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

Publication of Financial Analysis Summary

The Company hereby announces that the updated Financial Analysis Summary dated 20th June 2024 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/.

Unquote

By order of the Board

____
Dr Luca Vella
Company Secretary

20th June 2024

Company Announcement: STA20

Calamatta Cuschieri

The Directors
St. Anthony Co. p.l.c.
Casa Antonia
Pope Alexander VII Junction
Balzan BZN 1530
Malta

20 June 2024

Re: Financial Analysis Summary – 2024

Dear Board Members,

In accordance with your instructions, and in line with the requirements of the MFSA Listing Policies, we have compiled the Financial Analysis Summary (the "**Analysis**") set out on the following pages and which is being forwarded to you together with this letter.

The purpose of the financial analysis is that of summarising key financial data appertaining to St. Anthony Co. p.l.c. (the "**Issuer**") as explained in part 1 of the Analysis. The data is derived from various sources or is based on our own computations as follows:

a. Historical financial data for the three years ended 31 December 2021, 2022 and 2023 have been extracted from the audited financial statements of St. Anthony Co. p.l.c.

b. The forecast data for the financial years ending 2024 has been provided by management.

c. Our commentary on the Issuer's results and financial position is based on the explanations set out by the Issuer in the Prospectus and on the MFSA Listing Policies.

d. The ratios quoted have been computed by us applying the definitions set out in Part 4 of the Analysis.

e. The principal relevant market players listed in Part 3 of the document have been identified by management. Relevant financial data in respect of competitors has been extracted from public sources such as the web sites of the companies concerned or financial statements filed with the Registrar of Companies or websites providing financial data.

The Analysis is meant to assist potential investors by summarising the more important financial data set out in the Prospectus. The Analysis does not contain all data that is relevant to potential investors and is meant to complement, and not replace, the contents of the full Prospectus. The Analysis does not constitute an endorsement by our firm of the proposed bond issue and should not be interpreted as a recommendation to invest in the Issuer's securities. We shall not accept any liability for any loss or damage arising out of the use of the Analysis and no representation or warranty is provided in respect of the reliability of the information contained in the Prospectus. Potential investors are encouraged to seek professional advice before investing in the Issuer's securities.

Yours sincerely,

P. M

Patrick Mangion
Head of Capital Markets

FINANCIAL ANALYSIS SUMMARY 2024

St. Anthony Co. p.l.c.

St. Anthony Co. p.l.c.

20 June 2024

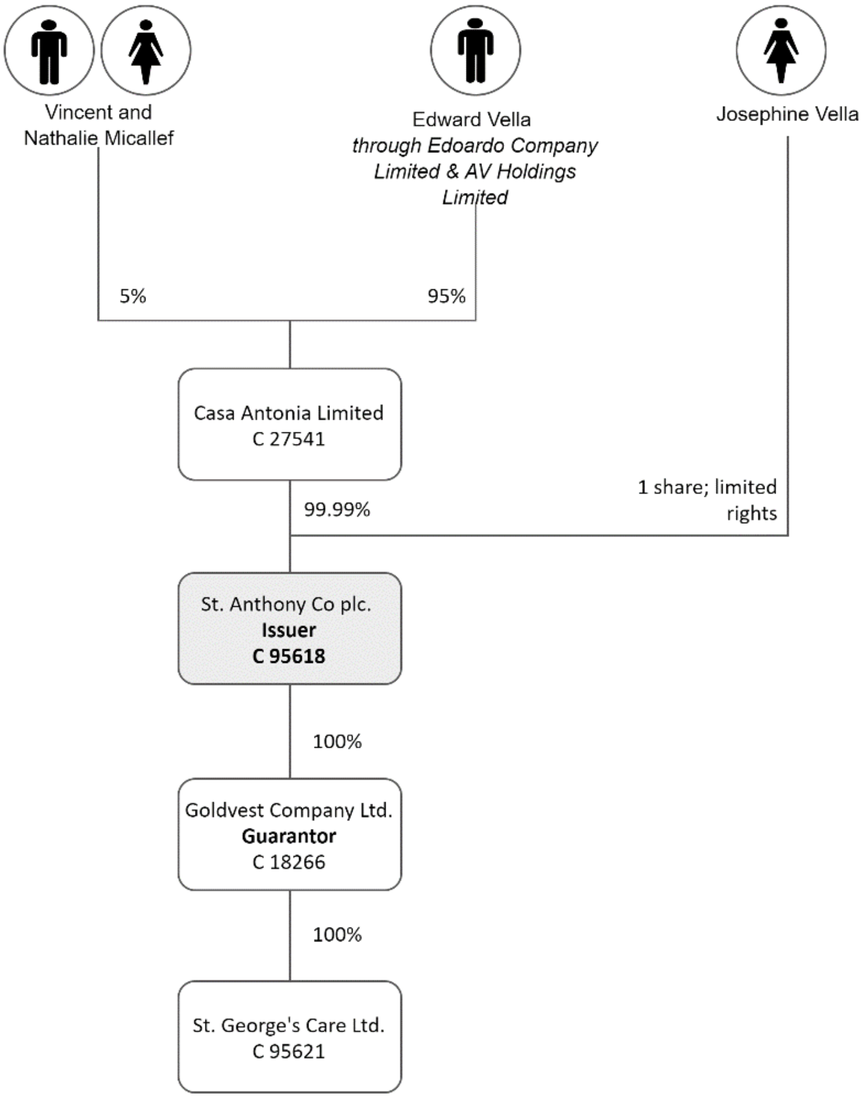
Prepared by Calamatta Cuschieri Investment Services Limited

Table of Contents

Part 1 - Information about the Group

1.1 Issuer's Key Activities and Structure

The Group structure is as follows:



The "**Group**" of companies or the "**Casa Antonia Group**", consists of St. Anthony Co. p.l.c. (the "**Issuer**" or "**SACL**"); Casa Antonia Limited as the parent company of said Issuer; and the Issuer's two subsidiary companies, Goldvest Company Limited, acting as the "**Guarantor**" of the Group, and St. George's Care Ltd. The principal business activity of the Group is the ownership, development, and operation of retirement homes.

Prior to a group restructuring exercise carried out in 2020, Casa Antonia Limited ("**CAL**") directly owned and operated the Casa Antonia retirement home, and directly owned Goldvest Company Limited, which owns the new Imperial retirement home. Further detail may be found in section 1.4. of this Analysis.

