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CF ESTATES FINANCE p.l.c.

CF Business Centre, Level 1, Triq Gort, Paceville, San Giljan, STJ 9023, Malta
Co. Reg. No. C102839

COMPANY ANNOUNCEMENT

Publication of Financial Analysis Summary

It is being announced that the updated report containing the Financial Analysis Summary of the Company dated 24th June 2026, has been approved for publication and is attached herewith. It is also available for viewing on the Company's website: <https://cf.com.mt/>

A handwritten signature in blue ink, appearing to read 'Dr. Saliba', is enclosed in a light blue rectangular box.

Dr. Joseph Saliba
Company Secretary

24th June 2026

Directors

Francis Agius

Clifton Cassar

Mario Vella

Peter Portelli

Stephen Muscat

The Directors
CF Estates Finance p.l.c.
CF Business Centre,
Level 1, Triq Gort, Paceville,
San Giljan, STJ 9023,
Malta

24 June 2026

Re: Financial Analysis Summary – 2026

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 CF Estates Finance p.l.c. (the “**Issuer**”) and CF Estates Ltd. (the “**Guarantor**”), being the parent company of the group as explained in part 1 of the Analysis. The data is derived from various sources, including the prospectus dated 28 November 2022 (the “**Prospectus**”), or is based on our own computations as follows:

- (a) Historical financial data for the years ended 31 December 2023, 2024 and 2025 has been extracted from the audited financial statements of the Issuer for the three years in question.
- (b) The forecast data for the financial year ending 31 December 2026 has been provided by management.
- (c) Our commentary on the Issuer’s results and financial position is based on the explanations provided by management.
- (d) The ratios quoted have been computed by us applying the definitions set out in Part 4 of the Analysis.
- (e) Relevant financial data in respect of competitors has been extracted from public sources such as the websites of the companies concerned or financial statements filed with the Registrar of Companies.

The Analysis is meant to assist investors in the Issuer’s securities and potential investors by summarising the more important financial data of the Group. The Analysis does not contain all data that is relevant to investors or potential investors. The 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 in any of the Issuer’s securities. We shall not accept any liability for any loss or damage arising out of the use of the Analysis. As with all investments, potential investors are encouraged to seek professional advice before investing in the Issuer’s securities.

Yours sincerely,



Patrick Mangion
Head of Capital Markets

FINANCIAL ANALYSIS SUMMARY 2026



DEVELOPMENT | HOTELS | OFFICES | RETAIL

24 June 2026

Prepared by Calamatta Cuschieri
Investment Services Limited

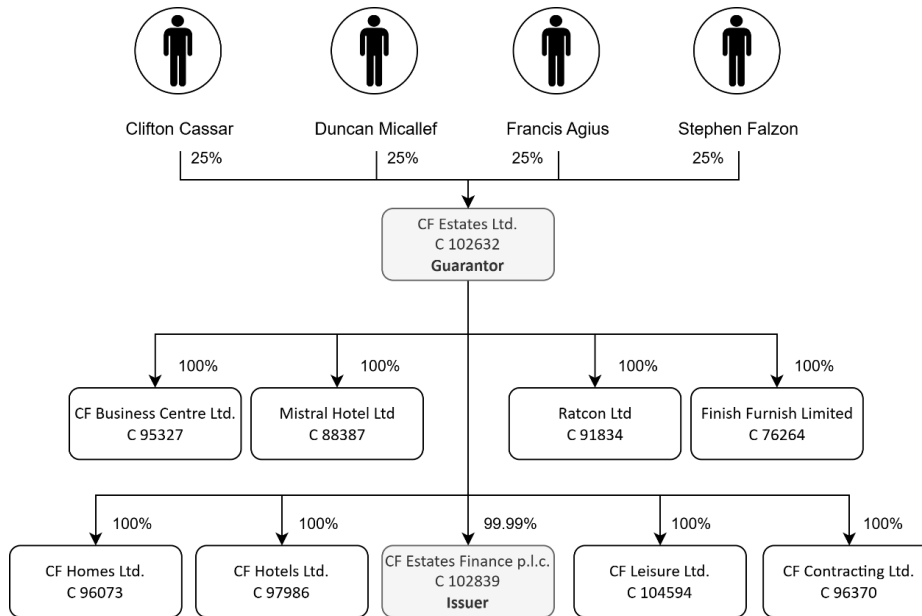
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Part 1 - Information about the Group

1.1 Issuer’s Key Activities and Structure

The Group structure is as follows:



CF Estates Finance p.l.c. (the “**Issuer**”) was incorporated on 26 July 2022 with company registration number C 102839. As at the date of this Analysis, the Issuer has an authorised share capital of €250,000 divided into 250,000 ordinary shares of €1 each and an issued share capital of €250,000 divided into 250,000 ordinary shares of €1 each, all fully paid up. The Issuer is, except for one ordinary B share that is held by CF Homes Ltd (previously Mr Joseph Portelli), a fully owned subsidiary company of CF Estates Ltd.

CF Estates Ltd. was incorporated on 30 June 2022 with company registration number C 102632. It was incorporated to act as both the holding and parent company of the CF Group (the “**Group**”). Following the exit of Joseph Portelli (“**JP**”) effective 23 April 2026, the Group is now owned directly by Francis Agius, Stephen Falzon, Duncan Micallef and Clifton Cassar (the “**Shareholders**”). The Group operates, through its subsidiaries, a range of businesses including hotels, a business centre, residential developments and other commercial outlets.

Prior to a group restructuring exercise, the Shareholders and JP operated through different companies. Stephen Falzon, Duncan Micallef and Francis Agius developed residential projects through “**SDF Limited**”, a company incorporated on

6 February 2013 with company registration number C 59236. Along with JP, they also developed residential projects through “**7 Dwarfs Ltd**”, a company incorporated on 19 February 2020 with company registration number C 94667. “**Finish Furnish Limited**”, which operates the Casafini showroom in Balzan, was incorporated on 4 July 2016 with company registration number C 76264.

The group decided to close the Casafini showroom as it did not form part of their core business.

JP, Duncan Micallef and Clifton Cassar also developed residential projects through JDC Projects Limited (C 88087) and JDC Contracting Limited (C 92792), which were incorporated on 3 September 2018 and 5 August 2019, respectively. They also acquired and developed three hotels and a business centre (the “**CF Business Centre**”). The aforementioned three hotels are the Mistral Hotel (through “**Mistral Hotel Ltd**”), the Scirocco Hotel and Levante Hotel (through “**Ratcon Ltd**”). The business centre is owned through “**CF Business Centre Ltd.**” (Previously Haven Centre Limited).

