Financial Analysis Summary

21 June 2024

Issuer

Plan Group p.l.c.

(C 103062)

Prepared by:

MZ Investments

MZ INVESTMENTS

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The Board of Directors
Plan Group p.l.c.
Triq il-Wirt Naturali
Baħar iċ-Ċagħaq, Naxxar NXR 5232
Malta

21 June 2024

Dear Board Members,

Financial Analysis Summary

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 in the following pages and which is being forwarded to you together with this letter.

The purpose of this Analysis is that of summarising key financial information appertaining to Plan Group p.l.c. (the "**Issuer**", "**Group**" or "**Plan Group**"). The data is derived from various sources or is based on our own computations as follows:

(a) Historical information for the financial years ended 31 December 2022 and 31 December 2023 has been extracted from the audited consolidated annual financial statements for the year ended 31 December 2023.

(b) The forecast and projected information for the financial years ending 31 December 2024 and 31 December 2025 has been provided by the Issuer.

(c) Our commentary on the financial performance, cash flows, and financial position of the Group is based on the explanations provided by Plan Group.

(d) The ratios quoted in this Analysis have been computed by applying the definitions set out in Part 4 – Explanatory Definitions of this report.

(e) Relevant financial data in respect of the companies included in Part 3 – Comparative Analysis of this Analysis has been extracted from public sources such as websites of the companies concerned, financial statements filed with the Malta Business Registry, as well as other sources providing financial information.

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This Analysis is meant to assist existing and potential investors in the Issuer's securities by summarising the more important financial information of the Group. This Analysis does not contain all data that is relevant to investors. This Analysis does not constitute an endorsement by our firm of any securities of the Issuer and should not be interpreted as a recommendation to invest or not invest in any of the Issuer's securities. We will not accept any liability for any loss or damage arising out of the use of this Analysis. As with all investments, existing and potential investors are encouraged to seek professional advice before investing in the Issuer's securities.

Yours faithfully,

Evan Mohnani
Head of Corporate Broking

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PART 1 – INFORMATION ABOUT THE GROUP

1. PRINCIPAL ACTIVITIES

Plan Group p.l.c. (previously Katari Group Limited) was incorporated on 26 August 2022 and subsequently converted to a public limited liability company on 29 September 2023. The Issuer acts as the holding and finance company of Plan Group which is involved in real estate development for resale and the ownership and operation of care homes for the elderly – namely Golden Care Home ("**Golden Care**") and Porziuncola by Golden Care ("**Porziuncola**") which are situated in Naxxar and Baħar iċ-Ċagħaq respectively. Accordingly, the Issuer does not itself carry out any trading activities and is thus entirely dependent on the operations and performance of its subsidiary and associate entities.

In Q4 2023, the Group raised €12 million through the issuance of 5.75% secured bonds 2028 (the "**2023 Bonds**"), which are guaranteed by Plan (BBG) Limited (the "**Guarantor**"), mainly for the purpose of acquiring a divided tract of land measuring circa 14,100 sqm situated in Birżebbuġa (the "**Birżebbuġa Site**"). Around 62% of the Birżebbuġa Site's footprint, measuring circa 8,700 sqm, falls outside the development zone whilst the remaining area measuring circa 5,400 sqm falls within a development zone. In this respect, the Group submitted a comprehensive planning control application with the Planning Authority for the prospective development of the area that falls within the development zone.

2. DIRECTORS

The Board of Directors of Plan Group is composed of the following four individual who are responsible for the overall development, direction, oversight, and strategic management of the Group:

Paul Attard	Executive Director
Alfred Attard	Independent Non-Executive Director
Edward Grech	Independent Non-Executive Director
William Wait	Independent Non-Executive Director

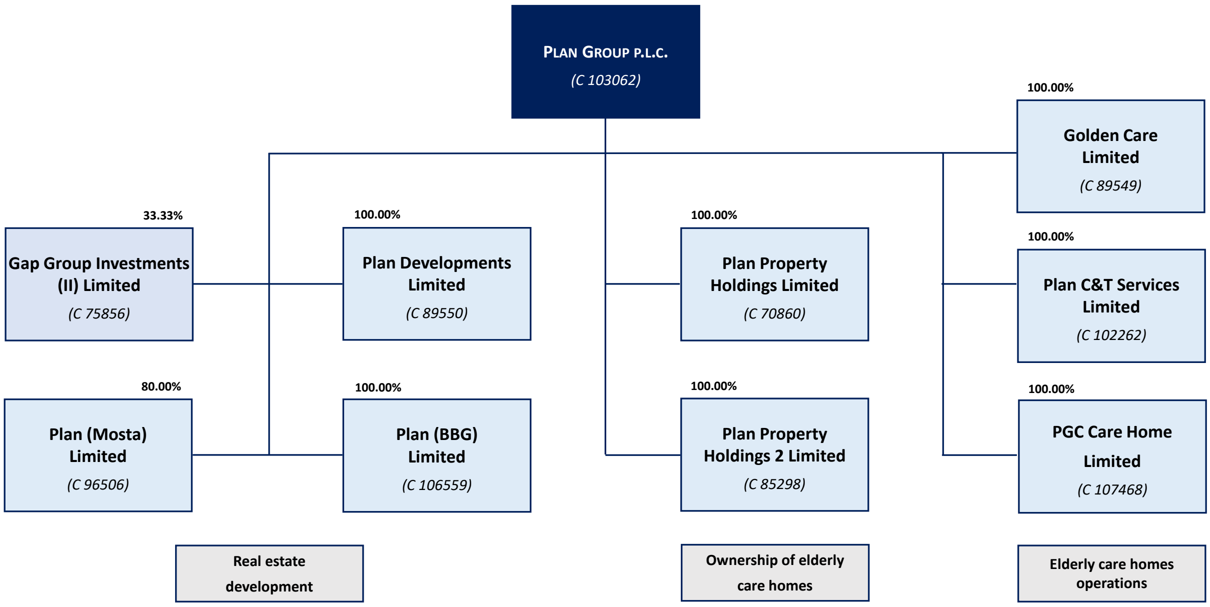
3. MANAGEMENT STRUCTURE

As the sole Executive Director of the Issuer, Paul Attard, together with the small number of key senior executives, are entrusted with the day-to-day management of the Group. Mr Attard is also a director or officer of other companies forming part of the Group.

Plan Group adopts a centralised management structure whereby it can deploy senior management personnel to perform duties in different parts of the Group depending on the requirements of each subsidiary. In addition to the senior management team, the subsidiaries employ management personnel and, or other employees devoted to the operations undertaken by each respective entity.

4. ORGANISATIONAL STRUCTURE

The diagram below illustrates the organisational structure of the Group:



The Issuer and its subsidiary companies are virtually entirely owned by Paul Attard, except for Plan (Mosta) Limited which is 80% owned by Paul Attard whilst the remaining 20% shareholding is held by Christopher Paul Gauci.

In September 2023, the Issuer acquired the one-third ownership of Gap Group Investments (II) Limited which is the parent company of Gap Group p.l.c. ("**Gap Group**"). The latter is a real estate development company and over the years it issued various bonds listed on the Regulated Main Market (Official List) of the Malta Stock Exchange. Currently, Gap Group has two bonds in issue, details of which are summarised in the Table below:

Security ISIN	Security	Symbol Code	Amount Outstanding	Market Price*
MT0001231233	3.90% Gap Group p.l.c. Secured & Guaranteed 2024-2026**	GP26A	€ 16,701,600	100.00%
MT0001231241	4.75% Gap Group p.l.c. Secured & Guaranteed 2025-2027	GP27A	€ 23,000,000	100.00%
			€ 39,701,600	

** As at 15 May 2024.*

*** Amount issued stood at €21 million, but this was reduced as Gap Group repurchased and cancelled some of its bonds.*

A more detailed description of the operational activities of Gap Group, together with an analysis of its most recent financial performance and the forecasts for the year ending 31 December 2024, are included in an updated Financial Analysis Summary available at https://www.gap.com.mt/investor-information/.

5. REAL ESTATE DEVELOPMENT

In recent years, the Group was involved in the development of four residential complexes situated in Luqa ("**Fairwinds**"), Iklin ("**Oak Ridge**"), Mellieħa ("**Breezy Village**"), and Mosta ("**The Oaks**"). In aggregate, these projects comprised the construction of 56 units and 50 garages which have all been sold or are subject to a Promise of Sale ("**POS**") agreement for a total sales value of circa €14.22 million. Conversely, the Issuer is currently involved in the construction of two residential complex situated in Fgura ("**Fgura Development**") and Qawra ("**Qawra Development**") as detailed below.

