale proceeds from any subsequent sale or sales until such shortfall shall have been made up in its entirety.

The proceeds from the sale of a unit or garage space can be classified under two heads:

i. The deposit paid by a buyer on account of the purchase consideration which shall not exceed 10% of the gross sale price of that unit or garage space (the "Payment on Account"); and

ii. The outstanding balance of the purchase consideration, after deducting commissions payable by the Issuer (and VAT on commissions) and provisional tax on the full sales price (the "Net Balance of Price").

Pursuant to the Trust Deed allocations of sales proceeds shall be made as follows:

A. Sales proceeds from the Żebbuġ Development shall be allocated as follows:

   i. all Payments on Account shall be retained by GPL;

   ii. from the Net Balance of Price, the Security Trustee shall be allocated the first 20% of the Projected Sales Price and the remaining balance shall be allocated to the Issuer for the specific purpose of meeting construction and development costs with respect to the New Developments.

B. Sales proceeds from the Għargħur Development estimated to be in the region of €10.2 million (net of commissions) shall be retained by GGL for the purpose of funding development and finance costs;

C. Sales proceeds from the Mellieħa Development shall be allocated as follows:

   i. all Payments on Account shall be retained by GML;

   ii. from the Net Balance of Price, the Security Trustee shall be allocated 20% of the Projected Sales Price of the first 5 contracted apartments and 5 contracted garages and 75% of the Projected Sales Price of the remaining 147 apartments and 169 garages. The remaining balance will be allocated to GML;

D. Sales proceeds from Blocks A, B and C of the Qawra Development shall be allocated as follows:

   i. all Payments on Account shall be retained by GDL;

   ii. from the Net Balance of Price, the Security Trustee shall be allocated the first 75% of the Projected Sales Price with the remaining 25% of the Net Balance of Price being allocated to GML;

The percentages mentioned in paragraphs A to D above are percentages of the Projected Sales Price of each unit and garage space in each of the New Developments as set out in the Trust Deed. These percentages have been translated into fixed allocations for each unit and garage space in the Trust Deed, so that in the event that the Issuer wishes to sell and transfer a unit for a price which is less than the Projected Sales Price for that unit set out in the Trust Deed, the Security Trustee shall still receive the fixed portion of the price allocated to it for that unit which would amount to a higher percentage of the Net Balance of Price set out above. Similarly if the actual price at which a unit is old is higher than the price originally projected in the Trust Deed, the Security Trustee will receive the fixed portion allocated to it in the Trust Deed, which would be lower than the percentage of the actual Net Balance of Price.

In the absence of unforeseen circumstances and subject to there being no material adverse changes in circumstances the Directors are of the view that the percentages of the Projected Sales Price of units and garage spaces in the Hypothecated Property allocated to the Security Trustee from available cash flows that will be credited to the Reserve Account will be sufficient to cover the redemption of the Secured Bonds on the Redemption Date.

4.8 The Reserve Account – Projections

On the basis of the current projections of sales and the Projected Sales Price for units and garage spaces prepared by the Issuer and taking into account the requirements of cash for the completion of the New Developments, it is expected that, save for unforeseen circumstances, the Security Trustee shall receive funds in the Reserve Account from GPL, GDL and GML as follows:

The Reserve Account	**€'000**
Allocation to Security Trustee during life-time of the Bond (by Project):	
Żebbuġ Development	860
Qawra Development	5,441
Mellieħa Development	40,616
Total	**46,917**

During the initial term of the Bond a significant part of the cash flows generated will be applied for the financing of development costs, taxes, and finance costs whilst the allocation to the Reserve Account will start at a low level from the Żebbuġ Development and increases significantly from the sales proceeds of the Mellieħa Development. Significant reliance is made on sales proceeds emanating from the Mellieħa Development that is expected to contribute approximately 86 per cent of the contributions to the Reserve Account principally between 2018 and 2020.

It is the intention of the Company and Trustee to apply part of the funds standing to the credit of the Reserve Account to re-purchase Bonds in the market, thus reducing the total value of Bonds outstanding prior to the Redemption Date. The funds standing to the credit of the Reserve Account which are not utilised to re-purchase Bonds in the market shall be invested in line with the investment parameters set out in the Trust Deed and which are summarised above. Interest or other income from such investments will accrue to the credit of the Reserve Account.

Taking into account all of these factors including interest and other income receivable in the Reserve Account, without the re-purchase of Bonds in the market, the amount transferred to the Reserve Account over the life-time of the Bonds will be in the region of €47 million, which should cover the redemption of the principal of the Bonds in 2023. The Security Trustee shall be under no obligation to receive in the Reserve Account an amount in excess of the principal amount outstanding on the Secured Bonds from time to time.

5 TREND INFORMATION AND FINANCIAL PERFORMANCE

5.1 Trend Information

The Issuer and each Guarantor considers that generally it shall be subject to the normal business risks associated with the property market and, barring unforeseen circumstances, does not anticipate any likely material adverse effect on its upcoming prospects, at least up to the end of 2017.

The property market in Malta has been recovering from what can be termed a subdued last few years. The Directors believe that there is renewed and active demand for real estate in Malta, particularly in two segments namely first-time buyers and high-end residential property. The Directors have devised a pricing strategy that should allow them to successfully target these market segments with the diverse offerings through the Żebbuġ Development and the Qawra Development for the first segment and the Mellieħa Development and the Għargħur Development for the latter market segment. The Directors are satisfied of having attained their target of sale of units on the Żebbuġ Development, which were placed on the market to date, and are confident that demand for the New Developments will be in line with expectations. As at the date of this Registration Document, sales results for apartments that have been placed on the market in the New Developments have exceeded internal targets.

Management has acquired considerable knowledge from similar projects, not only from the construction and development perspective, but also from a prospective buyer's point of view. The Company's offerings are based on this experience, and the units will therefore be finished to a high quality standard and will also incorporate new features.

5.2 Key Financial Review

The Issuer was established in June 2016 and is the holding company of the Gap Group. Having no trading or operational activities of its own, the operating and financial performance of the Issuer is directly related to the financial and operating performance of the other Gap Group companies.

The companies that form part of the Gap Group as at the date of this Registration Document and which generated revenue during the financial years ended 31 December 2013 to 2015 include GPL, MHL and GDL. As such, the financial information reproduced hereunder relates to GPL, MHL and GDL, which has been extracted from the audited financial statements of each of GPL, MHL and GDL for the years ended 31 December 2013 to 2015.

The audited historical financial statements of each of GPL, MHL and GDL have been published and are available at the Issuer's registered office.

GAP Properties Limited **Income Statement** **for the year ended 31 December**	**2013** **Audited** **(€'000)**	**2014** **Audited** **(€'000)**	**2015** **Audited** **(€'000)**
Revenue	-	2,897	9,264
Cost of sales	-	(1,796)	(5,261)
Administrative expenses	(62)	(105)	(523)
EBITDA	**(62)**	**996**	**3,480**
Depreciation	(1)	(2)	(7)
Net finance costs	(27)	(295)	(1,036)
Profit/(loss) before tax	**(90)**	**699**	**2,437**
Taxation	33	(244)	(752)
Profit/(loss) for the year	**(57)**	**455**	**1,685**
Other comprehensive income			
Movement in fair value of financial assets	160	171	183
Total comprehensive income/(expense) for the year	**103**	**626**	**1,868**

GAP Properties Limited **Cash Flow Statement** **for the year ended 31 December**	**2013** **Audited** **(€'000)**	**2014** **Audited** **(€'000)**	**2015** **Audited** **(€'000)**
Net cash from operating activities	(852)	2,931	13,008
Net cash from investing activities	5	(5)	(7)
Net cash from financing activities	23	(2,240)	(13,437)
Net movement in cash and cash equivalents	**(824)**	**686**	**(436)**
Cash and cash equivalents at beginning of year	860	36	722
Cash and cash equivalents at end of year	**36**	**722**	**286**

GAP Properties Limited Balance Sheet As at 31 December	2013 Audited (€'000)	2014 Audited (€'000)	2015 Audited (€'000)
ASSETS			
Non-current assets			
Property, plant and equipment	2	5	6
Loans and other receivables	2,449	2,621	2,804
Deferred income tax	67	-	-
	2,518	2,626	2,810
Current assets			
Stock	9,283	12,241	7,418
Trade and other receivables	176	1,056	1,704
Taxation	-	25	-
Cash and cash equivalents	36	722	286
	9,495	14,044	9,408
Total assets	**12,013**	**16,670**	**12,218**
EQUITY			
Capital and reserves			
Called up share capital	1	1	1
Retained earnings	(657)	(31)	1,837
	(656)	**(30)**	**1,838**
LIABILITIES			
Non-current liabilities			
Borrowings	10,500	8,521	-
	10,500	8,521	-
Current liabilities			
Bank overdrafts	-	-	-
Borrowings and other financial liabilities	978	3,362	6,306
Other current liabilities	1,191	4,817	4,074
	2,169	8,179	10,380
	12,669	16,700	10,380
Total equity and liabilities	**12,013**	**16,670**	**12,218**

During the years under review, GPL was involved in the development of the Żebbuġ project referred to in section 4.3.2 above. Sales commenced in FY2014 and aggregate revenue for FY2014 and FY2015 amounted to €12.2 million. In terms of profitability, GPL generated a profit after tax in each of FY2014 and FY2015 of €0.5 million and €1.7 million respectively.

As at 31 December 2015, units held as stock comprised 85 residential units (of which 37 units were subject to promise of sale agreements) and 144 garages (of which 17 units were subject to promise of sale agreements), which in aggregate amounted to €7.4 million. Outstanding borrowings and other financial liabilities as at 31 December 2015 amounted to €6.3 million (31 December 2014: €11.9 million).

Manikata Holdings Limited Income Statement for the year ended 31 December	2013 Audited (€'000)	2014 Audited (€'000)	FY2015 Audited (€'000)
Revenue	-	1,150	2,130
Cost of sales	-	(891)	(1,642)
Administrative expenses	(47)	(9)	(12)
EBITDA	**(47)**	**250**	**476**
Depreciation	-	-	-
Net finance costs	3	(171)	(296)
Profit/(loss) before tax	**(44)**	**79**	**180**
Taxation	16	(28)	(141)
Profit/(loss) for the year	**(28)**	**51**	**39**
Other comprehensive income			
Movement in fair value of financial assets	53	57	61
Total comprehensive income/(expense) for the year	**25**	**108**	**100**

Manikata Holdings Limited Cash Flow Statement for the year ended 31 December	2013 Audited (€'000)	2014 Audited (€'000)	2015 Audited (€'000)
Net cash from operating activities	(739)	2,730	1,344
Net cash from investing activities	3	-	-
Net cash from financing activities	226	(2,709)	(1,397)
Net movement in cash and cash equivalents	**(510)**	**21**	**(53)**
Cash and cash equivalents at beginning of year	542	32	53
Cash and cash equivalents at end of year	**32**	**53**	**-**

Manikata Holdings Limited **Balance Sheet** **As at 31 December**	**2013** **Audited** **(€'000)**	**2014** **Audited** **(€'000)**	**2015** **Audited** **(€'000)**
ASSETS			
Non-current assets			
Loans and other receivables	816	873	935
Deferred income tax	28	-	-
	844	**873**	**935**
Current assets			
Stock	5,276	5,815	4,004
Trade and other receivables	227	96	479
Taxation	-	80	105
Cash and cash equivalents	32	53	-
	5,535	6,044	4,588
Total assets	**6,379**	**6,917**	**5,523**
EQUITY			
Capital and reserves			
Called up share capital	1	1	1
Retained earnings	(224)	(116)	(16)
	(223)	(115)	(15)
LIABILITIES			
Non-current liabilities			
Borrowings	5,000	1,741	-
	5,000	1,741	-
Current liabilities			
Borrowings and other financial liabilities	281	1,161	1,565
Other current liabilities	1,321	4,130	3,973
	1,602	5,291	5,538
	6,602	7,032	5,538
Total equity and liabilities	**6,379**	**6,917**	**5,523**

During the years under review, MHL was involved in the development of 14 semi-detached villas in Manikata. The villas in Manikata were fully developed in FY2015. Sales commenced in FY2014 and aggregate revenue for FY2014 and FY2015 amounted to €3.3 million. In terms of profitability, MHL generated a profit after tax in each of FY2014 and FY2015 of €51,000 and €39,000 respectively.