In 2020, the Shareholders and JP began discussions on merging their aforementioned businesses to create

synergies which would facilitate further growth in their future operations. The companies involved in the merger were CF Business Centre Ltd, Mistral Hotel Ltd, Ratcon Ltd and Finish Furnish Limited. The Shareholders and JP agreed that any developments which were still in progress would be completed by the corresponding entities, following which all new developments would be done through “CF Homes Ltd.” (Previously CF Developers Ltd.) and “CF Contracting Ltd.”, both incorporated in 2020. The Shareholders and JP had proposed incorporating a new holding company to be owned 30% by Joseph Portelli and 17.5% each by Francis Agius, Duncan Micallef, Stephen Falzon and Clifton Cassar. This resulted in the incorporation of CF Estates Ltd. in June 2022. JP has since then exited the Group (see section 1.5).

Management explained that, in most cases, the acquisition of the land and construction of the development up to shell form is carried out by CF Homes Ltd. whilst CF Contracting Ltd. is appointed to finish the common areas and apertures. CF Contracting Ltd. may also be appointed to finish and furnish the apartments if requested by the client. Furthermore, “CF Hotels Ltd” was incorporated on 26 January 2021 with company registration number C 97986 and is a direct subsidiary of the Guarantor. “CF Leisure Limited”, started operations in Q1 2024.

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
Mr Francis Agius	Chairman and Executive Director
Mr Clifton Cassar	Executive Director
Mr Stephen Muscat	Independent Non-executive Director
Mr Mario Vella	Independent Non-executive Director
Mr Peter Portelli	Independent Non-executive Director

Mr. Joseph Portelli resigned as executive chairman and director on 23 April 2026. Mr. Clifton Cassar replaced him as executive director whilst Mr. Francis Aguis took on the role of executive chairman on the same day. The business address of all of the directors is the registered office of the Issuer. Dr Joseph Saliba is the company secretary of the Issuer.

The board of the Issuer is composed of five 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 three 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
Mr Francis Agius	Executive Director
Mr Clifton Cassar	Executive Director
Mr Stephen Falzon	Executive Director
Mr Duncan Micallef	Executive Director

The business address of all of the directors is the registered office of the Issuer. Dr Nicole Ann Demicoli 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 day-to-day management.

1.3 Major Assets owned by the Group

1.3.1 Hotels

The hotels owned by the Group are the Mistral Hotel, the Scirocco Hotel, and the Levante Hotel, all of which are three-star hotels in St. Julian’s, Malta (collectively, the “Hotels”). As at end of FY2025, all three hotels were operational. Mistral Hotel completed its first year of operations in 2024 whilst Scirocco Hotel commenced operations in March 2024 and Levante Hotel opened its doors on July 2024. Since the hotels are operated by the Group and managed by Meliá, they are classified as property, plant and equipment. As per Property Revaluation Report dated 15 July 2025, the total asset value of the hotels was €18.4m. This value was taken following the opening of the three hotels.

In July 2023, the Group completed the acquisition of the site for the development of the District Apart-Hotel. Construction and furnishing works are expected to be completed by Q1 2027, with operations anticipated to commence in Q2 2027. The project comprises 25 apartments and is currently in shell form, with certain mechanical and electrical installations already in place.

1.3.2 CF Business Centre

The CF Business Centre has been the head office of the Group since the first half of 2022. This property is a luxurious

and spacious work environment that includes a restaurant, offices, a store and other commercial outlets. As at the date of this Analysis, level 1 of the CF Business Centre houses the Group's head office. The rest of the centre is fully rented out.

The CF Business Centre is partly accounted for as property, plant and equipment, as it uses one floor of the building as the Group's head office, and part as investment property. Following a revaluation on 15 July 2025 and an adjustment, the fair value of the CF Business Centre increased by €5.3m, resulting in a net book value of €18.7m for the investment property as at the end of FY2025.

1.3.3 Residential Units

The inventory of the Group as at year-end also consists of work-in-progress in relation to the development of residential units, undertaken by CF Homes Ltd. As at 31 December 2025, inventory relating to property development totalled €27.8m and included *inter alia* the cost of land, permits, professional fees and construction costs in relation to ongoing projects.

1.4 Operational Developments

1.4.1 Residential Units

As at the date of this Analysis, CF Homes Ltd has permits to develop 25 projects. **As at FY2025, all the projects funded from the bond proceeds have been completed with the sales proceeds utilised in new development projects.** A description of the more material projects follows:

1.4.1.1 Mayfair

On 17 May 2022, CF Developers Ltd. (now CF Homes Ltd.) acquired the land known as "Ta Dardu" in Triq Lorenzo Manche, Attard, for a consideration of €5.3m. On 16 November 2021, a full development permit was approved (PA/3873/21) to excavate 44 basement garages and construct 43 residential units from the ground floor upwards including penthouses. Works for this property were completed by FY2024 for a total cost (including cost of land) *circa* €10.1m. As at the date of this Analysis just two units remain unsold both of which are currently under a promise of sale.

1.4.1.2 Dolphin (previously "Park Lane")

On 3 August 2022, CF Developers Ltd. (now CF Homes Ltd.) entered into a promise of sale agreement to acquire "Dolphin Centre" in Triq il-Wied, Hal Balzan corner with Triq il-Kbira with an approximate floor area of 3,997m². The property was acquired for a consideration of €9.5m, of which €2.1m would be delivered through a barter of units from this project in shell form. The development was originally planned to include 8 1-bed apartments, 24 2-bed apartments and 56 3-bed apartments, whilst also allowing for offices, a bank and a restaurant. Works, which were placed on hold, pending a project redesign and the issuance of the required development permits. Subsequently, the redesigned project was submitted for permitting, which was approved and currently under appeal. The new appealed permit (PA/6573/25) relates to a project consisting of 104 residential units, 19 commercial outlets and 168 parking facilities.

1.4.1.3 Macael

CF Developers Ltd. (now CF Homes Ltd.) entered into a promise of sale agreement with various vendors to acquire 5 houses in Paola for a consideration of €1.5m plus a barter for 6 units and 5 garages from the said development. On 15 December 2021, the planning authority granted CF Developers Ltd. a permit (PA/1895/21) to demolish the existing property and construct 18 garages and 45 apartments, including penthouses with a Jacuzzi or pool. The development is over a site of approximately 1,155m² and will include 2 1-bed apartments, 17 2-bed apartments and 26 3-bed apartments. The development was completed in Q2 2024. As at the date of this Analysis just one garage remains unsold which is currently under a promise of sale.

1.4.1.4 Meadow

CF Homes Ltd acquired a Burmarrad property on 3 February 2023 for €2m. Development approval was obtained through Planning Authority permit PA/3317/21. The scheme includes 19 residential units and 11 garages, occupying a 657m² site. Construction started in FY2024 and was completed in FY2025. As at the date of this Analysis just two units remain unsold both of which are currently under a promise of sale.

