



FINCO TREASURY MANAGEMENT LIMITED

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A Limited Liability Company registered in Malta on 9th November 1994, Registration No. C17017

€12 million – Plan Group P.l.c. 5.75% 2028 -Secured Bond

Salient Details & Time Table

Offeror & Issuer	Plan Group P.l.c.
Currency	Euro
Offer Price	100% at par
Coupon	5.75% per annum
Status of the Secured Bonds	the Secured Bonds shall constitute general, direct, secured, and unconditional obligations of the Issuer, to be secured and guaranteed by the Guarantor and shall at all times rank pari passu and without any preference among themselves;
Guarantee	<p>The joint and several guarantee granted by the Guarantor as security for the punctual performance of the Issuer's payment obligations under the Bond Issue;</p> <p>The Guarantor, Plan (BBG) Limited, shall constitute in favour of the Security Trustee a first-ranking general hypothec over all its assets, present and future, for the full nominal value of the Secured Bonds and interest thereon. It shall also constitute a first-ranking special hypothec over the Birzebbuga Site (and any developments and constructions thereon) for the full nominal value of the Secured Bonds and interest thereon and a first-ranking special privilege over the Birzebbuga Site for the amount of €9,923,420. Should the Security Trustee declare that an Event of Default has occurred which is continuing, the Security Trustee (for the benefit of Bondholders) shall, by virtue of the general hypothec, be paid out of the assets of the Guarantor and, by virtue of the special hypothec, be paid out of the funds received on the sale of the Birzebbuga Site.</p>
Coupon & maturity	5.75% 23 rd November 2028
Listing	Official List, Malta Stock Exchange.
Interest Payment Dates	23 rd November annually
Offer Period	See Time-Table below
Minimum Applications	Min €5,000 (nominal) and in multiples of €100



Principal Activities and Markets

Paul Attard, the issuer's shareholder, started working as a property consultant with several leading estate agencies in Malta more than 25 years ago. In the early 2000s he ventured into the property market and completed his first property development projects. A few years later he joined forces with the late Mr. George Muscat and Mr. Adrian Muscat and together they formed the GAP Group, a group involved in various property development projects. Mr. Attard was responsible for the successful launch of the prestigious Fort Cambridge project located in Tigné, Sliema. He is the director of administration, sales, and marketing of the GAP Group, which over the last 20 years, developed over 40 projects and delivered more than 2,000 homes. GAP Group was also involved in the project management of other commercial developments such as hotels and car parks.

In 2016, Mr. Attard commenced undertaking projects in his own name, and shortly afterwards set up the Group, which is active in two main industry sectors, namely property development and the operation of care homes for the elderly. Today, Mr. Attard is a shareholder and director of various property development companies and together with his partners, developed a considerable portfolio of residential and commercial developments at prices which service all sectors of the market.

Secured Bonds

The Secured Bonds constitute the general, direct, unconditional, and secured obligations of the Issuer and shall be guaranteed in respect of both the interest due and the principal amount, by the Guarantor. The Secured Bonds shall at all times rank *pari passu* without any priority or preference among themselves. The Secured Bonds are secured by the following collateral constituted in favour of the Security Trustee for the benefit of Bondholders:

- (i) a first-ranking general hypothec over the Issuer's assets, present and future, for the full nominal value of the Secured Bonds and interest thereon;
- (ii) a first-ranking general hypothec over the Guarantor's assets, present and future, for the full nominal value of the Secured Bonds and interest thereon;
- (iii) a first ranking special hypothec over the Birżebbuġa Site (and any developments and constructions thereon) for the full nominal value of the Secured Bonds and interest thereon;
- (iv) a first ranking special privilege over the Birżebbuġa Site (and any developments and constructions thereon) for the amount of €9,923,420;
- (v) the Share Pledge; and (vi) the Pledge of Insurances Agreement.

Use of Proceeds

The proceeds from the Bond Issue, which net of Bond Issue expenses are expected to amount to approximately €11.7 million, shall be used as follows:

- (a) the amount of €10.7 million shall be utilised for the acquisition of the Birżebbuġa Site, including cost of acquisition; and
- (b) the remaining €1.0 million shall be utilised for general corporate funding purposes of the Group.



Financials

PLAN Group p.l.c.