The Issuer, which is a fully owned subsidiary of CAL, was incorporated on 18 May 2020 and registered under Maltese Law as a public liability company with registration number C 95618. The Issuer has an authorised share capital of €30,000,000 divided into 2,499,999 Ordinary A Shares, 1 Ordinary B Share, 20,000,000 Ordinary C Shares, and 7,500,000 Ordinary D Shares, all having a nominal value of €1 each. The issued share capital of the Issuer is €14,676,284 divided into 1,199 Ordinary A Shares, 1 Ordinary B Share, and 14,675,084 Ordinary C Shares of €1 each, all fully paid up.

The principal objective of the Issuer is that of a holding and finance company and to promote, through its subsidiaries the ownership and operation of nursing and residential retirement homes, offering long-term, short-stay, and respite care. As such, the Issuer is mainly dependent on the business prospects of the subsidiaries.

Goldvest Company Limited ("**Goldvest**"), company registration number C 18266, was set up on 12 April 1995 and currently acts as the Guarantor for the Bond. It is a property holding company and is the legally registered owner of the Casa Antonia and Imperial properties retirement homes, which will be further explained in section 1.4 of the analysis.

The Guarantor has an authorised share capital of €46,625,895.75 divided into 8,586,002 Ordinary shares, 2,844,497 cumulative A preference shares, and 20,000,000 gross cumulative B redeemable preference shares. The ordinary and the cumulative A preference shares all have a nominal value of €2.329373 each, while the gross cumulative B redeemable preference shares have a nominal value of €1 each. The issued share capital is €35,050,851.48 divided into 6,348,900 Ordinary shares, 2,194,537 cumulative A preference shares, and 15,150,000 gross cumulative B redeemable preference shares.

St. George's Care Limited ("**SGCL**"), company registration number C 95621, was incorporated on 18 May 2020. The principal activity of SGCL is to carry out the operations of both the Casa Antonia retirement home and the Imperial retirement home.

1.2 Directors and Key Employees

Board of Directors - Issuer

As of the date of this Analysis, the board of directors of the Issuer is constituted by the following persons:

Name	Office Designation
Dr Sarah Cassar	Managing Director
Mr Edward Vella	Chairman, Executive Director
Mr Joshua Vella	Executive Director
Ms Lora Cascun	Independent Non-Executive Director
Mr Stephen Paris	Independent Non-Executive Director
Mr Joseph M. Zrinzo	Independent Non-Executive Director

The business address of all the directors is the registered office of the Issuer.

Dr Luca Vella is the company secretary of the Issuer.

The board of the Issuer is composed of six directors who are entrusted with its overall direction and management. The executive directors are entrusted with the decision-making and the day-to-day management of the Issuer, whereas the non-executive directors, all of whom are independent of the Issuer, monitor the executive activity of the Issuer and contribute to the development of its corporate strategy, by providing objective and impartial scrutiny.

Board of Directors - Guarantor

As of the date of this Analysis, the board of directors of the Guarantor is constituted by the following persons:

Name	Office Designation
Dr Malcolm Cassar	Executive Director
Dr Sarah Cassar	Executive Director
Ms Josephine Vella	Executive Director
Mr Edward Vella	Executive Director

The business address of all of the directors is the registered office of the Issuer.

Dr Malcolm Cassar is the company secretary of the Guarantor.

The board of the Guarantor is composed of four directors who are entrusted with its overall direction and management of the day-to-day management. As of 20 March 2023, Mr Carmel Pullicino has resigned from his post as director of Goldvest and Ms Josephine Vella has been appointed in his stead.

1.3 Major Assets owned by the Group

Casa Antonia Retirement Home
Casa Antonia is a nursing and residential home, offering long-term care, short-stay convalescent, and respite care. The home started operating in 2003 and is located in Balzan, overlooking the Presidential Palace and the San Anton Gardens.

The home has 82 rooms with a capacity of 165 beds. Facilities within Casa Antonia include an outdoor swimming pool equipped with rails; a chapel; and a library. In its current state, this property is valued at €19.9 m.

Imperial Retirement Home
The Imperial retirement home is situated in central Sliema. The retirement home is positioned at the higher end of the market by offering an upmarket location and wide-ranging amenities. The project incorporates extensive features such as a cinema, gym, meeting rooms, foyers, billiard room, a state-of-the-art spa and indoor pool. Certain amenities are

also open for use by non-residents in order to generate additional income for the Group.

The Imperial retirement home currently comprises 301 beds across a variety of single, double, and shared rooms, including a high dependency unit accommodating 27 residents. This number of available beds increased from the previous count reported in last year's document as some rooms were converted from single to shared rooms.

1.4 Operational Developments

As provided for in section 1.1 above, the principal activity of the Issuer is the ownership, development, and operation of retirement homes.

Prior to the group restructuring exercise carried out in 2020, CAL owned and operated the Casa Antonia retirement home, and directly owned the Guarantor, which owns the new Imperial.

Following the restructuring, Casa Antonia Limited became the parent company of the Group, however did not in itself own the Group's assets or manage its operations. CAL now owns 100% of St. Anthony Co. p.l.c., which is the Issuer of the bond. St. Anthony Co. p.l.c. in turn owns 100% of Goldvest which owns Casa Antonia and the Imperial retirement homes and is also the Guarantor of the bond. Goldvest owns 100% of St. George's Care Ltd which manages the Group's day-to-day operations.

On 27 June 2023, the Imperial retirement home entered into an addendum to the Contract Agreement with Active Ageing & Community Care (AACC), extending the availability of long-term beds to a maximum of 70 (previously 30 beds). Another addendum to the Contract Agreement with AACC was made on 23 March 2024, increasing the maximum number of long-term beds to 106. As of the date of the analysis, the Imperial is operating at a 97% occupancy rate.

For clarity, Active Ageing and Community Care (AACC) is a concept and programme in Malta that focuses on promoting and supporting the well-being, independence, and active participation of older adults in society. It is a comprehensive approach to ageing that emphasises the importance of maintaining physical, mental, and social well-being as individuals age.

1.5 Impact of geopolitical and macroeconomic events on the Group's operations

The Group faced elevated finance costs attributable to broader macroeconomic factors, consequently escalating borrowing expenses. The persistent uptick in Euribor rates compounded the financial strain, amplifying interest payment requirements on variable-rate loans and new financing agreements. These unanticipated macroeconomic challenges impeded the Group's financial manoeuvrability, necessitating strategic resource management and financial planning to mitigate their repercussions.

Part 2 - Historical Performance and Forecasts

The Group's historical financial information for the year ended 31 December 2023, in addition to the financial forecast for the year ending 31 December 2024, are set out below in sections 2.1 to 2.3 of this Analysis. Historical information is based on audited consolidated financial statements of the Issuer, while the forecast data for FY24 has been provided by management.