1.4.1.5 Dovecote

A property in Mosta was acquired by CF Homes Ltd on 26 June 2023 for €5m. Planning permit PA/1762/24 was

obtained for the development of 48 residential units and 46 garages. Situated on approximately 1,328m² of land, the construction began in FY2024 and has now been completed. 2 garages and 1 apartment remain available for sale.

1.4.1.6 *Field view*

On 1 May 2024, CF Homes Ltd purchased a site in Mqabba for €2.7m. Planning permission for the project was granted under application PA/04317/23. The scheme comprises 43 residential units and 41 garages, covering an area of about 1,584m². Construction began in FY2024 and has now been completed. As at the date of this Analysis, this project has been fully sold with just 1 apartment and 1 garage available which are both on promise of sale.

1.4.1.7 *Sienja*

On 29 April 2024, CF Homes Ltd finalised the purchase of a Mellieha property for €3.3m. Planning Authority permit PA/04255/23 was granted for the construction of 5 luxury villas on a site spanning roughly 7,338m². Building activity commenced in FY2024 and progressed through FY2025, with the project expected to conclude in FY2026. The total investment, including land acquisition, is estimated at around €8.9m. As at the date of this Analysis, 1 of the villas has been sold, 3 are on promise of sale and 1 remains unsold.

1.4.1.8 *Corner Residences*

CF Homes Ltd acquired a property in Fgura on 25 June 2024 for a consideration of €2.8m. The development, approved under permit PA/7378/23, entails excavation works and the construction of 28 residential units and 27 garages/outlets across a site measuring about 1,011m². All units have been sold apart from 1 apartment and 1 outlet, both of which are on promise of sale.

1.4.1.9 *Marigold*

On 5 August 2024, CF Homes Ltd entered into an agreement for several properties in Fgura, with a consideration of €0.6m plus a barter. The site is covered by Planning Authority permit PA/08739/21, which authorises excavation works. The project comprises 27 residential units and 12 garages, occupying a footprint of approximately 1,470m². All units have been sold.

1.4.1.10 *Sunset Breeze*

CF Homes Ltd acquired a site in Qawra on 23 December 2024 for €7m. Planning Authority application PA/03209/23 allows for the construction of 110 residential units and 64 garages on a 1,550m² plot. Works commenced in FY2025 and will continue into FY2026, by which time the project is expected to be completed. The comprehensive development cost is estimated at around €16m. As at the date of this Analysis, 90% of the available property are currently under a promise of sale.

1.4.1.11 *The Arches*

On 8 May 2025, CF Homes Ltd secured a property in Santa Venera for €2.5m. Approved via application PA/05366/23, the project will feature 33 residential units and 40 garages spread over approximately 939m². Construction began in FY2025 and has since been completed. All units have been sold on promise of sale agreements, with final contracts expected to be concluded by the end of FY2026.

1.4.1.12 *Zabbar House*

On 15 January 2026, CF Homes Ltd acquired a property in Żabbar for €160,000. The development, approved under application PA/04158/25, comprises a single house, which has already been sold on a promise of sale agreement. The project is expected to be completed during FY2026.

1.4.1.13 *Nova*

On 8 January 2026, CF Homes Ltd acquired a property in Fgura for €2.7m. The development, approved under application PA/00632/25, comprises 13 garages and 26 residential units. Construction commenced in FY2026, and the project is expected to be completed during FY2027. As at the date of this Analysis, 8 garages have been sold with 14 apartments on promise of sale.

1.4.1.14 *Zejtun Complex*

On 5 June 2026, CF Homes Ltd entered into an agreement to acquire a site in Żejtun comprising 27 garages, 1 maisonette and 11 terraced houses. The development will be carried out under PA application number PA/06601/25, with construction expected to commence during FY2026 and be completed by the end of FY2027. Although excavation works have just commenced, 3 garages and 3 terraced houses have already been sold on promise of sale.

1.4.2 CF Leisure Ltd

During the year under review (FY2025), CF Leisure Ltd continued to operate the entertainment arena within the Mercury Tower Project in terms of the rental agreement with Mercury Commercial Mall Ltd. The 2025 financial year represented the final year of operations of the entertainment arena by CF Leisure Ltd, as it forms part of the settlement agreement in relation to Joseph Portelli's exit and as such operations have now ceased as from 1st January 2026.

1.5 Change in Security

As per company announcement dated 3 September 2025, the Issuer underwent a restructuring of the security backing the €30,000,000 5% Secured Bonds 2033 following a 2025 revaluation of the group's property portfolio. This revaluation, conducted by Architect Edwin Mintoff, reflected a significant increase in the value of the original collateral due to the successful completion of development and finishing works since the 2022 issuance. Consequently, by virtue of a New Deed dated 2 September 2025, the Levante Hotel was formally released from the security pool through a waiver and reduction of the existing hypothecary rights.

The revised security structure now provides Bondholders with a first-ranking special hypothec over the Scirocco Hotel, the Mistral Hotel, and the CF Business Centre, including their respective airspaces valued at €33.2m as per Property Revaluation Report dated 15 July 2025. This strategic adjustment was deemed appropriate as the appreciated value of the remaining three assets continues to provide full and adequate coverage for the Company's repayment obligations.

1.6 Events after the reporting period

1.6.1 Redemption of €4,900,000 Zero-coupon Secured Notes

On 20 September 2024, CF Estates Finance p.l.c. issued € 4,900,000 Zero-Coupon Secured Notes by way of private placement, at a nominal value of €100. The notes were redeemed in full at their nominal value on 20 March 2026 using funds generated from the Group's operations.

1.6.2 Exit of a Shareholder and capitalisation

Reference is made to the announcement issued by the Company on 28 April 2026 by virtue of which the Directors informed the public that Mr. Joseph Portelli's exit from the Guarantor became effective as of 23rd April 2026. As a result thereof, the Guarantor's share capital was reduced from €6,307,000 to €4,415,740 and the shares previously held by Mr. Portelli were duly cancelled with effect from 23rd April 2026. The Directors have been informed that the shareholders of the Guarantor have resolved to reinstate the equity value of the Group prior to JP's exit. As a first step the Guarantor's issued share capital has been reinstated to the original value as it was before Mr. Portelli's departure. New issues of shares resulted from the capitalisation of amounts from the Guarantor's retained earnings.

Hence, the amount of €1,892,460 was capitalised out of the Guarantor's accumulated retained earnings by the issue and allotment of 1,892,460 Ordinary 'A' Shares in the Guarantor to the shareholders and split in equal proportions between them representing their 25% ownership interest in the Company. In this regard 473,115 Ordinary 'A' Shares were issued and allotted to each one of the shareholders, i.e. Mr. Francis Agius; Mr. Clifton Cassar; Mr. Duncan Micallef; and Mr. Stephen Falzon, all being ordinary shares of a nominal value of one Euro (€1.00) each in the Company.

