



PFN/32

## COMPANY ANNOUNCEMENT

*The following is a Company Announcement by Phoenicia Finance Company p.l.c. (C 88958) (hereinafter the “Company”) of The Phoenicia Hotel, The Mall, Floriana, pursuant to the Capital Markets Rules issued by Malta Financial Services Authority:*

### Quote

In terms of Capital Markets Rule 5.16.24, it is being disclosed that the financial results of Phoenicia Finance Company p.l.c. (the “**Company**”), as published in the financial statements for the year ended 31 December 2021, resulted in a profit after tax of €30,341, which represents an adverse material variance of €10,659 (24%) when compared to a profit after tax of €41,000 indicated in the projections published in the Financial Analysis Summary issued on 30 June 2021 by way of Company Announcement (Ref: PHN26) (the “**Published Projections**”). This variance is a result of additional administrative expenses incurred in the normal course of business for the year ended 31 December 2021.

It is also being disclosed that the combined financial results as published in the combined financial statements of each of Phoenicia Hotel Company Limited (OC 1) and Phoenicia Malta Limited (C 41576), the guarantors of the €25,000,000 4.15% unsecured bonds 2023-2028 issued by the Company in terms of a prospectus dated 12 November 2018 (the “**Guarantors**”) and the Company (together the “**Group**”) for the year ended 31 December 2021, show a loss before tax of €1.6 million. Accordingly, this represents a favourable material variance of €1.5 million (48%) when compared to the loss before tax of €3.1 million indicated in the Published Projections. This positive result is a consequence of an accelerated recovery of business of the Group when compared to the Published Projections, following an increase in consumer confidence over the summer and autumn months. The rate of recovery witnessed was also the result of Management’s ongoing monitoring of the situation, with a view to safeguarding the financial wellbeing of the business, including the implementation by Management of cost cutting measures where necessary, whilst simultaneously maintaining the hotel product at the highest standard possible in order to be well prepared for the rebound once business recovery continues to approach pre-pandemic levels. Accordingly, such positive recovery resulted in a total revenue generation of €8.0 million, representing a favourable material variance of €2.1 million (37%) when compared to the total revenue of €5.9 million indicated in the Published Projections.

The Group incurred a loss after tax for the year ended 31 December 2021 amounting to €0.5 million, which represents another positive material variance of €1.0 million (63%) when compared to the loss after tax of €1.5 million indicated in the Published Projections. This positive variance is also a result of the aforementioned favourable performance in terms of both revenue generation and profitability.

The Group’s cash and cash equivalents as at 31 December 2021 stood at €2.0 million, which represents another favourable material variance of €0.9 million when compared to the cash and cash equivalents of €1.1 million indicated in the Published Projections. This variance is attributable



PHOENICIA FINANCE  
COMPANY P.L.C.

to the variance in net cash flows from operating activities, which resulted at €1.0 million higher than that forecasted in the Published Projections.

**Unquote**

**BY ORDER OF THE BOARD**

**27 April 2022**

*S. Manduca*

Dr. Stephanie Manduca  
COMPANY SECRETARY