5.1 FGURA DEVELOPMENT

On 3 August 2023, Plan Group acquired three adjacent terraced houses in Fgura located in Triq is-Sardinella corner with Triq Kent for a total consideration of €2.02 million. Demolition works were completed by the end of 2023, while excavation works were terminated in Q1 2024. Construction and finishing works are expected to be completed by the end of Q1 2025 and Q2 2025 respectively. The project will comprise 28 residential units and 21 lock-up garages and is being financed through a bank loan of €3.20 million and internally generated cash flows. The total cost of the project is projected at around €4.87 million[1] whilst total revenues are projected to be in the region of €7.55 million.

5.2 QAWRA DEVELOPMENT

On 13 July 2023, Plan Group acquired a site measuring circa 245 sqm located in Triq il-Mazzola and Triq l-Imsell, Qawra, for a total consideration of €1.30 million. Excavation works were completed in Q1 2024, whilst construction and finishing works are expected to be completed by Q4 2024 and Q1 2025 respectively. The project will comprise 16 residential units and 4 car park spaces and is being financed through a bank loan of €1.50 million and internally generated cash flows. The total cost of the project is projected at around €2.50 million[1] whilst total revenues are estimated at circa €3.19 million.

Plan Group p.l.c.
Real Estate Development Projects

	Cost (€'000)	Revenue (€'000)	Start Year	End Year	No. of Maisonettes	No. of Apartments	No. of Penthouses	Total No. of Residential Units	No. of Garages / Car Park Spaces
Completed Projects									
Fairwinds (Luqa)	988	2,692	2020	2021	-	14	-	**14**	**10**
Oak Ridge (Iklin)	2,204	3,521	2020	2021	-	12	2	**14**	**9**
Breezy Village (Mellieħa)	910	1,625	2021	2022	1	3	1	**5**	**1**
The Oaks (Mosta)*	4,000	6,386	2021	2022	3	17	3	**23**	**30**
	8,102	**14,224**			**4**	**46**	**6**	**56**	**50**
Current Projects									
Fgura Development*	4,865	7,554	2023	2025	3	25	-	**28**	**21**
Qawra Development	2,498	3,193	2023	2025	-	16	-	**16**	**4**
	7,363	**10,747**			**3**	**41**	**-**	**44**	**25**
Total	**15,465**	**24,971**			**7**	**87**	**6**	**100**	**75**

** The Fgura Development is carried out by Plan (Mosta) Limited which is 80% owned by Plan Group.*

[1] Comprising the cost of land, development costs, agency fees, and interest, but excluding tax.

6. ELDERLY CARE HOMES

6.1 GOLDEN CARE HOME

Plan Property Holdings Limited is the owner of the property in Naxxar which is operated by Golden Care Limited as Golden Care. The care home has been in operation since 2019 and provides accommodation to a maximum of 235 residents spread across 3 stories and six wards. Golden Care also has a fully equipped clinic, multiple nursing stations with back-up treatment rooms, a fully equipped kitchen, a common dining area, a chapel, a multi-purpose crafts room, an outdoor garden, lobbies on each floor, laundry facilities, a library, and carpark.

The care home focuses on providing personalised care plans to its residents, based on their mental, emotional, physical, and physiological needs. Golden Care home offers long-term as well as rehab and respite services for a variety of care and dependency levels allowing residents to reside at the home for as long necessary. In addition to the 24-hour day-to-day care of residents, the care home also provides a number of health care services to its residents, including physiotherapy, occupational therapy, speech therapy, as well as phlebotomy and podiatry services.

Most of the beds within Golden Care are allocated to the Active Ageing and Community Care Department ("**AACCD**") of the Government of Malta and the Ministry for Health and Active Ageing. The service agreement stipulates fixed rates for three different categories of residents, ranging from low, medium, or high dependency residents. The remaining care beds are made available for private residents or for contingency isolation purposes. The occupancy rate of the Golden Care as at the end of April 2024 stood at nearly 100%.

6.2 PORZIUNCOLA CARE HOME

Plan Property Holdings 2 Limited holds a 67-year temporary emphyteutical title over the site on which Porziuncola is constructed. The building, which is managed and maintained by Plan C&T Services Limited and operated by PGC Care Home Limited, covers an area of approximately 16,900 sqm over six floors and comprises 200 twin bedrooms accommodating a total of 400 residents. The care home welcomed its first residents in November 2023 and by the end of April 2024 it was 37% occupied.

Porziuncola offers a wide range of services to residents including long term care, respite, rehabilitation, dementia, and memory loss care services. A portion of the beds are allocated to the AACCD under a service agreement that covers three levels of residents ranging from low, medium, or high dependency residents. The remaining care beds are made available for private residents or for contingency isolation purposes.

7. ECONOMIC AND SECTOR ANALYSIS

7.1 ECONOMIC UPDATE[2]

Following the strong rebound in economic activity in 2021 and 2022 that resulted in Malta's gross domestic product ("GDP") to expand by 12.6% (euro area [EA]: 5.9%) and 8.2% (EA: 3.4%) respectively in real terms, the European Commission ("EC"), in its most recent update issued in February 2024, upgraded the estimated growth of the Maltese economy in 2023 to 6.1% (EA: 0.5%) from the previous forecast of 4.0% (EA: 0.6%). Furthermore, the EC raised the projected growth for 2024 and 2025 to 4.6% (EA: 0.8%) and 4.3% (EA: 1.5%) respectively from the prior estimates of an increase in GDP of 4.0% in 2024 (EA: 1.2%) and 4.2% in 2025 (EA: 1.6%).

In this regard, the EC noted that its more favourable view of the Maltese economy is due to the robust underlying dynamics of private consumption and net exports, and the continued robust performance of the tourism sector. Furthermore, following a weaker construction activity in 2023, investment growth is expected to pick-up in 2024 and 2025.

Despite the more positive assessment of the rate of growth of the Maltese economy, the EC lowered the inflation estimate for 2023 to 5.6% (EA: 5.4%) from the previous forecast of 5.7% (EA: 5.6%). In 2022, Malta's inflation rate stood at 6.1% (EA: 8.4%) compared to 0.8% in 2020 (EA: 0.3%) and 0.70% in 2021 (EA: 2.6%). Similarly, the EC is now expecting inflation in Malta to converge earlier to the European Central Bank target of 2.0% as it reduced the forecast and projected inflation for 2024 and 2025 to 2.9% (EA: 2.7%) and 2.7% (EA: 2.2%) respectively from the previous estimates of 3.3% in 2024 (EA: 3.2%) and 3.1% in 2025 (EA: 2.2%).

Meanwhile, in its more detailed update issued in November 2023, the EC had explained that Malta's labour market remained robust as employment increased by 6.2% in 2022 and continued to grow very strongly in 2023. The positive trend in the demand for labour across all sectors of the economy, particularly in the tourism sector and administrative services, led the unemployment rate to fall to 2.9% in 2022 (EA: 6.8%) from 4.4% in 2020 (EA: 8.0%) and 3.4% in 2021 (EA: 7.7%). Moreover, the EC expects Malta's unemployment rate to trend marginally lower and stabilise at 2.7% which is much lower that the corresponding rate of 6.4% in 2025 for the euro area.

Regarding Malta's fiscal position, after climbing to 9.6% of GDP in 2020 (EA: 7.1%), Malta's government deficit eased to 7.5% (EA: 5.2%) and 5.7% (EA: 3.6%) in 2021 and 2022 respectively. In 2023, the government's deficit is estimated to have fallen further to 5.1% of GDP (EA: 3.2%) amid a reduction of the cost of the measures aimed at mitigating the impact of high energy prices (accounting for 1.6% of GDP compared to 2.3% in 2022) and a slower growth in the compensation of employees and social benefits than the rate of growth in nominal GDP.

[2] **Sources:** European Commission, *European Economic Forecast Autumn 2023*, 15 November 2023.
European Commission, *European Economic Forecast Winter 2024 (Interim)*, 15 February 2024.

Despite the higher debt servicing costs, in 2024 the government's deficit is expected to drop to 4.6% (EA: 2.8%) amid the phasing out of the costs supporting the operations of Air Malta. Furthermore, social benefits and intermediate consumption expenditures are anticipated to grow at a slower pace than nominal GDP. On the other hand, the net budgetary cost of energy-related measures is projected to increase to 2.0% of GDP. In 2025, the reduction of the government deficit to 4.1% of GDP (EA: 2.7%) is projected to be driven by the decline in the cost of energy related measures as percentage of GDP (1.0%), intermediate consumption expenditure, as well as slower growth in the costs associated with social benefits. Overall, however, the government debt-to-GDP ratio is anticipated to reach 57.2% in 2025 (EA: 89.5%) which would be 5 percentage points higher than the level of 52.2% in 2020 (EA: 99.1%).