2.1 Group's Statement of Comprehensive Income

Statement of Comprehensive Income for the year ended 31 December	2021A	2022A	2023A	2024F
	€000s	**€000s**	**€000s**	**€000s**
Revenue	4,781	7,076	10,905	13,790
Cost of sales	(3,855)	(5,411)	(7,044)	(8,336)
Gross profit	**926**	**1,665**	**3,861**	**5,453**
Administration expenses	(1,113)	(1,146)	(1,288)	(1,418)
EBITDA	**(187)**	**519**	**2,573**	**4,036**
Depreciation	(412)	(954)	(1,135)	(1,252)
Operating profit/ (loss)	**(599)**	**(435)**	**1,438**	**2,784**
Net finance costs	(608)	(1,335)	(2,205)	(1,839)
Profit / (loss) before tax	**(1,207)**	**(1,770)**	**(767)**	**945**
Income tax	(194)	411	135	(331)
(Loss) / profit for the Year	**(1,401)**	**(1,359)**	**(632)**	**614**
Revaluation	10,421	46	47	46
Total comprehensive income/ (loss)	**9,021**	**(1,313)**	**(585)**	**660**

Ratio Analysis	2021A	2022A	2023A	2024F
Profitability				
Growth in Revenue (YoY Revenue Growth)	13.1%	48.0%	54.1%	26.5%
Gross Profit Margin (Gross Profit / Revenue)	19.4%	23.5%	35.4%	39.5%
EBITDA Margin (EBITDA / Revenue)	-3.9%	7.3%	23.6%	29.3%
Operating (EBIT) Margin (EBIT / Revenue)	-12.5%	-6.1%	13.2%	20.2%
Net Margin (Profit for the year / Revenue)	-29.3%	-19.2%	-5.8%	4.5%
Return on Common Equity (Net Income / Total Equity)	-7.9%	-6.2%	-3.0%	2.9%
Return on Assets (Net Income / Total Assets)	-2.5%	-2.1%	-1.0%	0.9%

The main source of revenue for the Group can be broken down into three parts: room revenue, care revenue, and income from amenities.

Room revenue relates to income from the provision of accommodation to the elderly. Care revenue includes income from the provision of general care and health care services provided by caring staff to residents of the home. Room rates are charged on a per bed or per room basis, whilst care revenue is charged on a needs basis.

Other revenue includes the provision of one-to-one care services and out-of-pocket costs, which are then recharged back to clients. It also includes income from parking facilities and the renting out of wellness areas.

The Group achieved a turnover of €10.9m in FY23 (FY22: €7.1m), of which €8.9m or 81% comes from accommodation i.e. room revenue while the remainder is income from services. The €3.8m increase constitutes a 54% revenue growth YoY. The share of room revenue in total revenue grew by 3% from FY22 to FY23.

For FY24, the Group is projecting a 26.5% increase in revenue, as it is anticipated to reach €13.8m this year. This strong growth is based on the expectation of the successful establishment of The Imperial on the market. The Group has effectively positioned itself and gained a reputation in the elderly care industry, which has led to increased brand awareness and customer trust. As a result, the Group expects to capitalise on its established presence and leverage it to drive further revenue growth in the upcoming year.

Cost of Sales for St. Anthony are essentially direct costs related to the services provided in the care facilities, salaries and utilities. In FY23 it amounted to €7.0m (FY22: €5.4m) and is anticipated to reach €8.3m in FY24 as both Homes reach full capacity. 70% of all Cost of Sales for FY23 could be attributed to salaries and there was a €1.6m increase on this cost line.

Various factors contribute to this incurred and projected increase. The steep increase in inflation and consequently the cost-of-living allowance (COLA) as of 2023 and also for 2024 was a significant determinant with a ripple effect on all expenses particularly on salaries and food.

Secondly, the increase in rostered staff was and will be necessary to meet the needs of anticipated admissions. The higher demand and increase in the number of residents necessitates additional staff members to ensure quality care and service delivery.

Again, the increase in food costs is also attributed to inflation plus the rise in the number of residents.

The increase in other direct costs in FY23 and those forecasted in FY24 can be attributed to a mixed cost structure. While a portion of the costs is fixed, the variable part fluctuates with the Homes' population. In particular, utilities and cleaning expenses will continue to increase in FY24 until full occupancy is achieved.

In FY23, gross profit significantly improved, reaching €3.9m (FY22: €1.7m). The Gross Profit Margin of 35.4% in FY23 shows an increase of twelve percentage points when compared to FY22. The boost in profitability can be attributed to several strategic cost-saving measures implemented by the Group. These include leveraging economies of scale on semi-variable salaries like mid-management, front office, and domestic salaries related to common areas. Additionally, a thorough review of water and electricity utilization was conducted, resulting in further cost efficiencies. Moreover, enhanced revenue yields also contributed to the overall improvement in gross margin.

In FY24, the projected gross profit is expected to rise to €5.4m, and consequently, gross profit margin to 39.5%, reflecting a continuous upward trend in profitability. This increase aligns with the anticipated growth in revenues while demonstrating the Group's commitment to maintaining cost efficiencies. By striking a balance between revenue growth and prudent cost management, the Group aims to sustain and even enhance its profitability in the coming financial year.

Administrative expenses include directors' remuneration, costs related to the Group's finance function, legal, audit, and other professional fees, as well as rent and lease of equipment.

The Group's administrative expenses demonstrated stability over consecutive years, with minimal fluctuations. In FY22, these expenses amounted to €1.1m, while experiencing a slight uptick to €1.3m in FY23, consistent with projections outlined in the previous year's document.

Looking ahead to FY24, administrative expenses are projected to increase slightly, with estimated expenses reaching €1.4m. Despite these fluctuations, there have been no major year-over-year changes observed in the individual cost lines within administrative expenses.

The Group's EBITDA transitioned into positive territory in FY22, registering a gain of €0.5m compared to the previous year's loss. This resulted in a positive EBITDA margin of 7.3% for FY22. Subsequently, in FY23, audited EBITDA surged to €2.6m, accompanied by an EBITDA margin of 23.6%. Looking forward, the projected EBITDA for FY24 stands at €4.0m, and the EBITDA margin at 29.3%, reflecting the anticipated continuation of revenue growth and cost efficiency measures.

