The following is a Company Announcement issued by ST. ANTHONY CO. P.L.C., a company registered under the laws of Malta with company registration number C 95618 (hereinafter the "Company"), pursuant to the Capital Markets Rules issued by the Malta Financial Services Authority in accordance with the provisions of the Financial Markets Act (Chapter 345 of the laws of Malta), as amended from time to time.

Quote

Approval and Publication of Annual Report and Audited Financial Statements

The Company hereby announces that during the meeting of its Board of Directors held on 27th June 2022, the Company's Annual Report and Audited Financial Statements for the financial year ended 31st December 2021 were approved.

The Board of Directors shall be recommending to the Annual General Meeting of the Company that no final dividend be declared in respect of the financial year ended 31st December 2021.

In accordance with Capital Markets Rule 5.16.24, the Company reports that the financial results for the year ended 31st December 2021 show a variance of more than 10% when compared to the results projected in the Financial Analysis Summary dated 6th December 2021.

The forecasted results illustrated in the Financial Analysis Summary for the year ended 31st December 2021 were as follows:

- Loss for the year before taxation of €623,000
- Profit for the year after taxation of €45,000
- Total comprehensive income for the year of €7,481,000
- Shareholders' funds as at 31st December 2021 of €20,903,000

The corresponding amounts illustrated in the Annual Report and Audited Financial Statements for the year ended 31st December 2021 were as follows:

- Loss for the year before taxation of €1,206,637
- Loss for the year after taxation of €1,400,207
- Total comprehensive income for the year of €9,021,292
- Shareholders' funds as at 31st December 2021 of €22,391,062

The higher loss for the year before taxation was a result of slightly lower revenue (3% less) and higher costs mainly due to a shortage of labour which resulted in operating inefficiencies and cost overruns. Both revenue and expenses were negatively affected by the rise in COVID-19 cases in the last quarter of 2021. Furthermore, the depreciation charge on tangible fixed assets as illustrated in the audited financial statements was higher than anticipated, however, this was partly compensated by lower finance costs incurred, as a result of the delay in the bond issue from quarter 4 2021 to quarter 1 2022. The higher tax charge for the year was mainly a result of expenses incurred which are not allowed for tax purposes, together with other permanent differences. The improvement in the total comprehensive income for the year is a result of the higher valuation (net of tax) of the properties owned by the Group, this is also the main reason for the increase in the shareholders' funds as at 31st December 2021.

The Board of Directors resolved that the aforesaid Annual Report and Audited Financial Statements be submitted to the shareholders of the Company for their approval at the forthcoming Annual General Meeting scheduled to take place on 6th July 2022.

St. Anthony Co. P.l.c.

A copy of the Company's Annual Report and Audited Financial Statements for the financial year ended 31st December 2021, as approved, is available for viewing below as an attachment to this announcement and at the Company's registered office, and is also available for download from the following link on the Company's website: https://stanthonyplc.com.mt/company-notifications-and-publications/.

It is further announced that, in accordance with Capital Markets Rule 5.61, the Annual Report and Audited Financial Statements of Goldvest Company Limited (C 18266), the guarantor of the €15.5 million 4.55% Secured Bonds 2032 issued by the Company in terms of a prospectus dated 6th December 2021 (the "Guarantor"), for the financial year ended 31st December 2021 have been approved by the board of directors of the Guarantor on the 27th June 2022. A copy of the aforesaid Annual Report and Audited Financial Statements in respect of the Guarantor is also available for viewing and download from the webpage indicated above.

The aforementioned Annual Financial Reports are not prepared in terms of the requirements of the Capital Markets Rules issued by the Malta Financial Services Authority, given that during the financial reporting year in question, ended on 31st December 2021, the Company was not yet listed.

Unquote

By order of the Board

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Dr Luca Vella
Company Secretary
28th June 2022

Company Announcement: STA05

St. Anthony Co. p.l.c.
(Formerly known as St. Anthony Co. Limited)

ANNUAL REPORT AND FINANCIAL STATEMENTS

For the year ended 31 December 2021

Company Registration No: C 95618

St. Anthony Co. p.l.c.

Holding Company Information

Directors :	Mrs Lora Cascun Dr Sarah Cassar Mr Stephen Paris (appointed on 1 June 2021) Mr Edward Vella Mr Joshua Vella Mr Joseph M Zrinzo Mr William Charles Van Buren (resigned on 18 March 2021)
Secretary :	Dr Malcolm Cassar (resigned on 1 October 2021) Dr Luca Vella (appointed on 1 October 2021)
Company number :	C 95618
Registered office :	Casa Antonia Pope Alexander VII Junction Balzan BZN 1530 Malta
Auditors :	KSi Malta 6, Villa Gauci Mdina Road Balzan Malta
Bankers :	Bank of Valletta plc Triq ir-Rand H'Attard HSBC Bank Malta plc Business Banking Centre Mill Street Qormi
Legal Advisors:	Mamo TCV Palazzo Pietro Stiges 103 Srait Street Valletta

St. Anthony Co. p.l.c.

Contents

St. Anthony Co. p.l.c.

Report of the Directors
For the year ended 31 December 2021

The Directors present their report and the audited separate and consolidated financial statements for the year ended 31 December 2021.

Principal Activity

St. Anthony Co. p.l.c. ("the Company", "the Parent") acts as the parent company of two 100% owned subsidiary undertakings, namely Goldvest Company Limited (C 18266) and St. George's Care Ltd (C 95621) (collectively "the Group"). The Company also provides finance to its two subsidiaries.

During 2020, the Group commenced a corporate restructuring exercise aimed to streamlining operations of its subsidiaries. As part of this exercise, St. Anthony Co p.l.c. was incorporated as the holding company. Goldvest Company Limited now owns the two properties of the Group, whilst St. George's Care Ltd operates two senior citizens' homes from the two properties mentioned above, one in Sliema known as The Imperial and the other in Balzan named Casa Antonia.

Review of Business

The Group registered a pre-tax loss for the year of €1,206,636 compared to a restated loss for the year of €263,173 registered in the seven and a half months in the prior period. At the end of the reporting period, net assets amounted to €22,391,062 compared to €13,369,770 at the end of the prior period. This improvement is a result of the revaluation of the Group's properties.

As further explained in note 4.3, the 2020 financial statements were restated to account for the reorganisation of the components within the Group in a consistent manner, this resulted in certain transactions being reclassified between the income statement, the revaluation reserve, the reorganisation reserve and the statement of comprehensive income.

The Group was very active in 2021. Besides the corporate restructuring mentioned above, the Group finalised the construction and finishing of The Imperial senior citizens' home in Sliema, receiving its first guests in May and obtained approval from the Malta Financial Services Authority for the issue of €15.5m 4.55% secured bonds due in 2032 issued by the Company on the Official List of the Malta Stock Exchange in terms of a prospectus dated 6 December 2021. The said bond issue was successfully taken up and concluded in the first quarter of 2022; specifically, the bonds were admitted to listing on the Official List with effect from the 20 January 2022 and trading commenced on the 21 January 2022. The bond issue is guaranteed by Goldvest Company Limited (C18266).

Although the achieved results described above were less than those projected in the Prospectus, management deem the results to be satisfactory given the challenges the sector continued to face as a result of the COVID 19 pandemic, effecting both revenue and a shortage of labor which resulted in operating inefficiencies and cost overruns.

Dividends and Reserves

Given the financial results achieved, the directors do not recommend the payment of a dividend.

Financial Risk Management

The Group's activities potentially expose it to financial risks mainly liquidity and credit risk. The Group's overall risk management focuses on the unpredictability of general economic activity and financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Board provides principles for overall risk management, as well as policies covering risks referred to above

(a) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash, the availability of reasonable credit terms with suppliers and funding through an adequate amount of committed credit facilities both externally and with related parties.

(b) Credit risk

The Group has no significant concentrations of credit risk. It has policies in place to ensure that services are provided to individual customers who are not expected to default on invoices issued.

Principal risks and uncertainties

The Group's principal risks and uncertainties can be categorised as follows:

Operational risks

a) Achieving and maintaining sufficient occupancy levels and generating sufficient cash flow to meet obligations as they fall due.

The Group expects to achieve certain occupancy levels at both homes and generate sufficient cash flow to meet the Group's obligations as they fall due. Whilst the performance of Casa Antonia is tried and tested as this has been operating for a significant number of years, the expected performance of The Imperial has been forecasted based on market data which is subjective and may vary materially. Furthermore, the Group is seeking to provide a unique and quality product offering as part of The Imperial operations which reduces the size of the market able to take up such offering.

Once occupancy levels are achieved, there is the risk that these may fall for various reasons including but not limited to COVID-19, reputational damage and/or a slowdown in the market. Reduced occupancy levels at either the Casa Antonia property or The Imperial property may adversely impact the Group's revenue and general financial performance.

b) Staff compliment

The Group's operations require the employment and retention of an appropriately skilled and trained workforce. There is a risk that St. George's Care Ltd, as the operating company, may not be able to maintain or expand an appropriately skilled and trained workforce that is able to meet the existing or future care needs of residents for various reasons including but not limited to industry shortage, travel restrictions and an increase in wages which cannot be absorbed and/or recouped. Should it not be possible to recruit accordingly thereby lessening the quality of the offering and this translates into decreased occupancy, or should it be possible to recruit but this results in increased wages and therefore operating costs which cannot be recouped through rates and/or other savings, the Group's revenue and profitability may suffer.

c) Competition

The industry in which the Group operates is highly competitive. In addition to normal competitive risks, the fact that the Company has opted to provide a high-quality offering at The Imperial property, thereby reducing the market available to it, may, should a competitor decide to open in the same space, cause a reduction in prices, resident losses and thinning margins, thereby having a potentially direct material adverse effect on the financial performance and profitability of the Group.

d) Fixed costs

The fixed costs associated with the ownership of the Group's afore-mentioned properties and the carrying out of the operations is substantial. A dip in demand and the inability to adjust fixed costs may adversely affect the Group's profitability and financial condition.

e) Medical claims and litigation

In addition to the risk of litigation typical operations may carry, the nature of the operations inherently exposes the Group to the risk of medical related litigation. Subject to the insurance arrangements the Group has in place, any actual or threatened medical related litigation against the Group could cause the Group to incur significant expenditure and may adversely impact the Group's future financial performance. The costs of such actions as well as increased insurance costs could also adversely affect the Group's financial performance and profitability.

f) Maintaining licence

The Group's operations are conducted under a licence granted in terms of the Social Care Standards Authority Act (Chapter 582 of the Laws of Malta), with such licence being renewed on a yearly basis. Should the renewal of the licence be delayed for any reason (or ultimately not granted), either or both of the operations would be unable to continue, which would adversely impact the Group's revenue and general financial performance.

Principal risks and uncertainties - continued

g) Changes to regulations

Any regulatory changes for the aged care industry may, in terms of compliance costs and other regulatory requirements, have an adverse impact on the properties and the manner in which the operations are carried out which could have a negative impact on the Group's financial performance and profitability.

COVID-19 and other pandemic risks

a) Maltese economy: COVID-19 may have a significant impact on the Maltese economy, particularly due to Malta's heavy reliance on the tourism industry. As a result, and despite the Government's financial assistance initiatives for the economy, it is expected that the occurrence of defaults on loan payments (both personal and business) will rise, which may threaten the banking sector and the country's financial stability. The Group has already secured adequate financing that it currently feels is required, however the impact that the crisis has on the economy may likewise, impact the Group's financial prospects and there can be no assurance that, should the Group need additional financing, such financing will be readily available or available at sustainable rates.

b) Operations: the economic risks of the coronavirus pandemic, which will very likely result in a deep recession in the world-wide economy in the short to medium term, as well as the measures in place to combat the pandemic, may impact the Group's operations. The biggest threat is ensuring occupancy levels as well as staff compliment. Should the economy shrink, resulting in less disposable income for the average consumer, the Group's product offering may be deemed surplus to certain families, particularly with respect to operations at The Imperial which aims to provide a more exclusive offering at a different price point. Furthermore, should the situation worsen, and the borders again close, the Company's ability to make up and maintain its staff compliment at the properties may be impacted. Furthermore, the operations are particularly vulnerable to COVID-19 due to the very nature of the product offering and clientele.