Key Economic Indicators [1 2]	**2020** Actual	**2021** Actual	**2022** Actual	**2023** Forecast	**2024** Forecast	**2025** Projection
Malta						
Real GDP growth *(%, year-on-year)* [2]	(8.10)	12.60	8.20	6.10	4.60	4.30
Real GDP growth per capita *(%, year-on-year)* [1]	(10.10)	11.70	4.50	1.30	1.80	1.90
Inflation *(%, year-on-year)* [2 3]	0.80	0.70	6.10	5.70	3.30	3.10
Unemployment (%) [1]	4.40	3.40	2.90	2.70	2.70	2.70
Primary balance *(% of GDP)* [1]	(8.30)	(6.40)	(4.80)	(4.00)	(3.30)	(2.70)
General balance *(% of GDP)* [1]	(9.60)	(7.50)	(5.70)	(5.10)	(4.60)	(4.10)
Gross public debt *(% of GDP)* [1]	52.20	54.00	52.30	53.30	55.80	57.20
Current account balance *(% of GDP)* [1]	2.50	5.70	0.60	4.20	5.70	5.90
Euro area (20)						
Real GDP growth *(%, year-on-year)* [2]	(6.10)	5.90	3.40	0.50	0.80	1.50
Real GDP growth per capita *(%, year-on-year)* [1]	(6.20)	5.90	3.00	0.10	0.90	1.30
Inflation *(%, year-on-year)* [2 3]	0.30	2.60	8.40	5.60	3.20	2.20
Unemployment (%) [1]	8.00	7.70	6.80	6.60	6.60	6.40
Primary balance *(% of GDP)* [1]	(5.50)	(3.80)	(1.90)	(1.50)	(1.00)	(0.70)
General balance *(% of GDP)* [1]	(7.10)	(5.20)	(3.60)	(3.20)	(2.80)	(2.70)
Gross public debt *(% of GDP)* [1]	99.10	96.50	92.50	90.40	89.70	89.50
Current account balance *(% of GDP)* [1]	2.30	3.60	1.00	2.50	2.60	2.70
EU						
Real GDP growth *(%, year-on-year)* [2]	(5.60)	6.00	3.40	0.50	0.90	1.70
Real GDP growth per capita *(%, year-on-year)* [1]	(5.70)	6.10	3.30	-	1.10	1.60
Inflation *(%, year-on-year)* [2 3]	0.70	2.90	9.20	6.50	3.50	2.40
Unemployment (%) [1]	7.20	7.10	6.20	6.00	6.00	5.90
Primary balance *(% of GDP)* [1]	(5.30)	(3.40)	(1.70)	(1.50)	(1.00)	(0.70)
General balance *(% of GDP)* [1]	(6.70)	(4.70)	(3.30)	(3.20)	(2.80)	(2.70)
Gross public debt *(% of GDP)* [1]	91.70	88.90	84.80	83.10	82.70	82.50
Current account balance *(% of GDP)* [1]	2.40	3.30	0.90	2.50	2.50	2.50

[1] **Source:** *European Commission, 'European Economic Forecast Autumn 2023, 15 November 2023.*

[2] **Source:** *European Commission, 'European Economic Forecast Winter 2024 (Interim)', 15 February 2024.*

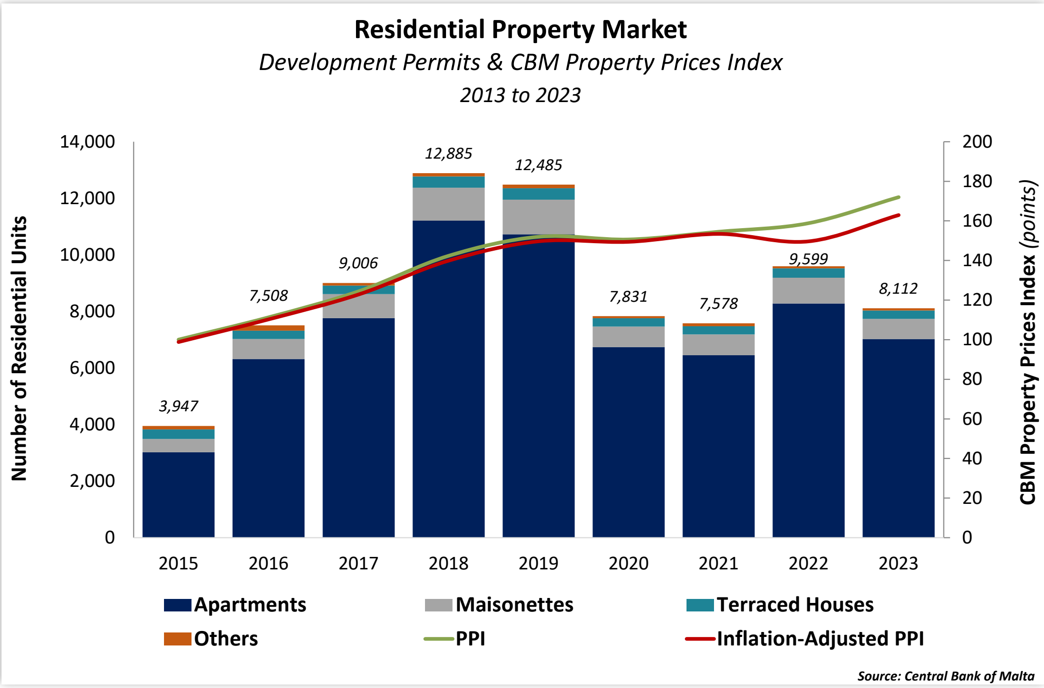
[3] *Harmonised Indices of Consumer Prices ("HICP")*

7.2 PROPERTY MARKET[3]

DEVELOPMENT PERMITS FOR DWELLINGS

Data provided by the Central Bank of Malta ("**CBM**") and the National Statistics Office ("**NSO**") shows that in 2023, the total number of permits for the construction of new dwellings increased by 24.78% to 1,586 permits (2022: 1,271 permits). However, the total number of approved new residential units declined by 15.49% year-on-year to 8,112 units, mostly comprising apartments which totalled 7,026 units (2022: 8,280 apartments) representing 86.61% of the total number of approved new units in 2023. The sharpest year-on-year percentage decline in the number of approved residential units was for the construction of new maisonettes (-21.76% to 712 units), followed by apartments (-15.14%), and terraced houses (-12.31% to 292 units). On the other hand, other type of dwellings including villas, bungalows, and farmhouses increased by 7.89% to 82 units.

The highest ever number of approved new residential units in a single year took place in 2018 as 2,363 permits were issued for the construction of a total of 12,885 residential units. Between 2019 and 2021, the total number of approved new residential units trended lower each year, reaching a five-year low of 7,578 units in 2021 before rebounding strongly by 26.67% to 9,599 new units in 2022.

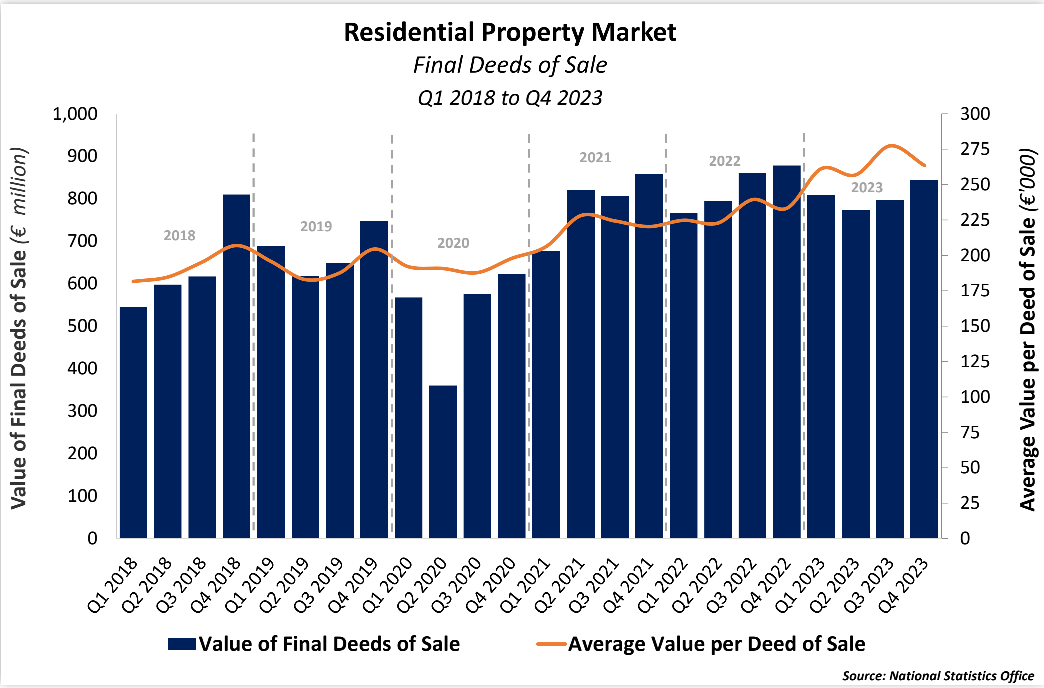


[3] **Sources:** Central Bank of Bank and National Statistics Office online portals at *https://www.centralbankmalta.org/real-economy-indicators* and *https://nso.gov.mt/property* respectively.