Depreciation increased year-over-year, from €1.0m to €1.1m in FY22, and it is projected to increase even further to €1.3m. This trajectory reflects the Group's expansion efforts and investment in its infrastructure. The increase in FY23 is attributed to the utilization of previously unoccupied parts of the building, prompted by the growth in population which necessitated the opening of additional storeys. Similarly, in FY24, depreciation is expected to grow due to extensive refurbishment activities underway at Casa Antonia, as the Group continues to invest in upgrading its facilities

In FY23, net finance costs reached €2.2m, marking a significant rise from the previous year's figure of €1.3m. This increase primarily stems from a €0.5m uptick in interest payments to the ultimate parent company and a €0.2m increase in bank loan interest. While a portion of the heightened interest payments was forecasted, this was further compounded by surging Euribor rates and delays in implementing a bank restructure, which would have offered more favourable interest rates for the Group earlier.

Finance costs are projected to amount to €1.8m in FY24. Such projected interest costs are expected to be lower due to the lower projected Euribor rates. Moreover, the Group has taken proactive measures to enhance its debt servicing terms, as evidenced by the renegotiation of loan agreements with its bankers. Effective February 2024, existing bank loan durations were extended from 15 to 20 years, accompanied by a fixed interest coupon rate of 4.5%. These strategic initiatives aim to bolster the Group's financial stability and mitigate risks associated with fluctuating interest rates.

St. Anthony Co. p.l.c. loss before tax year amounted to €0.8m in FY23 (FY22: €1.8m). Similarly to FY22, in FY23 there was no taxable income to pay income tax on. The €0.1m tax credit mostly arose from €0.3m of temporary differences on tax losses and unabsorbed capital allowances that were partially offset by €0.2m of temporary differences arising on items of property, plant and equipment. This tax credit of €0.1m is reflected in an increase in the deferred tax asset in the Balance Sheet. Considering the tax credit and the impact of these temporary differences, SACL reported a loss of €0.6m for FY23.

As the group is expected to be profitable in FY24, a tax expense of €0.3m is forecasted for FY24 which is expected to result in a decrease in the amount of deferred tax assets to €0.7m in FY24.

In FY24 the profit before tax is projected to be €0.9m. After the expected tax expense of €0.3m the anticipated profit after tax is €0.6m.

2.1.1. Variance Analysis

Income Statement for the year ended 31 December	2023F	2023A	Variance
	€000s	**€000s**	**€000s**
Revenue	10,523	10,905	382
Cost of sales	(7,213)	(7,044)	169
Gross profit	**3,310**	**3,861**	**551**
Administrative expenses	(1,279)	(1,288)	(9)
EBITDA	**2,031**	**2,573**	**542**
Depreciation and amortisation	(1,140)	(1,135)	5
EBIT	**891**	**1,438**	**547**
Finance costs	(1,710)	(2,205)	(495)
Profit/(loss) before tax	**(819)**	**(767)**	**52**
Income tax	286	135	(151)
Profit/(loss) after tax	**(533)**	**(632)**	**(99)**

The Issuer reported revenue of €10.9m in FY23, which resulted in a positive variance of €0.4m when compared to previous forecasts.

Management clarified that the positive variance is attributed to a higher take up of beds at an earlier date than forecasted leading to a positive variance of 2% on accommodation income and an eight-point positive variance on care. The rise in residents under the AACC scheme was another positive contribution to revenue. Furthermore, income from parking facilities and the renting out of wellness areas attributed to €98k of the variance.

Cost of sales during FY23 totalled €7.0m, remaining below the projected amount of €7.2m by €0.2m. According to company management this can be attributed to improved cost efficiencies as mentioned earlier.

Administrative expenses for FY23 totalled €1.3m, which was in line with the forecasts. Similarly, the depreciation figure of €1.1m also closely mirrored the projected figures.

The finance costs for the period amounted to €2.2m, compared to the projected amount of €1.7m. The variance between the projections and actuals was €0.5m. This increase can be attributed to delayed forecasted bank facilities review and a continuous rise in the Euribor rates. Management has reported that improved debt servicing obligation terms are now in place as of February 2024.

The net positive variance in the realized pre-tax result, compared to the Financial Analysis Summary is €52k. As previously mentioned, this can be attributed to a higher occupancy take-up, improved cost efficiencies and enhanced revenue yields. However, these gains were partially offset by increased finance costs, resulting in the net positive difference observed.

Based on the considerations discussed above, the Issuer reported a loss after tax of €0.6m, which slightly deviated from the forecast by €0.1m. The main drivers for this minor negative variance were higher finance costs and a smaller tax credit than was anticipated by the Group.

2.2 Group's Statement of Financial position

Statement of Financial Position as at 31 December	2021A	2022A	2023A	2024F
	€000s	€000s	€000s	€000s
Assets				
Non-current assets				
Property, plant and equipment	62,920	62,127	61,425	61,376
Deferred tax assets	438	848	984	653
Total non-current assets	**63,358**	**62,975**	**62,409**	**62,029**
Current assets				
Inventories	88	113	151	174
Trade and other receivables	1,102	889	1,322	1,891
Cash and cash equivalents	519	2,231	1,966	1,811
Total current assets	**1,709**	**3,233**	**3,439**	**3,876**
Total assets	**65,067**	**66,208**	**65,848**	**65,905**
Equity				
Share capital	14,676	14,676	14,676	14,676
Revaluation reserve	10,421	10,468	10,514	10,560
Reorganisation reserve	(1,241)	(1,241)	(1,241)	(1,241)
Retained earnings	(1,466)	(2,825)	(3,456)	(2,842)
Total equity attributable to owners of the Group	**22,390**	**21,078**	**20,493**	**21,153**
Liabilities				
Non-current liabilities				
Trade and other payables	422	283	94	188
Borrowings	30,770	37,068	37,040	37,318
Deferred tax liabilities	3,400	3,400	3,400	3,400
Total non-current liabilities	**34,592**	**40,751**	**40,534**	**40,906**
Current liabilities				
Borrowings	4,034	189	731	638
Trade and other payables	4,051	4,188	4,088	3,206
Current tax liabilities	-	2	2	2
Total current liabilities	**8,085**	**4,379**	**4,821**	**3,846**
Total liabilities	**42,677**	**45,130**	**45,355**	**44,752**
Total equity and liabilities	**65,067**	**66,208**	**65,848**	**65,905**