As at 31 December 2015, MHL had 8 villas in stock, valued at €4.0 million, which were all subject to promise of sale agreements. Outstanding borrowings and other financial liabilities as at 31 December 2015 amounted to €1.6 million (31 December 2014: €2.9 million).

Geom Developments Limited Income Statement for the year ended 31 December	2013 Audited (€'000)	2014 Audited (€'000)	2015 Audited (€'000)
Revenue	5,203	4,277	802
Cost of sales	(3,628)	(3,138)	(571)
Administrative expenses	(165)	(147)	(40)
EBITDA	**1,410**	**992**	**191**
Net finance costs	(357)	(113)	(180)
Profit/(loss) before tax	**1,053**	**879**	**11**
Taxation	(369)	(308)	(62)
Profit/(loss) for the year	**684**	**571**	**(51)**
Other comprehensive income			
Movement in fair value of financial assets	(53)	(57)	(835)
Total comprehensive income/(expense) for the year	**631**	**514**	**(886)**

Geom Developments Limited Cash Flow Statement for the year ended 31 December	2013 Audited (€'000)	2014 Audited (€'000)	2015 Audited (€'000)
Net cash from operating activities	2,539	2,772	(3,397)
Net cash from investing activities	-	-	-
Net cash from financing activities	(2,891)	(2,511)	3,369
Net movement in cash and cash equivalents	**(352)**	**261**	**(28)**
Cash and cash equivalents at beginning of year	22	(330)	(69)
Cash and cash equivalents at end of year	**(330)**	**(69)**	**(97)**

Geom Developments Limited Balance Sheet As at 31 December	2013 Audited (€'000)	2014 Audited (€'000)	2015 Audited (€'000)
ASSETS			
Non-current assets			
Loans and other receivables	2,498	2,669	2,079
	2,498	**2,669**	**2,079**
Current assets			
Stock	3,228	842	2,576
Trade and other receivables	918	1,323	2,854
Taxation	8	-	-
Cash and cash equivalents	13	26	120
	4,167	2,191	5,550
Total assets	**6,665**	**4,860**	**7,629**
EQUITY			
Capital and reserves			
Called up share capital	1	1	1
Retained earnings	644	127	(760)
	645	128	(759)
LIABILITIES			
Non-current liabilities			
Borrowings	3,265	3,494	3,738
	3,265	3,494	3,738
Current liabilities			
Bank overdrafts	343	95	217
Borrowings and other financial liabilities	2,211	722	2,735
Other current liabilities	201	421	1,698
	2,755	1,238	4,650
	6,020	**4,732**	**8,388**
Total equity and liabilities	**6,665**	**4,860**	**7,629**

In FY2013, GDL was engaged in the development of two projects situated in Qawra and Għargħur (which are unrelated to the Qawra and Għargħur Developments described in sections 4.3.3 and 4.3.5 of this Registration Document). The former project comprised 32 residential units and 34 garages, and the latter project included 84 residential units and 75 garages. Both projects were completed during FY2013. In FY2015, development on the Qawra Development, which is co-owned by GDL and GHL) was initiated. This Project is described in section 4.3.3 above.

Total revenue generated by GDL from FY2013 to FY2015 amounted to €10.3 million, and principally related to the disposal of residential units and garages in the Qawra and Għargħur projects. By the end of 2015, practically all units of these two projects were sold.

GDL generated a profit after tax in FY2013 and FY2014 of €0.7 million and €0.6 million respectively, but incurred a loss in FY2015 of €51,000.

As at 31 December 2015, stock amounted to €2.6 million (31 December 2014: €0.8 million), primarily consisting of the land cost and construction works relating to Blocks A, B and C of the Qawra Development. Outstanding borrowings and other financial liabilities as at 31 December 2015 amounted to €6.7 million (31 December 2014: €4.3 million).

5.3 Investments

Since incorporation, the Issuer made the investments described in section 4.1.2. Save for those intra-group transactions the Issuer has made no other investments and has made no commitments for any principal investments.

6 ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

6.1 The Board of Directors of the Issuer and Guarantors

A board of 6 (six) directors is entrusted with the overall direction and management of the Issuer. The Board currently consists of the Chairman as an Executive Director, two Executive Directors, and three independent Non-Executive Directors. The business address of each Director is at Gap Holdings Head Office, Ċensu Scerri Street, Tigné, Sliema SLM 3060, Malta.

The Board of Directors is entrusted with the Company's day-to-day management, and is responsible for the execution of the Company's investments and the funding thereof, and awarding of project contracts for the development of the Company's properties.

The following are the directors of the Issuer and their respective *curriculum vitae*:

George Muscat: who started his property development and construction business in the seventies. While originally focusing on single building units, predominantly residential and car-parking units, in more recent years Mr Muscat embarked on larger and more ambitious projects, including the construction of up-market multiple residential units. George Muscat is also a shareholder and director of various other companies in the construction, property development, and real estate business including Gap Group Holdings Limited which has undertaken various property developments. Present day, under the leadership of Mr Muscat, the Group has built up a considerable portfolio of residential and commercial developments at prices which service all sectors of the market. Since 2001, George Muscat has been involved in over 35 property development projects producing more than 1,700 residential units in Malta and Gozo.

George Muscat is also a director and the ultimate beneficial holder of 50% of the equity capital of Bay Street Holdings Limited which owns, manages, and operates the Bay Street Entertainment Complex in Paceville, St Julians. The Baystreet complex has today evolved into an entertainment hub with more than 70 retail outlets, restaurants, a language school, and a 4-star hotel. The complex has recently been expanded by a further 3 floors.

Mr Muscat is also a founder and director of Gap Developments p.l.c. and responsible for the development of the prestigious Fort Cambridge project. The latter is the largest and highest residential development in Malta comprising 350 seafront residential units, a commercial area and office block.

Paul Attard: who is a founder and director of Gap Group Holdings Limited. Having previously worked as a property consultant with a number of leading estate agencies in Malta, Paul Attard has been responsible, since the incorporation of Gap Group Holdings Limited in 2001, for driving and overseeing its sales and marketing initiatives. Mr Attard is also a director of Gap Developments p.l.c., responsible for sales and marketing.

Adrian Muscat: who began his career as a property consultant before moving on to project management. As a founder and director of Gap Group Holdings Limited, Adrian Muscat has led the project team responsible for on-site management of the projects undertaken by Gap Group Holdings Limited since 2001.

Francis X. Gouder: began his career at Barclays Bank DCO (later Mid-Med Bank and HSBC Bank Malta p.l.c.). For a short period, he was seconded to Lohombus Corporation. At HSBC Bank Malta p.l.c., Mr Gouder was responsible for the efficient running of all HSBC branches forming part of the southern Malta. In May 2009 Mr Gouder joined Banif Bank Malta p.l.c. as consultant to the Executive Committee and Head of Executive Banking. Francis X. Gouder is also a non-executive director of Bay Street Finance p.l.c.

Mark Castillo: served as a non-executive director on the board of directors of Gap Developments p.l.c. between 2006 and 2011, after a career in international banking spanning more than 45 years, which included high profile positions in Malta and Canada with major Banks such as Barclays Bank, MidMed Bank, Banco Central Hispano, Bank of Valletta p.l.c., and Sparkasse Bank Malta p.l.c.

Chris Cilia: graduated as a Doctor of Law from the University in Malta. He has been practicing in Civil Law for the past 20 years. He is also currently serving as Deputy Chairman of the Malta Gaming Authority and also as Chairman of the Audit Committee of the same authority.

As at the date of this Prospectus, the board of directors of GML, GGL and GPL is comprised of George Muscat, Paul Attard and Adrian Muscat (management expertise and experience is set out above). Paul Attard acts as Company Secretary.

As at the date of this Prospectus, the board of directors of GDL includes George Muscat and Francis X. Gouder (management expertise and experience is set out above). George Muscat acts as Company Secretary.

The business address of each of the directors and the company secretaries is GAP Holdings Head Office, Ċensu Scerri Street, Tigné, Sliema, SLM 3060, Malta and with telephone number (+356) 23271000.

None of the directors of the Issuer and Guarantors have a written service contract with either the Issuer or any of the Guarantors.

In accordance with the Articles of Association of each of the Issuer and Guarantors, the total emoluments payable to all directors, whether as fees and/or salaries by virtue of holding employment with the company, is subject to shareholder approval at general meeting.

The aggregate emoluments payable to the directors of the Issuer and Guarantors for the financial year ending 31 December 2016 cannot exceed the amount of €200,000.

The directors currently in office are expected to remain in office at least until the next Annual General Meeting.

6.2 Conflict of Interest

George Muscat, Paul Attard and Adrian Muscat are directors of the Issuer, its parent company Gap Group Investments II Limited (C 75856), and of each of the Guarantors (with the exception of GDL where only George Muscat is a director) and GGCL. Accordingly, conflicts of interest could potentially arise in relation to transactions involving the Issuer, the Guarantors and GGCL as the main contractor for the New Developments.

The audit committee of the Issuer, which is presided by Francis X. Gouder, an independent Non-Executive Director, as chair, has the task of ensuring that any potential conflicts of interest that may arise at any moment, pursuant to these different roles held by Directors, are handled in the best interest of the Issuer and according to law. To the extent known or potentially known to the Issuer as at the date of this Registration Document, there are no other potential conflicts of interest between any duties of the directors of the Issuer and/or the Guarantors, as the case may be, and their private interests and/or their other duties which require disclosure in terms of the Regulation.

6.3 Loans to Directors

There are no loans outstanding by the Issuer and/or the Guarantors to any of their respective directors nor any guarantees issued for their benefit by the Issuer and/or the Guarantors.

6.4 Removal of Directors

A Director may, unless he resigns, be removed by an ordinary resolution of the shareholders as provided in sections 139 and 140 of the Act.

6.5 Powers of Directors

By virtue of the Articles of Association of the Issuer and the Guarantors, the directors are empowered to transact all business which is not by the Articles expressly reserved for the shareholders in general meeting. The powers of the directors of the Issuer and the Guarantors are better described in sections 13.3.3 and 13.4.3 below.

7 MANAGEMENT STRUCTURE

7.1 General

The Issuer itself has no employees and is managed directly by its board of directors. Each project company has a number of management personnel and other employees devoted to managing each Project. The Group adopts a centralised management structure whereby it can deploy senior management personnel to perform duties in different parts of the Group depending on the requirements of each Group company; those services are then re-charged to the Group company where they are from time to time deployed. Senior management of the Group is engaged by GGCL and consists of:

George Muscat	Chairman
Paul Attard	Director of Sales and Marketing
Chris Gauci	Sales and Marketing Manager
Elton Deguara	Sales and Marketing Manager
Adrian Muscat	Director of Sites
Raymond Grixti	Project Manager
Emanuel Cortis	Sites Manager
Joseph J. Formosa	Finance Manager

The Directors believe that the current organisational structure is adequate for the present activities of the Group. The Directors will maintain this structure under continuous review to ensure that it meets the changing demands of the business and to strengthen the checks and balances necessary for better corporate governance.

7.2 Major Shareholders

The Issuer is a wholly owned subsidiary of Gap Group Investments II Limited (C 75856). In accordance with the Code of Corporate Governance, the Issuer adopts measures to ensure that the relationship with its shareholder and the three individual Directors who are the ultimate beneficial owners of all the shares in the Issuer is retained at arm's length, including adherence to Rules on Related Party Transactions requiring the sanction of the Audit Committee, in which the majority is constituted by independent Non-Executive Directors, of which one shall also act as chairman.