PROPERTY PRICES & TRANSACTIONS

In nominal terms, the **CBM Property Prices Index** – which is based on the advertised sale prices of apartments, maisonettes, terraced houses, and other types of dwellings – reached an all-time high of 172.01 points in 2023, representing a significant increase of 8.28% over the prior year (158.86 points). The sharpest year-on-year percentage increase took place in the prices of 'other property' comprising town houses, houses of character and villas, which saw their advertised prices increase by an aggregate 10.57% in 2023. The advertised prices of apartments and maisonettes also increased markedly in 2023 by 9.80% and 9.20% respectively, whilst the advertised prices of terraced houses contracted by a minimal 0.17%. In real terms, the CBM Property Prices Index increased by 8.86% in 2023 (the strongest uplift since 2018), thus erasing to prior year's decline of 2.45% to reach an inflation-adjusted record reading of 162.95 points.

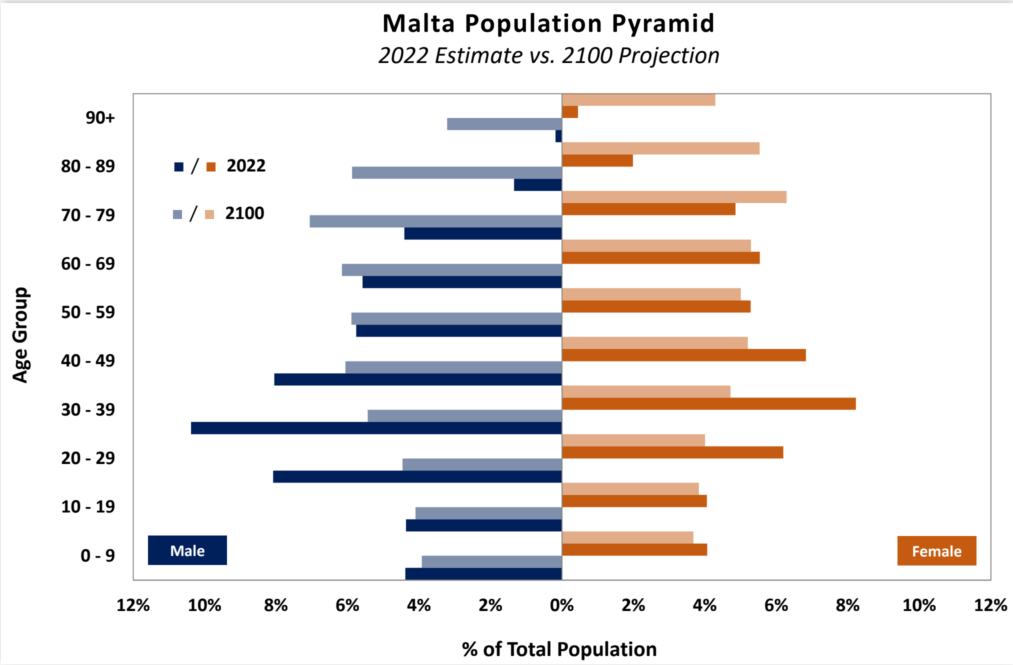
The **NSO Property Price Index** – which is based on actual transactions involving apartments, maisonettes, and terraced houses – reached an all-time high of 151.08 points as at the end of Q2 2023 – representing a year-on-year increase of 4.46% in nominal terms. During 2023, a total of 12,178 final deeds of sale were registered compared to 14,368 deeds in 2021 and 14,331 deeds in 2022. However, the total value of final deeds of sale dropped by only 2.35% in 2023 to €3.22 billion (or €3.05 billion in real terms) compared to the record of just under €3.30 billion (or €3.11 billion in real terms) registered in 2022. Furthermore, the average value per deed of sale reached an all-time high of €0.26 million (or €0.25 million in real terms) compared to €0.22 million in 2021 and €0.23 million in 2022.



7.3 LONG-TERM CARE

Estimates provided by the National Statistics Office[4] show that the total population of Malta as at the end of 2022 stood at 542,051 persons, representing an increase of 4.21% when compared to 2021.[5] Of these, 404,675 persons (or 74.66%) were Maltese whilst 137,376 persons (or 25.34%) were foreign nationals. Furthermore, persons whose age was between 30 years and 69 years represented 55.64% of Malta's population, while persons under the age of 29 years, and persons whose age was 70 years and over represented 31.15% and 13.22% of Malta's population respectively.

Projections prepared by the United Nations Population Division[6] show that Malta's population is expected to continue changing dramatically in the years and decades ahead, with life expectancy to exceed 87 years by 2050 from the current level of circa 84 years, before increasing further and reach 93 years by 2100. Moreover, the median age of Malta's population is projected to increase from the current level of just over 39 years to well over 50 years by 2050 and beyond amid an evident ageing of Malta's population. In fact, almost one-third of Malta's population is expected to be 70 years and older by 2100, whilst persons whose age will be between 30 years and 69 years, and those below 30 years, will represent circa 44% and 24% of the total population.



Against this background, it is expected that both the quantity and the quality of demand for long-term care will continue to intensify, particularly for the services provided by community care centres and other state-run institutions, as well as facilities operated by the Church and the private sector.

[4] **Source:** https://nso.gov.mt/population/.
[5] The population increase of 21,877 persons in 2022 was driven by total net migration of 21,798 persons, of whom just over 83% originated from non-EU countries.
[6] **Source:** Population Division – Department of Economic and Social Affairs, United Nations Secretariat, *World Population Prospects 2022*, available at: https://population.un.org/wpp/.

PART 2 – PERFORMANCE REVIEW

8. FINANCIAL ANALYSIS

The historical information is extracted from the audited consolidated annual financial statements of the Issuer for the financial years ending 31 December 2022 and 31 December 2023.

The forecast and projected information has been provided by the Group and is based on future events and assumptions which Plan Group believes to be reasonable. Accordingly, the actual outcome may be adversely affected by unforeseen circumstances and the variation between forecasts and projections with actual results may be material.

Plan Group p.l.c. Income Statement for the financial year ending 31 December	2022 Actual €'000	2023 Actual €'000	2024 Forecast €'000	2025 Projection €'000
Elderly care homes	*5,286*	*5,515*	*12,500*	*16,500*
Real estate development	*2,310*	*7,537*	*900*	*10,750*
Other income	*60*	*81*	*60*	*60*
Revenue	**7,656**	**13,133**	**13,460**	**27,310**
Net operating expenses	(5,894)	(8,857)	(10,500)	(19,500)
EBITDA	**1,762**	**4,276**	**2,960**	**7,810**
Depreciation and amortisation	(265)	(349)	(1,530)	(1,550)
Operating profit	**1,497**	**3,927**	**1,430**	**6,260**
Share of results of associate company	-	3,262	3,295	1,800
Net finance costs	(428)	(577)	(1,400)	(1,375)
Profit before tax	**1,069**	**6,612**	**3,325**	**6,685**
Taxation	(180)	(172)	(90)	(860)
Profit for the year	**889**	**6,440**	**3,235**	**5,825**
Other comprehensive income				
Revaluation, net of tax	-	4,466	(68)	(68)
Total comprehensive income for the year	**889**	**10,906**	**3,167**	**5,757**
EBITDA analysis:				
Elderly care homes	*998*	*1,426*	*2,610*	*4,310*
Real estate development	*764*	*2,850*	*350*	*3,500*

Plan Group p.l.c. Key Financial Ratios	FY2022 Actual	FY2023 Actual	FY2024 Forecast	FY2025 Projection
EBITDA margin (%) *(EBITDA / revenue)*	23.01	32.56	21.99	28.60
Operating profit margin (%) *(Operating profit / revenue)*	19.55	29.90	10.62	22.92
Net profit margin (%) *(Profit after tax / revenue)*	11.61	49.04	24.03	21.33
Return on equity (%) *(Profit after tax / average equity)*	6.94	28.24	9.41	15.01
Return on assets (%) *(Profit after tax / average assets)*	2.27	10.32	3.73	6.67
Return on invested capital (%) *(Operating profit / average equity and net debt)*	4.53	7.46	1.88	8.08
Interest cover (times) *(EBITDA / net finance costs)*	4.12	7.41	2.11	5.68

INCOME STATEMENT

Revenues generated by the Group amounted to €7.66 million in **FY2022**, of which just over 30% (or €2.31 million) emanated from the sale of property forming part of Oak Ridge (€1.45 million), Breezy Village (€0.71 million), Fairwinds, and The Oaks (€0.15 million). Most of the remaining revenues of the Group, amounting to €5.29 million, were generated by Golden Care which, on a standalone basis, recorded an EBITDA of almost €1 million which translated into a margin of 18.88%. On the other hand, the real estate development segment of the Group registered an EBITDA of €0.76 million, representing 43.36% of the Group's total EBITDA of €1.76 million.