Market value

The valuations of both properties are prepared by an independent qualified architect in accordance with the Kamra tal-Periti Valuation Standards (2012), which are aligned with the TEGoVA European Valuation Standards. In providing a market value for each property, the independent architect has made certain assumptions which ultimately may cause the actual value to be materially different from any future value 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 therefore be no assurance that such property valuations will reflect actual market values.

Future Developments

The board's main objective is focused to achieve the occupancy targeted levels and recover sufficient revenue to cover the operating expenses and to build up cash reserves to settle the Group's commitments as they fall due.

Directors' Interest

As illustrated in note 19 to these financial statements, only Mr Edward Vella, a member of the Board of Directors, has a beneficial interest in the shares of the Company.

Report of the Directors (continued)
For the year ended 31 December 2021

Post balance sheet events

As illustrated in note 21, the Group encountered the following events up to the approval of these financial statements:

a) In January 2022 the Company successfully raised €15,500,000 via the issue of 4.55% secured bonds due to mature in 2032. These instruments started trading on the Official List of the Malta Stock Exchange on 21 January 2022. The funds raised from the issue of the bonds were used to restructure the Group debt and for general corporate funding purposes, as set out in the prospectus dated 6 December 2021. In fact, the net current liability position that existed at 31 December 2021 was substantially addressed.

b) The military conflict between Russia and Ukraine which commenced in February 2022, has resulted in increased volatility in commodities, securities and currencies, with the EU and other countries having imposed restrictive measures against Russia and key Russian individuals. The Group does not have any direct exposure to Russia however the Group may be negatively affected by unforeseen material price increases in food and supplies and services.

c) The negative effect caused by the COVID pandemic since the outbreak in early 2020 continued to subside in 2022, as most of the restrictions imposed by governments globally have been lifted.

Compliance with the listing rules

These audited financial statements are not prepared in terms of the requirements of the Capital Markets Rules issued by the Malta Financial Services Authority, given that during the financial reporting year in question, ended on 31 December 2021, the Company was not yet listed.

Auditors

KSi Malta have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the forthcoming annual general meeting.

Approved by the Board of directors and signed on its behalf on 27 June 2022 by:

Dr Sarah Cassar
Director

Mr Edward Vella
Director

St. Anthony Co. p.l.c.

Directors' Responsibilities

For the year ended 31 December 2021

The Companies Act, 1995 requires the directors to prepare financial statements for each financial period in accordance with generally accepted accounting principles and practice which give a true and fair view of the state of affairs of the Group and the holding company as at the end of each financial period and of the profit or loss of the Group and the holding company for that period. In preparing these financial statements, the directors are required to:

- adopt the going concern basis unless it is inappropriate to presume that the Group and the holding company will continue in business;
- select suitable accounting policies and apply them consistently from one accounting period to another;
- make judgements and estimates that are reasonable and prudent;
- account for income and charges relating to the accounting period on the accruals basis;
- value separately the components of asset and liability items; and
- report comparative figures corresponding to those of the preceding accounting period.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group and holding company and to enable them to ensure that the financial statements comply with the Companies Act, 1995 enacted in Malta.

This responsibility includes designing, implementing and maintaining such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. They are also responsible for safeguarding the assets of the Group and holding company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Mr Edward Vella
obo/Directors

Corporate Governance Statement

As explained in the Directors' report, the Company's debt instruments were not admitted to listing and trading on the Official List of the Malta Stock Exchange by the year-end. Therefore, these financial statements have not been prepared in accordance with the Capital Markets Rules. Consequently, in the year under review ended on 31 December 2021, the Company was not set up to abide by the Code of Principles for Good Corporate Governance set out in the Capital Markets Rules.

St. Anthony Co. p.l.c.

Independent Auditors' Report

To the shareholders of St. Anthony Co. p.l.c.

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of St. Anthony Co. p.l.c. (the Group and the Holding Company), set out on pages 11 to 58, which comprise the consolidated balance sheet as at 31 December 2021, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the period then ended, and notes to the financial statements, including a summary of significant accounting policies

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Group and the Holding company as at 31 December 2021, and of its consolidated financial performance and its consolidated cash flows for the period then ended in accordance with International Financial Reporting Standards as adopted by the EU and have been prepared in accordance with the requirements of the Companies Act (Cap. 386).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in accordance with the Accountancy Profession (Code of Ethics for Warrant Holders) Directive issued in terms of the Accountancy Profession Act (Cap. 281) in Malta, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditors' responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Fair valuation of land and buildings classified as property, plant and equipment.

The Group's land and buildings classified as property, plant and equipment, which are being further described in Note 12 and 13 to the accompanying financial statements, account for 53% of total assets as at 31 December 2021. Land and buildings are measured at fair value at the date of revaluation, less any subsequent accumulated depreciation and impairment losses.

The Group uses the services of professional qualified and independent valuers or surveyors to revalue the land and buildings classified as property, plant and equipment, on the basis of assessments of the fair value of the property in accordance with international valuation standards and best practice. The valuations are arrived at by a combination of the income capitalisation approach, the replacement cost approach and the market approach as applicable.

In the years where a valuation is not obtained, management verifies all major inputs to the independent valuation report, assesses any property valuation movements when compared to the previous valuation report and holds discussions with the independent valuer, as necessary.

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Independent Auditors' Report

To the shareholders of St. Anthony Co. p.l.c.

Report on the Audit of the Consolidated Financial Statements

Key Audit Matters (continued)

The valuation of property at fair value is highly dependent on estimates and assumptions such as:

- the capitalisation rate, rental income and respective growth rate under the income capitalisation approach;
- the estimated land value and going rates for construction, finishing, services and fittings under the replacement cost approach; and
- the market prices for comparable advertised properties under the market approach.

Therefore, due to the significance of the balances and the estimation uncertainty involved in the fair valuation of properties, we have considered the fair valuation of land and buildings classified as property, plant and equipment, as a key audit matter.

Our audit procedures over the fair valuation of land and buildings classified as property, plant and equipment, and investment properties included amongst others:

- performing tests relating to the valuation of the Group's property, focusing on management reviews over the property valuations by inspecting management analysis and minutes of meetings of the board and audit committee where such valuation was discussed;
- obtaining an understanding of the scope of work of the professional valuers by reviewing the available valuation reports and considered the independence and expertise thereof;
- evaluating the reasonability and validity of key assumptions and estimates used in the valuations by comparing to independent sources and relevant market data and conditions; and
- obtaining written confirmations, where required, from the professional valuers in relation to the classification of the land and building elements making up the total fair value of the properties in question

We also assessed the relevance and adequacy of disclosures relating to the Group's fair valuation of land and buildings classified as property, plant and equipment presented in Notes 13 to the accompanying financial statements.

Other Information

The directors are responsible for the other information. The other information comprises the Report of the Directors and the Directors' Responsibilities. Our opinion on the consolidated financial statements does not cover this information. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

With respect to the Report of the Directors, we also considered whether the Report of the Directors includes the disclosures required by Article 177 of the Maltese Companies Act (Cap. 386). Based on the work we have performed, in our opinion:

- the information given in the Report of the Directors for the financial period for which the financial statements are prepare is consistent with the financial statements; and
- the Report of the Directors has been prepared in accordance with the Maltese Companies Act (Cap.386).

In addition, in light of the knowledge and understanding of the Group and the Holding company and their environment obtained in the course of the audit, we are required to report if we have identified material misstatements in the Report of the Directors. We have nothing to report in this regard.

Responsibilities of the Directors

The directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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Independent Auditors' Report
To the shareholders of St. Anthony Co. p.l.c.
Report on the Audit of the Consolidated Financial Statements

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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Independent Auditors' Report

To the shareholders of St. Anthony Co. p.l.c.

Report on the Audit of the Consolidated Financial Statements

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements (continued)

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Matters on which we are required to report by exception under the Companies Act

Our Responsibilities

We have responsibilities under the Companies Act, 1995 enacted in Malta to report to you if, in our opinion:

- The information given in the Report of the Directors is not consistent with the financial statements.
- Adequate accounting records have not been kept.
- The financial statements are not in agreement with the accounting records and returns.
- We have not received all the information and explanations we require for our audit.

Our Opinion

We have nothing to report to you in respect of these responsibilities.

Use of our Report

Our report, including the opinions, has been prepared for and only for the Parent Company's shareholders as a body in accordance with Article 179 of the Maltese Companies Act (Cap. 386) and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior written consent.

Bernard Gauci (Partner) for and on behalf of

KSi Malta
Certified Public Accountants
Balzan

27 June 2022

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St. Anthony Co. p.l.c.

Statements of Profit or Loss and Other Comprehensive Income
For the year ended 31 December 2021

	Note	Group		Company	
		2021	2020 Restated	**2021**	2020
		(12 months)	(7 ½ months)	**(12 months)**	(7 ½ months)
		€	€	**€**	€
Revenue	8	**4,780,931**	980,509	**-**	-
Cost of sales	9.1	**(4,306,679)**	(855,250)	**-**	-
Gross profit		**474,252**	125,259	**-**	-
Administration expenses	9.1	**(1,072,689)**	(332,709)	**(43,463)**	(149,746)
Operating loss		**(598,437)**	(207,450)	**(43,463)**	(149,746)
Finance costs	9.2	**(608,200)**	(55,723)	**(172,682)**	(44,843)
Loss before tax		**(1,206,637)**	(263,173)	**(216,145)**	(194,589)
Income tax	10	**(193,570)**	83,842	**-**	-
Loss for the year/ period		**(1,400,207)**	(179,331)	**(216,145)**	(194,589)
Other Comprehensive Income for the year/ period					
Other Comprehensive Income for the year/ period net of income tax		**10,421,499**	-	**-**	-
Total comprehensive income/ (expense) for the year/ period		**9,021,292**	(179,331)	**(216,145)**	(194,589)
Profit/ Loss for the year attributable to:					
Owners of the Company		**9,021,292**	(179,331)	**(216,145)**	(194,589)
Earnings per share	11	**(0.11)**	(149.44)	**(0.02)**	(162.16)

St. Anthony Co. p.l.c.

Statement of Financial Position
As at 31 December 2021

		Group		Company	
		2021	2020 Restated	**2021**	2020
	Note	**€**	€	**€**	€
Assets					
Property, plant and equipment	12	**62,920,256**	44,171,460	**-**	-
Investment in subsidiaries	18	**-**	-	**19,938,956**	5,150,000
Deferred tax assets	13.4	**437,652**	83,842	**-**	-
Total non-current assets		**63,357,908**	44,255,302	**19,938,956**	5,150,000
Inventories	13.6	**87,750**	51,621	**-**	-
Trade and other receivables	14.1	**1,101,933**	1,382,631	**80,990**	-
Cash and cash equivalents	14.4	**519,274**	68,835	**1,200**	1,200
Total current assets		**1,708,957**	1,503,087	**82,190**	1,200
Total assets		**65,066,865**	45,758,389	**20,021,146**	5,151,200
Liabilities					
Trade and other payables	14.2	**422,320**	-	**-**	-
Borrowings	14.3	**30,770,040**	20,234,614	**4,831,697**	4,592,901
Deferred tax liabilities	13.5	**3,400,000**	1,700,000	**-**	-
Total non-current liabilities		**34,592,360**	21,934,614	**4,831,697**	4,592,901
Other borrowings	14.3	**4,032,684**	9,088,952	**727,418**	749,286
Trade and other payables	14.2	**4,050,759**	1,365,053	**82,607**	2,402
Total current liabilities		**8,083,443**	10,454,005	**810,025**	751,688
Total liabilities		**42,675,803**	32,388,619	**5,641,722**	5,344,589
Net assets/(liabilities)		**22,391,062**	13,369,770	**14,379,424**	(193,389)

St. Anthony Co. p.l.c.