1.6.3 Subscription of Unlisted Secured Notes

As per company announcement on 4 June 2026, the Issuer successfully closed its public offering of unlisted Secured Notes, which was fully subscribed to its maximum aggregate nominal value of €3.2m. Issued at €100 per note, these securities carry a coupon rate of 7.5% per annum and are set to mature on 16 June 2029, though the issuer retains the right to execute an early redemption. Following the close of the offer period, the total proceeds were immediately deployed into the Group's operations through an Issuer-Guarantor Loan agreement executed with the parent company, CF Estates Ltd., who acts as the guarantor for the transaction.

The Notes are also secured through a first ranking pledge constituted by the shareholders of the Guarantor over the totality of their issued shares in the Guarantor. This share pledge, alongside the underlying intercompany loan covenants, fully constitutes the core collateral framework backing this €3.2 million financing round.

Part 2 - Historical Performance and Forecasts

The financial information below is extracted from the audited consolidated financial statements of the Issuer for the financial years ended 31 December 2023, 2024 and 2025. The projected financial information for the year ending 31 December 2026 has been provided by Group management.

This financial information relates to events in the future and are based on assumptions which the Group believes to be reasonable. Consequently, the actual outcome may be adversely affected by unforeseen situations and the variation between forecast and actual results may be material.

2.1 Group's Statement of Comprehensive Income

Group Statement of Comprehensive Income for the period ended 31 December	2023A	2024A	2025A	2026F
	€000s	€000s	€000s	€000s
Revenue	23,058	41,104	40,352	59,455
Cost of sales	(15,928)	(29,288)	(27,259)	(38,341)
Gross profit	7,130	11,816	13,093	21,114
Administrative expenditure	(4,011)	(6,017)	(4,226)	(2,318)
Fair value gains	-	-	5,029	-
Other expense	(38)	-	-	-
Loss on disposal of PPE	-	-	-	(2,724)
Other income	75	51	344	-
EBITDA	3,156	5,850	14,240	16,071
Depreciation and amortisation	(555)	(927)	(738)	(764)
EBIT	2,601	4,923	13,502	15,307
Net Finance cost	(1,816)	(1,733)	(2,166)	(2,504)
Profit before tax	785	3,190	11,336	12,803
Taxation	(1,186)	(2,436)	(1,857)	(4,467)
Profit for the period	(401)	754	9,479	8,336
Other comprehensive income				
Revaluation increase on PPE	-	-	2,097	3,545
Deferred tax charge relating to components of other comprehensive income	-	-	(734)	(1,241)
Total comprehensive income	(401)	754	10,842	10,640

Ratio Analysis	2023A	2024A	2025A	2026F
Profitability				
Growth in Revenue (YoY Revenue Growth)	N/A	78.3%	-1.8%	47.3%
Gross Profit Margin (Gross Profit/ Revenue)	30.9%	28.8%	32.5%	35.5%
EBITDA Margin (EBITDA / Revenue)	13.7%	14.2%	35.3%	27.0%
Operating (EBIT) Margin (EBIT / Revenue)	11.3%	12.0%	33.5%	25.8%
Net Margin (Profit for the year / Revenue)	-1.7%	1.8%	23.5%	14.0%
Return on Common Equity (Net Income / Average Equity)	-5.2%	9.6%	69.2%	39.8%
Return on Assets (Net Income / Average Assets)	-0.6%	0.9%	10.1%	8.3%
Return on capital employed (EBITDA/ Total Assets - Current Liabilities)	5.2%	8.2%	19.7%	20.5%
EBITDA Growth	N/A	85.4%	143.4%	12.9%

→ Revenue Generation and Operational Overview

The Group derives its revenue from a diversified portfolio of operations, including property sales, office space leasing, hotel operations, turnkey finishing and construction services and the operation of an entertainment arena forming part of the Mercury Project. Total revenue for FY24 amounted to €41.1m, primarily driven by a substantial increase in property sales which accounted for approximately 82.7% of the overall revenue. In FY25, revenue experienced a slight decline to €40.4m, representing a 1.8% decrease compared to the prior year. This decrease was expected and can be attributed to a one-off high-value sale by CF Homes Limited in FY24 (which accounted for 18.6% of total revenue from sale of properties), the cessation of activities by Finish Furnish and minimal revenue recognised from Sanity ware sales. For FY26, revenue is projected to be €59.5m, representing a growth of 47.4% compared to FY25. As mentioned in section 1.4.2. the FY26 revenue forecast does not include any revenue from the Entertainment segment which CF no longer owns or operates since the arena has been passed on to Joseph Portelli as part of the settlement agreement in relation to his exit.

Revenue Type	2023A	2024A	2025A
Sale of Properties	17,299	33,066	33,367
Leasing of Office Spaces	829	928	908
Hotel Operations	707	2,379	2,686
Finishings and Construction	670	1,546	1,976
Sale of Sanitaryware	3,553	1,842	27
Entertainment	-	1,343	1,380
Other	-	-	8
Total	23,058	41,104	40,352

Revenue Type	2023A	2024A	2025A
Sale of Properties	75.0%	80.4%	82.7%
Leasing of Office Spaces	3.6%	2.3%	2.3%
Hotel Operations	3.1%	5.8%	6.7%
Finishings and Construction	2.9%	3.8%	4.9%
Sale of Sanitaryware	15.4%	4.5%	0.1%
Entertainment	0.0%	3.3%	3.4%
Other	-	-	0%
Total	100%	100%	100%

→ Cost of Sales and Gross Profit

Cost of sales comprises expenses directly related to the Group's property development activities and operating expenses for the Group's three hotels. In FY25, gross profit reached €13.1m, resulting in an improved gross profit margin of 32.5% compared to 28.8% in FY24. This reflects the Group's continued strategic focus on core property development operations and better cost management. For FY26, the Group is forecasting a gross profit of €21.1m, which would result in a gross profit margin of 35.5%.

→ Administrative Expenses and Strategic Exits

Administrative expenses (not including depreciation) decreased significantly in FY25 to €4.2m, compared to €6.0m in FY24. The higher costs in the previous year were primarily attributable to a provision related to inventory held by Sanitaryware following the Group's strategic decision to exit that underperforming segment. Depreciation and amortisation for FY25 stood at €0.7m, slightly lower than FY24. For the upcoming period, administrative expenses are forecasted to be €2.3m whilst depreciation and amortisation is forecast at €764k. In FY26 the Group is also forecasting a €2.7m loss on disposal of PPE.