After taking into account depreciation and amortisation charges (€0.27 million), net finance costs (€0.43 million), and tax charges (€0.18 million), Plan Group reported a net profit of €0.90 million which translated into a margin of 11.61%, a return on equity of 6.94%, and a return on assets of 2.27%.

Total revenues surged by 71.54% in **FY2023** to €13.13 million amid a substantial increase in the level of income derived from the sale of property which amounted to €7.54 million (or 57.39% of total Group revenues). The latter was boosted by the contracted sales appertaining to The Oaks which amounted to €6.69 million, whilst income from Breezy Village and Fairwinds stood at €0.62 million and €0.23 million respectively. Meanwhile, income from the Group's elderly care homes amounted to €5.52 million – representing a year-on-year increase of 4.33% – and was mostly generated by Golden Care since Porziuncola only welcomed its first residents in November 2023.

EBITDA recorded by the Group amounted to €4.28 million, of which €2.85 million (or 66.65%) derived from the sale of property whilst the remaining €1.43 million (or 33.35%) emanated from the operation of the elderly care homes. The latter translated into a segment EBITDA margin of 25.86% whilst the EBITDA margin of the real estate development division stood at 37.81% (FY2022: 33.07%). Meanwhile, given the considerable increase in EBITDA, the interest cover strengthened materially to 7.41 times compared to 4.12 times in the prior year.

During FY2023, the Group's share of results from its shareholding in Gap Group amounted to €3.26 million. Since no such income was registered in FY2022, the profit for the year increased markedly to €6.44 million which also led to a corresponding uplift in the net profit margin to 49.04%. Likewise, the return on equity and the return on assets trended higher to 28.24% and 10.32% respectively.

Within other comprehensive income, the Issuer recorded a net gain of €4.47 million in the fair value of the temporary emphyteutical concession on Porziuncola which took place in the second half of the year following completion of development of the care home. As a result, the total comprehensive income of the Group in FY2023 amounted to €10.91 million.

For the projected period covering **FY2024** and **FY2025**, the Group revised higher its revenue and profit targets when compared to the estimates provided at the time of the issuance of the 2023 Bonds. In fact, the Issuer is now envisaging revenues of €13.46 million and €27.31 million in FY2024 and FY2025 respectively compared to the earlier projections of €12.74 million in FY2024 and €27.17 million in FY2025.

Most of the projected income for FY2024 reflects the revenues of €12.50 million to be generated by the elderly care homes segment which is also expected to register an EBITDA of €2.61 million representing 88.18% of the Group's forecasted EBITDA of €2.96 million. On the other hand, following a relatively weak contribution in FY2024, the real estate development segment of the Group is anticipated to register an EBITDA of €3.50 million on revenues of €10.75 million in FY2025 reflecting the contracted sales of all the property forming part of the development projects taking place in Fgura (€7.10 million) and Qawra (€3.65 million). In tandem, the elderly care homes segment is also projected to register an improved performance in FY2025, with revenues and EBITDA increasing to €16.50 million and €4.31 million respectively as Porziuncola reaches full occupancy.

In view of the expected notable increase in activity of the real estate development division in FY2025, and given that this segment represents the higher margin business of the Group, the EBITDA margin of the Group is anticipated to increase to 28.60% in FY2025 from the forecasted level of just under 22% in FY2024. Likewise, the interest cover is envisaged climbing to 5.68 times in FY2025 compared to the level of 2.11 times in FY2024.

Meanwhile, despite the projected increase in net operating expenses and depreciation and amortisation charges in both FY2024 and FY2025, the Issuer in anticipating reaching a record operating profit of €6.26 million in FY2025 (FY2024[F]: €1.43 million) which would translate into a margin of 22.92% (FY2024[F]: 10.62%) and a return on invested capital of 8.08% (FY2024[F]: 1.88%).

Overall, Plan Group is targeting registering net profits of €3.24 million in FY2024 and €5.83 million in FY2025. Although the projected net profit margin of 21.33% in FY2025 would be 270 basis points lower than the forecasted level of 24.03% for FY2024, on the other hand the estimated returns on equity (15.01%) and on assets (6.67%) in FY2025 would represent year-on-year improvements of 560 basis points and 294 basis points respectively.

Plan Group p.l.c. **Statement of Cash Flows** **for the financial year ending 31 December**	**2022** **Actual** **€'000**	**2023** **Actual** **€'000**	**2024** **Forecast** **€'000**	**2025** **Projection** **€'000**
Net cash from / (used in) operating activities	(2,799)	(5,311)	4,091	11,840
Net cash from / (used in) investing activities	(683)	(13,196)	(6,228)	(482)
Free cash flow	**(3,482)**	**(18,507)**	**(2,137)**	**11,358**
Net cash from / (used in) financing activities	2,977	18,878	2,228	(7,063)
Net movement in cash and cash equivalents	**(505)**	**371**	**91**	**4,295**
Cash and cash equivalents at beginning of year	1,598	1,093	1,464	1,555
Cash and cash equivalents at end of year	**1,093**	**1,464**	**1,555**	**5,850**

STATEMENT OF CASH FLOWS

The Group registered an adverse net movement in cash and cash equivalents amounting to €0.51 million in **FY2022**. Net cash flows used in operating and investing activities amounted to €2.80 million and €0.68 million respectively. These were partly offset by net cash inflows of €2.98 million from financing activities which mainly related to movements in borrowings.

In **FY2023**, the Issuer recorded a positive net movement in cash and cash equivalents of €0.37 million. Although the Group used a total of €18.51 million for its operating (€5.31 million) and investing (€13.20 million) activities, with the latter mostly being related to the completion of Porziuncola and the acquisition of the Birżebbuġa Site, during the year Plan Group successfully issued the 2023 Bonds and took on additional bank borrowings. Overall, the Issuer ended the 2023 financial year with a cash balance of €1.46 million compared to €1.09 million as at 31 December 2022.

The Group is expecting positive movements in its cash balances in both **FY2024** (€0.09 million) and **FY2025** (€4.30 million) amid the anticipated inflows totalling €15.93 million from operating activities. Moreover, the amount of net cash used in investing activities is projected to drop each year in FY2024 (€6.23 million) and FY2025 (€0.48 million) reflecting the lower investment requirements of the Group following the completion of Porziuncola in the latter part of FY2023, and the development of the real estate projects in Fgura and Qawra which will be finished by the end of Q2 2025. Meanwhile, after the estimated cash inflow of €2.23 million in FY2024 relating to its financing activities, the Group envisages a cash outflow of €7.06 million in FY2025 mainly related to the repayment of a portion of its bank borrowings. Accordingly, Plan Group is projecting ending FY2025 with cash balances of €5.85 million.