The following Directors have an indirect interest in the Issuer and the Group:

Shareholding in the Issuer

George Muscat	50%
Paul Attard	25%
Adrian Muscat	25%

8 RELATED PARTY TRANSACTIONS

The Issuer has on 6 September 2016 acquired from Gap Group Investments p.l.c. (C 72012) the entire share capital of GML and GGL for an aggregate consideration of *circa* €8 million. The acquisition price has been settled through a €2.5 million equity injection, €2.5 million subordinated shareholders' loans, €1.0 million in retained earnings and €2.0 million shareholders' loans. Gap Group Investments p.l.c. (C 72012) is a related party to the Issuer and has the same shareholders as the Issuer, albeit in different shareholding proportions with each of George Muscat, Paul Attard and Adrian Muscat holding 33.33% of its issued share capital.

By virtue of another share purchase agreement dated 6 September 2016, entered into between the Issuer and Gap Group Investments III Limited (C 76675), the Issuer purchased the entire share capital of GDL and the ordinary 'A' shares of GHL for a total consideration of *circa* €13.2 million. The amount of €13.1 million of the acquisition price remains unpaid as at the date of this Registration Document and will be settled by the Issuer from the Bond proceeds. Gap Group Investments III Limited is another related party to the Issuer by virtue of common shareholders where each of Paul Attard and Adrian Muscat hold 25% of the issued share capital and George Muscat holds the remaining 50% of that company's issued share capital.

On 5 August 2016, each of GML and GDL entered into a works contract with GGCL for the execution and completion of the civil works, finishes and overheads pertaining to the construction of the Mellieħa Development and Blocks A, B and C of the Qawra Development respectively for the total price of €16,323,000. Pursuant to these two contracts the stipulated price cannot be amended. Furthermore GGCL agreed to waive the right to register a special privilege over the afore-mentioned Developments.

On 5 August 2016, GGL entered into a works contract with GGCL for the execution and completion of the civil works, finishes and overheads pertaining to the construction of the Għargħur Development for the total price of €3,652,000. Pursuant to this contract the stipulated price cannot be amended.

On 9 September 2016 the Issuer entered into an Intra-Group Facility Agreement with each of the Guarantors pursuant to which it shall advance to the subsidiaries amounts required for the financing of the New Developments (save in the case of Blocks D, E, F and G forming part of the Qawra Development) and to manage the cash requirements of each Group company to enable it to deploy the Group's cash resources to those Projects that may require funding of costs not covered by sales particularly during the initial construction phase of a project.

9 AUDIT COMMITTEE

The terms of reference of the Audit Committee consists of *inter alia* its support to the Board of Directors of the Issuer in its responsibilities in dealing with issues of financial reporting; risk; control and governance; and associated assurance. The Board has set formal terms of establishment and the terms of reference of the Audit Committee that establish its composition, role and function, the parameters of its remit as well as the basis for the processes with which it is required to comply. The Audit Committee is a sub-committee of the Board and is directly responsible and accountable to the Board. The Board reserves the right to change these terms of reference from time to time.

Briefly, the Committee is expected to deal with and advise the Board on the following matters on a Group-wide basis: its monitoring responsibility over the financial reporting processes, financial policies and internal control structures; maintaining communications on such matters between the Board, management and the independent auditors; and preserving the Group's assets by understanding the risk environment and determining how to deal with those risks.

In addition, the Audit Committee also has the role and function of scrutinising and evaluating any proposed transaction to be entered into by the Issuer or a Guarantor and a related party, to ensure that the execution of any such transaction is at arm's length and on a commercial basis and ultimately in the best interests of the Company or Guarantor as the case may be.

All Directors sitting on the Audit Committee are independent non-executive directors. Francis X. Gouder acts as chairperson, whilst Mark Castillo and Chris Cilia act as members. In compliance with the Listing Rules, Francis X. Gouder is the independent Non-Executive Director who is competent in accounting and/or auditing matters having previously served in various senior positions in a financial institution.

The Audit Committee, pursuant to its terms of reference has been appointed to, and accordingly has a remit that, covers each of the Guarantors, apart from the Issuer.

10 COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS

The Company is subject to, and supports, the Code of Principles of Good Corporate Governance (the "Code") forming part of the Listing Rules. The Board has taken such measures as are necessary in order for the Company to comply with the requirements of the Code to the extent that these were considered appropriate and complementary to the size, nature and operations of the Company, as follows:

Principle 1 & 4: The Company is headed by an effective board, which is responsible for accountability, monitoring, strategy formulation and policy development;

Principle 2: The role of Chairman is an executive role within the Group and is supported by two other executive directors, one in sales and another in project management. There is no Chief Executive officer;

Principle 3: The Board is composed of 3 Executive Directors and 3 Independent Non-Executive Directors.The implementation of the Board's decisions is entrusted to the senior management of the Issuer and its subsidiaries;

Principle 5: The Board of Directors aims to meet regularly and all Directors are given ample opportunity to discuss the agenda and convey their views and opinions;

Principle 6: The Company does not have any employees and is therefore reliant on the senior management employed with another member of the Group. The Non-Executive Chairman ensures that Directors are provided with relevant information to enable them to effectively contribute to Board decisions.

Following the successful completion of the Żebbuġ Development and other projects by the Group including the development of luxury villas in Manikata, the Issuer was established as a public company and as the vehicle through which it intends to raise debt financing for the New Developments (save for Blocks D, E, F and G forming part of the Qawra Development). Human resources of the Group are engaged either by one or more project companies or, at senior management level by GGCL but all personnel are deployed by the Group in the development of the Projects, being undertaken by the Group. The Directors believe that this is simply an intra-group matter of human resources deployment and that, in the circumstances, the Group has sufficient resources to be able to handle the requirements of the New Developments and they have all the necessary assurances that senior management employed by the Group will be focused on the projects to which they are assigned. In addition, the Directors believe that through the involvement of the senior management, that is made available to each subsidiary, there are benefits for the Issuer in terms of the experience and knowledge acquired by senior executives following the completion of similar projects. The Directors consider that the current organisational structure and intra-group arrangements for the deployment of senior management is adequate for the present activities of the Group. The Directors will maintain this structure under continuous review to ensure that it meets the changing demands of the business.

Principle 7: The Board of Directors performs a self-evaluation of its own performance and that of its committees on an annual basis, and the Board's performance is always under the scrutiny of the immediate and ultimate shareholders. The Board considers the present informal evaluation procedure to suffice and therefore does not consider it necessary to formalise the evaluation process through the setting up of an evaluation committee;

Principle 8: The Board of Directors considers that the size and operation of the Company and the Group and the nature of its activity does not warrant the setting up of a nomination and remuneration committee. Remuneration to the Board of Directors of the Company is determined by the shareholders of the Company in accordance with its Memorandum and Articles of Association. Also, the Company will not be setting up a nomination committee. Appointments to the Board of Directors of the Company are determined by the shareholders of the Company in accordance with its Memorandum and Articles of Association;

Principle 9: The Company is highly committed to having an open and communicative relationship with its bondholders and investors;

Principle 10: The Company ensures that it is in constant contact with its principal shareholders who are all members of the Board and with bondholders;

Principle 11: By virtue of the Memorandum and Articles of Association, the Directors are obliged to keep the Board advised, on an ongoing basis, of any interest that could potentially conflict with that of the Company. The Board member concerned shall not take part in the assessment by the Board as to whether a conflict of interest exists. A Director shall not vote in respect of any contract, arrangement, transaction or proposal in which he has a material interest;

Principle 12: The Company recognises the importance of its role in the corporate social responsibility arena and seeks to ensure that in its operations the environment is respected. The Directors are also aware of the importance of having good relations with stakeholders and, strive to work together with them in order to invest in human capital, health and safety issues and to adopt environmentally responsible practices.

Save for the instances of non-adherence to the Code which has been explained above, the Board is of the opinion that the Company is in compliance with the Code and endeavours to maintain compliance with the Code.

The Guarantors are private companies and accordingly are not subject to the provisions of the Listing Rules nor to endeavor to adhere to the provisions of the Code. Whilst each Guarantor does not have its own audit committee, it has authorised and tasked the Audit Committee of the Issuer to monitor their respective operations.

11 HISTORICAL INFORMATION

In relation to each of the Issuer, GML, GGL and GGCL, no audited financial statements have been prepared since incorporation to the date of this Registration Document.

The historical financial information of GGF, GPL, MHL and GDL for the three financial years ended 31 December 2013, 2014 and 2015 as audited by Mr Emanuel Fenech is set out in the annual financial statements of the said companies. The historical financial information of GHL for the financial period 26 March 2014 (being the date of incorporation) to 31 December 2014 and for the financial year ended 31 December 2015 as audited by Mr Emanuel Fenech is set out in the annual financial statements of the said company. Such audited financial statements are available for inspection as set out in section 14 below.

The audited financial statements of GDL contain an “emphasis of matter” in the auditor’s report for the financial year ended 31 December 2015. That matter refers to a receivable of €3.0 million from Gap Group Holdings Limited, and that as auditors they have relied on a declaration by the directors and the unaudited financial statements of Gap Developments p.l.c. to determine that no impairment is required for the receivable.

There were no significant changes to the financial or trading position of the Issuer, GML and GGL since incorporation. There were no significant changes to the financial or trading position of each of GPL and GDL since the end of the financial period to which the last audited financial statements relate.

12 LITIGATION

There have not been governmental, legal or arbitration proceedings against the Issuer or the Guarantors (including any such proceedings which are pending or threatened of which the Issuer is aware) during the period covering twelve (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 and/or Guarantors.

13 ADDITIONAL INFORMATION

13.1 Share Capital of the Issuer

The authorised share capital of the Company is €2,500,000 (two million five hundred thousand Euro) divided into 2,500,000 (two million five hundred thousand) ordinary shares of €1 (one Euro) each.

The issued share capital of the Company is €2,500,000 (two million five hundred thousand Euro) divided into 2,500,000 (two million five hundred thousand) ordinary shares of €1 (one Euro) each, fully paid up and subscribed as to €2,499,996 by Gap Group Investments (II) Limited (C 75856), €1 by each of Paul Attard and Adrian Muscat and €2 by George Muscat.

In terms of the Company’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 a general meeting.

The shares of the Company are not listed on the Malta Stock Exchange and no application has been filed for the shares of the Company to be quoted on the Malta Stock Exchange. The Directors of the Issuer have no intention of submitting an application for the admissibility of the Issuer’s shares to listing and subsequent trading on the Malta Stock Exchange.

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.

13.2 Share Capital of Guarantors

The following table sets out the share capital of each of the Guarantors:

Company	Authorised Capital (Shares)	Nominal Value € of Shares €	Issued Share Capital (Shares)	Issued Share Capital (€)
GML	1,200	1	1,200	1,200
GPL	2,800	1	2,800	2,800
GGL	3,458	1	3,458	3,458
GDL	2,000	1	2,000	2.000

All of the Guarantors are private companies established under the Act and none of their share capital is admitted to listing or trading on an exchange.

There is no capital of any Guarantor, 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.

13.3 Memorandum and Articles of Association of the Issuer

13.3.1 Objects

The principal objects of the Issuer are: (a) to act as a holding company and invest and hold share participations and debentures in any other company, partnership or business; (b) to provide management, administration, technical, financial and professional services and to provide human resources to its subsidiary and, or associated companies of other companies relative and incidental to its business; (c) to purchase, take on lease, exchange or acquire, moveable or immoveable property, by any title including emphyteusis and sub-emphyteusis or otherwise deal in and hold, develop or improve any freehold, leasehold or other property whether for investment or resale; (d) to finance building operations of every description; to construct, reconstruct, renovate, alter, improve, decorate, finish and maintain buildings or other properties, as aforesaid; to sell or let the same on lease or by agreement or otherwise, either furnished or unfurnished, and to do everything that may enhance the value of such property.