Statement of Financial Position (continued)
As at 31 December 2021

		Group		Company	
		2021	2020 Restated	**2021**	2020
	Note	**€**	€	**€**	€
Equity					
Share capital	15.1	**14,676,284**	1,200	14,676,284	1,200
Revaluation reserve	15.2	**10,421,499**	-	-	-
Other reserve	15.3	-	14,788,958	-	-
Reorganisation reserve	15.4	**(1,241,057)**	(1,241,057)	-	-
Accumulated losses		**(1,465,664)**	(179,331)	**(296,860)**	(194,589)
Equity attributable to owners of the Company/(Deficiency)		**22,391,062**	13,369,770	**14,379,424**	(193,389)

The financial statements set out on pages 11 to 58 were approved and authorised for issue by the Board of Directors on 27 June 2022 and were signed on its behalf by:

Dr Sarah Cassar

Director

Mr Edward Vella

Director

St. Anthony Co. p.l.c.

Statements of Changes in Equity
For the year ended 31 December 2021

Group

	Share capital	Reorganisation reserve	Revaluation reserve	Other reserve	Retained earnings	Total
	€	€	€	€	€	€
Issue of share capital	1,200	-	-	-	-	1,200
Assignment of waiver of loan	-	-	-	14,172,941	-	14,172,941
Movement in revaluation reserve	-	-	(841,640)	-	-	(841,640)
Profit for the period	-	-	-	-	90,349	90,349
Balance at 31 December 2020	1,200	-	(841,640)	14,172,941	90,349	13,422,850
Prior year adjustment (note 4.3)	-	(1,241,057)	841,640	616,017	(269,680)	(53,080)
Balance at 31 December 2020 as restated	1,200	(1,241,057)	-	14,788,958	(179,331)	13,369,770
Loss for the year	-	-	-	-	(1,400,207)	(1,400,207)
Revaluation of land and buildings net of deferred taxation	-	-	10,421,499	-	-	10,421,499
Issue of share capital	14,788,958	-	-	(14,788,958)	-	-
Reduction in share capital	(113,874)	-	-	-	113,874	-
Balance at 31 December 2021	**14,676,284**	**(1,241,057)**	**10,421,499**	**-**	**(1,465,664)**	**22,391,062**

Company

	Share capital	Retained earnings	Total
	€	€	€
Changes in equity for 2020			
Issue of share capital	1,200	-	1,200
Loss for the period	-	(194,589)	(194,589)
Balance at 31 December 2020	1,200	(194,589)	(193,389)
Other comprehensive loss for the year	-	(216,145)	(216,145)
Issue of share capital	14,788,958	-	14,788,958
Reduction in share capital	(113,874)	113,874	-
Balance at 31 December 2021	**14,676,284**	**(296,860)**	**14,379,424**

St. Anthony Co. p.l.c.

Statements of Cash Flows
For the year ended 31 December 2021

	Note	Group		Company	
		2021	2020	**2021**	2020
		(12 months)	Restated (7½ months)	**(12 months)**	(7½ months)
		€	€	**€**	€
Cash flows from operating activities					
Loss before tax		**(1,206,637)**	(263,173)	**(216,145)**	(194,589)
Adjustments for:					
Depreciation		**411,610**	26,573	**-**	-
Expected credit losses		**8,112**	-	**-**	-
Interest expense		**565,184**	44,843	**172,682**	44,843
Operating loss before working capital changes:		**(221,731)**	(191,757)	**(43,463)**	(149,746)
Movement in trade and other receivables		**275,726**	(955,305)	**(80,990)**	-
Movement in inventories		**(36,128)**	(51,621)	**-**	-
Movement in trade and other payables		**2,790,131**	1,336,590	**80,206**	2,400
Cash generated from/(used in) operations		**2,807,998**	137,907	**(44,247)**	(147,346)
Interest paid		**-**	(44,843)	**-**	(44,843)
Net cash inflow/(outflow) from operating activities		**2,807,998**	93,064	**(44,247)**	(192,189)
Cash flows from investing activities					
Acquisition of subsidiaries		**-**	(5,150,000)	**-**	-
Issue of shares		**-**	1,200	**-**	1,200
Payment for property, plant and equipment		**(7,586,289)**	(3,064,303)	**-**	-
Net cash outflow from investing activities		**(7,586,289)**	(8,213,103)	**-**	1,200
Cash flows from financing activities					
Proceeds from bank loan		**2,032,969**	2,786,756	**-**	-
Receipts from related parties		**3,215,582**	5,336,118	**44,247**	192,189
Net cash inflow from financing activities		**5,248,551**	8,122,874	**44,247**	192,189
Net movement in cash and cash equivalents					
Cash and cash equivalents		**470,260**	2,835	**-**	1,200
Cash and cash equivalents at beginning of year/period		**29,714**	26,879	**1,200**	-
Cash and cash equivalents acquired by the Group					
Expected credit losses on bank balances		**(3,141)**	-	**-**	-
Cash and cash equivalents at end of year/ period	14	**496,833**	29,714	**1,200**	1,200

1 REPORTING ENTITY AND OTHER INFORMATION

St. Anthony Co. p.l.c. (the Company) (formerly St. Anthony Co. Limited) is a public limited liability company incorporated in Malta. The registered office and the registration number of the Company are disclosed in the introduction to the annual report. The principal activities of the Company and its subsidiaries (the Group) are described in the report of the Directors.

2 BASIS OF ACCOUNTING

The Company's and the Group's financial statements are prepared in accordance with IFRSs as adopted by the European Union. They were authorised for issue by the Company's board of directors on 27 June 2022.

The financial statements have been prepared on the historical cost basis, except for land and buildings, which are stated at their revalued amounts.

The preparation of financial statements in conformity with IFRSs as adopted by the EU requires the use of certain accounting estimates. It also requires directors to exercise their judgement in the process of applying the Company's and the Group's accounting policies. Estimates and judgements are continually evaluated and based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances. Details of the significant judgements and estimates are included in Note 5.

Details of the significant accounting policies are included in Note 6.

3 FUNCTIONAL AND PRESENTATION CURRENCY

These financial statements are presented in Euro, which is also the Group and Company's functional currency (being the currency of the primary economic environment in which the company operates).

4 APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs) AND PRIOR YEAR ADJUSTMENTS

Standards and interpretations applied during the current year

During the financial year ended 31 December 2021, the Group and the Company adopted new standards, amendments and interpretations to existing standards that are mandatory for accounting period beginning on 1 January 2021. The adoption of the following standards did not result in significant changes to these financial statements:

Amendments to IFRS 16 as amended in March 2021 - Leases – COVID 19 – Related rent concessions. The amendment to IFRS 16 provides relief to lessees for accounting for rent concessions from lessors specifically arising from the COVID-19 pandemic. While lessees that elect to apply the practical expedient do not need to assess whether a concession constitutes a modification, lessees still need to evaluate the appropriate accounting for each concession as the terms of the concession granted may vary. Neither the Group nor the Company received any Covid-19 related rent concessions.

4 APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs) AND PRIOR YEAR ADJUSTMENTS (continued)

4.1 Standards and interpretations applied during the current year (continued)

Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16: Interest Rate Benchmark Reform – Phase 2 (effective on or after 1 January 2021; Early adoption is permitted).

The amendments address issues that might affect financial reporting when an existing interest rate benchmark is actually replaced. In respect of the modification of financial assets, financial liabilities and lease liabilities, the IASB introduced a practical expedient for modifications required by the reform (modifications required as a direct consequence of the IBOR reform and made on an economically equivalent basis). These modifications are accounted for by updating the effective interest rate. All other modifications are accounted for using the current IFRS requirements. These amendments enable entities to reflect the effects of transitioning from interbank offered rates (IBOR) to alternative benchmark interest rates (also referred to as 'risk free rates' or RFRs) without giving rise to accounting impacts that would not provide useful information to users of financial statements. Neither the Company nor the Group have any financial assets, financial liabilities or lease liabilities with rates subject to the IBOR reform and accordingly this Amendment did not affect these financial statements.

4.2 Standards issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of these financial statements are disclosed below. The Group and the Company intend to adopt these new and amended standards and interpretations, if applicable, when they become effective.

The Directors are of the opinion that the adoption of these Standards (where applicable) will not have a material impact on the financial statements.

Notes to the Financial Statements (continued)
For the year ended 31 December 2021

(This list excludes Amendments / Revisions to IFRS 1 First-Time Adoption of IFRSs (including IFRS 14 Regulatory Deferral Accounts) and it also excludes IFRS / Amendments / Revisions that are effective before 1 January 2022):

IFRSs as of 3 April 2022	**Issue Date**	**Effective Date (non EU-IFRS preparers)**	**Effective Date (EU-IFRS preparers) as of 27 June 2022**	**Title**	**Description**
Amendments to IAS 1	23/01/2020	01/01/2022 Deferred to 01/01/2023 by virtue of the July 2020 Amendments	NOT YET ENDORSED	Classification of Liabilities as Current or Non-Current	The amendments affect only the presentation of liabilities in the statement of financial position — not the amount or timing of recognition of any asset, liability income or expenses, or the information that entities disclose about those items. They: • clarify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period and align the wording in all affected paragraphs to refer to the "right" to defer settlement by at least twelve months and make explicit that only rights in place "at the end of the reporting period" should affect the classification of a liability; • clarify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability; and • make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services. The changes in '*Classification of Liabilities as Current or Non-current — Deferral of Effective Date*' issued on 15 July 2020 defer the effective date of *Classification of Liabilities as Current or Non-current (Amendments to IAS 1)* to annual reporting periods beginning on or after 1 January 2023.

Notes to the Financial Statements (continued)
For the year ended 31 December 2021

IFRSs as of 3 April 2022	Issue Date	Effective Date (non EU-IFRS preparers)	Effective Date (EU-IFRS preparers) as of 27 June 2022	Title	Description
Amendments to IAS 37	14/05/2020	01/01/2022	01/01/2022	Onerous contracts – cost of fulfilling a contract	The amendments deal with costs a company should include as the cost of fulfilling a contract when assessing whether a contract is onerous.
Amendments to IFRS 3	14/05/2020	01/01/2022	01/01/2022	Reference to the Conceptual Framework	The amendments update an outdated reference in IFRS 3 without significantly changing its requirements.
Amendments to IAS 16	14/05/2020	01/01/2022	01/01/2022	Property, plant and equipment – proceeds before intended use	The amendments address the proceeds from selling items produced while bringing an asset into the location and condition necessary for it to be capable of operating in the manner intended by management.
Amendments to IFRS 9 (as part of the 2018 – 2020 Annual Improvements Cycle)	14/05/2020	01/01/2022	01/01/2022	Financial Instruments	The amendments clarify which fees an entity includes when it applies the '10 per cent test' in assessing whether to derecognise a financial liability.

Notes to the Financial Statements (continued)
For the year ended 31 December 2021

IFRSs as of 3 April 2022	Issue Date	Effective Date (non EU-IFRS preparers)	Effective Date (EU-IFRS preparers) as of 27 June 2022	Title	Description
IFRS 16 Amendment	28/05/2020 As amended on 31/03/2021	01/06/2020 Earlier application is permitted, including in financial statements not yet authorised for issue at 28 May 2020. The amendment is also available for interim reports The June 2021 Amendments apply for annual reporting periods beginning on or after 1 April 2021.	As from 01/06/2020 for financial years starting on or after 01/01/2020 As from 1 April 2021 for financial years starting, at the latest, on or after 1 January 2021.	Covid-19-Related Rent Concessions as amended by Covid-19-Related Rent Concessions beyond 30 June 2021	The amendment makes the following changes to IFRS 16: (a) provides lessees with an exemption from assessing whether a Covid-19-related rent concession is a lease modification; (b) requires lessees that apply the exemption to account for Covid-19-related rent concessions as if they were not lease modifications; (c) requires lessees that apply the exemption to disclose that fact; and (d) requires lessees to apply the exemption retrospectively in accordance with IAS 8, without restating prior period figures. Since lessors continue to grant COVID-19-related rent concessions to lessees and since the effects of the COVID-19 pandemic are ongoing and significant, the IASB decided to extend the time period over which the practical expedient is available for use. Accordingly, on 31 June 2021, the IASB issued Covid-19-Related Rent Concessions beyond 30 June 2021 (Amendment to IFRS 16). The amendments permit a lessee to apply the practical expedient regarding COVID-19-related rent concessions to rent concessions for which any reduction in lease payments affects only payments originally due on or before 30 June 2022 (rather than only payments originally due on or before 30 June 2021). The Amendments require a lessee applying the amendment to do so for annual reporting periods beginning on or after 1 April 2021.

