

Excel Finance p.l.c.

Report & Financial Statements

For the period 12 June 2024 to 31  
December 2024

Company registration number: C 108732

# Contents

Directors' report	2
Statement of profit or loss	4
Statement of financial position	5
Statement of changes in equity	6
Statement of cash flows	7
Notes to the financial statements	8
Independent auditor's report	19

## Directors' report

The directors present their report and the audited financial statements for the period ended 31 December 2024.

### Principal activity

Excel Finance p.l.c. (the company) is a public limited liability company registered in Malta and incorporated on 12 June 2024. The company does not undertake any trading activities itself, and its sole purpose is to act as the financing company of the Excel Group of Companies (the group) to be able to fund business activities within the construction industry.

The group is composed of Excel Investment Holdings Limited (C 94378) as the ultimate parent company, and its direct subsidiaries, including Excel Finance p.l.c., Excel Housing Limited (C 108731), Excel MJD Limited (C 102389), and Excel Property Trading Limited (C 105617).

### Directors

The following have served as directors of the company during the period under review:

Joseph Portelli (appointed on incorporation)  
Daniel Refalo (appointed on incorporation)  
Mark Agius (appointed on incorporation and resigned on 23 October 2024)  
Richard Abdilla Castillo (appointed on incorporation)  
Albert Frendo (appointed on 23 October 2024)  
Maria Agius (appointed on 23 October 2024)  
Jean Paul Debono (appointed on 23 October 2024)

In accordance with the Articles of Association of the company, the present directors remain in office until such time as they resign or are otherwise removed.

### Disclosure of information to the auditor

At the date of making this report, the directors confirm the following:

- As far as each director is aware, there is no relevant information needed by the independent auditor in connection with preparing the audit report of which the independent auditor is unaware; and
- Each director has taken all steps that he ought to have taken as a director in order to make himself aware of any relevant information needed by the independent auditor in connection with preparing the audit report and to establish that the independent auditor is aware of that information.

### Statement of directors' responsibilities

The Companies Act, Cap. 386 requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss of the company for that year. In preparing these financial statements, the directors are required to:

- adopt the going concern basis unless it is inappropriate to presume that the company will continue in business;
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- account for income and charges relating to the accounting period on the accruals basis;
- value separately the components of asset and liability items; and
- report comparative figures corresponding to those of the preceding accounting period.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements have been properly prepared in accordance with the Companies Act, Cap. 386. This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. They are also responsible for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Auditor

The auditor Grant Thornton has intimated its willingness to continue in office and a resolution proposing its reappointment will be put to the Annual General Meeting.



**Joseph Portelli**  
Director

Registered address:  
72, Triq Mattia Preti  
Rabat, Ghawdex  
VCT 2233  
Malta

28 August 2025



**Albert Frendo**  
Director

Statement of profit or loss

	Note	2024 (6 ½ months) €
Administrative and other expenses		(21,684)
Finance income	5	8,203
Finance cost	5	(14,795)
Loss for the period before tax	6	<u>(28,276)</u>
Tax income	7	-
Loss for the period		<u>(28,276)</u>

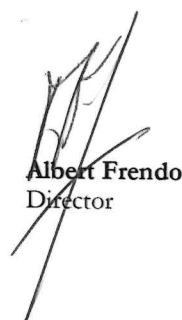
## Statement of financial position

	Notes	2024 €
<b>Assets</b>		
<b>Non-current</b>		
Loan receivable	8	26,036,638
		<u>26,036,638</u>
<b>Current</b>		
Cash and cash equivalents	9	24,256,090
		<u>24,256,090</u>
<b>Total assets</b>		<u>50,292,728</u>
<b>Equity</b>		
Share capital	10	250,000
Accumulated losses		(28,276)
<b>Total equity</b>		<u>221,724</u>
<b>Liabilities</b>		
<b>Non-current</b>		
Debt securities in issue	11	50,000,000
		<u>50,000,000</u>
<b>Current</b>		
Trade and other payables	12	71,004
		<u>71,004</u>
<b>Total liabilities</b>		<u>50,071,004</u>
<b>Total equity and liabilities</b>		<u>50,292,728</u>

The financial statements on pages 4 to 18 were approved by the board of directors, authorised for issue on 28 August 2025 and signed on its behalf by:



Joseph Portelli  
Director



Albert Frendo  
Director

## Statement of changes in equity

	Share capital €	Accumulated losses €	Total equity €
Issuance of share capital	250,000	-	250,000
Loss for the period	-	(28,276)	(28,276)
At 31 December 2024	250,000	(28,276)	221,724

Accumulated losses include current period results as disclosed in the statement of profit or loss.