Clause 3 of the Memorandum of Association contains the full list of objects of the Issuer. A copy of the Memorandum and Articles of Association of the Issuer may be inspected during the lifetime of this Registration Document at the registered office of the Issuer and at the Registry of Companies of the Malta Financial Services Authority.

13.3.2 Appointment of Directors

The Directors are appointed by the shareholders in terms of the Company's Articles of Association.

13.3.3 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.

The maximum limit of aggregate emoluments of the Directors is in terms of the Memorandum and Articles of Association, 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 that pensions, gratuities, or allowances are to be granted on retirement to any director who has held any other salaried office with the Company or to his widow or dependents. 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 limitations 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 limitations 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.

13.4 Memorandum and Articles of the Guarantors

13.4.1 Objects

Each Guarantor is a single member company other than GPL which is owned by Gap Investments Limited and GGF, established under the Act and the principal activity of each Guarantor (for the purposes of article 212(1) of the Act), is purchase, sell, exchange, improve, mortgage, charge, rent, let on lease, hire, surrender, license, accept surrenders of, and otherwise acquire and/or deal with any freehold, leasehold or other immovable property, chattels and effects, erect, pull down, repair, alter, develop, sell or otherwise deal in any immovable property.

13.4.2 Appointment of Directors

The shareholders in terms of the each Guarantor's Articles of Association and the Act appoint the directors.

13.4.3 Powers of Directors

The directors of each Guarantor are vested with the management of the respective Guarantor and their powers of management and administration emanate directly from the Memorandum and Articles of Association and the law. The directors of each Guarantor are empowered to act on behalf of that Guarantor and in this respect have the authority to enter into contracts, sue, and be sued in representation of that Guarantor. 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 shareholders in general meeting.

The maximum limit of aggregate emoluments of the directors of each Guarantor is to be established by the shareholders of the respective Guarantor 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 that pensions, gratuities, or allowances are to be granted on retirement to any director who has held any other salaried office with the Guarantor or to his widow or dependents. 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 of each Guarantor may exercise all the powers of the Guarantor to borrow money and give security thereof, subject to the limitations 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 limitations 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.

13.5 Commissions

There were no commissions, discounts, brokerages or other special terms granted during the two (2) years immediately preceding the publication of this document in connection with the issue or sale of any capital of the Company, the Guarantors or any of the Group subsidiaries.

13.6 Material Contracts

The Issuer and the Guarantors have not entered into any material contracts that are not in the ordinary course of their respective business and which could result in any member thereof being under an obligation or entitlement that is material to the Issuer's and/or Guarantors' ability to meet their obligations to security holders in respect of the securities being issued pursuant to, and described in, the Securities Note forming part of the Prospectus.

13.7 Property Valuation Reports

The Issuer commissioned Roderick Camilleri to issue three property valuation reports in relation to the New Developments. The following are the details of the said valuer:

Name:	Roderick Camilleri, B.E., &A. (Hons.), A. &C.E. Architect, and Civil Engineer
Business address:	103, Triq San Piju V, Rabat, RBT 2251

Listing Rule 7.4.3 provides that property valuations to be included in a prospectus must not be dated (or be effective from) more than 60 days prior to the date of publication of the prospectus. The valuation reports relating to the Mellieħa, Qawra (Blocks A, B and C) and Żebbuġ properties are each dated 31 May 2016. The valuation report relating to the Għargħur site is dated 31 July 2016.

A copy of the reports compiled by Arch. Roderick Camilleri in respect of the New Developments (excluding Blocks D, E, F and G forming part of the Qawra Development) are annexed to this Registration Document as Annex I and are available for inspection as set out in Section 14 below.

13.8 Statements by Experts and Declarations of any Interest

Save for the property valuation reports contained in Annex I respectively to the Registration Document, and the financial analysis summary set out as Annex III to the Securities Note, the Prospectus does not contain any statement or report attributed to any person as an expert.

The property valuation reports and financial analysis summary have been included in the form and context in which they appear with the authorisation of Arch. Roderick Camilleri, of 103, Triq San Piju V, Raba,t RBT 2251, Malta; and Charts Investment Management Service Limited of Valletta Waterfront, Vault 17, Pinto Wharf, Floriana, FRN 1913, Malta respectively, which have given and have not withdrawn their consent to the inclusion of such reports herein.

Arch. Roderick Camilleri, and Charts Investment Management Service Limited do not have any material interest in the Issuer or any of the Guarantors. The Issuer confirms that the property valuation reports and financial analysis summary have been accurately reproduced in the Prospectus 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.

14 DOCUMENTS AVAILABLE FOR INSPECTION

For the duration period of this Registration Document the following documents (or copies thereof) shall be available for inspection at the registered address of the Issuer:

a. Memorandum and Articles of Association of the Issuer and each Guarantor;
b. Audited financial statements of GGF, GPL, MHL and GDL for the three financial years ended 31 December 2013, 2014 and 2015;
c. Audited financial statements of GHL for the financial period 26 March 2014 to 31 December 2014 and for the financial year ended 31 December 2015;
d. The letter of confirmation drawn up by Deloitte Services Limited dated 16 September 2016;
e. Financial analysis summary prepared by Charts Investment Management Service Limited dated 16 September 2016;
f. Property valuation reports prepared by Arch. Roderick Camilleri in respect of the Mellieħa Development, Għargħur Development, Żebbuġ Development and Blocks A, B and C forming part of the Qawra Development; and
g. The Trust Deed.

Items (a) and (e) are also available for inspection in electronic form on the Issuer's website at www.gap.com.mt

12th July 2016

The Directors,
GAP Group p.l.c.,
Triq Ċensu Scerri,
Tigné, Sliema

Subject: Valuation Report
Property: Site at Triq Caravaggio, Għargħur, Malta

I, the undersigned Architect and Civil Engineer (BE&A Hons.), have been requested to evaluate the property in caption.

General
The valuation has been prepared in accordance with Chapter 7 of the Listing Rules published by the Malta Financial Services Authority and in particular, with the disclosure requirements relating to Property Companies seeking listing on the Malta Stock Exchange.

Requirement for a valuation report
The purpose of this valuation is for inclusion thereof within the Prospectus, to be published in connection with the proposed bond issue by GAP Group p.l.c., in accordance with the Listing Rules.

Reporting standards
The valuation has been carried out by the undersigned, as an independent valuer, in terms of the UK Royal Institution of Chartered Surveyors Appraisal and Valuation Manual.

Independence of valuer
The undersigned confirms that there is no conflict of interest in advising you of the opinion of the value of the property, since the undersigned or his associates will not benefit from the valuation instruction, other than the valuation fee.

A. Contents of valuation report

1. **Address**
   The location of the site is at Triq Caravaggio, Għargħur, Malta and the site plan has been included in Appendix A of this report. Site photos are available for inspection at the Issuer's registered office.

2. **Nature of valuer's inspection**
   The undersigned declares that he has visited the site, and is fully familiar with the plans of the property which still needs to be developed.

3. **Brief description**
   The development will be of a residential nature, and will consist of 34 luxury apartments (6 of which at Penthouse level) which will be sold finished in a complete state, including all common areas and the formation of the internal piazza measuring 330 square metres. The development will be spread over 4 blocks of apartments, each with separate entrances and served with passenger lifts accessing both the apartments and underlying garage levels. The site has a total area of 2,585 square metres with a total built-up area of 10,680 square metres.

A more detailed breakdown is given in the table below:

Level	Quantity	Unit	Description
-1	41	Garages	-
0	6	Maisonettes	3 Bed
0	1	Maisonette	4 Bed
1	6	Apartments	3 Bed
1	1	Apartment	4 Bed
2	6	Apartments	3 Bed
2	1	Apartment	4 Bed
3	6	Apartments	3 Bed
3	1	Apartment	4 Bed
4	3	Penthouses	3 Bed
4	3	Penthouses	2 Bed

The finishes of each apartment will include all the electrical, plumbing, telephone and air conditioning installations points, gypsum plastering and 2 coats of white paint, all floor tiles and bathrooms, including all sanitary ware and accessories and all external apertures in double glazed aluminium. All garages will be affixed with metal doors. A block plan is available for inspection at the Issuer's registered office.

4. **Existing use**
The existing use of the site is an unused field.

5. **Relevant planning applications**
The development is covered by PA 04658/15 issued on the 28th June 2016. A copy of the permit is available for inspection at the Issuer's registered office.

6. **Material contravention of statutory requirements**
LR7.4.1.6: Not applicable.

7. **Tenure**
The site in caption is freehold.

8. **Main terms of tenants' leases or sub-leases**
LR7.4.1.8: Not applicable.

9. **Approximate age of any buildings**
Construction has still not been initiated.

10. **Present capital value in existing state**

The selection of the discount rate is based on the long term risk-free rate of return, expressed in current terms, that is including inflation, and on a specific risk premium for the individual property being valued, taking into account factors such as property illiquidity, management limitations, type, size and location of property, competition, potential delays, future uncertainty, status of building permits, counter-party risks, and resource risks. A pre-tax risk-free rate of 1.45%, which approximates to the current yield on a 12-year Malta Government Stock issue, has been adopted for this valuation. A risk premium of 10.55% was considered as adequate for valuing the property in its current state since works on the said project have still not started and they are envisaged to be completed in approximately 3 years' time. Moreover, the project includes luxury apartments which are targeted on a specific market. Therefore, the discounted cash flow is taken at the rate of 12%.

Present Capital Value
On the basis of the above, the present capital value of the property in the existing state is estimated to be €3,500,000 (three million, five hundred thousand euros).

Expected Date of Completion
The project is expected to be completed by the end of 2018 and is expected to start in the third quarter of 2016.

Estimated Total Cost of the Development
The estimated total cost of completion is €3,651,927 (Three million, six hundred fifty-one thousand, nine hundred and twenty seven euro) which is divided as per below:

Excavation	€360,027
Construction	€1,549,606
Finishes	€1,568,393
Contingency	€173,901

This amount excludes professional fees, marketing expenses and borrowing costs

11. **Terms of intra-Group lease on Property occupied by the Group (identifying the Properties) to the extent that such leases are taken into account in the valuation**
LR7.4.1.11: Not applicable.

12. **Other matters which materially affect the value**
LR7.4.1.12: Not applicable.

13. **Sources of information and verification**
All information that was considered necessary for the purpose of drawing up the present report was obtained from the directors and advisors of GAP Group p.l.c. This included all planning applications, construction and finishing cost estimates, design, management and supervision costs, marketing and selling costs, estate management costs, and financing costs. There was also access to the projections of sales and cash flow.

14. **Details of registered mortgages and privileges and other charges, real rights atheron including details of emphyteutical concessions, easements and other burdens**
LR7.4.1.14: Not applicable.

B. Details of valuer
Perit Roderick Camilleri
Address:- 103, Triq San Piju V, Rabat RBT 2251
Telephone:- 21456921
Mobile:- 7989 1052
Email:- rodcamilleri@gmail.com

C. Date of valuation
The valuation was completed on, and the effective date thereof is, the 12th July 2016.

D. Basis of valuation
The listing rules require that the valuation be made on the basis of an open market value for existing use. An open market value represents an opinion of the best price for which the sale of an interest in a property would have been completed unconditionally for a cash consideration on the date of valuation.

Since projects of this nature and scale do not easily lend themselves to a method of valuation which is based on the comparative method, this valuation method is based on the profits, or earnings method, using a discounted cash flow approach. The open market value is considered to correspond to the capitalised sum of the fair business earning potential. The valuation was therefore based on the determination of likely future operational cash-flows, discounted to net present value at an appropriate rate of return.

E. Assumptions

An open market valuation assumes that there is a willing seller, that the interest being valued would have been, prior to the transaction, properly marketed, that the state of the market, level of values and other circumstances are consistent over the period of the valuation, that no account is taken of any additional bid by a prospective purchaser with special interest, and that both parties to the transaction act knowledgeably, prudently and without compulsion.

An existing use value follows on the definition of the open market value, with the added assumptions that the property can be used, for the foreseeable future, only for the existing use, and that vacant possession is provided on completion of the sale of all parts occupied by the business.