Notes to the Financial Statements (continued)
For the year ended 31 December 2021

IFRSs as of 3 April 2022	**Issue Date**	**Effective Date (non EU-IFRS preparers)**	**Effective Date (EU-IFRS preparers) as of 27 June 2022**	**Title**	**Description**
Amendments to IAS 8	12/02/2021	01/01/2023	01/01/2023	Definition of Accounting Estimates	The amendments are intended to help entities distinguish between accounting policies and accounting estimates. The changes to IAS 8 focus entirely on accounting estimates and clarify the following: - The definition of a change in accounting estimates is replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". - Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. - The Board clarifies that a change in accounting estimate that results from new information or new developments is not the correction of an error. In addition, the effects of a change in an input or a measurement technique used to develop an accounting estimate are changes in accounting estimates if they do not result from the correction of prior period errors. - A change in an accounting estimate may affect only the current period's profit or loss, or the profit or loss of both the current period and future periods. The effect of the change relating to the current period is recognised as income or expense in the current period. The effect, if any, on future periods is recognised as income or expense in those future periods.

Notes to the Financial Statements (continued)
For the year ended 31 December 2021

IFRSs as of 3 April 2022	Issue Date	Effective Date (non EU-IFRS preparers)	Effective Date (EU-IFRS preparers) as of 27 June 2022	Title	Description
Amendments to IAS 1 and IFRS Practice Statement 2	12/02/2021	01/01/2023	01/01/2023	Disclosure of Accounting Policies	The amendments are intended to help preparers in deciding which accounting policies to disclose in their financial statements. The amendments amend IAS 1 in the following ways: - An entity is now required to disclose its material accounting policy information instead of its significant accounting policies; - several paragraphs are added to explain how an entity can identify material accounting policy information and to give examples of when accounting policy information is likely to be material; - the amendments clarify that accounting policy information may be material because of its nature, even if the related amounts are immaterial; - the amendments clarify that accounting policy information is material if users of an entity's financial statements would need it to understand other material information in the financial statements; and - the amendments clarify that if an entity discloses immaterial accounting policy information, such information shall not obscure material accounting policy information. In addition, IFRS Practice Statement 2 has been amended by adding guidance and examples to explain and demonstrate the application of the 'four-step materiality process' to accounting policy information in order to support the amendments to IAS 1.

Notes to the Financial Statements (continued)
For the year ended 31 December 2021

IFRSs as of 3 April 2022	Issue Date	Effective Date (non EU-IFRS preparers)	Effective Date (EU-IFRS preparers) as of 27 June 2022	Title	Description
Amendments to IAS 12	07/05/2021	01/01/2023	NOT YET ENDORSED	Deferred Tax related to Assets and Liabilities arising from a Single Transaction	The aim of the amendments is to reduce diversity in the reporting of deferred tax on leases and decommissioning obligations. Prior to the Amendments, there had been some uncertainty about whether the IAS 12 exemption from recognising deferred tax applied to transactions for which companies recognise both an asset and a liability. The amendments clarify that the exemption does not apply and that companies are required to recognise deferred tax on such transactions. An entity applies the amendments to transactions that occur on or after the beginning of the earliest comparative period presented. It also, at the beginning of the earliest comparative period presented, recognises deferred tax for all temporary differences related to leases and decommissioning obligations and recognises the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at that date.

4 APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs) AND PRIOR YEAR ADJUSTMENTS (continued)

4.3 Prior year adjustments – change in accounting policy and restatement of errors

As further disclosed in Note 20, a group reorganisation took place in 2020. During the current year, the Group changed its accounting policy for the Group reorganisation so as to consistently apply the predecessor accounting method throughout (as opposed to a combination of this method and acquisition accounting). Predecessor accounting provides reliable and more relevant information as the Group reorganisation comprises a reorganisation of entities under common control. Accordingly, the amount previously recognised in other income as a bargain purchase, amounting to €216,600, is being recognised within equity as a Reorganisation Reserve.

At the same time, the Group restated the prior year financial statements to reverse an adjustment for certain reserves which arose after the reorganisation (which were otherwise treated as pre-acquisition reserves), which adjustment, amounting to €53,080, was originally recognised as an intangible asset and to recognise the deferred tax implications on the revaluation of the property, amounting to €841,640, as part of the group reorganisation adjustments at the date of the reorganisation and not thereafter.

Simultaneously with these adjustments, an amount of €616,017, comprising the excess of consideration payable by one of the subsidiaries for the acquisition of certain operations, was recognised within equity as a Reorganisation Reserve using the pooling of interests method, which amount was waived by Goldvest Company Limited to Casa Antonia Limited, as further disclosed in Note 4.3, and thus transferred to Other Reserves.

The Group financial statements of 2020 have been restated to apply the voluntary change in accounting policy and to correct the abovementioned errors. The effect of the restatement on those financial statements is summarised below. There is no effect in 2021.

	Group
	Effect on 2020
	(7 ½ months)
	€
Decrease in other income originally presented as a bargain purchase	216,600
Reversal of post-acquisition loss	53,080
Decrease in profit	269,680
(Increase) in other comprehensive income and in revaluation reserves	(841,640)
(Increase) in total comprehensive income	(571,960)
Increase in other reserve	(616,017)
Decrease in reorganisation reserve	1,241,057
Decrease in equity	(53,080)
Decrease in intangibles	(53,080)

The Group basic earnings per share for 2020 was likewise adjusted to (€149.44)

5 USE OF JUDGEMENTS AND ESTIMATES

In preparing these financial statements, management has made judgements and estimates that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

5.1 Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

- Estimation of current tax payable and current tax expense – note 10;
- Estimated useful life of property, plant and equipment – note 13.1;
- Recognition of deferred tax assets/(liabilities) – note 13.4 and 13.5;

6 ACCOUNTING POLICIES

6.1 PRINCIPLES OF CONSOLIDATION

6.1.1 Subsidiaries

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the holding company.

Subsidiaries are all entities over which the parent company has control. The parent company controls an entity when it is exposed to, or has right to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Unless the Group applies a different accounting policy for combinations of entities or businesses under common control, the acquisition of subsidiaries is accounted for by applying the acquisition method. The consideration is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the acquirer in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred, except for costs to issue debt or equity securities. The acquiree's identifiable assets and liabilities that meet the conditions for recognition are recognised at their fair values at the acquisition date, except as otherwise required by IFRS 3. A contingent liability assumed in a business combination is recognised at the acquisition date if there is a present obligation that arises from past events and its fair value can be measured reliably.

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the parent company.

Non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at the present ownership instruments' proportionate share in the recognised amounts of the acquiree's identifiable net assets or at fair value. The choice of measurement basis is made on an acquisition-by-acquisition basis. All other components of non-controlling interests shall be measured at their acquisition-date fair values, unless another measurement basis is required. After initial recognition, non-controlling interests in the net assets consist of the amount of those interests at the date of the original business combination and the non-controlling interests' share of changes in equity since the date of the combination. Non-controlling interests in the net assets of consolidated subsidiaries are presented separately from the holding company's owners' equity therein. Non-controlling interests in the profit or loss and other comprehensive income of consolidated subsidiaries are also disclosed separately. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

6 ACCOUNTING POLICIES (continued)

6.1 PRINCIPLES OF CONSOLIDATION (continued)

6.1.1 Subsidiaries (continued)

Combinations of entities or businesses under common control

For combinations of entities or businesses under common control, the acquisition of subsidiaries is accounted for by applying predecessor accounting. Under predecessor accounting, the acquiree's assets and liabilities are recognised at their carrying amounts (as adjusted, where necessary, to align accounting policies), without any adjustments to reflect fair values. No new goodwill is recognised as a result of the combination and the difference between the consideration payable and the carrying amounts of assets and liabilities is recognised directly in equity within Reorganisation Reserves.

6.2 GOODWILL

Goodwill arising in a business combination is recognised as an asset at the date that control is acquired (the acquisition date). Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and in a business combination achieved in stages, the acquisition-date fair value of the acquirer's previously held equity interest in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the Group's interest in the fair value of the acquiree's identifiable net assets exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Goodwill is tested for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

6.3 REVENUE

The Group recognises revenue from the following major sources:

a) Provision of accommodation
b) Provision of services

Revenue is measured based on the consideration specified in a contract with a customer. Amounts disclosed as revenue are net of returns, trade allowances, rebates and amounts collected on behalf of third parties.

The Group recognises revenue when (or as) it satisfies a performance obligation by transferring control of a promised good or service to the customer.

6.3.1 Revenue Recognition

Revenue is generated from the two retirement homes that provide nursing and accommodation to their clients.

6 ACCOUNTING POLICIES (continued)

6.4 FOREIGN CURRENCY AMOUNTS

Transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement and on the re-translation of monetary items are recognised in profit or loss in the period in which they arise. Exchange differences arising on the translation of non- monetary items carried at fair value are included in profit or loss for the period, except for differences arising on the re-translation of non-monetary items in respect of which gains and losses are recognised in other comprehensive income. For such non-monetary items, any exchange component of that gain or loss is also recognised in other comprehensive income.

Foreign exchange gains and losses are included within operating profit, except in the case of significant exchange differences arising on investing or financing activities, which are classified within investment income, investment losses or finance costs as appropriate.

6.5 BORROWING COSTS

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

To the extent that variable rate borrowings are used to finance a qualifying asset and are hedged in an effective cash flow hedge of interest rate risk, the effective portion of the derivative is recognised in other comprehensive income and reclassified to profit or loss when the qualifying asset impacts profit or loss. To the extent that fixed rate borrowings are used to finance a qualifying asset and are hedged in an effective fair value hedge of interest rate risk, the capitalised borrowing costs reflect the hedged interest rate.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

6.6 INCOME TAX

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

6 ACCOUNTING POLICIES (continued)

6.6 INCOME TAX (continued)

Deferred income tax is provided in full, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

6.7 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are initially measured at cost.

Subsequent to initial recognition, land and buildings are stated at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are made for the entire class of land and buildings and with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair values at the end of the reporting period.

All other property, plant and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

6 ACCOUNTING POLICIES (continued)

6.7 PROPERTY, PLANT AND EQUIPMENT (continued)

Property, plant and equipment are initially measured at cost.

Subsequent to initial recognition, land and buildings are stated at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are made for the entire class of land and buildings and with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair values at the end of the reporting period.

All other property, plant and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. The carrying amount of any component accounted for as an asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Increases in the carrying amounts arising on revaluation of land and buildings are recognised, net of tax, in other comprehensive income and accumulated in equity under the heading of revaluation reserve. To the extent that the increase reverses a decrease previously recognised in profit or loss for the same asset, the increase is first recognised in profit or loss to the extent of the decrease previously charged. Decreases that reverse previous increases of the same asset are first recognised in other comprehensive income to the extent of the remaining surplus attributable to the asset; all other decreases are charged to profit or loss.

Each year, the difference between depreciation based on the revalued carrying amount of the asset charged to profit or loss and depreciation based on the asset's original cost, net of tax, is reclassified from the property, plant and equipment revaluation surplus to retained earnings.