→ Finance Costs and Profitability

Finance costs reached €2.2m in FY25, comprising mainly of interest expense on bonds (€1.9m). Profit before tax in FY25 was €11.3m, a substantial increase from the €3.2m reported in FY24, aided by a fair value gain of €5.0m recorded during the year. After accounting for a tax charge of €1.9m, the Group reported a net profit of €9.5m for FY25. This resulted in a net margin of 23.5% and a return on equity of 69.2%. In FY25 the Group recorded €2.1m in upward revaluations with associated tax of €734k which resulted in total comprehensive income of €10.8m For FY26, the Group is forecasting a profit for the year of €8.3m, which would result in a net margin of 14.0%. For FY26 the Group is also expecting further upward revaluations of €3.6m on its PPE with an associated deferred tax charge of €1.2m leading to a total comprehensive income for the year of €10.6m

2.1.1 Group's Variance Analysis

Group Statement of Comprehensive Income for the period ended 31 December	FY2025F	FY2025A	Variance
	€000s	€000s	€000s
Revenue	36,739	40,352	3,613
Cost of sales	(21,965)	(27,259)	(5,294)
Gross profit	14,774	13,093	-1,681
Administrative expenditure	(3,834)	(4,226)	(392)
Fair value gains	-	5,029	5,029
Other expense	-	-	-
Other income	5	344	339
EBITDA	10,945	14,240	3,295
Depreciation and amortisation	(852)	(738)	114
EBIT	10,093	13,502	3,409
Net Finance cost	(1,733)	(2,166)	(433)
Profit before tax	8,360	11,336	2,976
Taxation	(2,790)	(1,857)	933
Profit for the period	5,570	9,479	3,909
Other comprehensive income			
Revaluation increase on PPE	-	2,097	2,097
Deferred tax charge relating to components of other comprehensive income	-	(734)	(734)
Total comprehensive income	5,570	10,842	5,272

→ Variance Analysis – FY2024 Revenue and Cost Structure

For the fiscal year 2025, revenue reached €40.4m, exceeding projections by €3.6m. This performance was driven by the property segment, which contributed a favourable €4.3m variance due to the earlier-than-anticipated sale of the Fgura Corner residences. This uplift successfully offset revenue shortfalls in the hotels and offices divisions, as well as the postponement of several deed signings originally scheduled for the year.

Cost of sales finished at €27.3m, which was €5.3m higher than expected. This adverse variance was concentrated in the property segment and was primarily caused by the direct development costs associated with the higher sales volume. Moreover, the mix of units delivered also differed from initial projections. There was also an underestimation in the cost base. To note that had these adjustments not been made, last year's analysis would have projected a gross profit margin of 31%, which is broadly aligned with the actual gross profit margin for the property segment in FY25 of 29%. Because the increase in costs outpaced the revenue growth, gross profit ended at €13.1m, resulting in an adverse variance of €1.7m compared to the forecast.

Operating performance was significantly impacted by a €5.0m fair value gain on investment property that was not included in the original projections. This gain led to an EBITDA of €14.2m which represents a substantial €3.3m favourable variance over the €10.9m projection.

Within the Group's Statement of Comprehensive income, net finance costs were €0.4m higher than planned, reaching €2.2m. However, this was mitigated by a favourable €0.9m tax variance, as actual taxation was €1.9m compared to the €2.8m forecast. Consequently, profit for the period reached €9.5m, outperforming the projected €5.6m by €3.9m. The Group also registered an upward revaluation of €2.1m which was not initially forecast. This led to a total comprehensive income of €10.8m compared to the €5.6m forecasted in last year's Analysis. This final result was supported by unforeseen fair value gains, upward revaluations on PPE and tax efficiencies, which more than compensated for the compressed gross profit margins.

2.2 Group's Statement of Financial Position

Group Statement of Financial Position as at 31 December	2023A	2024A	2025A	2026F
	€000s	€000s	€000s	€000s
Assets				
Non-current assets				
Investment property	13,689	13,689	19,019	18,818
Intangible assets	5	34	28	5
Property, plant and equipment	24,770	26,321	25,954	31,170
Right-of-use asset	782	131	57	29
Trade and other receivables	-	-	1,100	-
Deferred tax assets	1,022	1,090	2,265	2,344
Assets held for sale	-	-	2,607	-
Total non-current assets	40,268	41,265	51,030	52,366
Current assets				
Inventory	30,025	35,763	27,745	34,252
Trade and other receivables	8,470	9,356	12,418	8,012
Cash and cash equivalents	2,330	5,865	3,660	12,649
Total current assets	40,825	50,984	43,823	54,913
Total assets	81,093	92,249	94,853	107,279
Equity				
Share capital	6,308	6,308	6,308	6,308
Revaluation reserve	1,540	1,540	2,903	5,207
Retained earnings	(331)	423	9,902	11,237
Total equity	7,517	8,271	19,113	22,752
Liabilities				
Non-current liabilities				
Lease liabilities	601	55	15	-
Borrowings	48,808	56,916	45,694	47,068
Long-term deposits	208	221	255	255
Deferred tax liability	3,313	3,496	5,007	6,247
Trade and other payables	-	2,400	2,100	2,100
Total non-current liabilities	52,930	63,088	53,071	55,670
Current liabilities				
Lease liabilities	214	91	16	15
Borrowings	4,313	2,535	4,596	13,271
Trade and other payables	16,119	18,264	18,057	15,570
Total current liabilities	20,646	20,890	22,669	28,857
Total liabilities	73,576	83,978	75,740	84,527
Total equity and liabilities	81,093	92,249	94,853	107,279

Ratio Analysis	2023A	2024A	2025A	2026F
Financial Strength				
Gearing 1 (Net Debt / Net Debt and Total Equity)	87.3%	86.7%	70.9%	67.7%
Gearing 2 (Total Liabilities / Total Assets)	90.7%	91.0%	79.8%	78.8%
Gearing 3 (Net Debt / Total Equity)	686.5%	649.6%	244.1%	209.7%
Net Debt / EBITDA	16.4x	9.2x	3.3x	3.0x
Current Ratio (Current Assets / Current Liabilities)	2.0x	2.4x	1.9x	1.9x
Quick Ratio (Current Assets - Inventory / Current Liabilities)	0.5x	0.7x	0.7x	0.7x
Interest Coverage 1 (EBITDA / Cash interest paid)	67.1x	25.0x	62.2x	5.6x
Interest Coverage 2 (EBITDA / Finance Costs)	2.0x	3.1x	4.4x	7.5x

➔ Asset Composition and Balance Sheet Dynamics

As at FY25, the Group's total assets reached €94.9m, comprising 53.8% non-current assets and 46.2% current assets. Non-current assets increased to €51.0m, predominantly composed of property, plant and equipment (PPE) at €26.0m and investment property, which rose to €19.0m following a fair value gain. A new category of assets held for sale amounting to €2.6m was also recognized in relation to the settlement agreement in relation to Joseph Portelli's exit. Current assets decreased to €43.8m in FY25, primarily because inventories fell by €8.0m to €27.7m as property sales were concluded. Trade and other receivables increased to €12.4m, while cash levels moderated to €3.7m. For FY26, total assets are projected to be €107.3m, with inventories expected to reach €34.3m, cash and cash equivalents to surge to €12.7m and PPE to reach €31.2m.