## Statement of cash flows

	Notes	2024 (6 ½ months) €
<b>Operating activities</b>		
Loss before tax		(28,276)
Adjustments	13	6,592
Net changes in working capital	13	56,209
<b>Net cash generated from operating activities</b>		<b>34,525</b>
<b>Investing activity</b>		
Loan to parent company		(26,028,435)
<b>Net cash used in investing activity</b>		<b>(26,028,435)</b>
<b>Financing activities</b>		
Proceeds from issuance of share capital		250,000
Proceeds from issuance of debt securities		50,000,000
<b>Net cash generated from financing activities</b>		<b>50,250,000</b>
<b>Cash and cash equivalents, end of the period</b>	9	<b>24,256,090</b>



## Notes to the financial statements

### 1 Nature of operations

The company was principally formed to act as the financing company of Excel Group to be able to fund business activities within the construction industry. The company was incorporated on 12 June 2024. During the period, the company issued € 50,000,000 5.4% secured bonds redeemable at par on 31 December 2031.

### 2 General information and statement of compliance with International Financial Reporting Standards (IFRSs)

Excel Finance p.l.c., a public limited company, is incorporated and domiciled in Malta with registration number C 108732. The address of the company's registered office, which is also the principal place of business is 72 Triq Mattia Preti, Rabat, Ghawdex, VCT 2233, Malta.

The company is a subsidiary of Excel Investments Holdings Limited, a company incorporated and domiciled in Malta with same registered office as the company. Excel Investment Holdings Limited prepares consolidated financial statements which are readily available for public inspection at the Malta Business Registry.

The financial statements of the company have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by International Accounting Standards Board (IASB) and as adopted by the European Union (EU), and in accordance with the Companies Act, Cap. 386.

The financial statements are presented in euro (€), which is also the company's functional currency. Amounts presented are rounded to the nearest euro.

### 3 New or revised Standards or Interpretations

#### 3.1 Standards, amendments and Interpretations to existing Standards that are not yet effective and have not been adopted early by the company

At the date of authorisation of these financial statements, several new, but not yet effective, Standards and amendments to existing Standards, and Interpretations have been published by the IASB or IFRIC include:

- Lack of Exchangeability (Amendments to IAS 21)
- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and 7)
- IFRS 18 'Presentation and Disclosure in Financial Statements'
- IFRS 19 'Subsidiaries without Public Accountability: Disclosures'

These amendments are not expected to have a significant impact on the financial statements in the period of initial application and therefore no disclosures have been made.

Management anticipates that all relevant pronouncements will be adopted for the first period beginning on or after the effective date of the pronouncement. New standards, amendments and interpretations not adopted in the current year have not been disclosed as they are not expected to have a material impact on the company's financial statements.

## **4 Material accounting policies**

An entity should disclose its material accounting policies. Accounting policies are material and must be disclosed if they can be reasonably expected to influence the decisions of users of the financial statements.

Management has concluded that the disclosure of the entity's material accounting policies below are appropriate.

### **4.1 Overall considerations**

The material accounting policies that have been used in the preparation of these financial statements are summarised below.

The financial statements have been prepared using the material accounting policies and measurement basis specified by IFRS as adopted by the EU for each type of asset, liability, income and expense. The measurement bases are more fully described below.

### **4.2 Presentation of financial statements**

The financial statements are presented in accordance with IAS 1 '*Presentation of Financial Statements*'. The company has no comprehensive income and has elected to present only the 'statement of profit or loss'.

### **4.3 Revenue**

#### **Finance income**

Finance income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to the asset's net carrying amount.

### **4.4 Borrowing costs**

Borrowing costs primarily comprise interest on the company's borrowings. Borrowing costs are expensed in the period in which they are incurred and reported within 'finance cost'.

### **4.5 Expense recognition**

Expenses are recognised in the statement of profit or loss upon utilisation of the service or at the date of their origin.

### **4.6 Foreign currency transaction and translation**

#### **Functional and presentation currency**

The financial statements are presented in euro (€), which is also the functional currency of the company.

#### **Foreign currency transactions and balances**

Foreign currency transactions are translated into the functional currency of the company, using the exchange rates prevailing at the dates of the transactions (spot exchange rate). Foreign exchange gains and losses resulting from the settlement of such transactions and from the remeasurement of monetary items denominated in foreign currency at year-end exchange rates are recognised in profit or loss.

