

## Responses to Shift Questions

- **Could you please explain the reason behind all the payments Steward made to Accutor and its affiliated companies in 2019 and 2020?**

*Accutor is a professional services firm based in Zurich that we engaged, as many other companies did, for legitimate business services during this period. Commercial confidentiality agreements and GDPR laws prohibit us from disclosing precise details of the payments made to Accutor.*

*However, in recent weeks we have initiated multiple legal proceedings in European courts (in addition to the two cases ongoing in Malta). While we cannot say anything more at this time, we believe the submissions and arguments made in those proceedings will give us the legal venue to answer all the outstanding questions, as well as add to the public's knowledge of the concession. Steward International believes strongly in total and complete transparency, as shown by our recent publication of significant financial data relating to the concession; we see the pursuit of justice in the European courts as the best way to secure an independent and fair conclusion to this case.*

- **Could you please explain Steward's business relationship with Spring Healthcare?**

*Steward has never had any business relationship with Spring Healthcare. We became aware that we were listed on the company's website as a partner in 2021 and demanded in writing that they remove us from the relevant pages, an action the company had not undertaken. We repeated this correction through another cease-and-desist request in 2022.*

- **Similarly, could you also explain Steward's business relationship with Wasay Bhatti?**

*Steward has never had a direct business relationship with Mr. Bhatti, who we have only encountered through our engagement with his business, Accutor.*

- **What is the nature of Steward's relationship with former prime minister Joseph Muscat?**

*Steward has never had a commercial or other relationship with Joseph Muscat.*

- **Why did Steward engage Joseph Muscat for the meeting with Prime Minister Abela on 12 January 2020? What service did he provide? When did the engagement commence? On what terms? When was it terminated? By whom? Why? On what terms?**

*There was no engagement or any terms on this or any other issue with Joseph Muscat. It is our understanding that he was present at this meeting to assist with the transition from his administration to that of Robert Abela and Chris Fearne.*

- **How many times did Steward communicate with Joseph Muscat from 19 November 2019 to 12 January 2020?**

*There was no regular communication with Joseph Muscat during this period.*

- **How many times did Steward meet with Joseph Muscat after he resigned from parliament on 5 October 2020? Where did these meetings take place? What was their purpose?**

*Steward never met with Joseph Muscat after the meeting with Abela and Fearn on 12 January 2020.*

- **More specifically, could you explain how the following payments served Steward's contractual obligations to the Government of Malta?**
  - **Steward transferred €12, 904, 669.26 to Bluestone Investments Malta Ltd from 29 September 2016 to 19 July 2017. What was the purpose of these payments?**

*Steward did not make any transfers to Bluestone during this period, in which VGH was the concessionaire- as The Shift is fully aware. The information here is factually incorrect.*

- **On 27 August 2019 Steward paid €5,250 to Wiener Staatoper for Vienna Ball tickets. How do you explain this purchase? For whom were the tickets bought? Who attended the Vienna Ball using the tickets Steward purchased?**

*See below*

- **On 23 December 2019, Steward Malta Management Ltd paid €73,635.20 to Hotel Sacher in Vienna and a further €18,408.80 on 15 January 2020. What was the purpose of this payment?**

*See below*

- **On 20 January 2019, Steward Malta Management Ltd paid €5,184.04 to Armin Ernst for 'Vienna hotel and stay'. How do you explain this payment?**

*These payments were not concession expenses. These expenses were paid for via the SHCM account on behalf of Steward International, which reimbursed SHCM for the payments. These amounts were never registered as a concession expense. Steward International executives attended the Vienna Ball as part of a business development initiative.*

- **On 12 December 2019, Steward paid €19,931.35 to ‘My Maltese Guide’. What was the purpose of this payment? What services were rendered to Steward in return for the payment? When were the services delivered and to whom?**

*These payments were for the organisation of tours of Malta and for hotel reservations for Steward executives and potential investors visiting Malta for the Barts Medical School opening ceremony.*

- **On 18 April 2019, Steward transferred €2043.57 to Platinum Heritage Tourism LLC and a further EUR220.97 to the same company on 29 April 2019. What was the purpose of these payments? What services were provided and to whom?**

*This payment was made on behalf of Steward International. It was not a SHCM expense, and the company was reimbursed by Steward International as per standard practice. These amounts were never registered as a concession expense.*

- **With reference to the Italian company Sirimed, which was involved in the construction of the Barts campus, can you explain why Steward paid the company €20 million and in 2019 Sirimed returned €5.4 million?**

*Sirimed was the contractor we engaged to build the medical school on Gozo. Significant lump-sum payments to Sirimed were transferred as per the agreed*

*payment schedules for the construction work undertaken. In accordance with industry and banking standards, this was subject to a constant customary review and to cost verification exercises. All expenses were verified by secondary reviews by leading accountancy firms including PWC and Grant Thornton, who confirmed the appropriateness of all transactions. Further information relating to Sirimed and payments made in relation to the Barts Medical School can be found at <https://www.stewardinternational.org/steward-malta-financials/barts-medical-school/>.*

*Steward did not receive €5.4 million back from Sirimed in 2019 – this information is factually incorrect.*

- **When Steward took over the operations in Malta from VGH, did it find any problematic bookkeeping or unexplained payments out of the company?**
- **If so, could you please provide details of any concerns you have /have had?**

*Steward International's accountable care model depends on professional, detailed management of its financial position.*