Plan Group p.l.c. Statement of Financial Position as at 31 December	2022 Actual €'000	2023 Actual €'000	2024 Forecast €'000	2025 Projection €'000
ASSETS				
Non-current assets				
Property, plant and equipment	15,872	31,489	34,423	33,100
Right-of-use asset	7,089	6,982	6,780	6,590
Investment property	567	8,621	8,620	8,625
Investment in associate	-	11,177	14,472	16,272
Other non-current assets	1,000	359	1,057	1,125
	24,528	**58,628**	**65,352**	**65,712**
Current assets				
Inventory	10,034	18,306	18,825	12,750
Trade and other receivables	3,381	7,147	2,100	2,450
Cash and cash equivalents	1,158	1,590	1,555	5,850
	14,573	**27,043**	**22,480**	**21,050**
Total assets	**39,101**	**85,671**	**87,832**	**86,762**
EQUITY				
Capital and reserves				
Called up share capital	1	23,060	23,065	23,065
Revaluation and other reserves	9,043	4,466	4,398	4,329
Shareholder contribution	500	850	850	850
Retained earnings	3,278	3,912	7,047	12,504
Non-controlling interest	(5)	500	600	900
	12,817	**32,788**	**35,960**	**41,648**
LIABILITIES				
Non-current liabilities				
Bank borrowings	11,511	20,759	19,815	18,660
Debt securities	-	11,680	11,775	11,835
Lease liability	7,306	7,470	7,638	7,805
Trade and other payables	1,617	394	-	858
Deferred taxation	-	2,405	2,368	2,331
	20,434	**42,708**	**41,596**	**41,489**
Current liabilities				
Bank borrowings	2,556	955	5,789	1,155
Lease liability	50	130	137	145
Trade and other payables	3,244	9,090	4,350	2,325
	5,850	**10,175**	**10,276**	**3,625**
Total liabilities	**26,284**	**52,883**	**51,872**	**45,114**
Total equity and liabilities	**39,101**	**85,671**	**87,832**	**86,762**
Total debt	*21,423*	*40,994*	*45,154*	*39,600*
Net debt	*20,265*	*39,404*	*43,599*	*33,750*
Invested capital (total equity plus net debt)	*33,082*	*72,192*	*79,559*	*75,398*

Plan Group p.l.c. Key Financial Ratios	FY2022 Actual	FY2023 Actual	FY2024 Forecast	FY2025 Projection
Net debt-to-EBITDA (times) *(Net debt / EBITDA)*	11.50	9.22	14.73	4.32
Net debt-to-equity (times) *(Net debt / total equity)*	1.58	1.20	1.21	0.81
Net gearing (%) *(Net debt / net debt and total equity)*	61.26	54.58	54.80	44.76
Debt-to-assets (times) *(Total debt / total assets)*	0.55	0.48	0.51	0.46
Leverage (times) *(Total assets / total equity)*	3.05	2.61	2.44	2.08
Current ratio (times) *(Current assets / current liabilities)*	2.49	2.66	2.19	5.81

STATEMENT OF FINANCIAL POSITION

The Group's statement of financial position as at 31 December **2022** comprised total assets of €39.10 million made up of: (i) property, plant, and equipment ("**PPE**") (€15.87 million); (ii) inventory (€10.03 million – mostly being property and inventory held for resale, as well as property development work-in-progress); (iii) right-of-use asset (€7.09 million) representing the present value of the leased land on which Porziuncola was constructed); and (iv) other assets totalling €6.11 million.

Total equity stood at €12.82 million and mainly comprised revaluation and other reserves (€9.04 million) and retained earnings (€3.28 million). On the other hand, total liabilities amounted to €26.28 million and comprised debt (€21.42 million) and other payables (€4.86 million).

During **FY2023**, the Group increased its total assets by €46.57 million to €85.67 million mostly due to the higher levels of PPE (+€15.62 million to €31.49 million), inventory (+€8.27 million to €18.31 million), investment property (+€8.05 million to €8.62 million)[7], and trade and other receivables (+€3.77 million to €7.15 million). Throughout the year, Plan Group also acquired the one-third ownership of Gap Group Investments (II) Limited which is the parent company of Gap Group.

The Group financed the increase in its asset base mainly through the strengthening of its equity base (via issued share capital) which stood at €32.79 million as at 31 December 2023, and by expanding its obligations principally through an increase in total debt to just under €41 million. Despite the increase in indebtedness, all debt ratios of the Group improved year-on-year, as the net debt-to-equity ratio and the net gearing ratio slipped to 1.20 times (31 December 2022: 1.58 times) and 54.58% (31 December 2022: 61.26%) respectively. Likewise, the debt-to-assets ratio trended lower to 0.48 times

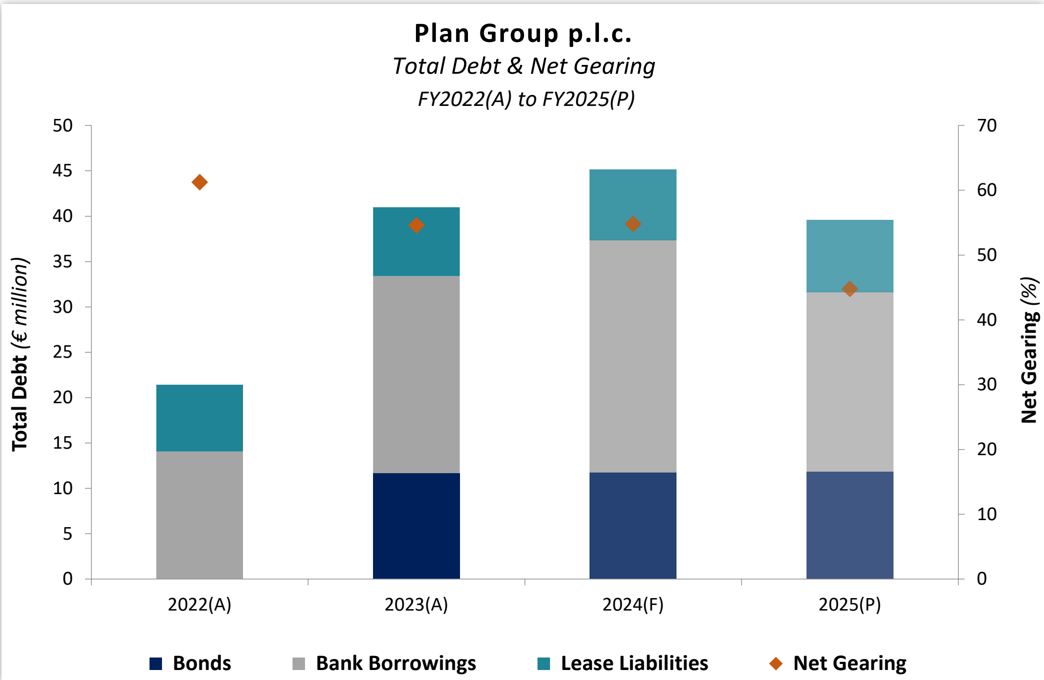
[7] Investment property relates to the Birżebbuġa Site which was acquired in December 2023 through the proceeds from the 2023 Bonds.

from 0.55 times as at the end of FY2022 whilst the leverage ratio dropped to 2.61 times from 3.05 times as at 31 December 2022.

The Issuer's asset base is expected to remain broadly at same level as that at the end of FY2023 by the end of **FY2025** as the anticipated drops in the value of PPE and inventory are projected to be mostly offset by the higher values of the Group's investment in associate and cash.

Conversely, total equity is envisaged to reach €41.65 million by 31 December 2025 (largely reflecting the increase in retained earnings to €12.50 million compared to €3.91 million as at end FY2023) whilst total liabilities are anticipated to drop by €6.76 million to €45.11 million (31 December 2023: €52.88 million). The latter will be driven by the estimated contraction in total debt to €39.60 million amid a targeted reduction in bank borrowings to €19.82 million (related to the completion and sale of the real estate development projects in Fgura and Qawra) following a temporary increase in FY2024.

As such, the Group's debt ratios are anticipated to strengthen materially by the end of the projected period as the net debt-to-equity ratio and the net gearing ratio are envisaged to drop to 0.81 times and 44.76% respectively. Likewise, the debt-to-assets ratio is estimated to trend lower to 0.46 times whilst the leverage ratio is forecasted to ease to 2.08 times. Moreover, in view of the anticipated upsurge in EBITDA (reflecting the full earnings potential of the Group's elderly care homes segment, coupled with the sale of all the property within the Fgura Development and the Qawra Development), the net debt-to-EBITDA multiple is projected to fall considerably to 4.32 times.



9. VARIANCE ANALYSIS

The following is an analysis of the major variances between the projected financial information for the year ended 31 December 2023 included in the Analysis dated 8 November 2023 and the audited consolidated annual financial statements for the year ended 31 December 2023.