Ratio Analysis	2021A	2022A	2023A	2024F
Profitability				
Gearing 1 (Net Debt / Net Debt and Total Equity)	60.5%	62.4%	63.6%	63.1%
Gearing 2 (Total Liabilities / Total Assets)	65.6%	68.2%	68.9%	67.9%
Gearing 3 (Net Debt / Total Equity)	153.1%	166.2%	174.7%	170.9%
Net Debt / EBITDA	(183.3)x	67.6x	13.9x	9.0x
Current Ratio (Current Assets / Current Liabilities)	0.21x	0.74x	0.71x	1.0x
Interest Coverage level 1 (EBITDA / Cash interest paid)	n/a	1.6x	2.1x	3.4x
Interest Coverage level 2 (EBITDA / Finance costs)	(0.3)x	0.4x	1.2x	2.2x

In FY23, the Issuer's total assets stood at €65.8m, slightly lower than the previous year's €66.2m. Predominantly, these assets consisted of property, plant, and equipment, comprising 93.3% of the total assets, a slight decrease from the previous year's 93.8%. Specifically, within the category of property, plant and equipment, the Issuer held €50.2m in freehold land and buildings, representing a substantial portion. Additionally, plant, machinery and equipment amounted to €9.6m, while furniture accounted for €1.6m. Therefore, property, especially freehold land and buildings, constituted the most significant segment of the issuer's total assets, with plant, machinery and equipment also contributing significantly.

The increase of €0.2m in deferred tax assets corresponds to the accounting entries associated with the tax credit of €0.2m reported in the income statement, accounting for rounding.

In FY23, inventories experienced a slight increase, albeit in an immaterial manner. A further small increase is anticipated for FY24, and it is expected to reach €0.2m.

In FY23 trade and other receivables saw a notable uptick, rising from €0.9m to €1.3m. This increase is directly correlated with the growth in revenue during the same period. As occupancy levels surged and revenue expanded accordingly, trade debtors naturally followed suit. Despite this upward trend, periodic reviews of the Aged Debtors analysis reveal that ageing ratios have remained consistent, indicating stability in the management of receivables. In FY24 a further increase is projected to reach €1.9m.

There was a marginal decline in Cash and cash equivalents from €2.2m in FY22 to €2.0m in FY23 and is projected to decrease to €1.8m in FY24.

In FY24, the Group anticipates total assets to remain stable excluding any material impact that may arise from a revaluation of land and buildings, projected to reach €65.9m, a slight increase from the previous year's audited total of €65.8m. This consistency in asset values reflects the modest changes observed in various asset categories, including inventories, trade and other receivables, and cash equivalents. Additionally, a projected decrease of €0.3m in deferred tax assets aligns with the expected €0.3m tax expense outlined in income statement projections. Furthermore, in 2024, the Group plans to embark on a €1m refurbishment program at the Casa Antonia property, financed by a sanctioned €1.0m loan to Goldvest Limited. This initiative, along with other additions totalling €200k, will be offset against the projected yearly depreciation of €1.2m, resulting in a minimal net effect on the Property Plant and Equipment line.

Total equity decreased from €21.1m in FY22 to €20.5m in FY23. The difference can be attributed to the loss of the previous year, captured in the increase in negative retained earnings.

In FY24 negative retained earnings of €3.5m in FY23 are expected to decrease to €2.8m in FY24 in line with the projected profit after taxes of €0.7m during this year.

Non-current liabilities decreased slightly to €40.5m in FY23 (FY22: €40.8m), mainly due to a reduction in non-current trade and other payables from €0.3m to €0.1m. In FY24, they are projected to increase marginally to €40.9m mainly due to the expected increase in borrowings.

The anticipated increase in borrowings in FY24 is a result of the additional bank loan noted above for the Refurbishing of Casa Antonia and another loan to settle certain loans due to Casa Antonia Limited reduced by the monthly repayments on existing Bank Loans.

Current liabilities have increased from €4.4m to €4.8m in FY23, primarily due to a rise in borrowings from €0.2m to €0.7m. The €0.5m increase is comprised of €0.2m from bank loan facilities and €0.3m from loans from the ultimate parent company.

Trade and other payables have decreased somewhat from €4.2m to €4.1m. There were offsetting moves, more specifically, trade payables decreased by €0.8m, and other payables increased by €0.6m.

The client's projected payables figures in last year's document were €3.1m. The actual payables have exceed the projected amount of €3.1m primarily due to the increase in receivables and the delay in settling retention monies, which are now being addressed in 2024.

In FY24, trade and other payables are expected to decrease further to €3.2m. This reduction is attributed to the improved business conditions, allowing for the settlement of certain long outstanding creditors which are supported by signed agreements furthermore capital creditors are projected to decrease by approximately €253k as the final retention monies on The Imperial project are settled.

Finally, in FY24, short-term borrowings are projected to decrease slightly to €0.6m.

2.3. Group's Statement of Cash Flows

Statement of Cash Flows for the year ended 31 December	2021A	2022A	2023A	2024F
	€000s	€000s	€000s	€000s
Cash flows from operating activities				
Profit before tax	(1,207)	(1,770)	(767)	945
Adjustments for:				
Depreciation	412	954	1,135	1,252
Expected credit losses	8	12	33	-
Interest expense	565	1,264	2,025	1,744
Other interest	-	33	36	47
Operating profit/(loss) before working capital changes:	**(222)**	**493**	**2,462**	**3,988**
Movement in trade and other receivables	276	(222)	(466)	(615)
Movement in inventories	(36)	(25)	(38)	(23)
Movement in trade and other payables	2,790	(670)	(268)	(766)
Cash (used in)/generated from operations	**2,808**	**(424)**	**1,690**	**2,583**
Interest paid	-	(326)	(1,253)	(1,194)
Tax paid	-	-	-	-
Net cash generated from / (used in) operating activities	**2,808**	**(750)**	**437**	**1,389**
Cash flows from investing activities				
Acquisition of property, plant and equipment	(7,586)	(114)	(387)	(1,157)
Net cash used in investing activities	**(7,586)**	**(114)**	**(387)**	**(1,157)**
Cash flows from financing activities				
Repayment of bank loans	-	(9,862)	-	(295)
Advances of bond and bank loans	2,033	15,500	-	3,850
Movement in related parties' balances	3,216	(3,037)	(315)	(3,935)
Net cash generated from / (used in) financing activities	**5,249**	**2,601**	**(315)**	**(380)**
Net movement in cash and cash equivalents	**471**	**1,737**	**(265)**	**(148)**
Cash and cash equivalents at beginning of year	29	497	2,225	1,959
Expected credit losses on bank balances	(3)	(9)	(1)	-
Cash and cash equivalents at end of year	**497**	**2,225**	**1,959**	**1,811**

Ratio Analysis	2021A	2022A	2023A	2024F
Cash Flow	€000s	€000s	€000s	€000s
Free Cash Flow (Net cash from operations + Interest - Capex)	(4,778)	(538)	1,303	1,426

In FY23, the Group generated €2.5m in cash from operating activities before working capital changes (compared to €0.5m cash inflow in FY22). Adjusted for the movement in trade and other receivables of €0.5m, inventories, other payables of €0.3m, and interest payments of €1.3m, the cash generated from operating activities amounted to €0.4m.

