

11 TA' DIĊEMBRU, 2009 - MFCC TA' QALI - 8.00PM

# Stars for Charity

B'RIZQ IL-MOVIMENT "ĠESÙ FIL-PROXXMU" TA' DUN ĠORĠ GRIMA  
KUNĊERT MINN KANTANTA INTERNAZZJONALI, KANTANTI U MUŻIĊISTI MALTIN





LUDWIG GALEA    GEORGINA    GEORGE CURMI (IL-PUSÉ)    CLAUDETTE PACE    TONY GRIMAUD  
BIL-PARTEĊIPAZZJONI TAL-BANDA PEACE, NAXXAR TAHT IL-KORDINAZZJONI MUŻIKALI TA' MRO. PAUL ABELA

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# BONDHOLDERS NEWSLETTER 2010

## A message from the Chairman

**2009** has been another eventful year for the AX Group with many important milestones being concluded and steady progress registered in the ongoing development of group assets.

The world economic crisis hit our core operations in construction and our hospitality companies as it did across the local economy. We have however been able to weather the storm and are pleased that our hotels' performance improved. The hospitality division's turnover increased by 7% after adjusting for the fact that Suncrest was closed for three months of the financial year.

Moreover we have taken some bold decisions to reorganize and refocus a number of business units. We are pleased that Suncrest did well because we introduced an "all inclusive" board package that proved to be very popular.

The Palace Hotel has established itself in the five star market and this year gave us excellent results.

Another important development was the refurbishment of the Tal-Kaptan outlet in Qawra. We have identified the site for the third Tal-Kaptan pizzeria and intend to launch this outlet during 2010.



Angelo Xuereb - Ax Group Chairman

The construction division has been quite severely effected by the global financial crisis. Nevertheless our workforce has been active and completed a number of projects during 2009. One important project was the work undertaken at the Valletta Waterfront to improve the quays so that the terminal can accommodate another cruise liner.

Work to obtain permits for a number of projects continued. We hope that planning approval will be obtained in the coming weeks for our Simblija Gardens Residence. Although this has been in the design phase for some years, the Group is optimistic that planning approval will be forthcoming soon.

**I take this opportunity to thank all our investors for their confidence and support during 2009 and also to thank our employees for their invaluable contribution to achieve results and continually improve performance.**

**May I also wish you a peaceful Christmas and a prosperous New Year.**

Kind Regards,  
Angelo Xuereb

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In our efforts to offer you a better service we need to ensure that we have your latest contact details. Please check the address label for this newsletter. Is your address up to date? Do we have your correct postcode? If you have an email address please provide it, so that we can communicate with you more efficiently.

If the information is correct you do not need to take any further action. If there is any missing or incorrect information, please insert the required data in the following form and send it to:

The Company Secretary  
AX Investments plc, AX House,  
Mosta Road, Lija LJA 9010.

You can also send the information by email to [cosec@axholdings.com.mt](mailto:cosec@axholdings.com.mt)

Bondholder name: \_\_\_\_\_

Address: \_\_\_\_\_

Locality \_\_\_\_\_ Postcode \_\_\_\_\_

ID Card No: \_\_\_\_\_ MSE Account No: \_\_\_\_\_

Email: \_\_\_\_\_

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## The Palace Celebrates its 2nd Anniversary



Malta meets Asia

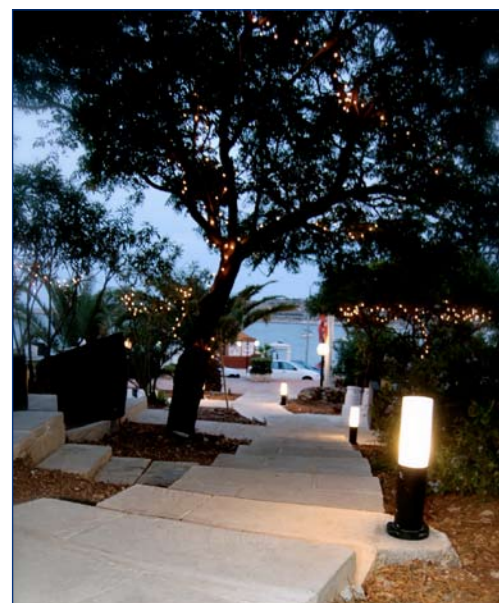
The Palace celebrated its 2nd Anniversary with a big themed event named "Malta meets Asia", where guests were treated to a fusion of Maltese and Asian food on The Palace's spectacular TemptAsian terrace, whilst enjoying breathtaking views of Valletta on one side and Sliema / St. Julian's on the other. This event also served as the AX Hotels' Annual trade party. Awards were given to the best performing companies in terms of room nights for 2008.

Distinguished guests included the Prime Minister Dr. Lawrence Gonzi, Parliamentary Secretary for Tourism Dr. Mario de Marco, Tourism Shadow Minister Marie Louise Coleiro Preca, former Minister for Tourism Dr. Francis Zammit Dimech, MTA's CEO Mr. Josef Formosa Gauci, Air Malta's Commercial Director Mr. Brock Friesen and MHRA President Mr. Kevin de Cesare, as well as members of the local travel trade and business associates of AX Holdings.