PLAN Group p.l.c.			
Income Statement			
for the financial year ending 31 December	**2023**	**2023**	
	Actual	**Projection**	
	€'000	**€'000**	
Elderly care homes	*5,515*	*6,018*	
Real estate development	*7,537*	*7,216*	
Rental operations	*81*	*-*	
Revenue	**13,133**	**13,234**	***(1)***
Net operating expenses	(8,857)	(9,897)	***(2)***
EBITDA	**4,276**	**3,337**	***(3)***
Depreciation and amortisation	(349)	(285)	
Operating profit	**3,927**	**3,052**	
Share of results of associate company	3,262	2,537	***(4)***
Net finance costs	(577)	(513)	
Profit before tax	**6,612**	**5,076**	
Taxation	(172)	(584)	***(5)***
Profit for the year	**6,440**	**4,492**	***(6)***
Other comprehensive income			
Revaluation, net of tax	4,466	4,465	
Total comprehensive income for the year	**10,906**	**8,957**	
EBITDA analysis:			
Elderly care homes	*1,426*	*921*	
Real estate development	*2,850*	*2,416*	

Plan Group registered a higher-than-expected net profit of €6.44 million in FY2023 ***(6)*** as although revenues were in line with previous estimates ***(1)***, the Issuer incurred a lower level of net operating expenses ***(2)*** and tax charges ***(5)*** whilst the share of results of associate company exceeded projections by 28.58% (or +€0.73 million) ***(4)***. Consequently, the Group also recorded a higher level of EBITDA which amounted to €4.28 million compared to the projected figure of €3.34 million ***(3)***.

PLAN Group p.l.c. Statement of Cash Flows for the financial year ending 31 December	2023 Actual €'000	2023 Projection €'000	
Net cash from / (used in) operating activities	(5,311)	1,872	*(1)*
Net cash used in investing activities	(13,196)	(23,108)	*(2)*
Free cash flow	**(18,507)**	**(21,236)**	
Net cash from financing activities	18,878	23,040	*(3)*
Net movement in cash and cash equivalents	**371**	**1,804**	*(4)*
Cash and cash equivalents at beginning of year	1,093	1,157	
Cash and cash equivalents at end of year	**1,464**	**2,961**	*(5)*

In terms of the major variances in the movements of its cash flows, the Group ended the 2023 financial year with a lower cash balance of €1.46 million compared to the projected figure of €2.96 million ***(5)***. This was due to: (i) the amount of net cash consumed for its operating activities ***(1)*** which was negatively impacted by unfavourable working capital movements; and (ii) the lower level of net cash generated from financing activities ***(3)***. On the other hand, the amount of net cash used for its investing activities were lower than projected by €9.91 million ***(2)***, thus leading to an overall net positive movement in cash and cash equivalents of €0.37 million compared to the estimated figure of €1.80 million ***(4)***.

Meanwhile, the material variances between the actual and forecast Statement of Financial Position as at 31 December 2023 were as follows:

(i) Total assets amounted to €85.67 million compared to the estimated figure of €80.46 million ***(1)*** principally reflecting the higher level of inventory (+€11.89 million) and trade and other receivables (+€4.81 million) which offset the lower values of PPE (-€1.22 million), cash (-€1.37 million), investment property (-€2.08 million), and right-of-use assets (-€6.87 million).

(ii) The Group's equity position stood at €32.79 million compared to the projected figure of €31.37 million ***(2)*** amid the relative higher level of retained earnings (+€1.78 million) and non-controlling interest (+€0.50 million) which outweighed the lower amount of shareholder contribution (-€0.85 million).

(iii) Total liabilities exceeded forecasts by €3.79 million ***(3)*** largely reflecting the higher level of trade and other payables (+€6.34 million) whilst the amount of total debt was lower than estimated by €2.94 million.

PLAN Group p.l.c. Statement of Financial Position as at 31 December	2023 Actual €'000	2023 Projection €'000	
ASSETS			
Non-current assets			
Property, plant and equipment	31,489	32,710	
Right-of-use asset	6,982	13,852	
Investment property	8,621	10,700	
Investment in associate	11,177	10,452	
Other non-current assets	359	1,032	
	58,628	**68,746**	
Current assets			
Inventory	18,306	6,412	
Trade and other receivables	7,147	2,338	
Cash and cash equivalents	1,590	2,961	
	27,043	**11,711**	
Total assets	**85,671**	**80,457**	*(1)*
EQUITY			
Capital and reserves			
Called up share capital	23,060	23,065	
Revaluation and other reserves	4,466	4,466	
Shareholder contribution	850	1,700	
Retained earnings	3,912	2,136	
Non-controlling interest	500	(2)	
	32,788	**31,365**	*(2)*
LIABILITIES			
Non-current liabilities			
Bank borrowings	20,759	23,554	
Debt securities	11,680	11,715	
Lease liability	7,470	7,470	
Trade and other payables	394	-	
Deferred taxation	2,405	2,405	
	42,708	**45,144**	
Current liabilities			
Bank borrowings	955	1,065	
Lease liability	130	130	
Trade and other payables	9,090	2,753	
	10,175	**3,948**	
Total liabilities	**52,883**	**49,092**	*(3)*
Total equity and liabilities	**85,671**	**80,457**	
Total debt	*40,994*	*43,934*	
Net debt	*39,404*	*40,973*	
Invested capital (total equity plus net debt)	*72,192*	*72,338*	

PART 3 – COMPARATIVE ANALYSIS

The Table below provides a comparison between the Group and its bonds with other debt issuers and their respective debt securities listed on the Regulated Main Market (Official List) of the Malta Stock Exchange. Although there are significant variances between the activities of the Group and those of other debt issuers (including different industries, principal markets, competition, capital requirements etc.), and material differences between the risks associated with the Group's business/es and those of other debt issuers, the comparative analysis illustrated in the Table below serves as an indication of the relative financial strength and creditworthiness of the Group.

Comparative Analysis*	Amount Issued	Yield-to-Maturity / Worst	Interest Cover	Net Debt-to-EBITDA	Net Gearing	Debt-to-Assets
	(€'000)	*(%)*	*(times)*	*(times)*	*(%)*	*(times)*
5.00% Hal Mann Vella Group p.l.c. Secured 2024	30,000	3.81	2.21	9.47	51.49	0.43
4.25% Best Deal Properties Holding p.l.c. Secured & Guaranteed 2024	1,267	4.17	57.57	9.38	69.21	0.64
5.75% International Hotel Investments p.l.c. Unsecured 2025	45,000	5.75	1.61	10.49	43.07	0.41
5.10% 6PM Holdings p.l.c. Unsecured 2025**	13,000	6.86	16.04	0.65	17.79	0.20
4.50% Hili Properties p.l.c. Unsecured & Guaranteed 2025	37,000	4.11	1.80	8.70	46.06	0.45
4.35% Hudson Malta p.l.c. Unsecured & Guaranteed 2026	12,000	4.63	5.64	6.37	77.20	0.60
4.25% CPHCL Finance p.l.c. Unsecured & Guaranteed 2026	40,000	4.25	1.45	11.49	43.52	0.41
4.00% International Hotel Investments p.l.c. Secured 2026	55,000	3.99	1.61	10.49	43.07	0.41
5.00% Dizz Finance p.l.c. Unsecured & Guaranteed 2026	8,000	4.99	2.27	8.24	80.39	0.57
3.75% Premier Capital p.l.c. Unsecured 2026	65,000	4.38	10.89	2.16	65.14	0.57
4.00% International Hotel Investments p.l.c. Unsecured 2026	60,000	5.34	1.61	10.49	43.07	0.41
3.25% AX Group p.l.c. Unsecured 2026	15,000	3.33	1.24	21.28	39.42	0.36
3.90% Gap Group p.l.c. Secured & Guaranteed 2024-2026	16,702	3.89	n/a	3.15	52.66	0.56
4.00% Hili Finance Company p.l.c. Unsecured & Guaranteed 2027	50,000	3.62	4.60	4.44	69.59	0.61
4.35% SD Finance p.l.c. Unsecured & Guaranteed 2027	65,000	4.26	4.68	1.74	22.08	0.26
4.00% Eden Finance p.l.c. Unsecured & Guaranteed 2027	40,000	4.04	5.43	4.21	26.73	0.24
5.25% Mediterranean Investments Holding p.l.c. Unsecured & Guaranteed 2027	30,000	5.24	5.42	2.67	20.40	0.19
4.00% Stivala Group Finance p.l.c. Secured & Guaranteed 2027	45,000	3.99	5.67	4.17	22.93	0.21
4.75% Best Deal Properties Holding p.l.c. Secured & Guaranteed 2025-2027	15,000	5.06	57.57	9.38	69.21	0.64
4.75% Gap Group p.l.c. Secured & Guaranteed 2025-2027	23,000	4.74	n/a	3.15	52.66	0.56
3.85% Hili Finance Company p.l.c. Unsecured & Guaranteed 2028	40,000	4.27	4.60	4.44	69.59	0.61
5.85% Mediterranean Investments Holding p.l.c. Unsecured & Guaranteed 2028	20,000	5.19	5.42	2.67	20.40	0.19
5.75% Plan Group p.l.c. Secured & Guaranteed 2028	12,000	4.62	7.37	9.26	54.58	0.48
3.65% Stivala Group Finance p.l.c. Secured & Guaranteed 2029	15,000	3.78	5.67	4.17	22.93	0.21
3.80% Hili Finance Company p.l.c. Unsecured & Guaranteed 2029	80,000	4.87	4.60	4.44	69.59	0.61
3.75% AX Group p.l.c. Unsecured 2029	10,000	3.75	1.24	21.28	39.42	0.36
5.25% Best Deal Properties Holding p.l.c. Secured & Guaranteed 2024	15,000	4.98	57.57	9.38	69.21	0.64
6.25% GPH Malta Finance p.l.c. Unsecured & Guaranteed 2030	18,144	6.24	1.73	7.63	94.01	0.75
3.65% International Hotel Investments p.l.c. Unsecured 2031	80,000	4.69	1.61	10.49	43.07	0.41
3.50% AX Real Estate p.l.c. Unsecured 2032	40,000	5.10	2.04	12.44	49.30	0.45
5.00% Mariner Finance p.l.c. Unsecured 2032	36,930	4.85	4.89	6.08	50.77	0.50
5.85% AX Group p.l.c. Unsecured 2033	40,000	5.19	1.24	21.28	39.42	0.36
6.00% International Hotel Investments p.l.c. Unsecured 2033	60,000	5.34	1.61	10.49	43.07	0.41
4.50% The Ona p.l.c. Secured & Guaranteed 2028-2034	16,000	4.63	3.09	16.34	74.89	0.65
5.50% Juel Group p.l.c. Secured & Guaranteed 2035	32,000	5.20	3.35	11.26	55.24	0.51