➔ Liabilities, Equity and Capital Structure

Non-current liabilities decreased to €53.1m in FY25, down from €63.1m in FY24, primarily due to the reduction in non-current borrowings to €45.7m. This reflects the Group's strategy to deleverage using proceeds from completed developments. Current borrowings increased to €4.6m in FY25, reflecting €207k in bank loans and a €4.4m bank overdraft. Trade and other payables remained stable at €18.1m and comprised mainly of deposits received on

promise of sales for property. The Group's equity position strengthened significantly to €19.1m in FY25, up from €8.3m, driven by a surge in retained earnings to €9.9m and an increase in the revaluation reserve to €2.9m. The revaluation reserve moves in line with revaluations in PPE which by pass the income statement and go straight to equity through other comprehensive income. For FY26, total liabilities are forecasted to be €84.5m, while total equity is expected to reach €22.8m. The increase in liabilities is expected to come mainly from higher borrowings with the higher equity mainly being the result of upward revaluations in PPE.

➔ Working Capital and Gearing Ratios

The Group's financial strength indicators showed marked improvement in FY25 as deferred profits from project completions were recognized. The current ratio stood at 1.9x, while the quick ratio remained stable at 0.7x. Gearing levels improved significantly, with the net debt to total equity ratio falling from 649.6% in FY24 to 244.1% in FY25. Similarly, the Net debt-to-EBITDA ratio improved to 3.3x, reflecting a return to more normalized levels of operation and much higher profitability. Interest coverage also strengthened to 4.4x in FY25. For FY26, management anticipates the current ratio to be 1.9x and the net debt to EBITDA ratio to come down to 2.5x.

2.3 Group's Statement of Cash Flows

Group Statement of Cash Flows for the period ended 31 December	2023A	2024A	2025A	2026F
	€000s	€000s	€000s	€000s
Cash flows from operating activities				
Profit before tax	785	3,190	11,335	12,803
<i>Adjustments for:</i>				
Depreciation and amortisation	555	927	745	764
Interest expense on bank borrowings	-	195	137	241
Interest expense on lease arrangements	27	22	2	-
Interest expense on bank overdrafts	20	17	9	-
Interest expense on bonds	1,545	1,653	1,941	2,264
Increase/decrease in fair value of investment property	-	-	(5,029)	-
Increase in fair value of property, plant and equipment	-	-	-	-
Disposal of property, plant and equipment	-	-	-	2,724
Consolidation adjustments	-	1,761	(59)	(16)
<i>Changes in working capital:</i>				
Change in inventories	(5,936)	(6,670)	8,029	(5,627)
Change in trade and other receivables	(2,343)	(1,367)	(4,114)	1,953
Change in trade and other payables	(2,122)	2,893	(2,057)	(2,881)
Taxes paid	(1,246)	(2,322)	(2,653)	(4,547)
Net cash flows used in operating activities	(8,715)	299	8,286	7,678
Cash flows from investing activities				
Payments to acquire property, plant and equipment	(9,713)	(2,689)	(1,100)	(2,058)
Payments to acquire investment property	-	(32)	-	-
Payments to acquire intangible asset	-	45	-	-
Net cash flows used in investing activities	(9,713)	(2,676)	(1,100)	(2,058)
Cash flows from financing activities				
Proceeds on issuance of shares upon incorporation	-	-	-	-
Net proceeds from issue of secured notes	-	4,400	-	(1,200)
Net proceeds from bank borrowings	20,423	1,929	(9,161)	(533)
Net proceeds from other financing	-	-	-	11,152
Interest paid on bank borrowings	(20)	(212)	(146)	(1,101)
Interest payment on bond	-	-	-	(2,264)
Interest paid on finance lease	(27)	(22)	(2)	-
Repayments of finance lease	-	-	(115)	-
Movement in lease liabilities	(230)	(196)	-	-
Dividend paid	-	-	-	(2,108)
Movement in equity	-	-	-	(1,892)
Long-term deposits received from customers	92	13	33	1,314
Net cash flows generated from financing activities	20,238	5,912	(9,391)	3,369
Movement in cash and cash equivalents	1,810	3,535	(2,205)	8,989
Cash and cash equivalents at start of year	520	2,330	5,865	3,660
Cash and cash equivalents at end of year	2,330	5,865	3,660	12,649

Ratio Analysis	2023A	2024A	2025A	2026F
Cash Flow				
Free Cash Flow (Net cash from operations + Interest - Capex)	€(18,381)	€(2,156)	€7,334	€8,984

→ Cash Flows from Operating Activities

Following adjustments to profit before tax for non-cash items and changes in working capital, the Group generated €299k in net cash flows from operating activities during FY24. In FY25, net cash generated from operating activities increased significantly to €8.3m. This improvement was primarily driven by the substantial profit before tax of €11.3m and a favourable €8.0m reduction in inventory levels as property developments were sold. These inflows were partially offset by a €5.0m non-cash fair value gain and a €4.1m increase in trade and other receivables. For FY26, net cash from operating activities is projected to be €7.7m with the strong profit before tax expected to more than make up for the significantly negative working capital movements.

→ Cash Flows from Investing Activities

In terms of investing activities, the Group utilized €2.7m during FY24, largely attributable to the acquisition of property, plant and equipment. During FY25, cash outflows for investing activities moderated to €1.1m, used entirely for the acquisition of property, plant and equipment. No material cash outflows for the acquisition of investment property or intangible assets were recorded during the year. For FY26, the Group anticipates investing cash outflows of €2.1m.

→ Cash Flows from Financing Activities

Financing activities for FY25 resulted in a net cash outflow of €9.4m, a significant shift from the €5.9m inflow in FY24. This outflow was primarily driven by €9.2m in net repayments of bank borrowings, as the Group utilized project proceeds to settle some of its outstanding debt facilities. Additional outflows included €146k in interest on borrowings and €115k for the repayment of finance leases. This planned deleveraging initiative is central to the Group's strategy to optimize its capital structure and enhance overall gearing ratios. For FY26, net cash flows from financing activities are forecasted to be €3.4m. This is the net effect of inflows of €11.2m from other financing and outflows coming from net borrowing repayments of €1.7m and net interest payments of €3.4m. The Group also expects a €1.9m movement in equity and a dividend payment of €2.1m in FY26.

→ Liquidity and Cash Position

Although there was a net movement in cash and cash equivalents of negative €2.2m during the year, the Group maintained a healthy closing cash balance of €3.7m. Free cash flow also turned positive for the Group coming in at €7.3m following a number of years of negative free cash flow in line with the Groups investment cycle. For FY26, the Group expects to end the period with a cash and cash equivalents balance of €12.7m.