The depreciation methods and useful lives used by the Group are disclosed in note 13.1.

The depreciation method applied and the assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Property, plant and equipment are derecognised on disposal or when no future economic benefits are expected from their use or disposal. Gains and losses arising from derecognition are determined by comparing the net disposal proceeds, if any, with the carrying amount. These are included in profit or loss in the period of derecognition. When revalued assets are derecognised, it is the Group's policy to transfer any attributable revaluation remaining in the revaluation reserve in respect of those assets to retained earnings.

6 ACCOUNTING POLICIES (continued)

6.8 INTANGIBLE ASSETS

An intangible asset is recognised if it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the cost of the asset can be measured reliably.

Intangible assets are initially measured at cost. Expenditure on an intangible asset is recognised as an expense in the period when it is incurred unless it forms part of the cost of the asset that meets the recognition criteria or the item is acquired in a business combination and cannot be recognised as an intangible asset, in which case it forms part of goodwill at the acquisition date.

The useful life of intangible assets is assessed to determine whether it is finite or indefinite. Intangible assets with a finite useful life are amortised. Amortisation is charged to profit or loss so as to write off the cost of intangible assets less any estimated residual value, over their estimated useful lives. The amortisation method applied, the residual value and the useful life are reviewed, and adjusted if appropriate, at the end of each reporting period.

Intangible assets are derecognised on disposal or when no future economic benefits are expected from their use or disposal. Gains or losses arising from derecognition represent the difference between the net disposal proceeds, if any, and the carrying amount, and are included in profit or loss in the period of derecognition.

6.9 IMPAIRMENT OF TANGIBLE AND INTANGIBLE ASSETS EXCLUDING GOODWILL

At each reporting date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash inflows that are independent from other assets, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs.

When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with an indefinite useful life and intangible assets not yet available for use are tested for impairment at least annually and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount.

An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Notes to the Financial Statements (continued)
For the year ended 31 December 2021

6 ACCOUNTING POLICIES (continued)

6.10 INVENTORIES

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined using the weighted average cost basis. Net realisable value represents the estimated selling price for inventories in the ordinary course of business less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

6.11 INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries are stated at cost less any accumulated impairment losses in the separate financial statements of the Company. Dividends from the investment are recognised in profit or loss.

Investments in subsidiaries are tested for impairment in accordance with the accounting policy for "Impairment of Tangible and Intangible Assets excluding Goodwill."

6.12 OTHER FINANCIAL ASSETS

Other financial assets are classified in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss) and
- those to be measured subsequently at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments that meet the following conditions are subsequently measured at amortised cost:
- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The following financial assets are subsequently measured at amortised cost – trade receivables and cash balances. Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income ('FVTOCI'):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company and the Group do not hold any debt instruments which are subsequently measured at FVTOCI.

By default, all other financial assets are subsequently measured at fair value through profit or loss ('FVTPL'). The Company and the Group do not hold any financial assets which are subsequently measured at FVTPL.Despite the aforegoing, an entity may make the following irrevocable election / designation at initial recognition of a financial asset:

- an entity may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met; and
- an entity may irrevocably designate a debt investment that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces a measurement or recognition inconsistency (an 'accounting mismatch').

The Company and the Group do not hold any financial assets with such elections / designations.

6 ACCOUNTING POLICIES (continued)

6.12 OTHER FINANCIAL ASSETS (continued)

Recognition and Derecognition

Financial assets are recognised when the entity becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the entity commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the transfer qualifies for derecognition.

Measurement

At initial recognition, a financial asset is initially measured at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets measured at FVTPL are expensed in profit or loss.

Trade receivables which do not have a significant financing component are initially measured at their transaction price and are subsequently stated at their nominal value less any loss allowance for ECLs.

In respect of financial assets which are subsequently measured at amortised cost, appropriate allowances for expected credit losses ('ECLs') are recognised in profit or loss in accordance with the accounting policy on ECLs. Changes in the carrying amount as a result of foreign exchange gains or losses, impairment gains or losses and interest income are recognised in profit or loss.

Interest income is recognised using the effective interest method.

6.13 ECL's

A loss allowance for ECLs is recognised on the following – financial assets measured at amortised cost, contract assets and debt instruments measured at FVTOCI (if any).

The amount of ECLs is updated at each reporting date to reflect changes in credit risk since the initial recognition.

For trade receivables and contract assets that do not contain a significant financing component (or for which the IFRS 15 practical expedient for contracts that are one year or less is applied), the simplified approach is applied and lifetime ECL is recognised.

Where a collective basis is applied, the ECLs on these financial assets are estimated using a provision matrix based on the historical credit loss experience based on the past due status of the debtors, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

For all other financial instruments, the general approach is applied and lifetime ECL is recognised when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the loss allowance for that financial instrument is measured at an amount equal to 12-month ECL ('12m ECL'). The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

Lifetime ECL represents the ECLs that will result from all possible default events over the expected life of a financial instrument. In contrast, 12m ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

An impairment gain or loss is recognised in profit or loss for all financial assets with a corresponding adjustment to their carrying, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognised in other comprehensive income and accumulated in the Fair value reserve and does not reduce the carrying amount of the financial asset in the statement of financial position.

6 ACCOUNTING POLICIES (continued)

6.13 ECL's

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the risk of a default occurring on the financial instrument as at the reporting date is compared with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, both quantitative and qualitative information that is reasonable and supportable, (including historical experience and forward-looking information that is available without undue cost or effort and, where applicable, the financial position of the counterparties) is considered.

Irrespective of the outcome of the above assessment, the credit risk on a financial asset is presumed to have increased significantly since initial recognition when contractual payments are more than 30 days past due, unless there is reasonable and supportable information, that is available without undue cost or effort, that demonstrates otherwise.Despite the above assessment, it is assumed that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. Accordingly, for these financial assets, the loss allowance is measured at an amount equal to 12m ECL.

Definition of default

The following are considered as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable:

- when there is a breach of financial covenants by the counterparty; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors in full (without taking into account any collateral held).

Irrespective of the above analysis, default is considered to have occurred when a financial asset is more than 365 days past due. The 90 days past due presumption is rebutted since there is reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred.

6 ACCOUNTING POLICIES (continued)

6.13 ECL's (continued)

Evidence that a financial asset is credit-impaired includes observable data about the following events:

(a) significant financial difficulty of the issuer or the borrower;
(b) a breach of contract, such as a default or past due event;
(c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
(d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
(e) the disappearance of an active market for that financial asset because of financial difficulties.

A financial asset is written off when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example when the counterparty has entered into bankruptcy or in the case of trade receivables, when the amounts are over 3 years passed due, whichever occured sooner.

Measurement and recognition of ECLs

For financial assets, the credit loss is the difference between all contractual cash flows that are due in accordance with the contract and all the cash flows that are expected to be received, discounted at the original effective interest rate. ECLs represent the weighted average of credit losses with the respective risks of a default occurring as the weights.

The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information, where applicable. Where applicable, the financial position of the counterparties is also taken into consideration.

Collective basis

If evidence of a significant increase in credit risk at the individual instrument level is not yet available, the assessment of significant increases in credit risk is performed on a collective basis by considering information on, for example, a group or sub-group of financial instruments.

Where reasonable and supportable information that is available without undue cost or effort to measure lifetime ECL on an individual instrument basis is not available, lifetime ECL is measured on a collective basis. In such instances, the financial instruments are grouped on the basis of shared credit risk characteristics. The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

6 ACCOUNTING POLICIES (continued)

6.14 FINANCIAL LIABILITIES

Financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument.

At initial recognition, a financial liability is initially measured at its fair value plus, in the case of a financial liability not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the issue of the financial liability.

Financial liabilities are derecognised when they are extinguished. This occurs when the obligation specified in the contract is discharged, cancelled or expires.

Subsequent to initial recognition, bank borrowings, debt securities in issue and loans payable are subsequently measured at amortised cost using the effective interest method, unless the effect of discounting is immaterial. Trade payables are classified with current liabilities and are stated at their nominal value unless the effect of discounting is material, in which case trade payables are measured at amortised cost using the effective interest method.

6.15 OFFSETTING

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when the entity has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

6.16 PROVISIONS

Provisions are recognised when an entity has a present obligation (legal or constructive) as a result of a past event, it is probable that the entity will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received.

6.17 SHARE CAPITAL

Ordinary shares issued by the Company are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Dividends to holders of equity instruments are recognised as liability in the period in which they are declared. Dividends to holders of equity instruments are recognised directly in equity.

6.18 INTEREST INCOME

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable. Interest income is recognised to the extent that it is probable that future economic benefits will flow to the company and these can be measured reliably.

6.19 DIVIDEND INCOME

Dividend income is recognised when the shareholder's right to receive payment is established. Dividend income is recognised to the extent that it is probable that future economic benefits will flow to the company and these can be measured reliably.

Notes to the Financial Statements (continued)
For the year ended to 31 December 2021

6 ACCOUNTING POLICIES (continued)

6.20 EMPLOYEE BENEFITS

The Group entities contribute towards the state pension in accordance with local legislation. The only obligation is to make the required contributions. Costs are expensed in the period in which they are incurred.

6.21 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash on hand, demand deposits and short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Bank overdrafts that are repayable on demand and form an integral part of the company's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows and are presented in current liabilities on the statement of financial position.

Notes to the Consolidated Financial Statements (continued)
For the year ended 31 December 2021

8 REVENUE

The Group derives its revenue as disclosed in note 6.3 and as per below:

	Group		Company	
	2021	2020	**2021**	2020
	(12 months)	(7 ½ months)	**(12 months)**	(7 ½ months)
	€	€	**€**	€
Income from accommodation	**3,769,056**	762,572	-	-
Income from services	**1,011,875**	217,937	-	-
	4,780,931	980,509	-	-

9 EXPENSE ITEMS

9.1 Breakdown of expenses by nature

	Group		Company	
	2021	2020	**2021**	2020
	(12 months)	(7 ½ months)	**(12 months)**	(7 ½ months)
Cost of sales	**€**	€	**€**	€
Food beverages and supplies	**323,200**	51,148	-	-
Depreciation	**411,610**	26,573	-	-
Salaries (Note 1)	**2,583,095**	586,529	-	-
Other expenses	**477,947**	107,561	-	-
Outsourced services	**177,824**	29,001	-	-
Repairs and maintenance	**75,946**	20,400	-	-
Utilities	**257,057**	34,038	-	-
	4,306,679	855,250	-	-
Administrative expenses				
Advertising and promotions	**163,517**	23,160	-	-
Audit and professional fees	**110,738**	135,571	**32,763**	119,192
Communication and service support	**55,792**	10,899	-	-
Other expenses	**29,842**	84,245	**1,200**	30,555
Rent and lease of equipment (inclusive of irrecoverable VAT)	**227,945**	35,275	-	-
Salaries and directors' fees (Note 1)	**484,855**	43,559	**9,500**	-
	1,072,689	332,709	**43,463**	149,746

Note 1:

	Group		Company	
	2021	2020	**2021**	2020
	(12 months)	(7 ½ months)	**(12 months)**	(7 ½ months)
	€	€	**€**	€
Staff costs:				
Salaries	**2,578,677**	507,239	-	-
Directors' fees	**151,070**	38,374	-	-
Social security costs	**338,203**	84,476	-	-
	3,067,950	630,088	-	-

Notes to the Consolidated Financial Statements (continued)
For the year ended 31 December 2021

9 OTHER INCOME AND EXPENSE ITEMS (continued)

9.1 Breakdown of expenses by nature (continued)

The average number of persons employed by the Group during the current period was as follows:

	Group		Company	
	2021	2020	**2021**	2020
	(12 months)	(7 ½ months)	**(12 months)**	(7 ½ months)
Note 1 (continued)	**Number**	Number	**Number**	Number
Operations	**154**	87	-	-
Administrative	**14**	11	-	-
	168	98	-	-