F. Title

The site in caption is freehold.

G. Benefits/Detriments of contractual agreements

LR 7.4.7: Not applicable.

H. Acquisitions/Disposals Interest

LR 7.4.8: Not applicable.

I. Other relevant matters

No responsibility is being assumed to the third parties to whom this report may be disclosed and no liability is accepted in contract, negligence, restitution with regards to any loss including profits, goodwill or opportunity. While the above is deemed to provide a reasonable valuation of the property in question, such estimate may also vary between one valuer and another. This valuation is also subject to changes over relatively short periods due to economic conditions.

J. Standards and guidelines

The valuation has been carried out in accordance with standards and guidelines issued by the Royal Institute of Chartered Surveyors (RICS).

The original copy has been signed by

PERIT RODERICK CAMILLERI

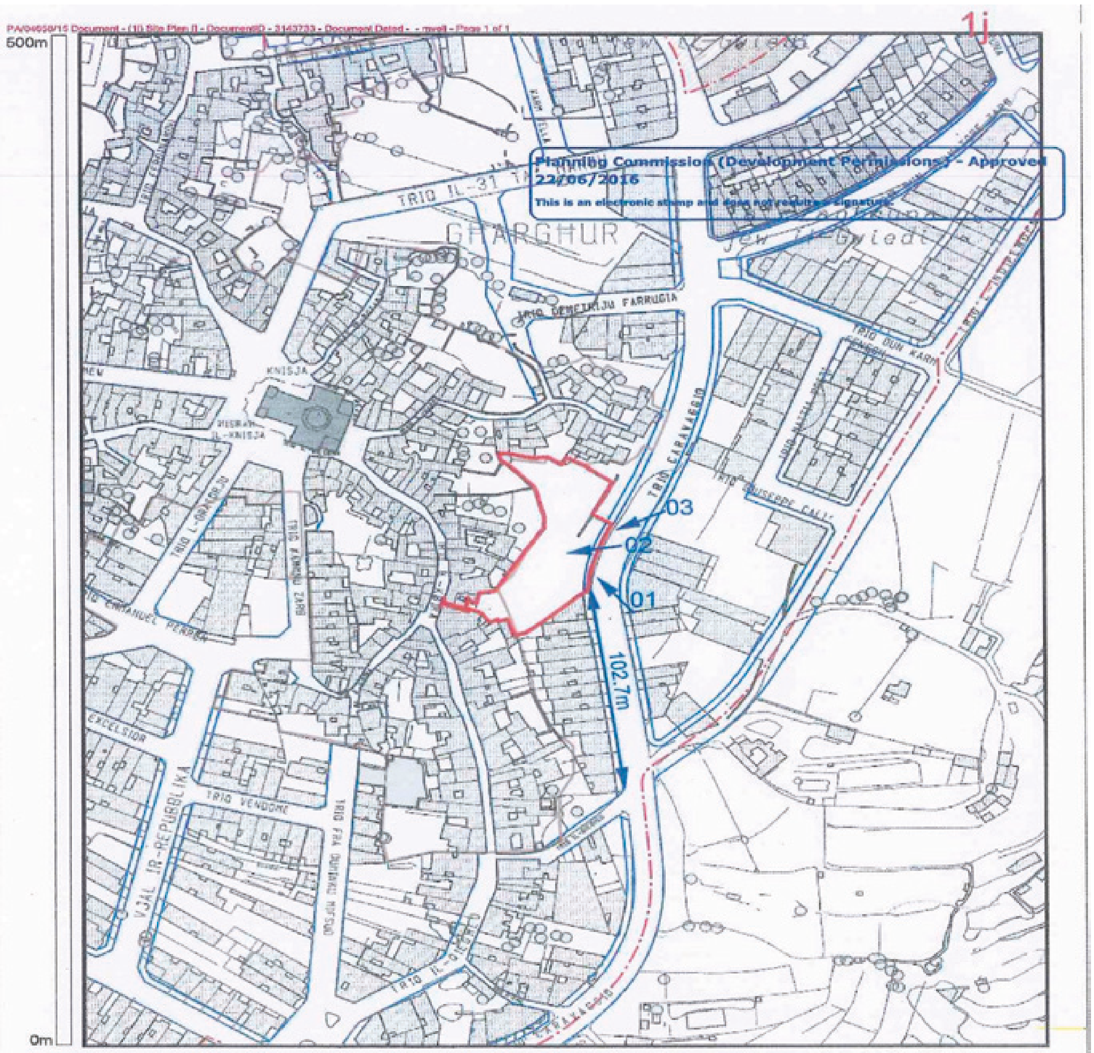
A. 103, Triq San Piju V,
Rabat RBT 2251

T. 21456921

M. 7989 1052

E. rodcamilleri@gmail.com

Appendix A



Min Easting 50657.8, Min Northing 75525.42, Max Easting 51057.8, Max Northing 76025.42

0m 400m

MEPA - www.mepa.org.mt
St. Francis Ravelin
Floriana FRN 1230, Malta
PO Box 200, Marsa MRS 1000, Malta
Tel: +356 2290 0000 Fax: +356 22902295

Site Plan, Scale 1:2500
Printed on: Thursday, August 13, 2015

31st May, 2016

The Directors,
Gap Group p.l.c.
Triq Ċensu Scerri,
Tigné, Sliema

Subject: **Valuation Certificate**
Property: Site at Ta' Masrija, Mellieħa, Malta

I, the undersigned Architect and Civil Engineer (BE&A Hons.), have been requested to evaluate the property in caption.

General
The valuation has been prepared in accordance with Chapter 7 of the Listing Rules published by the Malta Financial Services Authority and in particular, with the disclosure requirements relating to Property Companies seeking listing on the Malta Stock Exchange.

Requirement for a valuation report
The purpose of this valuation is for inclusion thereof within the Prospectus, to be published in connection with the proposed bond issue by GAP Group p.l.c., in accordance with the Listing Rules.

Reporting standards
The valuation has been carried out by the undersigned, as an independent valuer, in terms of the UK Royal Institution of Chartered Surveyors Appraisal and Valuation Manual.

Independence of valuer
The undersigned confirms that there is no conflict of interest in advising you of the opinion of the value of the property, since the undersigned or his associates will not benefit from the valuation instruction, other than the valuation fee.

A. Contents of valuation report

1. **Address**
The location of the site is at Ta' Masrija, Mellieha, Malta and the site plan has been included in Appendix A of this report. Site photos are available for inspection at the Issuer's registered office.

2. **Nature of valuer's inspection**
The undersigned declares that he has visited the site, and is fully familiar with the plans of the property which still needs to be developed.

3. **Brief description**
The development will be of a residential nature, and will consist of 152 luxury apartments which will be sold finished in a complete state, including all common areas and the formation of the road. The site has a superficial area of approximately 5,100 square meters. The development will encompass 10 blocks of apartments, each with separate entrances and served with passenger lifts accessing both the apartments and underlying garage levels. The apartments at the top level will also have access to roof level and will enjoy full ownership of the latter.

The progress of the apartments will be spread over 5 phases with each phase comprising 2 blocks of apartments. Out of the 10 blocks, 7 will contain 16 apartments, 2 will contain 14 apartments and 1 block will contain 12 apartments. The apartments shall be spread over 8 levels in each block. The development shall also include 174 lock-up underground garages spread over 3 underground levels. Both apartments and garages combined shall occupy a total built up saleable area of *circa* 44,325 square metres.

A more detailed breakdown is given in the table below:

Level	Quantity	Unit	Description
-3	41	Garages	-
-2	97	Garages	-
-1	36	Garages	-
0	2	Apartments	2 Bed
0	16	Apartments	3 Bed
0	1	Apartment	4 Bed
1	3	Apartments	2 Bed
1	17	Apartments	3 Bed
2	3	Apartments	2 Bed
2	17	Apartments	3 Bed
3	4	Apartments	2 Bed
3	16	Apartments	3 Bed
4	4	Apartments	2 Bed
4	16	Apartments	3 Bed
5	4	Apartments	2 Bed
5	16	Apartments	3 Bed
6	17	Apartments	3 Bed
7	15	Penthouses	3 Bed

The finishes of each apartment will include all the electrical, plumbing, telephone and air conditioning installations points, gypsum plastering and 2 coats of white paint, all floor tiles and bathrooms, including all sanitary ware and accessories and all external apertures in double glazed aluminium. All garages will be affixed with metal doors.

The façade will be composed of various materials such as silicato rendering, marble cladding and alucabond lining. A block plan is available for inspection at the Issuer's registered office.

4. **Existing use**
The existing use of the site is a dilapidated quarry.

5. **Relevant planning applications**
The development is covered by PA 04811/15 issued on the 10th May 2016. A copy of the permit is available for inspection at the Issuer's registered office.

6. **Material contravention of statutory requirements**
LR7.4.1.6: Not applicable.

7. **Tenure**
The site is currently subject to an annual temporary emphyteusis amounting to € 0.84c for a remaining period of sixty seven years.

8. **Main terms of tenants' leases or sub-leases**
LR7.4.1.8: Not applicable.

9. **Approximate age of any buildings**
Construction has still not been initiated.

10. **Present capital value in existing state**
The selection of the discount rate is based on the long term risk-free rate of return, expressed in current terms, that is including inflation, and on a specific risk premium for the individual property being valued, taking into account factors such as property illiquidity, management limitations, type, size and location of property, competition, potential delays, future uncertainty, status of building permits, counter-party risks, and resource risks. A pre-tax risk-free rate of 1.45%, which approximates to the current yield on a 12-year Malta Government Stock issue, has been adopted for this valuation.

A risk premium of 14.55% was considered as adequate for valuing the property in its current state since works on the said project have still not started and they are envisaged to be completed in approximately 3 years' time. Moreover, the project includes luxury apartments which are targeted on a specific market. The volume and location of development will also have an impact on the risk of the project. Therefore, the discounted cash flow is taken at the rate of 16%.

Present Capital Value
On the basis of the above, the present capital value of the property in the existing state is estimated to be €14,600,000. (Fourteen million, six hundred thousand euros)

Expected Date of Completion
The project is expected to be completed by the end of 2019 and is expected to start in June 2016.

Estimated Total Cost of the Development
The estimated total cost of completion is €16,323,215. (Sixteen million, three hundred and twenty three thousand and two hundred and fifteen euro) which is divided as per below:

Excavation	€289,376
Construction	€5,528,908
Finishes	€9,727,635
Contingency	€777,296

This amount excludes professional fees, marketing expenses and borrowing costs.

11. **Terms of intra-Group lease on Property occupied by the Group (identifying the Properties) to the extent that such leases are taken into account in the valuation**
LR7.4.1.11: Not applicable.

12. **Other matters which materially affect the value**
LR7.4.1.12: Not applicable.

13. **Sources of information and verification**
All information that was considered necessary for the purpose of drawing up the present report was obtained from the directors and advisors of GAP Group p.l.c. This included all planning applications, construction and finishing cost estimates, design, management and supervision costs, marketing and selling costs, estate management costs, and financing costs. There was also access to the projections of sales and cash flow.

14. **Details of registered mortgages and privileges and other charges, real rights atheron including details of emphyteutical concessions, easements and other burdens**
LR7.4.1.14: Not applicable.

B. Details of valuer
Perit Roderick Camilleri
Address:- 103, Triq San Piju V, Rabat RBT 2251
Telephone:- 21456921
Mobile:- 7989 1052
Email:- rodcamilleri@gmail.com

C. Date of valuation
The valuation was completed on, and the effective date thereof is, the 31st May 2016.

D. Basis of valuation
The listing rules require that the valuation be made on the basis of an open market value for existing use. An open market value represents an opinion of the best price for which the sale of an interest in a property would have been completed unconditionally for a cash consideration on the date of valuation.

Since projects of this nature and scale do not easily lend themselves to a method of valuation which is based on the comparative method, this valuation method is based on the profits, or earnings method, using a discounted cash flow approach. The open market value is considered to correspond to the capitalised sum of the fair business earning potential. The valuation was therefore based on the determination of likely future operational cash-flows, discounted to net present value at an appropriate rate of return.