## European Regional Development Fund Grant Scheme

In March 2009 the Tourism and Sustainable Development Unit has closed its first Call for Applications under the 2007 - 2013 European Regional Development Fund Grant Scheme. The Group has been successful in acquiring funds for The Palace specifically dedicated for a full Marketing Campaign. The Scheme for Sustainable Tourism Projects by Enterprises aims at strengthening Malta's Competitive Advantage. The Marketing Campaign will promote The Palace as well as Malta on various media across Europe and the Web in order to improve our Brand Image as Malta's Most Fashionable Hotel.

*Malta's Most Fashionable & Exclusive City Hotel*



## Sunny Coast Resort Club

During the past months the Sunny Coast Resort Club has seen a Capital Refurbishment Program. A Budget of €212,000 was allocated. The 5th floor of the Resort was renovated and a further 13 apartments were stripped down to shell. Over a seven year period the entire resort has been refurbished, which included the Leisure Centre Exterior Pool Area.

Another successful joint venture that the AX Group took this year was the development of the outdoor bar and gardens of the Sunny Coast Resort. This was done in collaboration with our tenants whereby the area was converted to a coffee shop and wine lounge called the 'Mistral Café and Wine Lounge.

The garden has a romantic and relaxing area with decorative lightings to illuminate the foot paths, and platforms amongst trees where one can relax and enjoy the view and the rest of the evening.

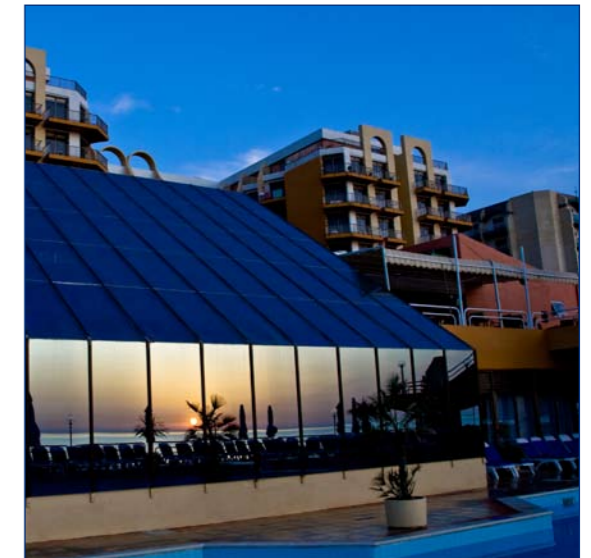
For the fourth year, the Sunny Coast Leisure Centre organized an open day where guests enjoyed a free entrance to the Leisure Centre. Guests were offered special rates for annual membership which proved to be a great success. The day was full of activities including a balloonist and all day entertainment for all the family.

## Seashells Resort at Suncrest

### Seashells goes All-inclusive

As part of a rebranding process the Suncrest Hotel has changed its name to Seashells Resort at Suncrest. The rebranding process forms part of the Hotel's marketing strategy and commitment to improve accommodation and service standards. Although the Company name will remain Suncrest Hotels plc, in all marketing initiatives especially overseas, the new Seashells Resort at Suncrest will be used. This rebranding exercise also forms part of the new hotel concept being targeting the all inclusive market.

Lately the Resort has seen the potential of a new outdoor outlet; The Grill, being added to its food and beverage operation. This seasonal operation offers a selection of grilled meats and fish to those who are looking for an opportunity to eat Al Fresco. The intimate ambiance and its closeness to the sea are a real experience of a Mediterranean night out.



## Tal-Kaptan



Tal-Kaptan Qawra is where it all started 20 years ago. During the past years, both Tal-Kaptan Qawra and Valletta Waterfront have become amongst the most popular casual diners with an established clientele. In fact in the past year, due to its success a need was felt to fully refurbish the Qawra outlet which was highly welcomed by the market. 2009 was a very successful year for both outlets whereby we have seen a record number of clients and thus potential sites have been identified for a third outlet.

## Corporate Social Responsibility

### ECO Group



Due to the constant awareness of preserving our environment the Victoria Hotel has worked hard to receive the eco compliance certificate by MTA. The Palace is aiming for eco certification in the near future. In this regard an Eco Group was formed in order to set the steps for its implementation.

### Blood Donation Day



With the increase of surgical operations, the need for blood donations never abates. Yet again the AX Group has organized another blood donation day. This year the AX Group were joined at this annual activity by the staff from the neighbouring company Framegrip Industries Limited. The AX Group blood donation activity was instituted in 2008 as an annual corporate event that is held in collaboration with the National Blood Transfusion Centre.

Do something amazing - Give blood and help save a life. It's for a worthy cause.

## Staff Development

To strive for better quality and customer service the Group has embarked on a number of training programs across the group, at all levels and in various sectors, amongst which: Health and Safety and Fire Awareness training, Waste Serve training, Management training, Customer care and Routine on the job training.