Note 2:

	Group		Company	
	2021	2020	**2021**	2020
	(12 months)	(7 ½ months)	**(12 months)**	(7 ½ months)
	€	€	**€**	€
Payable to the auditors of the Company:				
Audit fees	**21,079**	16,839	**3,540**	1,888
Other assurance services	-	229	-	100
Tax advisory services	-	5,428	-	472
Other non-audit services other than other assurance services and tax advisory services	-	4,862	-	1,725
	21,079	27,358	**3,540**	4,185

9.2 Finance costs

	Group		Company	
	2021	2020	**2021**	2020
	(12 months)	(7 ½ months)	**(12 months)**	(7 ½ months)
	€	€	**€**	€
Bank charges	**43,016**	1,786	-	-
Bank loan interest	**317,899**	9,094	-	-
Interest on amount due to ultimate parent company	**247,285**	44,843	**172,682**	44,843
	608,200	55,723	**172,682**	44,843

Notes to the Consolidated Financial Statements (continued)
For the year ended 31 December 2021

10 INCOME TAX

10.1 Income tax recognised in profit or loss

	Group		Company	
	2021	2020	**2021**	2020
	(12 months)	(7 ½ months)	**(12 months)**	(7 ½ months)
	€	€	**€**	€
Current tax:				
Current tax on taxable income for the year/ period	**-**	-	**-**	-
Deferred tax:				
Temporary differences arising on items of property, plant and equipment	**414,415**	83,842	**-**	-
Temporary differences on property	**547,382**	-	**-**	-
Temporary differences arising on tax losses and unabsorbed capital allowances	**(768,227)**	-	**-**	-
Total income tax recognised in the current year/ period	**193,570**	83,842	**-**	-

	Group		Company	
	2021	2020 Restated	**2021**	2020
	(12 months)	(7 ½ months)	**(12 months)**	(7 ½ months)
10.2 Reconciliation of income tax				
Loss before tax	**(1,206,637)**	(263,173)	**(216,145)**	(194,589)
Theoretical taxation expense at 35%	**(422,323)**	(73,532)	**(75,651)**	(68,106)
Rental income	**(76,731)**	(17,850)	**-**	-
Other differences	**552,852**	175,225	**-**	-
Disallowable expenses	**139,772**	73,532	**-**	68,106
	193,570	157,375	**(75,651)**	-

11 EARNINGS PER SHARE

Earnings per share is calculated by dividing the results attributable to owners of the Company by the weighted average number of ordinary shares in issue during the year/ period.

	Group		Company	
	2021	2020 Restated	**2021**	2020
	(12 months)	(7 ½ months)	**(12 months)**	(7 ½ months)
	€	€	**€**	€
Loss for the year/period	**(1,400,207)**	(179,331)	**(216,145)**	(194,589)
Weighted number of ordinary shares	**13,027,849**	1,200	**13,027,849**	1,200
Basic earnings per share	**(0.11)**	(149.44)	**(0.02)**	(162.16)

12 PROPERTY, PLANT & EQUIPMENT

Group	Freehold land and buildings €	Plant, machinery and equipment €	Furniture €	Total €
Cost/ revalued amount				
Assumed on incorporation	38,814,577	3,021,542	1,171,503	43,007,622
Additions	1,733,339	370,904	960,060	3,064,303
At 31 December 2020	40,547,916	3,392,446	2,131,563	46,071,925
Additions and reclassifications	864,586	7,118,302	(396,600)	7,586,289
Revaluation	9,652,289	-	-	9,652,289
At 31 December 2021	**51,064,791**	**10,510,748**	**1,734,963**	**63,310,503**
Depreciation				
Assumed on incorporation	1,869,220	2,830	1,841	1,873,891
Charge for the period	-	17,056	9,518	26,574
At 31 December 2020	1,869,220	19,886	11,359	1,900,465
Charge for the year	255,395	127,581	28,634	411,610
Reversal on revaluation	(1,905,699)	(13,176)	(2,954)	(1,921,829)
At 31 December 2021	**218,916**	**134,291**	**37,039**	**390,246**
Carrying amounts				
Carrying amount at 31 December 2020	38,678,696	3,372,560	2,120,204	44,171,460
Carrying amount at 31 December 2021	**50,845,875**	**10,376,457**	**1,697,924**	**62,920,256**

13 NON-FINANCIAL ASSETS AND LIABILITIES

13.1 Depreciation

Depreciation commences when the depreciable assets are available for use and is charged to profit or loss. Depreciation is calculated using the straight-line method to allocate their cost or revalued amounts, net of the residual values, over the estimated useful lives, as follows:

	%
Buildings	1
Plant, machinery and other equipment	5 - 25
Furniture and fittings	5 - 10

No depreciation is charged on land.

13.2 Fair value measurement of the Group's land and buildings

The Group's land and building are stated at their revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulated depreciation and any subsequent accumulated impairment losses.

The carrying amount of land and buildings that would have been included in the financial statements had these assets been carried at cost less accumulated depreciation and accumulated impairment losses is €52,016,181 (2020 – €37,947,917).

The fair value measurement of the Group's land and buildings as at 31 December 2021 were performed by Architect and Civil Engineer Charles Buhagiar, an independent valuer not related to the Company. The fair value of the land and building was determined based on a mix of the market comparable approach that reflects the price per square meter achieved for properties with similar characteristics and location and by discounting the expected future cashflows, to be derived from the operations of these properties.

When calculating the value per square meter of the Sliema property one needs to bear in mind that more than one third of the Gross Floor Area pertains to parking and terraces which is not the case for the Balzan property. After applying a different relevant rate to these these areas, the rate per square meter of the Sliema property would increase to €1,384. Furthermore, the Balzan property has a successful history of operating as a Home for the Aged and therefore the future cashflows could be more reliably calculated. In the case of the Sliema operations, given that this is a new business operation and occupancy is expected to be increased gradually, the valuation has not been materially impacted by the future expected cashflows.

13 NON-FINANCIAL ASSETS AND LIABILITIES (continued)

13.3 Fair value measurement of the Group's land and buildings (continued)

Group	**Fair value Level 3**
	€
2021	
Property:	
Casa Antonia, Pope Alexander VII Street, Balzan, Malta	20,170,242
1, Triq Rodolfu, Sliema, Malta	30,675,633
	50,845,875
2020	
Property:	
Casa Antonia, Pope Alexander VII Street, Balzan, Malta	15,130,780
1, Triq Rodolfu, Sliema, Malta	23,547,916
	38,678,696

The table below includes further information about the Group's Level 3 fair value measurements:

	Significant unobservable input	**Narrative sensitivity**
	€	**€**
Casa Antonia, Pope Alexander VII Street, Balzan	Price per square metre of €2,241 (2020 - €1889)	The higher the price per square metre, the higher the fair value
1, Triq Rodolfu, Sliema	Price per square metre of €1,384 (2020 - €725)	The higher the price per square metre, the higher the fair value

13 NON-FINANCIAL ASSETS AND LIABILITIES (continued)

13.4 Deferred tax assets

	Group		Company	
	2021	2020	**2021**	2020
	€	€	**€**	€
Opening balance:				
Other temporary differences	**83,842**	-	-	-
For the year/ period				
Other temporary differences	**353,810**	83,842	-	-
Closing balance:				
Other temporary differences	**437,652**	83,842	-	-

13.5 Deferred tax liabilities

	Group		Company	
	2021	2020	**2021**	2020
	€	€	**€**	€
Acquired by the group				
Temporary difference on property, plant and equipment	**1,700,000**	858,360	-	-
Movement for the year/ period				
Temporary difference on property, plant and equipment	**1,700,000**	841,640	-	-
Closing balance:				
Temporary difference on property, plant and equipment	**3,400,000**	1,700,000	-	-

13.6 Inventories

	Group		Company	
	2021	2020	**2021**	2020
	€	€	**€**	€
Foods, beverages and supplies	**87,750**	51,621	-	-

Notes to the Consolidated Financial Statements (continued)
For the year ended 31 December 2021

14 OTHER ASSETS AND OTHER LIABILITIES

14.1 Trade and other receivables

	Group		Company	
	2021	2020	**2021**	2020
	€	€	**€**	€
Current assets				
Trade receivables	**816,531**	190,186	**-**	-
Other receivables	**219,390**	1,161,557	**80,990**	-
Prepayments	**66,012**	30,888	**-**	-
	1,101,933	1,382,631	**80,990**	-

14.1.1 Classification as trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30 days and therefore are all classified as current.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value.

The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

14.2 Trade and other payables

	Group		Company	
	2021	2020	**2021**	2020
	€	€	**€**	€
Non - Current liabilities				
Other payables	**422,320**	-	**-**	-
Current liabilities				
Trade payables	**1,164,152**	839,183	**51,133**	-
Other payables	**937,616**	467,844	**1,900**	-
Accruals	**1,948,991**	58,026	**29,574**	2,402
	4,050,759	1,365,053	**82,607**	2,402

Notes:

Trade payables are unsecured and are usually paid within 30 to 90 days of recognition.
A substantial amount of trade payables and accruals relate to capital projects which will be funded by bond proceeds in 2022.

Notes to the Consolidated Financial Statements (continued)
For the year ended 31 December 2021

14 OTHER ASSETS AND OTHER LIABILITIES (continued)

14.3 Other borrowings

	Group		Company	
	2021	2020	**2021**	2020
	€	€	**€**	€
Unsecured				
Current liabilities				
Amounts due to ultimate owner (note c)	**82,755**	82,755	**-**	-
Amounts due to ultimate parent (note c)	**3,927,488**	8,967,076	**711,229**	-
Amounts due to subsidiary (note c)	**-**	-	**16,189**	749,286
	4,010,243	9,049,831	**727,418**	749,286
Secured				
Current liabilities				
Bank balance overdrawn (note b)	**22,441**	39,121	**-**	-
Total secured/unsecured current borrowings	**4,032,684**	9,088,952	**727,418**	749,286
Unsecured				
Non-current liabilities				
Amounts due to ultimate parent (note c)	**13,095,363**	4,592,906	**4,831,697**	4,592,906
	13,095,363	4,592,906	**4,831,697**	4,592,906
Secured				
Non-current liabilities				
Bank loans (note a)	**17,674,677**	15,641,708	**-**	-
Total secured/unsecured non-current borrowings	**30,770,040**	20,234,614	**4,831,697**	4,592,906
Total borrowings	**34,802,724**	29,323,566	**5,559,115**	5,342,192

Note:

a) Bank loans

The Group enjoys bank loan facilities with its bankers. These facilities are secured by general hypothecs over the Group's assets, by special hypothecs over properties of the Group, by pledges taken over various insurance policies and by personal guarantees of the certain directors and shareholders. The annual interest rate on bank loan is 3.5%.

Notes to the Consolidated Financial Statements (continued)
For the year ended 31 December 2021

14 OTHER ASSETS AND OTHER LIABILITIES (continued)

14.3 Other Borrowings (continued)

b) Bank overdraft

The Group enjoys bank overdraft facilities with its bankers of €1,818. These facilities are secured by general hypothecs over the Group's assets, by special hypothecs over properties of the Group, by pledges taken over various insurance policies and by personal guarantees of the directors and shareholders. The annual interest rate on the bank overdraft is 5.15%.

c) Amounts due to Ultimate Parent (Casa Antonia Limited)

- Amounts due to Ultimate Parent amounting to €213,250 in respect to working capital facilities is unsecured, interest free and have no fixed date of repayment.

- Amounts due to Ultimate Parent on the sale and transfer of shares held in Goldvest Ltd to St. Anthony Plc. of €5,150,000 bearing an interest rate of 3.5% per annum repayable on monthly installments of €40,129 as from 23rd October 2020.

- Amount payable to the Ultimate Parent amounting to €3,000,000 as part of the purchase price for the Casa Antonia Property was formally recognised by means of a loan agreement. This loan is unsecured, interest free and repayable on demand.