E. Assumptions
An open market valuation assumes that there is a willing seller, that the interest being valued would have been, prior to the transaction, properly marketed, that the state of the market, level of values and other circumstances are consistent over the period of the valuation, that no account is taken of any additional bid by a prospective purchaser with special interest, and that both parties to the transaction act knowledgeably, prudently and without compulsion. An existing use value follows on the definition of the open market value, with the added assumptions that the property can be used, for the foreseeable future, only for the existing use, and that vacant possession is provided on completion of the sale of all parts occupied by the business.

F. Title
The site is currently subject to an annual temporary emphyteusis amounting to € 0.84c for a remaining period of sixty seven years.

G. Benefits/Detriments of contractual agreements
LR 7.4.7: Not applicable.

H. Acquisitions/Disposals Interest
LR 7.4.8: Not applicable.

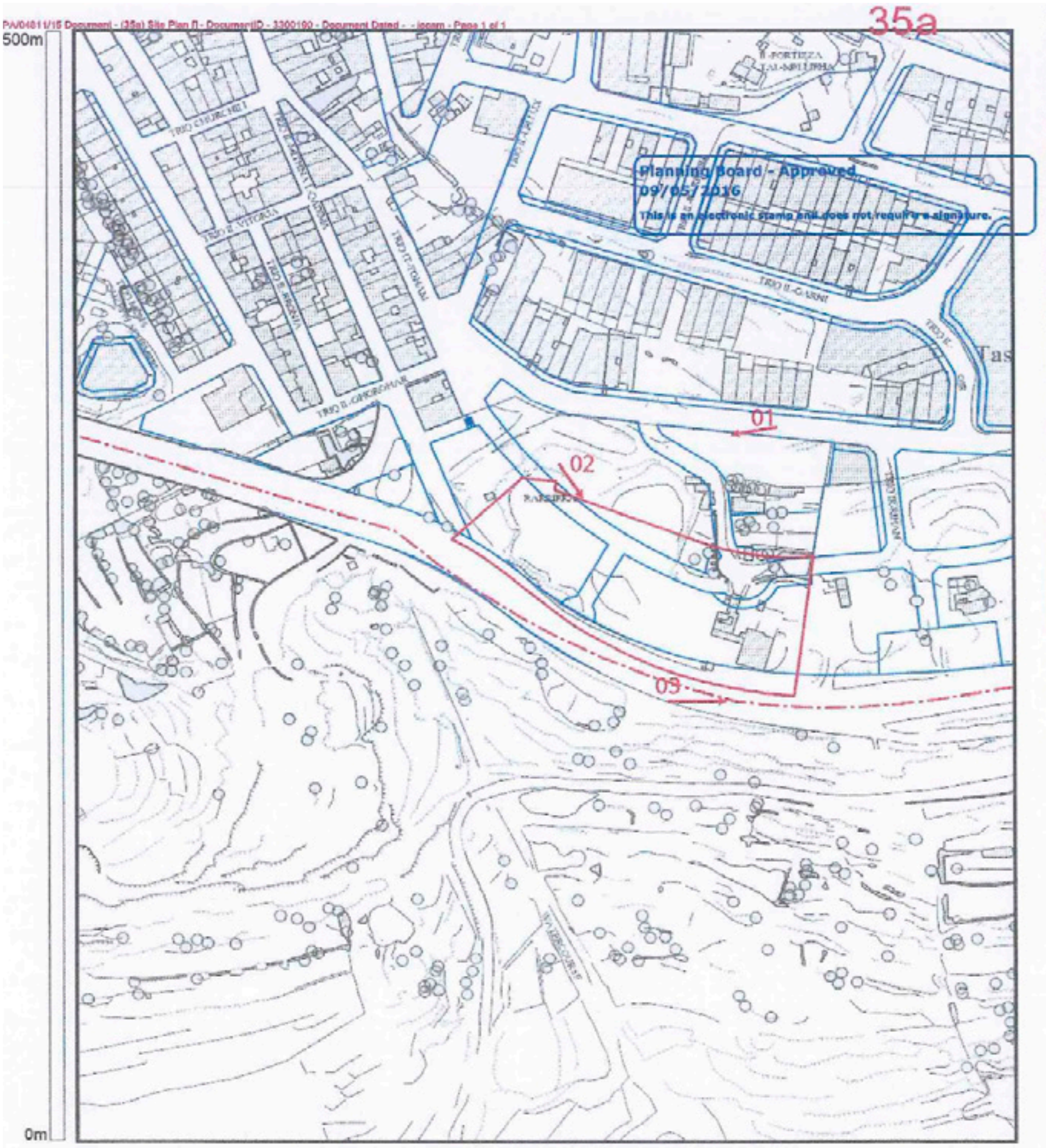
I. Other relevant matters
No responsibility is being assumed to the third parties to whom this report may be disclosed and no liability is accepted in contract, negligence, restitution with regards to any loss including profits, goodwill or opportunity. While the above is deemed to provide a reasonable valuation of the property in question, such estimate may also vary between one valuer and another. This valuation is also subject to changes over relatively short periods due to economic conditions.

J. Standards and guidelines
The valuation has been carried out in accordance with standards and guidelines issued by the Royal Institute of Chartered Surveyors (RICS).

The original copy has been signed by

PERIT RODERICK CAMILLERI
A. 103, Triq San Piju V,
Rabat RBT 2251
T. 21456921
M. 7989 1052
E. rodcamilleri@gmail.com

Appendix A



Min Easting 42566.19, Min Northing 78879.03, Max Easting 42966.19, Max Northing 79379.03

0m 400m

MEPA - www.mepa.org.mt
St. Francis Ravelin
Floriana FRN 1230, Malta
PO Box 200, Marsa MRS 1000, Malta
Tel: +356 2290 0000 Fax: +356 22902295

Site Plan, Scale 1:2500
Printed on: Friday, November 06, 2015

31st May, 2016

The Directors,
Gap Group p.l.c.,
Triq Ċensu Scerri,
Tigné, Sliema

Subject:	**Valuation Certificate**
Property:	Site at Triq il-Porzjunkola, Qawra, Malta

I, the undersigned Architect and Civil Engineer (BE&A Hons.), have been requested to evaluate the property in caption.

General
The valuation has been prepared in accordance with Chapter 7 of the Listing Rules published by the Malta Financial Services Authority and in particular, with the disclosure requirements relating to Property Companies seeking listing on the Malta Stock Exchange.

Requirement for a valuation report
The purpose of this valuation is for inclusion thereof within the Prospectus, to be published in connection with the proposed bond issue by GAP Group p.l.c., in accordance with the Listing Rules.

Reporting standards
The valuation has been carried out by the undersigned, as an independent valuer, in terms of the UK Royal Institution of Chartered Surveyors Appraisal and Valuation Manual.

Independence of valuer
The undersigned confirms that there is no conflict of interest in advising you of the opinion of the value of the property, since the undersigned or his associates will not benefit from the valuation instruction, other than the valuation fee.

A. Contents of valuation report

1. **Address**
The location of the site is at Triq il-Porzjunkola, Qawra, Malta and the site plan has been included in Appendix A of this report. Site photos are available for inspection at the Issuer's registered office.

2. **Nature of valuer's inspection**
The undersigned declares that he has visited the site, and is fully familiar with the plans of the property which is currently being constructed.

3. **Brief description**
The project consists of the acquisition of the afore-mentioned site in Qawra measuring approximately 1,228 square metres following which a total of 62 residential units and 58 garages/car spaces will be constructed and developed.

   The units occupy a total built up saleable area of *circa* 9,932 square metres spread over 3 blocks with a variety of one, two and three bedroom units. The said blocks (A, B and C) are fully owned by GEOM Developments Ltd.

A more detailed breakdown is given in the table below:

Block	Level	Quantity	Unit	Description
A	SB	3	Maisonettes	2 Bed
A	SB	1	Maisonettes	1 Bed
A	0	4	Apartment	2 Bed
A	1	4	Apartment	2 Bed
A	2	4	Apartments	2 Bed
A	3	4	Apartments	2 Bed
A	4	4	Apartments	2 Bed
A	5	4	Apartment	2 Bed
A	6	1	Penthouse	1 Bed
A	6	1	Penthouse	3 Bed
B	SB	2	Maisonettes	2 Bed
B	0	2	Apartment	2 Bed
B	1	2	Apartment	2 Bed
B	2	2	Apartment	2 Bed
B	3	2	Apartments	2 Bed
B	4	2	Apartments	2 Bed
B	5	2	Apartments	2 Bed
B	6	2	Penthouse	1 Bed
C	SB	2	Maisonettes	2 Bed
C	0	2	Apartment	2 Bed
C	1	2	Apartment	2 Bed
C	2	2	Apartments	2 Bed
C	3	2	Apartments	2 Bed
C	4	2	Apartments	2 Bed
C	5	2	Apartments	2 Bed
C	6	2	Penthouse	1 Bed

The development will be delivered in a completely finished state, including all common areas and internal streets. The units will include all electrical, plumbing, telephone and air condition installations points, gypsum plastering and 2 coats of white paint, all floor tiles and bathrooms, including all sanitary ware and accessories, all external apertures in double glazed aluminium and the internal doors. Each block will have direct access to the underlying garages. All garages will be affixed with metal doors. A block plan is available for inspection at the Issuer's registered office.

4. Existing use

There is no existing use since the site is currently under construction.

5. **Relevant planning applications**
The Planning Permit PA/03848/14 issued on March 2015 which forms part of a larger project (in the name of a related company GEOM Holdings Ltd) covers 111 residential units and 139 garages. However, with the new MEPA design guidelines DC 2015, we were in a position to add another floor plus raising the semi basement to ground and reaching the total of 145 residential units and 180 garages/car spaces as envisaged above. A copy of the permit is available for inspection at the Issuer's registered office.

6. **Material contravention of statutory requirements**
LR7.4.1.6: Not applicable.

7. **Tenure**
The site in caption is freehold.

8. **Main terms of tenants' leases or sub-leases**
LR7.4.1.8: Not applicable.

9. **Approximate age of any buildings**
The building is still under construction.

10. **Present capital value in existing state**
The selection of the discount rate is based on the long term risk-free rate of return, expressed in current terms, that is including inflation, and on a specific risk premium for the individual property being valued, taking into account factors such as property illiquidity, management limitations, type, size and location of property, competition, potential delays, future uncertainty, status of building permits, counter-party risks, and resource risks. A pre-tax risk-free rate of 1.45%, which approximates to the current yield on a 12-year Malta Government Stock issue, has been adopted for this valuation. A risk premium of 6.05% was considered as adequate for valuing the property in its current state since although works on the said project are still in the initial stages, the companies have already secured, by way of Preliminary Agreement, the sale of approximately 73% of the total number of apartments and 33% of the garages (as at the 29th February 2016). Therefore, the discounted cash flow is taken at the rate of 7.5%.

Present Capital Value
On the basis of the above, the present capital value of the property in the existing state is estimated to be €4,000,000 (Four Million Euros)

Expected Date of Completion
55% has been constructed and full completion is expected to be achieved by the end of 2017.

Estimated Total Cost of the Development

The remaining estimated total cost of completion is €2,297,294, which is divided as per below:

Excavation	complete
Construction	€566,250
Finishes	€1,648,613
Contingency	€82,431

This amount excludes professional fees, marketing expenses and borrowing costs.

Estimated Capital Value
The capital value at current prices and on the basis of current market conditions of the property at Qawra in course of development, after the development has been completed is estimated at €7,255,000 (Seven Million Two Hundred and fifty-five thousand Euros)

11. **Terms of intra-Group lease on Property occupied by the Group (identifying the Properties) to the extent that such leases are taken into account in the valuation**
LR7.4.1.11: Not applicable.

12. **Other matters which materially affect the value**
LR7.4.1.12: Not applicable.