Cash flow from investing activities was negative at €0.4m (FY22: €0.1m cash outflow), related to property, plant and equipment additions.

Cash flow from financing activities was negative €0.3m, solely due to a decrease in related parties' balances.

All in all, the net movement in cash was an outflow of €0.3m in FY23 and the cash balances at the end of the year amounted to €2m.

In FY24, cash flow from operating activities after interest payment is projected to be €1.4m, driven by the higher projected operating profit.

Cash outflow from investing activities for FY24 is expected to amount to €1.2m predominantly related to €1m refurbishing programme at the Casa Antonia Home plus ongoing projects of approximately €0.2m.

In FY24 the Group expects a negative cash flow from financing activities of €0.4m. This projection is mainly due to related parties' movements of €3.9m, offset by an inflow of €3.6m from the movement in bank loans.

Altogether, €0.1m cash outflow is projected for FY24 and the cash balances are anticipated around €1.8m by the end of the current financial year.

Part 3 - Key Market and Competitor Data

3.1 General Market Conditions

At the time of publication of this Analysis, management considers that generally, it shall be subject to the normal business risks associated with the industries in which the companies are involved and operate and, barring unforeseen circumstances, does not anticipate any trends, uncertainties, demands, commitments or events outside the ordinary course of business that could be deemed likely to have a material effect on the upcoming prospects of the companies and their respective businesses, at least with respect to the financial year 2024. However, investors are strongly advised to carefully read the risk factors disclosed in the Prospectus.

Economic Update[1]

The Bank's Business Conditions Index (BCI) indicates that in April 2024, annual growth in business activity declined marginally, and remained slightly below its historical average, estimated since January 2000.

The European Commission confidence surveys show that sentiment in Malta decreased in April, and remained below its long-term average, estimated since November 2002. The latest deterioration was mostly driven by developments in industry, construction and among consumers.

Additional data show that in month-on-month terms, price expectations increased among consumers, and to a lesser extent in the retail and services sectors, but decreased significantly in the construction sector and, to a lesser extent in industry.

In April, the European Commission's Economic Uncertainty Indicator (EUI) for Malta decreased compared with March, indicating lower uncertainty. Uncertainty declined in all sectors except construction.

In March, both industrial production and retail trade contracted on a year-on-year basis. The unemployment rate remained unchanged at 3.2% in March but stood below that of 3.4% in March 2023.

Commercial and residential building permits in March were lower than a month earlier. Commercial permits were also lower when compared with a year ago, but residential permits were higher. In April, the number of residential promise-of-sale agreements rose on a year earlier, as did the number of final deeds of sale.

The annual inflation rate based on the Harmonised Index of Consumer Prices (HICP) stood at 2.4% in April, down from 2.7% in the previous month. Following this decline, HICP inflation in Malta was in line with the euro area average. HICP excluding energy and food in Malta, remained below the euro area average. Inflation based on the Retail Price Index (RPI) decreased to 1.6%, down from 1.9% in March.

Economic Outlook[2]

According to the Bank's latest forecasts, Malta's gross domestic product (GDP) is expected to grow by 4.3% in 2024. Growth is then projected to ease to 3.5% in both 2025 and 2026. This implies a marginally downward revision in 2024 and 2025, when compared to the Bank's previous projections, while for 2026 the outlook is revised upwards.

In 2023, growth was primarily driven by net exports, while domestic demand is envisaged to be the main driver of growth in 2024. Private consumption growth continues at a brisk pace, and private investment, is expected to gradually recover. Net exports are also projected to contribute positively, driven mainly by services exports. Growth in 2025 and 2026 is expected to continue to be led by domestic demand.

Employment growth is set to moderate, albeit from high rates, in the projection horizon, while the average wage is expected to grow at a faster rate in 2024, partly in response to the pronounced inflation in the recent past and a tight labour market.

Annual inflation based on the Harmonised Index of Consumer Prices is projected to drop significantly, from 5.6% in 2023 to 2.4% in 2024, before reaching 1.9% by 2026. Compared to previous projections, inflation has been revised down by 0.5 percentage point in 2024, largely reflecting the unexpected rapid drop experienced in the initial months of the year. The general government deficit-to-GDP ratio is set to decline to 4.1% in 2024, and to narrow further over the rest of the forecast horizon, to stand at 3.1% by 2026.

The general government debt-to-GDP ratio is set to increase throughout the forecast horizon, reaching 54.3% by 2026. When compared with the previous projection round, the projected deficit ratio is higher, while the debt ratio is broadly unchanged.

Risks to activity are broadly balanced over the projection horizon. Downside risks largely emanate from possibly

[1] Central Bank of Malta – Quarterly Review 05/2024
[2] Central Bank of Malta – Economic Porjections 2024-2026

adverse trade effects related to ongoing geopolitical tensions. On the other hand, the labour market could exhibit even stronger dynamics than envisaged in this projection round, both in terms of employment and wages. This could then result in stronger private consumption growth.
Risks to inflation are balanced over the project horizon. Upside risks to inflation could stem from extreme weather events and effects of geopolitical developments. Other upside risks to headline inflation include the potential impact of measures to combat climate change. Furthermore, wage pressures could be stronger than envisaged in the baseline. On the downside, imported inflation could fall more rapidly than expected, while services inflation could normalise more quickly than envisaged in this projection round.

On the fiscal side, risks are tilted to the downside (deficit-increasing). These mainly reflect the likelihood of slippages in current expenditure, including higher-than-expected outlays on energy support measures if commodity prices are higher than envisaged. They also reflect the likelihood of additional increases in pensions and public sector wages in the outer years of the forecast horizon. Should these risks materialise, they are set to be partly offset by the likelihood of additional fiscal consolidation efforts to comply with the EU's fiscal rules .

Care home industry in Malta[3]

Between 2012 and 2022, Malta experienced a substantial population increase of 28.6%, rising from 421,464 to 542,051 residents. This growth was predominantly driven by a significant rise in the foreign population, which increased five-fold from 23,365 to 137,376. In contrast, the Maltese population saw a modest increase of 1.7%, from 398,099 to 404,675.