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 2026. However, investors are strongly advised to carefully read the risk factors disclosed in the Prospectus.

3.2 Economic Update¹

Economic activity in Malta has moderated somewhat. The Bank's Business Conditions Index indicates that in April, annual growth in business activity moderated towards its long-term average. Meanwhile, industrial production contracted in March, while year-on-year growth in retail trade moderated. Services output rose in February following declines in the preceding three months. On the other hand, tourism activity in March grew more moderately than in previous months.

Despite remaining above its long-term average, economic sentiment weakened as confidence in the industry and the services sectors declined. On balance, according to the European Commission's Economic Uncertainty Indicator, there was less economic certainty surrounding decisions made by respondents in April. Supply and demand conditions in the property market remain strong. In April, residential permits were higher on a year earlier, but commercial permits were lower.

Meanwhile, both the number of residential promise-of-sale agreements and the number of final deeds of sale increased on a year earlier. The labour market shows some signs of easing. In April, the European Commission's Employment Expectations Indicator, fell below its historical average. The unemployment rate in March remained unchanged at 3.5% for the third consecutive month, though it was higher than the rate recorded in the same month a year earlier. Malta's inflation rate rose in April but stood well below that in the euro area. The annual inflation rate based on the

Harmonised Index of Consumer Prices (HICP) edged up to 2.5% in April, while HICP inflation excluding food and energy remained unchanged at 2.4%.

Across the euro area, HICP inflation was higher than that in Malta due to an increase in energy inflation. However, when excluding energy and food prices, HICP inflation in Malta was higher. According to the Retail Price Index (RPI), inflation in April edged up to 2.8%. In March, the Consolidated Fund registered a larger deficit compared with that recorded a year earlier, due to higher expenditure coupled with a decline in revenue, brought about by lower tax receipts. The annual rate of change of Maltese residents' deposits rose, while credit grew at an unchanged annual rate in March, compared with February.

3.3 Economic Outlook²

According to the Bank's latest forecasts, Malta's real GDP growth is projected at 3.7%, 3.6% and 3.8% over the period 2026-2028. Compared to the Bank's previous projections, the outlook for GDP growth has been revised down by 0.1 p.p. in 2027 and upwards by 0.1 p.p. in 2028. Against an uncertain global backdrop due to the Middle East conflict, the Maltese economy is expected to present some degree of resilience to these effects in 2026, though a marginal delayed impact on GDP and prices is envisaged to materialise in 2027.

Growth over the projection horizon is expected to be led by private consumption, which is projected to continue to grow at a brisk pace, in part supported by recent changes to income tax bands. Employment growth is expected to moderate gradually to 2.3% by 2028. The unemployment rate is forecast to edge down to 2.9% over the projection horizon. Wage growth is set to remain strong, driven by labour market tightness, but is set to ease to 3.9% in 2028 from 4.2% last year. HICP inflation is projected to be impacted by the war in the Middle East, primarily through the channel of higher imported inflation, particularly in goods and food components as continued fiscal support mitigates the propagation of the energy shock on domestic energy prices. Overall HICP inflation is thus projected to increase to 2.5% in 2026 and is set to remain at that level in 2027.

¹ Central Bank of Malta – Economic update – 5/2026

² Central Bank of Malta – Economic projections 2026-2028 : 2

It is then expected to ease to 2.2% in 2028, driven primarily by lower services and NEIG inflation. Compared to the Bank's previous forecast publication, overall HICP inflation has been revised up by 0.2 percentage points in 2026 and 2028 and by 0.4 percentage points in 2027. The general government deficit-to-GDP ratio is projected to continue to decline over the forecast horizon, albeit in a more gradual manner. It is set to narrow to 1.9% in 2026, 1.7% in 2027 and to 1.6% by 2028. The general government debt-to-GDP ratio is expected to decline further from 46.4% in 2025 to 46.0% in 2026 and subsequently to 44.1% by 2028. Risks to growth are tilted to the downside.

These risks largely emanate from the uncertainty surrounding the duration and intensity of the conflict in the Middle East which may lead to a weaker external environment and hence a more subdued trajectory in foreign demand. Disruptions to transport through the Strait of Hormuz have also raised concerns on fuel shortages in trading partner countries which may negatively impact tourism, aviation and the shipping industry. However, this downside risk to tourism could be mitigated potentially by the redirection of tourists towards safer destinations like central and western Mediterranean. Risks to inflation are tilted to the upside over the projection horizon. Upside risks to inflation primarily reflect stronger disruptions to energy markets than assumed in the technical assumptions.

Although the direct impact on domestic energy prices continues to be mitigated by the Government's commitment to its fixed energy price policy, higher than envisaged global energy prices could generate stronger imported inflation, with potential further amplification via indirect effects on wages and profit margins. Inflation could also be higher than expected if supply disruptions were to spread to non-energy markets, although alternative supplies from other regions could mitigate this effect. On the fiscal side, risks are assessed to be tilted to the downside (deficit-increasing). These predominantly stem from the possibility of slippages in current expenditure, notably higher-than-expected spending on energy support measures should commodity prices exceed assumptions. These risks are partly mitigated by the likelihood of higher-than-forecast increases in tax revenue, brought about by additional improvements in tax administration.

3.4 Residential Property Development³

In May 2026, the number of final deeds of sale related to residential property amounted to 1,157, marking a 3.7% decrease compared to May 2025. The total value of these transactions was €342.3 million, up 2.5% from the previous year. The majority of these deeds (91.0%) involved individual buyers, with the value of these transactions amounting to €283.3 million, representing 82.5% of the total value.

Geographically, the highest activity was recorded in San Pawl Il-Baħar, Birkirkara, and Marsaskala, with 98, 68 and 51 deeds respectively.

Regarding property types, apartments and garages were the most transacted, comprising 37.0% and 23.3% of the total properties, respectively.

Additionally, there were 1,316 promise of sale agreements, reflecting a 4.4% decrease from May 2025. Individual buyers accounted for 89.4% of these agreements. The top localities for promise of sale agreements were San Pawl Il-Baħar, Birkirkara and Marsaskala with 88, 70 and 50 promise of sale agreements respectively.

3.5 Tourism⁴

In April 2026, Malta experienced a strong surge in tourism, welcoming an estimated 409,403 inbound tourists, which marks a 16.6% increase compared to April 2025. The vast majority of these visitors arrived for holiday purposes (383,664), while 20,724 traveled for business. The tourist demographic was primarily driven by individuals aged 25 to 44 (35.0%) and 45 to 64 (34.1%), with residents from the UK, Italy, and Poland collectively accounting for nearly half of the total market at 45.9%. Total nights spent also saw a 6.1% rise to reach 2.1 million nights, with an average length of stay of 5.2 nights and a heavy reliance on rented accommodations, which hosted 89.2% of the guest nights. This influx generated €335.0 million in total tourist expenditure—a 13.1% increase over the previous year—reflecting an average spend of €157.2 per night. Additionally, Gozo and Comino proved to be highly popular destinations during the month, drawing 227,162 same-day and overnight visitors, or 55.5% of all tourists.