- Loans taken by the Ultimate Parent under the COVID - 19 Assist loans, put towards the opening costs of Property held within the Group were formerly transfered to Goldvest Ltd. (subsidiary). These loans are to hold the same interest and repayment conditions as held by Casa Antonia Limited with the Bank. Loans are unsecured, hold an interest of 2.5%, of which 2.4% is recovered through Government for the first two years. Interest on these loans is reported net of refund. Loans are repayable within 6 years.

- Amounts owed by one of the subsidiaries to the Ultimate Parent in relation to refurbishing of the Sliema Property was recognised as a loan. The loan of €2,771,000 is unsecured, holds an interest of 2.5% higher than the 3 month Euribor rate per annum, subject to a minimum Euribor floor rate of zero. The loan is to be repaid in monthly installments by 2034.

- An unsecured amount of €506,474 outstanding and owed by Group to Ultmate Parent was regularised into a loan agreement. Loan is interest free and to be repaid by 2028.

14.4 Cash and cash equivalents

	Group		Company	
	2021	2020	**2021**	2020
	€	€	**€**	€
Current assets				
Cash at bank and in hand	**519,274**	68,835	**1,200**	1,200

14.4.1 Reconciliation to cash flow statement

	Group 2021 €	Group 2020 €	Company 2021 €	Company 2020 €
Cash at bank and in hand (note 14.4)	**519,274**	68,835	**1,200**	1,200
Bank balance overdrawn (note 14.3)	**(22,441)**	(39,121)	**-**	-
Balances per statement of cash flows	**496,833**	29,714	**1,200**	1,200

Notes to the Consolidated Financial Statements (continued)
For the year ended 31 December 2021

15 EQUITY

15.1 Share capital

	2021	2020
	€	€
Authorised		
2,499,999 Ordinary A Shares of €1 each	**2,499,999**	2,499,999
1 Ordinary B Share of €1 each	**1**	1
20,000,000 Ordinary C Shares of €1 each	**20,000,000**	20,000,000
7,500,000 Ordinary D Shares of €1 each	**7,500,000**	7,500,000
	30,000,000	30,000,000
Called-up, issued and fully paid		
1,199 Ordinary 'A' Shares of € 1 each	**1,199**	1,199
1 Ordinary 'B' Shares of €1 each	**1**	1
14,675,084 Ordinary 'C' Shares of €1 each	**14,675,084**	-
	14,676,284	1,200

Except for Ordinary B Shares, all classes of Ordinary Shares have full voting rights, right for distribution of profits and right for capital upon dissolution of the Company

Ordinary B Shares have the right for capital distribution upon dissoution of the Company.

15.2 Revaluation reserve

	2021	2020
	€	€
Gross revaluation	**11,574,117**	-
Deferred tax movement	**(1,152,618)**	-
Net revaluation	**10,421,499**	-

15.3 Other reserve

The other reserve consists of the waiver in 2020 of loans payable from Goldvest Company Limited to Casa Antonia Limited. In 2021, this amount was assigned to St. Anthony Co p.l.c. and capitalised.

15 EQUITY (continued)

15.4 Reorganisation Reserve

As disclosed in Note 20, the reorganisation reserve arose in 2020 as part of the group reorganisation and is made up of (a) the excess €616,017 of the consideration payable by St. George's Care Limited for the acquisition of the net assets; and (b) the excess €625,040 of the consideration payable by St. Anthony Co. p.l.c. for the acquisition of Goldvest Company Limited.

16 FINANCIAL RISK MANAGEMENT

16.1 Financial risk management objectives

The Group's and the Company's activities potentially expose them to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's and the Company's financial performance. The Board provides principles for overall risk management, as well as policies covering risks referred to above and specific areas such as investment of excess liquidity. The Group and the Company did not make use of derivative financial instruments to hedge certain risk exposures during the current and preceding financial year.

At 31 December 2021 and 2020, the Group and the Company were not exposed to price risk in relation to financial assets subsequently measured at FVTPL or at FVTOCI because they did not hold any of these financial assets.

Where applicable, any significant changes in the Group's or the Company's exposure to financial risks or the manner in which these risks are managed and measured are disclosed below.

Where possible, the Group aims to reduce and control risk concentrations. Concentrations of financial risk arise when financial instruments with similar characteristics are influenced in the same way by changes in economic or other factors. The amount of the risk exposure associated with financial instruments sharing similar characteristics is disclosed in more detail in the notes to the financial statements.

16.2 Market risk

(i) Foreign exchange risk

Foreign exchange risk arises from commercial transactions and recognised assets and liabilities which are denominated in a currency that is not the entity's functional currency. The Group and the Company have no significant currency risk since substantially all assets and liabilities are denominated in Euro.

(ii) Cash flow and fair value interest rate risk

The Group and the Company are exposed to risks associated with the effects of fluctuations in the prevailing levels of the market interest rates on their financial position, financial performance and cash flows. As at the reporting date, the Group and the Bank have cash at bank, as disclosed in Note 14.4 and the Group and the Company also have variable interest-bearing liabilities and fixed interest-bearing liabilities as disclosed in Note 14.3.

The Group and the Company are exposed to cash flow interest rate risk on financial instruments carrying a floating interest rate. The Group and the Company are not exposed to fair value interest rate risk since none of their financial instruments carrying a fixed rate are measured at fair value.

Management monitors the movement in interest rates and, where possible, reacts to material movements in such rates by adjusting its selling prices or by restructuring its financing structure.

16 FINANCIAL RISK MANAGEMENT (continued)

16.2 Market risk (continued)

For financial instruments held or issued, the Group and the Company have used a sensitivity analysis technique that measures the change in the cash flows of the company's financial instruments at the end of the reporting year/ period for hypothetical changes in the relevant market risk variables. The sensitivity due to changes in the relevant risk variables is set out below. The amounts generated from the sensitivity analysis are forward-looking estimates of market risk assuming certain market conditions. Actual results in the future may differ materially from those projected results due to the inherent uncertainty of global financial markets. The sensitivity analysis is for illustrative purposes only, as in practice market rates rarely change in isolation and are likely to be interdependent.

The estimated change in fair values and cash flows for changes in market interest rates are based on an instantaneous increase or decrease of 100 basis points at the end of the reporting period, with all other variables remaining constant.

The sensitivity of the relevant risk variables, on an after tax basis is as follows:

	Group		Company	
	Profit or Loss Sensitivity		Profit or Loss Sensitivity	
	2021	2020	**2021**	2020
	€	€	**€**	€
Market interest rates – cash flow	**+/- 175k**	+/- 155k	**-**	-

16.3 Credit risk

Credit risk refers to the risk that a counterparty will cause a financial loss for the Company by failing to discharge an obligation. Financial assets which potentially expose the Group to credit risk include trade receivables and amounts held with financial institutions (notes 14.1 and 14.4). The maximum credit exposure to credit risk at the reporting date in respect of the financial assets was as follows:

	Group		Company	
	2021	2020	**2021**	2020
	€	€	**€**	€
Trade and other receivables	**1,101,933**	1,382,631	**80,990**	-
Cash at bank	**519,274**	68,835	**1,200**	1,200
	1,621,207	1,451,466	**82,190**	1,200

Notes to the Consolidated Financial Statements (continued)
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16 FINANCIAL RISK MANAGEMENT (continued)

16.3 Credit risk (continued)

Receivables and cash at bank are presented net of an allowance for doubtful debts using an ECL model.

The tables below detail, by credit risk rating grades, the gross carrying amount of financial assets.

Group	**12m ECL**	**Lifetime ECL (not credited-impaired)**	**Lifetime ECL (credited-impaired but not POCI)**	**Total ECL (credit-POCI)**
	€	€	€	€
Bank balances				
External rating grades				
BBB	**BBB**			
Gross carrying amount at 31 December 2021	**506,823**	-	-	-
Loss allowance at 31 December 2021	**(3,141)**	-	-	-
Net carrying amount at 31 December 2021	**503,682**	-	-	-

Group	**12m ECL**	**Lifetime ECL (not credited-impaired)**	**Lifetime ECL (credited-impaired but not POCI)**	**Total ECL (credit-POCI)**
	€	€	€	€
Trade Debtors tested Individually				
Gross carrying amount at 31 December 2021	335,790	324,095	115,573	-
Loss allowance at 31 December 2021	(197)	(962)	(3,814)	-
Net carrying amount at 31 December 2021	335,592	323,133	111,759	-

16 FINANCIAL RISK MANAGEMENT (continued)

16.3 Credit risk (continued)

Group

	Not past due	Days past due - simplified approach				
		< 30	31-60	61-90	91-120	Total
Expected credit loss rate	0.03%	0.07%	0.16%	0.70%	3.30%	
Estimated total gross carrying amount at default	**83,665**	**252,125**	**241,236**	**82,859**	**115,573**	**775,457**
Lifetime ECL at 31 December 2021	**(21)**	**(176)**	**(386)**	**(576)**	**(3,814)**	**(4,973)**
Net carrying amount at 31 December 2021	**83,644**	**251,948**	**240,850**	**82,283**	**111,759**	**770,484**

Credit losses

Group

	2021	2020
	€	€
Impairment loss on trade receivables	**4,973**	-

The following table shows the movement in lifetime ECLs that has been recognised for trade receivables in accordance with the simplified approach set out in IFRS 9:

Group

	Lifetime ECL (not credit-impaired)		Lifetime ECL (credit-impaired but not POCI)	
	Trade receivables		Trade receivables	
	no SFC (Collective)	no SFC (Individual)	no SFC (Collective)	no SFC (Individual)
	€	€	€	€
Opening balance at 1 January 2021	-	-	-	-
Resulting from new originations during the year	1,159	-	3,814	-
Closing balance at 31 December 2021	1,159	-	3,814	-

16 FINANCIAL RISK MANAGEMENT (continued)

16.4 Liquidity risk

The Group and the Company are exposed to liquidity risk in relation to meeting future obligations associated with their financial liabilities, which comprise principally debt securities in issue, other borrowings and trade and other payables (notes 14.2 and 14.3).

Prudent liquidity risk management includes maintaining sufficient cash to ensure the availability of an adequate amount of funding to meet the Group's and the Company's obligations and ensuring that alternative funding is available when the loans are due for repayment.

The following tables analyses the Group's and the Company's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date.

The amounts disclosed in the tables below are the contractual undiscounted cash flows. Balance due within 12 months equal their carrying balances, as the impact of discounting is not significant.