13. **Sources of information and verification**
All information that was considered necessary for the purpose of drawing up the present report was obtained from the directors and advisors of GAP Group p.l.c. This included all planning applications, construction and finishing cost estimates, design, management and supervision costs, marketing and selling costs, estate management costs, and financing costs. There was also access to the projections of sales and cash flow.

14. **Details of registered mortgages and privileges and other charges, real rights atheron including details of emphyteutical concessions, easements and other burdens**
The property is subject to a General Hypothec, originally for the amount of €350,000 in favour of Banif Bank (Malta) plc against a bank facility which was made available to GEOM Developments Ltd.

Banif Bank (Malta) plc has postponed its rights emanating from the said General Hypothec in so far as they concern the hypothecated property, i.e. Blocks A, B and C by means of a public deed which was executed by Notary Dr. Andre Farrugia on the 14th July 2016.

B. Details of valuer

Perit Roderick Camilleri
Address:- 103, Triq San Piju V, Rabat RBT 2251
Telephone:- 21456921
Mobile:- 7989 1052
Email:- rodcamilleri@gmail.com

C. Date of valuation

The valuation was completed on, and the effective date thereof is, the 31st May 2016.

D. Basis of valuation

The listing rules require that the valuation be made on the basis of an open market value for existing use. An open market value represents an opinion of the best price for which the sale of an interest in a property would have been completed unconditionally for a cash consideration on the date of valuation.

Since projects of this nature and scale do not easily lend themselves to a method of valuation which is based on the comparative method, this valuation method is based on the profits, or earnings method, using a discounted cash flow approach. The open market value is considered to correspond to the capitalised sum of the fair business earning potential. The valuation was therefore based on the determination of likely future operational cash-flows, discounted to net present value at an appropriate rate of return.

E. Assumptions

An open market valuation assumes that there is a willing seller, that the interest being valued would have been, prior to the transaction, properly marketed, that the state of the market, level of values and other circumstances are consistent over the period of the valuation, that no account is taken of any additional bid by a prospective purchaser with special interest, and that both parties to the transaction act knowledgeably, prudently and without compulsion.

An existing use value follows on the definition of the open market value, with the added assumptions that the property can be used, for the foreseeable future, only for the existing use, and that vacant possession is provided on completion of the sale of all parts occupied by the business.

F. Title
The site in caption is freehold.

G. Benefits/Detriments of contractual agreements
LR 7.4.7: Not applicable.

H. Acquisitions/Disposals Interest
LR 7.4.8: Not applicable.

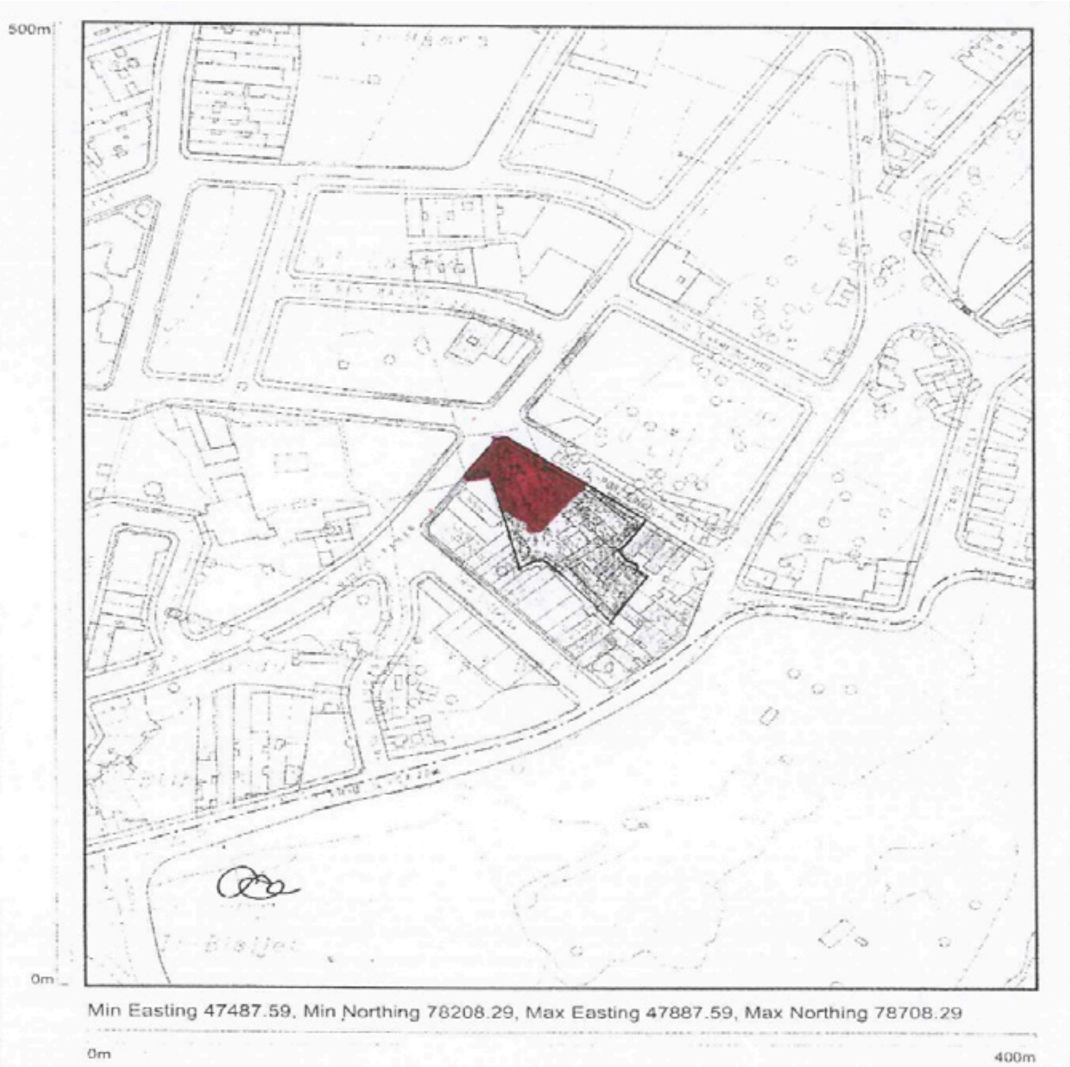
I. Other relevant matters
No responsibility is being assumed to the third parties to whom this report may be disclosed and no liability is accepted in contract, negligence, restitution with regards to any loss including profits, goodwill or opportunity. While the above is deemed to provide a reasonable valuation of the property in question, such estimate may also vary between one valuer and another. This valuation is also subject to changes over relatively short periods due to economic conditions.

J. Standards and guidelines
The valuation has been carried out in accordance with standards and guidelines issued by the Royal Institute of Chartered Surveyors (RICS).

The original copy has been signed by

PERIT RODERICK CAMILLERI
A. 103, Triq San Piju V,
Rabat RBT 2251
T. 21456921
M. 7989 1052
E. rodcamilleri@gmail.com

Appendix A



MEPA - www.mepa.org.mt
St. Francis Ravelin
Floriana FRN 1230, Malta
PO Box 200, Marsa MRS 1000, Malta
Tel: +356 2290 0000 Fax: +356 22902295

Site Plan, Scale 1:2500
Printed on: Wednesday, March 26, 2014

31st May, 2016

The Directors,
Gap Group p.l.c.
Triq Ċensu Scerri,
Tigné, Sliema

Subject: **Valuation Certificate**
Property: Site at Triq Hal Mula, Żebbuġ, Malta

I, the undersigned Architect and Civil Engineer (BE&A Hons.), have been requested to evaluate the property in caption.

General
The valuation has been prepared in accordance with Chapter 7 of the Listing Rules published by the Malta Financial Services Authority and in particular, with the disclosure requirements relating to Property Companies seeking listing on the Malta Stock Exchange.

Requirement for a valuation report

The purpose of this valuation is for inclusion thereof within the Prospectus, to be published in connection with the proposed bond issue by GAP Group p.l.c., in accordance with the Listing Rules.

Reporting Standards

The valuation has been carried out by the undersigned, as an independent valuer, in terms of the UK Royal Institution of Chartered Surveyors Appraisal and Valuation Manual.

Independence of valuer

The undersigned confirms that there is no conflict of interest in advising you of the opinion of the value of the property, since the undersigned or his associates will not benefit from the valuation instruction, other than the valuation fee.

A. Contents of valuation report

1. Address
The location of the site is at Triq Ħal Mula, Żebbuġ, Malta and the site plan has been included in Appendix A of this report. Site photos are available for inspection at the Issuer's registered office.

2. Nature of valuer's inspection
The undersigned declares that he has visited the site, and is fully familiar with the property which has been fully constructed and finished.

3. Brief Description
The project consisted of the acquisition of the afore-mentioned site in Żebbuġ measuring approximately 6,878 square metres and the subsequent construction and development of 193 apartments, 2 retail outlets and 226 garages/car spaces.

The units occupy a total built up saleable area of *circa* 32,742 square metres spread over 20 blocks within five zones forming the project which vary in size and include a variety of one, two and three bedroom units.

A more detailed breakdown is given in the table below:

Block	Level	Quantity	Unit	Description
A	SB	1	Apartment	2 Bed
A	SB	1	Maisonettes	2 Bed
A	0	1	Apartment	1 Bed
A	0	1	Apartment	2 Bed
A	1	2	Apartments	2 Bed
A	2	2	Apartments	2 Bed
B	SB	2	Maisonettes	3 Bed
B	0	1	Apartment	2 Bed
B	1	2	Apartments	2 Bed
B	2	2	Apartments	2 Bed
B	3	2	Penthouses	2 Bed
C	SB	2	Maisonettes	3 Bed
C	SB	1	Maisonette	2 Bed
C	0	3	Apartments	2 Bed
C	1	3	Apartments	2 Bed
C	2	3	Apartments	2 Bed
C	3	1	Penthouse	3 Bed
C	3	1	Penthouse	2 Bed
D	SB	1	Maisonette	1 Bed
D	SB	1	Apartment	2 Bed
D	SB	1	Apartment	1 Bed
D	1	2	Apartments	3 Bed
D	2	2	Apartments	3 Bed
D	2	1	Penthouse	1 Bed
E	SB	1	Shop	-
E	SB	1	Maisonette	2 Bed
E	0	3	Apartments	2 Bed
E	1	3	Apartments	2 Bed
E	2	3	Apartments	2 Bed
E	3	2	Penthouses	2 Bed
F	SB	1	Maisonette	2 Bed
F	SB	2	Apartments	2 Bed
F	0	2	Apartments	3 Bed
F	1	2	Apartments	3 Bed
F	2	2	Apartments	3 Bed
F	3	1	Penthouse	3 Bed
F	3	1	Penthouse	2 Bed
G	SB	1	Shop	-
G	SB	1	Maisonette	3 Bed
G	0	2	Apartments	3 Bed
G	1	2	Apartments	3 Bed
G	2	2	Apartments	3 Bed
G	3	2	Penthouses	2 Bed
H	SB	1	Maisonette	1 Bed
H	SB	2	Apartments	2 Bed
H	0	2	Apartments	3 Bed