This positive trend is mirrored in the cumulative data for the first four months of 2026, where total inbound tourists reached 1,215,966, representing a 16.4% growth over the

³ National Statistics Office – News Release – 101/2026

⁴ <https://nso.gov.mt/inbound-tourism-april-2026/>

same period in 2025. Between January and April, total nights spent expanded by 10.0% to 6.6 million nights, and total tourist expenditure climbed 14.3% to €919.7 million. Despite the overall jump in revenue, the average expenditure per capita experienced a slight decline, dropping to €756 from €770 in 2025. For the year-to-date period, Gozo and Comino continued to capture a significant share of the market, attracting 577,358 total visitors, which represents 47.5% of the overall tourist volume.

3.6 Comparative Analysis

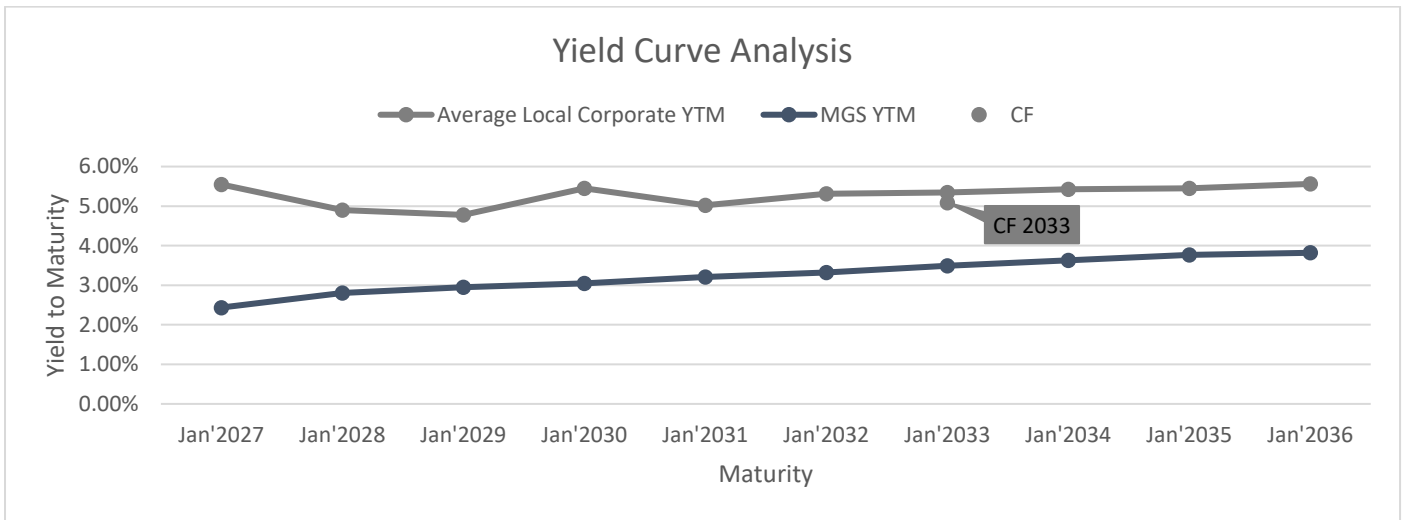
The purpose of the table below compares the proposed debt issuance of the Issuer to other debt instruments. Additionally, we believe that there is no direct comparable company related to the Issuer and as such, we included a variety of Issuers with similar maturities.

Security	Nom Value	Yield to Maturity	Interest coverage (EBITDA)	Total Assets	Total Equity	Total Liabilities / Total Assets	Net Debt / Net Debt and Total Equity	Net Debt / EBITDA	Current Ratio	Return on Common Equity	Net Margin	Revenue Growth (YoY)
	€000's	(%)	(times)	(€'millions)	(€'millions)	(%)	(%)	(times)	(times)	(%)	(%)	(%)
5% CF Estates Finance plc Secured € 2028-2033	30,000	5.09%	4.4x	94.9	19.1	79.9%	70.9%	3.3x	2.0x	69.2%	23.5%	-1.8%
6% Pharmacare Finance plc Unsecured € 2033	17,000	5.90%	0.9x	46.6	14.2	69.5%	61.2%	17.9x	1.5x	-14.0%	-17.1%	-1.4%
5.25% Bonnici Bros Properties plc Unsecured € 2033 S1 T1	12,000	5.25%	2.3x	41.8	18.2	56.4%	43.1%	9.5x	0.3x	1.4%	15.5%	17.4%
6.25% AST Group plc Secured 2033	8,500	5.79%	3.1x	15.9	1.1	92.9%	86.2%	4.1x	1.2x	10.8%	1.0%	-16.0%
6% JD Capital plc Secured 2033 S2 T1	11,000	5.73%	1.1x	162.9	38.6	76.3%	69.3%	17.2x	2.4x	3.6%	6.3%	34.9%
5.85% AX Group plc Unsecured € 2033	40,000	5.47%	4.0x	529.4	272.5	48.5%	39.0%	4.7x	1.1x	5.7%	11.8%	57.1%
4% Central Business Centres plc Unsecured € 2027-2033	21,000	5.69%	1.7x	86.3	28.3	67.2%	60.8%	19.4x	0.5x	3.4%	37.4%	8.9%
6% International Hotel Investments plc 2033	60,000	5.99%	5.9x	116.5	64.1	44.9%	30.8%	4.7x	0.3x	4.5%	9.9%	7.3%
4.75% Dino Fino Finance plc Secured € 2033	7,800	4.97%	(1.2)x	12.4	(1.9)	114.9%	131.2%	N/A	0.5x	N/A	-111.0%	8.4%
5.75% Phoenicia Finance Company plc Unsec 2028-2033	50,000	5.48%	2.5x	169.9	86.0	49.4%	42.7%	7.0x	1.2x	3.8%	12.4%	10.7%
Average*		5.58%										

Source: Latest available audited financial statements

Last price as at 15/06/2026

*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 on the Issuer’s proposed bonds.

As at 15 June 2026, the average spread over the Malta Government Stocks (MGS) for comparable issuers with a maturity range of 8 years was 209 basis points. The CF Estates Finance p.l.c bond is currently trading at a YTM of 5.09% which implies a spread of 159 basis points over the equivalent MGS, and therefore at a discount to the average on the market of 50 basis points.

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 be 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 be 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 Finance costs 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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