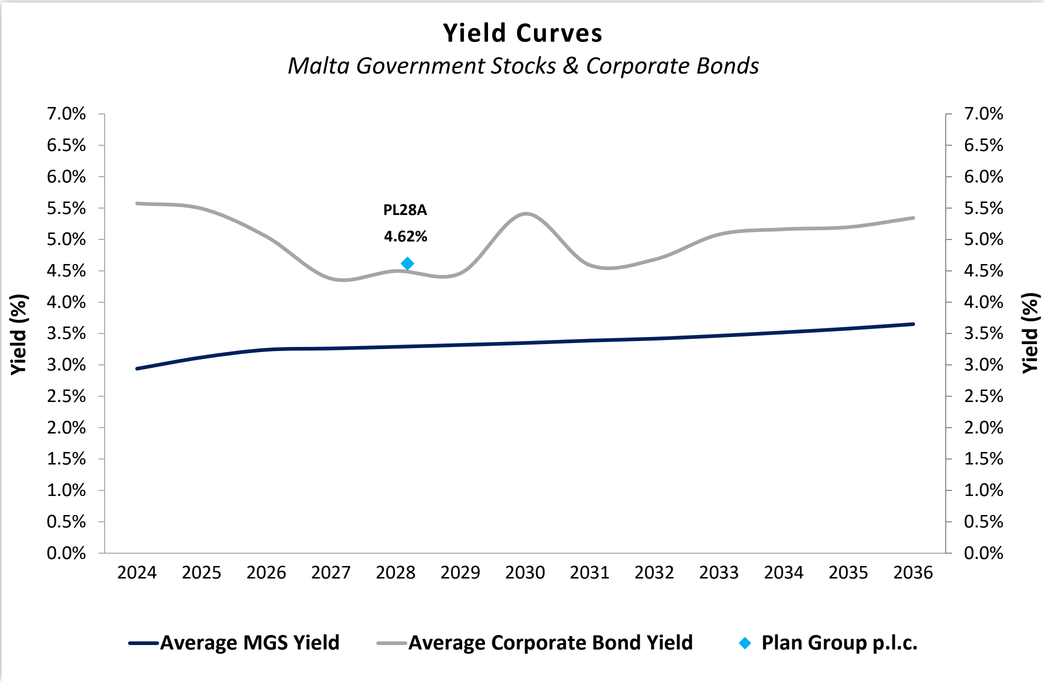
**As at 15 May 2024*

*** The financial ratios pertain to Idox p.l.c..*

Sources: Malta Stock Exchange

M.Z. Investment Services Limited

Most recent audited annual financial statements except for Juel Group p.l.c. (FY2024 forecast, as included in the Financial Analysis Summary dated 6 June 2023).



The closing market price as at 15 May 2024 for the **5.75% Plan Group p.l.c. secured and guaranteed bonds 2028** (PL28A) was 104.50%. This translated into a yield-to-maturity ("YTM") of 4.62% which was 12 basis points above the average YTM of 4.50% of other local corporate bonds maturing in the same year. The premium over the corresponding average Malta Government Stock yield of equivalent maturity stood at 133 basis points.

PART 4 – EXPLANATORY DEFINITIONS

Income Statement	
Revenue	Total income generated from business activities.
EBITDA	Earnings before interest, tax, depreciation, and amortisation. It is a metric used for gauging operating performance excluding the impact of capital structure. EBITDA is usually interpreted as a loose proxy for operating cash flows.
Adjusted operating profit / (loss)	Profit (or loss) from core operations, excluding movements in the fair value of investment property, share of results of associates and joint ventures, net finance costs, and taxation.
Operating profit / (loss)	Profit (or loss) from operating activities, including movements in the fair value of investment property but excluding the share of results of associates and joint ventures, net finance costs, and taxation.
Share of results of associates and joint ventures	Share of profit (or loss) from entities in which the company does not have a majority shareholding.
Profit / (loss) after tax	Net profit (or loss) registered from all business activities.

Profitability Ratios	
EBITDA margin	EBITDA as a percentage of revenue.
Operating profit margin	Operating profit (or loss) as a percentage of total revenue.
Net profit margin	Profit (or loss) after tax as a percentage of total revenue.
Return on equity	Measures the rate of return on net assets and is computed by dividing the net profit (or loss) for the year by average equity.
Return on assets	Measures the rate of return on assets and is computed by dividing the net profit (or loss) for the year by average assets.
Return on invested capital	Measures the rate of return from operations and is computed by dividing operating profit (or loss) for the year by the average amount of equity and net debt.

Statement of Cash Flows	
Net cash from / (used in) operating activities	The amount of cash generated (or consumed) from the normal conduct of business.
Net cash from / (used in) investing activities	The amount of cash generated (or consumed) from activities related to the acquisition, disposal, and/or development of long-term assets and other investments.
Net cash from / (used in) financing activities	The amount of cash generated (or consumed) that have an impact on the capital structure, and thus result in changes to share capital and borrowings.
Free cash flow	Represents the amount of cash generated (or consumed) from operating activities after considering any amounts of capital expenditure.

Statement of Financial Position	
Non-current assets	These represent long-term investments which full value will not be realised within the next twelve months. Such assets, which typically include property, plant, equipment, and investment property, are capitalised rather than expensed, meaning that the amortisation of the cost of the asset takes place over the number of years for which the asset will be in use. This is done instead of allocating the entire cost to the accounting year in which the asset was acquired.
Current assets	All assets which could be realisable within a twelve-month period from the date of the Statement of Financial Position. Such amounts may include development stock, accounts receivable, cash and bank balances.
Non-current liabilities	These represent long-term financial obligations which are not due within the next twelve months, and typically include long-term borrowings and debt securities.
Current liabilities	Liabilities which fall due within the next twelve months from the date of the Statement of Financial Position, and typically include accounts payable and short-term debt.
Total equity	Represents the residual value of the business (assets minus liabilities) and typically includes the share capital, reserves, as well as retained earnings.

Financial Strength / Credit Ratios	
Interest cover	Measures the extent of how many times a company can sustain its net finance costs from EBITDA.
Net debt-to-EBITDA	Measures how many years it will take a company to pay off its net interest-bearing liabilities (including lease liabilities) from EBITDA, assuming that net debt and EBITDA are held constant.
Net debt-to-equity	Shows the proportion of net debt (including lease liabilities) to the amount of equity.
Net gearing	Shows the proportion of equity and net debt used to finance a company's business and is calculated by dividing net debt by the level of invested capital.
Debt-to-assets	Shows the degree to which a company's assets are funded by debt and is calculated by dividing all interest-bearing liabilities (including lease liabilities) by total assets.
Leverage	Shows how many times a company is using its equity to finance its assets.
Current ratio	Measures the extent of how much a company can sustain its short-term liabilities from its short-term assets.