The median age remained constant at 39 years over the decade. However, the age distribution shifted, with the proportion of residents aged 65 and over increasing from 17.1% to 18.6%, while the share of children aged 14 or under declined from 14.6% to 12.7%. Additionally, there was a reversal in the gender ratio, with males constituting 52.5% of the population in 2022, up from 49.8% in 2012.

The population density in Malta increased from 1,337 residents per km² in 2012 to 1,721 residents per km² in 2022. The Northern Harbour district was the most densely populated, with 7,019 residents per km², whereas Gozo and Comino was the least densely populated district, with 585 residents per km². Tas-Sliema became the most densely populated locality, with a density of 16,287 residents per km² in 2022.

According to the '2024 Ageing Report' 4 the EU population is projected to decline from 449 million in 2022 to 432 million by 2070, reflecting a 4% decrease. During this period, the demographic landscape will shift significantly due to varying fertility, mortality, and migration rates. The median age is expected to increase by four years, rising from 44.4 years in 2022 to 48.8 years in 2070. This ageing trend will result in a higher proportion of older individuals, with those aged 65 and above increasing from 21% to 30% of the population. The old-age dependency ratio, indicating the number of people aged 65 or over per working-age individual, is anticipated to rise substantially, highlighting the growing economic burden on the working population.

Country-level projections reveal heterogeneous trends: 13 Member States and Norway are expected to see population growth, while 14 Member States will experience declines, with Latvia, Lithuania, Greece, Bulgaria, Croatia, and Romania facing the steepest reductions. Conversely, Malta, Luxembourg, Sweden, and Ireland are projected to have significant population increases, primarily in the initial part of the period.

The population of major EU countries such as Germany, France, Italy, Spain, and Poland will undergo slight changes, with Germany maintaining its status as the most populous state, followed by France. Italy and Poland will see declines, while Germany, France, and Spain will experience limited growth. These demographic shifts underscore the increasing dependency ratios and the resultant socio-economic challenges for the EU in the coming decades

Similarly, according to the '2021 Ageing Report' prepared by the European Commission and the Economic Policy Committee, the EU-27's median age is projected to increase by 5 years to reach 47.3 years for men and 50.3 years for women by 2070. This phenomenon is projected to be universal across all EU Member States, including Malta.

3.2 Comparative Analysis

The purpose of the table below compares the proposed debt issuance of the Issuer to other debt instruments. Additionally, we believe that there is no direct comparable company related to the Issuer and as such, we included a variety of Issuers with different maturities. More importantly, we have included different issuers with a similar maturity to the Issuer. One must note that given the material differences in profiles and industries, the risks associated with the business and that of other issuers are therefore different.

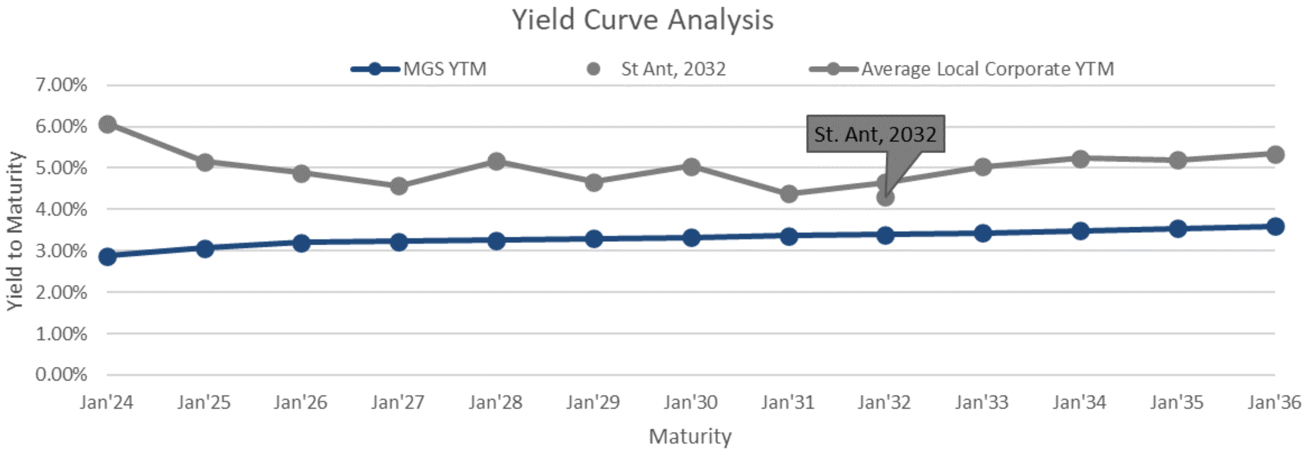
[3] Figures are from the National Statistics Office database

[4] European Commission – 2024 Ageing Report 257

Security	Nom Value €000's	Yield to Maturity (%)	Interest coverage (EBITDA) (times)	Total Assets (€'millions)	Total Equity (€'millions)	Total Liabilities / Total Assets (%)	Net Debt / Net Debt and Total Equity (%)	Net Debt / EBITDA (times)	Current Ratio (times)	Return on Common Equity (%)	Net Margin (%)	Revenue Growth (YoY) (%)
4.25% Mercury Projects Finance plc Secured € 2031	11,000	4.92%	0.6x	269.6	78.8	70.8%	66.4%	48.2x	1.5x	9.9%	23.1%	-34.4%
3.9% Browns Pharma Holdings plc Unsec Call € 2027-2031	13,000	4.40%	4.5x	78.0	27.9	64.2%	44.4%	4.2x	1.2x	5.6%	4.1%	16.4%
3.65% Mizzi Organisation Finance plc Unsecured € 2028-2031	45,000	4.21%	1.8x	312.4	87.8	71.9%	58.4%	14.9x	0.8x	-1.9%	-1.1%	30.5%
3.65% IHI plc Unsecured € 2031	80,000	4.78%	1.7x	1,768.3	836.3	52.7%	42.1%	9.5x	1.0x	-1.4%	-3.9%	20.8%
3.5% AX Real Estate plc Unsecured € 2032	40,000	4.68%	1.8x	474.0	243.5	48.6%	39.4%	20.9x	0.9x	-1.6%	-7.7%	30.3%
4.55% St. Anthony Co. p.l.c. Secured € 2032	15,500	4.31%	1.2x	65.8	20.5	68.9%	63.6%	13.9x	0.7x	-3.1%	-5.8%	54.1%
4.85% JD Capital plc Secured € 2032 S1 T1	14,000	4.77%	1.7x	76.3	20.3	73.3%	63.1%	16.9x	2.1x	0.1%	0.2%	9.6%
5% Mariner Finance plc Unsecured € 2032	36,930	4.78%	4.8x	129.6	62.1	52.1%	50.1%	5.9x	0.8x	9.0%	28.2%	1.7%
5% Von der Heyden Group Finance plc Unsecured € 2032	35,000	5.00%	1.2x	155.9	32.7	79.0%	76.3%	22.9x	0.5x	-8.2%	-18.0%	9.6%
4% Central Business Centres plc Unsecured € 2027-2033	21,000	4.39%	1.1x	65.7	23.8	63.7%	59.2%	24.9x	0.7x	0.2%	2.2%	-1.8%
6% JD Capital plc Secured Bonds 2033 S2 T1	11,000	5.43%	1.7x	76.3	20.3	73.3%	63.1%	16.9x	2.1x	0.1%	0.2%	9.6%
4.75% Dino Fino Finance plc Secured € 2033	7,800	4.52%	(1.3)x	15.5	2.3	85.3%	78.2%	(15.2)x	0.7x	-50.5%	-34.4%	-38.2%
	*Average	4.68%										

