



19-25, Conservatory Street, Floriana, Malta  
Company Registration Number C89431  
(the "Company")

### **Company Announcement**

The following is a company announcement issued by FES Finance p.l.c. ("FES" or the "Company") pursuant to Rule 4.11.12 of the Prospectus Rules.

The Company refers to the obligation to which Prospects MTF companies are subject to in terms of Rule 4.11.03 and Rule 4.11.12 relating to the publication of the twelve-month financial information as defined in Table 1 paragraph 3 and specifically the publication and dissemination via an announcement of Financial Sustainability Forecasts including management assumptions thereon ("FSFs"). The below copy of the Group FSFs (which consists of FES Projects Ltd and its subsidiaries FES Operations Ltd, FES Finance p.l.c. and Contractors Only Limited), as approved by the Board of Directors, are based on the following assumptions:

#### **Revenues**

The Group is not expected to generate revenue for the year ending 31 December 2024, given that the Euro Guesthouse is temporarily closed in view of the development works being undertaken. Furthermore, no revenue is being assumed to be generated by Contractors Only Limited from their turnkey contractor projects as Contractors Only Limited has ceased trading in 2023 and will therefore be transferred out of the Group during the second half of 2024.

#### **Direct costs**

No direct costs are expected to be incurred for the year ending 31 December 2024.

#### **Administrative expenses**

Administrative expenses are expected to amount to c. €80k in FY2024, and primarily consist of director salaries, professional fees and consultancy costs.

#### **Finance costs**

Finance costs are expected to total €292k million in FY2024 and consist of interest on (i) the €5 million Secured Prospects MTF Bond (incl. amortization of bond issue costs); and (ii) a loan of €1 million from a third party. In line with IAS 23, part of this interest cost is expected to be capitalized as part of property, plant and equipment.

#### **Taxation**

Current taxation is provided at 35% chargeable income for the period.

#### **Share capital issue**

In FY2024, it is expected that an additional €700k will be raised by shareholders to contribute towards the development works of the Euro Guesthouse and funding of working capital.

## Consolidated income statement of FES Group

### Projected consolidated income statement for the year ending

€000	FY2024
Administrative expenses	(80)
Depreciation	(84)
EBIT	(164)
Finance costs	(157)
Loss before tax	(321)
Income tax credit	112
<b>Loss for the year</b>	<b>(209)</b>

## Consolidated statement of financial position of FES Group

### Projected consolidated statement of financial position as at

€000	31-Dec-24
<b>ASSETS</b>	
<b>Non-current assets</b>	
Property, plant and equipment	9,346
Deferred tax asset	518
<b>Total non-current assets</b>	<b>9,864</b>
<b>Current assets</b>	
Inventory	-
Trade and other receivables	584
Cash and cash equivalents	42
<b>Total current assets</b>	<b>626</b>
<b>Total assets</b>	<b>10,490</b>
<b>EQUITY AND LIABILITIES</b>	
<b>Capital and reserves</b>	
Called up issued share capital	2,518
Accumulated losses	(825)
Other equity	1,841
<b>Total capital and reserves</b>	<b>3,533</b>
<b>Non-current liabilities</b>	
Borrowings	5,957
Deferred tax liability	304
<b>Total non-current liabilities</b>	<b>6,261</b>
<b>Current liabilities</b>	
Borrowings	-
Trade and other payables	695
Current tax liability	-
<b>Total current liabilities</b>	<b>695</b>
<b>Total liabilities</b>	<b>6,956</b>
<b>Total equity and liabilities</b>	<b>10,490</b>

**Consolidated statement of cash flows of the FES Group**

**Projected consolidated statement of cash flows for the year ending**

<b>€000</b>	<b>FY2024</b>
Cash generated from operating activities	(363)
Cash generated from investing activities	(300)
Cash generated from financing activities	700
<b>Net movement in cashflows</b>	<b>37</b>
Opening balance in cash and cash equivalents	5
<b>Closing balance in cash and cash equivalents</b>	<b>42</b>



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Dr Reuben Debono  
Company Secretary  
29 May 2024