Pro forma Consolidated Statement of Comprehensive Income
for the year ended 31 December 2022

	Combined €'000	Adjustments €'000	Pro forma €'000
Revenue - elderly care homes	5,286		5,286
Revenue - property development	2,370		2,370
Revenue	7,656		7,656
Cost of sales and operating expenses	(5,893)		(5,893)
EBITDA	1,763		1,763
Depreciation and amortisation	(265)		(265)
Operating profit	1,498		1,498
Share of results of associated company	-	1,690	1,690
Net finance costs	(428)		(428)
Profit before tax	1,070		2,760
Taxation	(180)		(180)
Profit for the year	890	1,690	2,580
Total comprehensive income for the year	890	1,690	2,580

PLAN Group p.l.c.

Pro Forma Consolidated Statement of Comprehensive Income
for the six-month period ended 30 June 2023

	Combined €'000	Adjustments €'000	Pro forma €'000
Revenue - elderly care homes	2,773		2,773
Revenue - property development	6,746		6,746
Revenue	9,519		9,519
Cost of sales and operating expenses	(5,973)		(5,973)
EBITDA	3,546		3,546
Depreciation and amortisation	(138)		(138)
Operating profit	3,408		3,408
Share of results of associated company	-	2,176	2,176
Net finance costs	(205)		(205)
Profit before tax	3,203		5,379
Taxation	(476)		(476)
Profit for the period	2,727	2,176	4,903
Total comprehensive income for the period	2,727	2,176	4,903



PLAN Group p.l.c.
Pro Forma Consolidated Statement of Financial Position
as at 30 June 2023

	Actual	Adjustments			Pro forma
	€'000	(I) €'000	(II) €'000	(III) €'000	€'000
ASSETS					
Non-current assets					
Property, plant and equipment	24,458				24,458
Right-of-use asset	7,035				7,035
Investment in associate	-		7,915	2,176	10,091
trade and other receivables	1,425				1,425
	<u>32,918</u>	<u>-</u>	<u>7,915</u>	<u>2,176</u>	<u>43,009</u>
Current assets					
Inventory	5,412				5,412
Trade and other receivables	1,865				1,865
Cash and cash equivalents	2,904				2,904
	<u>10,181</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,181</u>
Total assets	43,099	-	7,915	2,176	53,190
EQUITY					
Capital and reserves					
Called up share capital	1,853	400	20,807		23,060
Revaluation reserve	7,590		(7,590)		-
Shareholder contribution	2,100	(400)			1,700
Retained earnings	5,562		(5,302)	2,176	2,436
Non-controlling interest	439				439
	<u>17,544</u>	<u>-</u>	<u>7,915</u>	<u>2,176</u>	<u>27,635</u>
LIABILITIES					
Non-current liabilities					
Borrowings	15,948				15,948
Lease liability	7,323				7,323
Trade and other payables	72				72
	<u>23,343</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>23,343</u>
Current liabilities					
Borrowings	600				600
Trade and other payables	1,482				1,482
Lease liability	130				130
	<u>2,212</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,212</u>
	<u>25,555</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,555</u>
Total equity and liabilities	43,099	-	7,915	2,176	53,190



Our Comments

Based on the above, Finco is not averse to recommending this bond to those of its clients whose personal circumstances, objectives and risk attitude, and their understanding of the commercial and financial risks involved in the Issue, are otherwise compatible with a limited exposure to this Bond. In any case, Finco is of the view that any exposure to this Bond should not exceed 10% of his overall investment portfolio or €50,000, whichever is the lower.

Demand for this Bond is expected to be strong. In the event of such over subscriptions, FTM will allocate bonds on a first-in-first served basis.

Time Table

1. Offer Period 13th November 2023 to 23rd November 2023
2. Commencement of interest on the Secured Bonds 23rd November 2023
3. Expected date of announcement of basis of acceptance 24th November 2023
4. Refunds of unallocated monies (if any) 29th November 2023
5. Expected dispatch of allotment advices 29th November 2023
6. Expected date of admission of the securities to listing 29th November 2023
7. Expected date of commencement of trading in the securities 30th November 2023

Availability of Prospectus

The Prospectus issued by Issuer is available at our offices for whoever is interested. In this respect, anyone interested may call at our offices to collect a copy.

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