Group	**Carrying amounts**	**Contractual cash flows**	**On demand**	**Within one year**	**Between two and five years**	**After five years**
	€	**€**	**€**	**€**	**€**	**€**
At 31 December 2021						
Trade and other payables	**4,473,079**	**4,473,079**	**4,473,079**	**4,050,759**	**422,320**	**-**
Bank loans	**17,674,677**	**17,674,677**	**-**	**-**	**3,786,611**	**13,888,066**
Bank overdraft	**22,441**	**22,441**	**22,441**	**22,441**	**-**	**-**
Amounts due to ultimate parent	**17,022,851**	**17,022,851**	**3,927,488**	**3,927,488**	**6,092,387**	**7,002,976**
Amounts due to ultimate owner	**82,755**	**82,755**	**82,755**	**82,755**	**-**	**-**
	39,275,803	**39,275,803**	**8,505,763**	**8,083,443**	**10,301,319**	**20,891,042**

Group	**Carrying amounts**	**Contractual cash flows**	**On demand**	**Within one year**	**Between two and five years**	**After five years**
	€	**€**	**€**	**€**	**€**	**€**
At 31 December 2020						
Trade and other payables	1,365,053	1,365,053	1,365,053	1,365,053	-	-
Bank loans	15,641,708	15,641,708	-	-	3,081,239	12,560,469
Bank overdraft	39,121	39,121	39,121	39,121		
Amounts due to ultimate parent	13,559,982	13,559,982	8,967,076	8,967,076	1,926,192	2,666,714
Amounts due to ultimate owner	82,755	82,755	82,755	82,755	-	-
	30,688,619	30,688,619	10,454,005	10,454,005	5,007,431	15,227,183

16 FINANCIAL RISK MANAGEMENT (continued)

16.4 Liquidity risk (continued)

Company	Carrying amounts	Contractual cash flows	On demand	Within one year	Between two and five years	After five years
	€	€	€	€	€	€
At 31 December 2021						
Amounts due to ultimate parent	**5,542,926**	**5,542,926**	**714,229**	**714,229**	**1,638,315**	**3,193,382**
Amount due to subsidiary	**16,189**	**16,189**	**16,189**	**16,189**	**-**	**-**
Trade and other payables	**82,607**	**82,607**	**82,607**	**82,607**	**-**	**-**
	5,641,722	**5,641,722**	**813,025**	**813,025**	**1,638,315**	**3,193,382**

Company	Carrying amounts	Contractual cash flows	On demand	Within one year	Between two and five years	After five years
	€	€	€	€	€	€
At 31 December 2020						
Amounts due to ultimate parent	4,592,906	4,592,906	-	-	1,926,212	2,666,694
Amount due to subsidiary	749,286	749,286	749,286	749,286		
Trade and other payables	2,402	2,402	2,402	2,402	-	-
	5,344,594	5,344,594	751,688	751,688	1,926,212	2,666,694

16.4.1 Fair values of financial assets and financial liabilities

At 31 December 2021 and 2020 the carrying amounts of financial assets and financial liabilities classified with current assets and current liabilities respectively approximated their fair values due to the short term maturities of these assets and liabilities.

16 FINANCIAL RISK MANAGEMENT (continued)

16.4.2 Liquidity risk (continued)

Group	Fair value measurement at end of the reporting period using:		
	Level1	Level 2	Level 3
	€	€	€
2021			
Financial liabilities measured at amortised cost			
- Bank loans	**-**	**17,674,677**	**-**
- Amounts due to related parties	**-**	**17,105,606**	**-**

Group	Fair value measurement at end of the reporting period using:		
	Level1	Level 2	Level 3
	€	€	€
2020			
Financial liabilities measured at amortised cost			
- Bank loans	-	15,641,708	-
- Amounts due to related parties	-	13,642,737	-

Company	Fair value measurement at end of the reporting period using:		
	Level1	Level 2	Level 3
	€	€	€
2021			
Financial liabilities measured at amortised cost			
- Amounts due to related parties	**-**	**5,559,115**	**-**

Company	Fair value measurement at end of the reporting period using:		
	Level1	Level 2	Level 3
	€	€	€
2020			
Financial liabilities measured at amortised cost			
- Amounts due to related parties	-	5,342,192	-

17 CAPITAL MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as going concern, while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Group consists of net debts (borrowings as detailed in notes 14.3 and 14.4 offset by cash and bank balances) and equity (comprising issued capital, reserves, retained earnings as detailed in notes 15).

17.1 Gearing ratio

The gearing ratio at the end of the reporting period was as follows:

	Group		Company	
	2021	2020	**2021**	2020
	€	€	**€**	€
Debt (i)	**34,802,724**	29,323,566	**5,559,115**	5,342,192
Cash and bank balances	**496,833**	29,714	**1,200**	1,200
Net debt	**34,305,891**	29,353,280	**5,557,915**	5,343,392
Equity (ii)	**22,391,062**	13,369,770	**14,379,424**	(193,389)
Net debt to equity ratio	**1.53**	2.20	**0.39**	-

Notes:

(i) Debt is defined as long-and short-term borrowings.

(ii) Equity includes all capital and reserves of the Group that are managed as capital.

18 INVESTMENT IN SUBSIDIARIES

The investment in group undertakings is as follows:

	Company
	€
Cost	
At 18 May 2020	-
Additions	5,150,000
31 December 2020	5,150,000
Additions	14,788,956
31 December 2021	**19,938,956**

An intercompany debt by Goldvest Ltd. to St. Anthony Co p.l.c. was settled through the issue and allotment of 6,348,900 Ordinary C shares of a nominal value of €2.329373 each in favour of St. Anthony Co p.l.c.

18.1 Details of the Company's subsidiaries at the end of the reporting period are as follows:

Name of subsidiary	Principal activity	Registered office	Proportion of ownership interest and voting power held
			2020 & 2021
Goldvest Company Limited	Property company	1, Hotel Imperial Triq Rodolfu, Sliema	100%
St.George's Care Ltd	To operate homes for the elderly	Casa Antonia, Pope Alexander VII Junction, Balzan	100%

	Capital and reserves	
	2021	2020
	€	€
Goldvest Company Limited	**20,009,021**	4,772,204
St.George's Care Ltd	**1,747,096**	(917,412)

Profit / (loss)	Profit / (loss)	
	2021	2020
	€	€
Goldvest Company Limited	**447,860**	(559,363)
St.George's Care Ltd	**2,664,508**	(302,595)

19 RELATED PARTY TRANSACTIONS

St. Anthony Co. p.l.c. is the parent company of the undertakings in note 18.

The parent and ultimate parent company are Casa Antonia Limited and Edoardo Company Limited respectively, which are all incorporated in Malta. The ultimate controlling party is Mr Edward Vella.

Balances and transactions between the Company and its subsidiaries, which are related parties of the Group, have been eliminated on consolidation and are not disclosed in this note.

19.1 Compensation of key management personnel

The remuneration of directors and other members of key management personnel during the year/ period was as follows:

Group

	Group		Company	
	2021	2020	**2021**	2020
	€	€	**€**	€
Directors' remuneration	**224,218**	43,559	**9,500**	-

19.2 Related party balances

The related party balances are included in Note 14.3 and the interest thereon is included in Note 9.2.

The terms and conditions in respect of the related party balances do not specify the nature of the consideration to be provided in settlement. No guarantees have been given or received.

19.3 Transactions with subsidiary

	Group		Company	
	2021	2020	**2021**	2020
	€	€	**€**	€
Fees payable				
Rent payable to related company	**1,260,400**	300,900	-	-

19.4 Group reorganisation

Details about the group reorganisation which took place in 2020 are disclosed in Note 20.

20 GROUP REORGANISATION

During 2020, the Group commenced a corporate restructuring aimed at streamlining operations of its subsidiaries. As part of this exercise, the Group incorporated St. Anthony Co. p.l.c. as the holding company on 18 May 2020. Goldvest Company Limited and the newly incorporated St. George's Care Limited are subsidiaries of the Company. Goldvest Company Limited owns all properties of the Group, whilst St. George's Care Limited is in charge of the operations of the Group. St. Anthony Co. p.l.c. besides being the holding company will also act as the finance company.

As part of the group reorganisation, Casa Antonia Limited transferred the Casa Antonia property to Goldvest Company Limited for a consideration of €17million. Casa Antonia Limited transferred its shareholding in Goldvest Company Limited to St. Anthony Co. p.l.c. for a consideration of €5.15million and its going concern operations to St. George's Care Limited for a consideration of €1 million.

20 GROUP REORGANISATION (continued)

As further disclosed in Note 4, the group reorganisation is accounted for using predecessor accounting and any difference between the carrying amounts of the assets and liabilities acquired and the consideration payable is recognised directly in Equity within the Reorganisation Reserve.

	Group 2020 €
Equipment and moveable items	200,110
Inventories	34,260
Trade and other receivables	192,138
Trade and other payables	(39,959)
	386,549
Consideration payable	1,002,566
Excess of consideration payable over net assets acquired	**616,017**

21 SUBSEQUENT EVENTS

On 10th January 2022 the Company successfully raised €15,500,000 via the issue of 4.55% Secured Bonds due to mature in 2032. These instruments started trading on the Malta Stock Exchange on 21st January 2022. These funds were used to restructure the Group debt and for general corporate funding purposes.

The military conflict between Russia and Ukraine in February 2022, has resulted in increased volatility in commodities, securities and currencies and the EU and other countries imposing restrictive measures against Russia and key Russian individuals. The Group does not have any direct exposure to Russia however the Group may be negatively affected by unforeseen material increases in food and other supplies.

The negative effect caused by the COVID pandemic since the outbreak in early 2020 continued to subside in 2022, as most of the restrictions imposed by governments globally have been lifted.

The Schedules and Appendices on the pages that follow do not form part of the financial statements

St. Anthony Co. p.l.c. - Consolidated Accounts

Statements of Profit or Loss – Schedule
For the year ended 31 December 2021

	Group		Company	
	2021	2020	**2021**	2020
	(12 months)	(7 ½ months)	**(12 months)**	(7 ½ months)
	€	€	**€**	€
Revenue	**4,780,931**	980,509		
Cost of sales	**(4,306,679)**	(855,250)		
Gross profit	**474,252**	125,259	-	-
Expenses				
Administrative expenses	**(1,072,689)**	(332,709)	**(43,463)**	(149,746)
Finance cost	**(608,200)**	(55,722)	**(172,682)**	(44,843)
Loss before tax	**(1,206,637)**	(263,172)	**(216,145)**	(194,589)

Consolidated Statement of Profit or Loss – Expenses Schedule
For the year ended 31 December 2021

	Group		Company	
	(12 months)	(7 ½ months)	**(12 months)**	(7 ½ months)
	2021	2020	**2021**	2020
	€	€	**€**	€
Cost of sales				
Cleaning	**20,085**	2,545	-	-
Clergy	**5,132**	712	-	-
Crockery	**5,886**	1,767	-	-
Depreciation	**411,610**	26,573	-	-
Entertainment	**25,670**	9,645	-	-
Food, beverages and supplies	**323,200**	51,148	-	-
Gardening expenses	**24,757**	5,732	-	-
General expenses	**55,583**	2,509	-	-
Gratitudes	**13,737**	630	-	-
Hire of antiques	**6,988**	1,747	-	-
Laundry	**64,037**	17,767	-	-
Motor vehicle expenses	**12,016**	3,633	-	-
Other direct costs	**196,159**	61,497	-	-
Refuse collection	**15,505**	3,043	-	-
Repairs and maintenance	**75,946**	20,400	-	-
Sanitaries	**113,998**	22,860	-	-
Salaries	**2,583,095**	586,529	-	-
Security Services	**61,405**	-	-	-
Uniforms	**34,813**	2,475	-	-
Water and electricity	**257,057**	34,038	-	-
	4,306,679	855,250	-	-

	Group		Company	
	(12 months)	(7 ½ months)	**(12 months)**	(7 ½ months)
	2021	2020	**2021**	2020
Administrative expenses	**€**	€	**€**	€
Advertising and promotion	**163,517**	23,160	-	-
Audit fees	**21,079**	7,888	**3,540**	1,888
Communication expenses	**20,106**	1,305	-	-
Directors' fees and remuneration	**224,218**	43,559	**9,500**	
Formation expenses	**5,876**	30,525	**1,200**	30,554
Professional fees	**50,009**	124,450	**29,223**	117,304
Recruitment costs	**39,650**	3,233	-	-
Rent and lease of equipment (inclusive of irrecoverable VAT)	**227,945**	35,275	-	-
Reversal of pre acquisition loss	-	53,080	-	-
Service support	**18,664**	4,901	-	-
Stationery	**23,966**	640	-	-
Telecommunications	**17,022**	4,693	-	-
Salaries	**260,637**	-	-	-
	1,072,689	332,709	**43,463**	149,746

St. Anthony Co. p.l.c. - Consolidated Accounts

Statement of Profit or Loss – Expenses Schedule (continued)
For the year ended 31 December 2021

	Group		Company	
	(12 months)	(7 ½ months)	**(12 months)**	(7 ½ months)
	2021	2020	**2021**	2020
	€	€	**€**	€
Finance cost				
Bank charges	**43,016**	1,786	**-**	-
Bank loan interest	**317,899**	9,094	**-**	-
Interest on amount due to ultimate parent company	**247,285**	44,843	**172,682**	44,843
	608,200	55,723	**172,682**	44,843