Block	Level	Quantity	Unit	Description
H	1	2	Apartments	3 Bed
H	2	2	Apartments	3 Bed
H	3	2	Penthouses	3 Bed
I	SB	2	Maisonettes	2 Bed
I	0	1	Apartment	3 Bed
I	0	1	Apartment	2 Bed
I	1	1	Apartment	3 Bed
I	1	1	Apartment	2 Bed
I	2	1	Apartment	3 Bed
I	2	1	Apartment	2 Bed
I	3	1	Penthouse	2 Bed
J	SB	1	Maisonette	3 Bed
J	SB	1	Maisonette	2 Bed
J	0	2	Apartments	3 Bed
J	1	2	Apartments	3 Bed
J	2	2	Apartments	3 Bed
J	3	1	Penthouse	2 Bed
K	SB	2	Maisonettes	3 Bed
K	0	2	Apartments	3 Bed
K	1	2	Apartments	3 Bed
K	2	2	Apartments	3 Bed
K	3	1	Penthouse	3 Bed
L	SB	1	Maisonette	3 Bed
L	SB	1	Maisonette	4 Bed
L	0	2	Apartments	3 Bed
L	1	2	Apartments	3 Bed
L	2	2	Apartments	3 Bed
L	3	2	Penthouses	1 Bed
M	SB	1	Maisonette	1 Bed
M	SB	1	Maisonette	2 Bed
M	0	2	Apartments	2 Bed
M	1	2	Apartments	2 Bed
M	2	2	Apartments	2 Bed
M	3	1	Penthouse	1 Bed
N	SB	1	Maisonette	1 Bed
N	SB	1	Maisonette	2 Bed
N	0	2	Apartments	2 Bed
N	1	2	Apartments	2 Bed
N	2	2	Apartments	2 Bed
N	3	2	Penthouses	2 Bed
O	SB	1	Maisonette	1 Bed
O	SB	1	Maisonette	2 Bed
O	0	2	Apartments	2 Bed
O	1	2	Apartments	2 Bed
O	2	2	Apartments	2 Bed
O	3	1	Penthouses	3 Bed
P	SB	2	Maisonette	1 Bed
P	SB	1	Maisonette	2 Bed

Block	Level	Quantity	Unit	Description
P	0	3	Apartments	2 Bed
P	1	3	Apartments	2 Bed
P	2	2	Apartments	2 Bed
P	3	1	Penthouses	2 Bed
Q	SB	1	Maisonette	1 Bed
Q	SB	1	Apartment	2 Bed
Q	0	1	Apartments	4 Bed
Q	1	1	Apartment	1 Bed
Q	1	1	Apartment	3 Bed
Q	2	1	Apartment	3 Bed
Q	2	1	Apartment	1 Bed
Q	3	1	Penthouse	3 Bed
R	SB	2	Maisonettes	2 Bed
R	0	1	Apartment	3 Bed
R	0	1	Apartment	2 Bed
R	1	1	Apartment	3 Bed
R	1	1	Apartment	2 Bed
R	2	1	Apartment	3 Bed
R	2	1	Apartment	2 Bed
R	3	1	Penthouse	2 Bed
S	SB	2	Apartments	2 Bed
S	0	2	Apartments	2 Bed
S	1	2	Apartments	2 Bed
S	2	2	Apartments	2 Bed
S	3	1	Penthouse	2 Bed
T	SB	1	Maisonette	2 Bed
T	0	1	Apartments	3 Bed
T	1	2	Apartments	2 Bed
T	2	2	Apartments	2 Bed
T	3	2	Apartments	2 Bed

The development has been delivered in a completely finished state, including all common areas and internal streets. The units include all electrical, plumbing, telephone and air condition installations points, gypsum plastering and 2 coats of white paint, all floor tiles and bathrooms, including all sanitary ware and accessories, all external apertures in double glazed aluminium and the internal doors. Each block has direct access to the underlying garages. A block plan is available for inspection at the Issuer's registered office.

Stock as at 31st December, 2015:

Quantity	Description
5	1Bed
48	2 Bed
23	3 Bed
9	Penthouse

4. **Existing use**

The project has been completed and therefore its existing use is residential.

5. **Relevant planning applications**
The development is covered by three Planning Permits, namely PA/02977/14 and PA/02978/14 and PA/02652/14 all issued on June 2015. Copies of the permits are available for inspection at the Issuer's registered office.

6. **Material contravention of statutory requirements**
LR 7.4.1.6: Not applicable.

7. **Tenure**
The site in caption is freehold.

8. **Main terms of tenants' leases or sub-leases**
LR 7.4.1.8: Not applicable.

9. **Approximate age of any buildings**
The age of the building is *circa* one year.

10. **Present capital value in existing state**
This valuation relates to the unsold units, 85 in all, as at 31st December 2015. The selection of the discount rate is based on the long term risk-free rate of return, expressed in current terms, that is including inflation, and on a specific risk premium for the individual property being valued, taking into account factors such as property illiquidity, management limitations, type, size and location of property, competition, potential delays, future uncertainty, status of building permits, counter-party risks, and resource risks. A pre-tax risk-free rate of 1.45%, which approximates to the current yield on a 12-year Malta Government Stock issue, has been adopted for this valuation. A risk premium of 4.05% was considered as adequate for valuing the property in its current state since the development is currently complete and with regards to sales, 36 units are already committed by way of Preliminary of Sale Agreement. Therefore, the discounted cash flow is taken at the rate of 5.5%.

    On the basis of the above, the present capital value of the property in the existing state is estimated to be €9,900,000. (Nine million, nine hundred thousand euros)

11. **Terms of intra-Group lease on Property occupied by the Group (identifying the Properties) to the extent that such leases are taken into account in the valuation**
LR 7.4.1.11: Not applicable.

12. **Other matters which materially affect the value**
LR 7.4.1.12: Not applicable.

13. **Sources of information and verification**
All information that was considered necessary for the purpose of drawing up the present report was obtained from the directors and advisors of GAP Group p.l.c. This included all planning applications, construction and finishing cost estimates, design, management and supervision costs, marketing and selling costs, estate management costs, and financing costs. There was also access to the projections of sales and cash flow.

14. **Details of registered mortgages and privileges and other charges, real rights atheron including details of emphyteutical concessions, easements and other burdens**
LR7.4.1.14: Not applicable.

B. Details of valuer

Perit Roderick Camilleri
Address:- 103, Triq San Piju V, Rabat RBT 2251
Telephone:- 21456921
Mobile:- 7989 1052
Email:- rodcamilleri@gmail.com

C. Date of valuation
The valuation was completed on, and the effective date thereof is, the 31st May 2016.

D. Basis of valuation
The listing rules require that the valuation be made on the basis of an open market value for existing use. An open market value represents an opinion of the best price for which the sale of an interest in a property would have been completed unconditionally for a cash consideration on the date of valuation.

Since projects of this nature and scale do not easily lend themselves to a method of valuation which is based on the comparative method, this valuation method is based on the profits, or earnings method, using a discounted cash flow approach. The open market value is considered to correspond to the capitalised sum of the fair business earning potential. The valuation was therefore based on the determination of likely future operational cash-flows, discounted to net present value at an appropriate rate of return.

E. Assumptions
An open market valuation assumes that there is a willing seller, that the interest being valued would have been, prior to the transaction, properly marketed, that the state of the market, level of values and other circumstances are consistent over the period of the valuation, that no account is taken of any additional bid by a prospective purchaser with special interest, and that both parties to the transaction act knowledgeably, prudently and without compulsion.

An existing use value follows on the definition of the open market value, with the added assumptions that the property can be used, for the foreseeable future, only for the existing use, and that vacant possession is provided on completion of the sale of all parts occupied by the business.

F. Title
The site in caption is freehold.

G. Benefits/Detriments of contractual agreements
LR 7.4.7: Not applicable.

H. Acquisitions/Disposals Interest
LR 7.4.8: Not applicable.

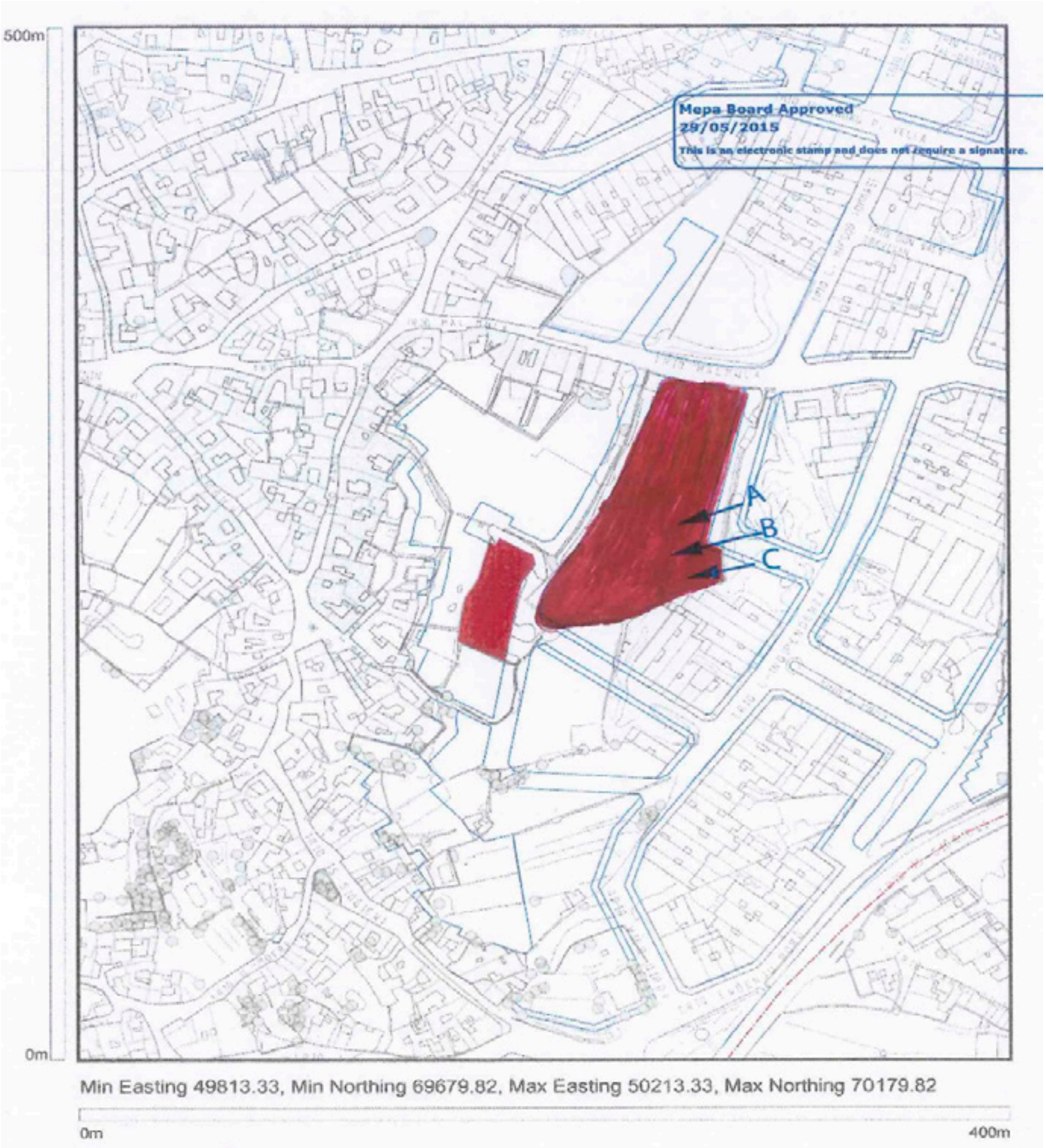
I. Other relevant matters
No responsibility is being assumed to the third parties to whom this report may be disclosed and no liability is accepted in contract, negligence, restitution with regards to any loss including profits, goodwill or opportunity. While the above is deemed to provide a reasonable valuation of the property in question, such estimate may also vary between one valuer and another. This valuation is also subject to changes over relatively short periods due to economic conditions.

J. Standards and guidelines
The valuation has been carried out in accordance with standards and guidelines issued by the Royal Institute of Chartered Surveyors (RICS).

The original copy has been signed by

PERIT RODERICK CAMILLERI
A. 103, Triq San Piju V,
Rabat RBT 2251
T. 21456921
M. 7989 1052
E. rodcamilleri@gmail.com

Appendix A



MEPA - www.mepa.org.mt
St. Francis Ravelin
Floriana FRN 1230, Malta
PO Box 200, Marsa MRS 1000, Malta
Tel: +356 2290 0000 Fax: +356 22902295

Site Plan, Scale 1:2500
Printed on: Saturday, October 12, 2013

Not to be used for interpretation or scaling of scheme alignments