Source: Latest available audited financial statements

Last closing price as at 06/06/2024
*Average figures do not capture the financial analysis of the Issuer



The above graph illustrates the average yearly yield of all local issuers as well as the corresponding yield of MGSs (Y-axis) vs the maturity of both Issuers and MGSs (X-axis), in their respective maturity bucket, to which the spread premiums can be noted. The graph illustrates on a stand-alone basis, the yield of the 4.55% St. Anthony Co. p.l.c. bond.

As at 06 June 2024, the average spread over the Malta Government Stocks (MGS) for comparable issuers with maturity range of 8 years was 127 basis points. The 4.55% St. Anthony Co. p.l.c. 2032 bond is trading at a YTM of 4.31%, meaning a spread of 92 basis points over the equivalent MGS, and therefore at a discount to the average on the market of 35 basis points.

It is pertinent to note that the above analysis is based on a maturity-matching basis and that the Issuer's industry is significantly different to the corporates identified and as such its risks also differ to that of other issuers.

Part 4 - Glossary and Definitions

Income Statement	
Revenue	Total revenue generated by the Group/Company from its principal business activities during the financial year.
Costs	Costs are expenses incurred by the Group/Company in the production of its revenue.
EBITDA	EBITDA is an abbreviation for earnings before interest, tax, depreciation and amortisation. It reflects the Group's/Company's earnings purely from operations.
Operating Profit (EBIT)	EBIT is an abbreviation for earnings before interest and tax.
Depreciation and Amortisation	An accounting charge to compensate for the decrease in the monetary value of an asset over time and the eventual cost to replace the asset once fully depreciated.
Net Finance Costs	The interest accrued on debt obligations less any interest earned on cash bank balances and from intra-group companies on any loan advances.
Net Income	The profit made by the Group/Company during the financial year net of any income taxes incurred.

Profitability Ratios	
Growth in Revenue (YoY)	This represents the growth in revenue when compared with previous financial year.
Gross Profit Margin	Gross profit as a percentage of total revenue.
EBITDA Margin	EBITDA as a percentage of total revenue.
Operating (EBIT) Margin	Operating margin is the EBIT as a percentage of total revenue.
Net Margin	Net income expressed as a percentage of total revenue.
Return on Common Equity	Return on common equity (ROE) measures the rate of return on the shareholders' equity of the owners of issued share capital, computed by dividing the net income by the average common equity (average equity of two years financial performance).
Return on Assets	Return on assets (ROA) is computed by dividing net income by average total assets (average assets of two years financial performance).
Cash Flow Statement	
Cash Flow from Operating Activities (CFO)	Cash generated from the principal revenue producing activities of the Group/Company less any interest incurred on debt.
Cash Flow from Investing Activities	Cash generated from the activities dealing with the acquisition and disposal of long-term assets and other investments of the Group/Company.
Cash Flow from Financing Activities	Cash generated from the activities that result in change in share capital and borrowings of the Group/Company.
Capex	Represents the capital expenditure incurred by the Group/Company in a financial year.
Free Cash Flows (FCF)	The amount of cash the Group/Company has after it has met its financial obligations. It is calculated by taking Cash Flow from Operating Activities less the Capex of the same financial year.

Balance Sheet	
Total Assets	What the Group/Company owns which can de further classified into Non-Current Assets and Current Assets.
Non-Current Assets	Assets, full value of which will not be realised within the forthcoming accounting year
Current Assets	Assets which are realisable within one year from the statement of financial position date.
Inventory	Inventory is the term for the goods available for sale and raw materials used to produce goods available for sale.
Cash and Cash Equivalents	Cash and cash equivalents are Group/Company assets that are either cash or can be converted into cash immediately.
Total Equity	Total Equity is calculated as total assets less liabilities, representing the capital owned by the shareholders, retained earnings, and any reserves.

Total Liabilities	What the Group/Company owes which can de further classified into Non-Current Liabilities and Current Liabilities.
Non-Current Liabilities	Obligations which are due after more than one financial year.
Total Debt	All interest-bearing debt obligations inclusive of long and short-term debt.
Net Debt	Total debt of a Group/Company less any cash and cash equivalents.
Current Liabilities	Obligations which are due within one financial year.

Financial Strength Ratios	
Current Ratio	The Current ratio (also known as the Liquidity Ratio) is a financial ratio that measures whether or not a company has enough resources to pay its debts over the next 12 months. It compares current assets to current liabilities.
Quick Ratio (Acid Test Ratio)	The quick ratio measures a Group's/Company's ability to meet its short-term obligations with its most liquid assets. It compares current assets (less inventory) to current liabilities.
Interest Coverage Ratio	The interest coverage ratio is calculated by dividing EBITDA of one period by cash interest paid of the same period.
Gearing Ratio	The gearing ratio indicates the relative proportion of shareholders' equity and debt used to finance total assets.
Gearing Ratio Level 1	Is calculated by dividing Net Debt by Net Debt and Total Equity.
Gearing Ratio Level 2	Is calculated by dividing Total Liabilities by Total Assets.
Gearing Ratio Level 3	Is calculated by dividing Net Debt by Total Equity.
Net Debt / EBITDA	The Net Debt / EBITDA ratio measures the ability of the Group/Company to refinance its debt by looking at the EBITDA.

Other Definitions	
Yield to Maturity (YTM)	YTM is the rate of return expected on a bond which is held till maturity. It is essentially the internal rate of return on a bond and it equates the present value of bond future cash flows to its current market price.

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