*There were major deficiencies in the way in which the concession was administered by VGH, and the way in which it was supervised by the Government before we were involved. Many of these deficiencies and our subsequent actions are detailed in our Maltese appeal filed on 15 March 2023 (<https://www.stewardinternational.org/wp-content/uploads/2023/04/150322-ENG-appeal-application-courtesy-translation9.pdf>). There will also be further detail provided, as the courts permit, via our pending actions in Europe.*

*Steward International has worked hard to transform the accounting standards of the Maltese business since it arrived, resulting today in fully complete management accounts for all years in which the company has run the*

*concession. These accounts have been audited in Malta and reviewed by international firms and adhere to all relevant reporting standards.*

*In line with its ethos of transparency and accountability, Steward International believes that it is important for these accounts to be available to the public whose money has been spent on operating the three hospitals in the concession.*

*Please see our website on the Malta concession financials for further information at <https://www.stewardinternational.org/steward-malta-financials/financial-administration/>*

*We are unable to give details on specific counterparties due to GDPR laws.*

**Steward has in the past referred to “hidden liabilities” it found when taking over from VGH. Apart from the VAT liability, could you specify what other liabilities Steward was referring to?**

*When Steward International took over the concession in 2018, we Inherited a large number of unexpected liabilities relating to VGH’s prior ownership. These liabilities totalled €61,786,010.*

*As part of our commitment to accountability and transparency we analysed and managed these liabilities in the years following our arrival. Some of these were settled and some were contested. At all times we have sought to preserve value for the Maltese taxpayer, and we have now resolved all the outstanding issues. The government was kept informed of all our findings. Furthermore, once a balance sheet was created for the succession (one did NOT previously exist, to our knowledge) we saw to it that all assets linked to the concession were properly and transparently accounted for.*

Please see our website on the Malta concession financials for further information at <https://www.stewardinternational.org/steward-malta-financials/financial-administration/>

We are unable to identify specific counterparties due to GDPR laws.

- **Documents show well in excess of €3,000,000 was paid by Steward US to Accutor in Switzerland, a company embroiled in controversy involving Vitals. These payments were described as “master disbursement funding”. What did these payments refer to? Can you provide a copy of the master disbursement agreement to which these payments refer?**

*SHCI first encountered Accutor when the Swiss company was nominated as the destination for funds by the sellers during the buy-out of VGH. Before making the payments, SHCI undertook appropriate due diligence on Accutor, which at that time revealed no issues of concern and subsequently verified that these funds were paid to the sellers.*

- **Asad Ali has said on record that he was hired by Stewards at the same time that he worked for Spring X Media and Sirimed. Could you explain the nature of this relationship?**

*Asad Ali provided business development consultancy to Steward International. We have no basis to comment on his consultancy work for other parties.*

- **You were the CEO at Vitals Global Healthcare and then at Steward once it took over the Malta hospitals venture. Steward signed off on the deal. Yet Steward’s statement of 16 March 2023 claims government corruption in the hospital deal, apparently incriminating Steward itself. How do you explain this?**

**[“... the government’s failure to appeal the Civil Court verdict that labelled its own behaviour corrupt is an admission of guilt in relation to its own governance failings,” - Steward’s statement of 16<sup>th</sup> March 2023.]**

*The reference you cite refers to statements made by the court relating to the original hospitals deal, in which neither Dr Ernst nor Steward played any part. Steward has appealed the Civil Court verdict, and emphatically disputes the conclusions reached in relation to its participation in the concession. The narrative of the judge's findings in relation to SHCM is an assessment that was made with no basis in evidence. This narrative is erroneous and could have been disproven had SHCM simply been asked to supply evidence on these counts to court – a request that was never made. While SHCM has no position on or knowledge of events that took place while the concession was being awarded, the company has supplied significant documentary and other evidence to counter any claims made in its respect as part of its appeal. Rather than restate the facts provided in the lengthy appeal; please find the appeal here <https://www.stewardinternational.org/wp-content/uploads/2023/04/150322-ENG-appeal-application-courtesy-translation9.pdf>*

- **Documents show that, in acquiring the hospitals concession from Vitals, Steward waived due diligence into Vitals. This is not normal practice. What comforts or guarantees were offered by Vitals and/or the Maltese government in 2017 about the deal and previously undisclosed liabilities or claims?**

*Please refer to our appeal against the Civil Court verdict and subsequent media coverage of the same to understand the guarantees provided by the Government of Malta to Steward (which can be found here*



<https://www.stewardinternational.org/wp-content/uploads/2023/04/150322-ENG-appeal-application-courtesy-translation9.pdf>

*While not normal, it was reasonable to expect that the concession, the accounting, and its management had been awarded and monitored by the government as was its legal and fiduciary responsibility.*

*Steward trusted that the government, especially knowing that the EU would find that the concession did not comply with EU standards, would immediately move to “fix” the original concession structure.*

*Steward is disappointed at the Government of Malta’s failure throughout this engagement to keep faith with the spirit of the public-private partnership agreement. Specifically, the Government failed to be accountable for their own shortcomings; failed to adhere to their own promises to renegotiate the ‘unbankable’ and unsustainable terms of the concession, not once but three times – and more recently being engaged in negotiations up to the time of the verdict; and, therefore, failed to enable Steward to raise finances to deliver fully on the terms of its engagement.*