## 4.7 Financial instruments

### Recognition and derecognition

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

### Classification and initial measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with IFRS 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

Financial assets are classified into the following categories:

- amortised cost;
- fair value through profit or loss (FVTPL); or
- fair value through other comprehensive income (FVOCI).

The company does not have any financial assets categorised as FVTPL and FVOCI in the period presented.

The classification is determined by both:

- the entity's business model for managing the financial asset; and
- the contractual cash flow characteristics of the financial asset.

All income and expenses relating to financial assets that are recognised in the profit or loss are presented within 'finance cost' or 'finance income' or 'other financial items'.

### Subsequent measurement of financial assets

#### *Financial assets at amortised cost*

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows; and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The company's cash and cash equivalents, loan receivables fall into this category of financial instruments.

### Impairment of financial assets

IFRS 9's impairment requirements use forward-looking information to recognise expected credit losses – the 'expected credit loss (ECL) model'. Instruments within the scope of the new requirements included loans and other debt-type financial assets measured at amortised cost and FVOCI, trade receivables, contract assets recognised and measured under IFRS 15 and loan commitments and some financial guarantee contracts (for the issuer) that are not measured at fair value through profit or loss.

The company considers a broad range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.



In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ("Stage 1") and
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ("Stage 2").

'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date.

'12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

#### **Classification and measurement of financial liabilities**

The company's financial liabilities include debt securities in issue and trade and other payable.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the company designates a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss (other than derivative financial instruments that are designated and effective as hedging instruments).

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in the statement of profit or loss are included within 'finance costs' or 'finance income'.

#### **4.8 Income taxes**

Tax expense/income recognised in the statement of profit or loss comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted by the end of the reporting period. Deferred tax liabilities are always provided for in full.

Deferred tax assets are recognised to the extent that it is probable that they will be able to be utilised against future taxable income.

Changes in deferred tax assets or liabilities are recognised as a component of tax income or expense in profit or loss, except where they relate to items that are recognised in other comprehensive income or directly in equity, in which case the related deferred tax is also recognised in other comprehensive income or equity, respectively.

#### **4.9 Cash and cash equivalents**

For the purposes of the statements of financial position and cash flows, cash and cash equivalents comprise cash at bank and cash held under trustee accounts.

#### **4.10 Equity**

Share capital is determined using the nominal value of shares that have been issued.

Accumulated losses include all current and prior period results.

#### **4.11 Provisions**

Provisions are recognised when present obligations as a result of a past event will probably lead to an outflow of economic resources from the company and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain. A present obligation arises from the presence of a legal or constructive commitment that has resulted from past events, for example, product warranties granted, legal disputes or onerous contracts. Restructuring provisions are recognised only if a detailed formal plan for the restructuring has been developed and implemented, or management has at least announced the plan's main features to those affected by it. Provisions are not recognised for future operating losses.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Provisions are discounted to their present values, where the time value of money is material.

All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

#### **4.12 Significant management judgements in applying accounting policies and estimation uncertainty**

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experiences and various other factors that are believed to be reasonable and reliable in the circumstances, the results of which form the basis of making the judgements about carrying amounts of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

In the opinion of the directors, the accounting estimates and judgements made in the course of preparing these financial statements are not difficult, subjective or complex to a degree which would warrant their description as critical in terms of the requirements of IAS 1 (revised).

## 5 Finance income and finance cost

The following amounts have been included in the statement of profit or loss for the reporting period presented:

	2024 (6 ½ months) €
Interest income from parent company	8,203
<b>Finance income</b>	<b>8,203</b>
Interest on debt securities	14,795
<b>Finance cost</b>	<b>14,795</b>

## 6 Loss for the period before tax

The loss for the period before tax is stated after charging:

	2024 (6 ½ months) €
Auditor's remuneration	11,800

## 7 Tax income

The relationship between the expected tax income based on the effective tax rate of Excel Finance p.l.c. at 35% and the tax income actually recognised in the statement of profit or loss can be reconciled as follows:

	2024 (6 ½ months) €
Loss before tax	(28,276)
Tax rate	35%
<b>Expected tax income</b>	<b>9,897</b>
Adjustment for the tax effect of: Unrecognised deferred tax	(9,897)
<b>Actual tax income</b>	<b>-</b>

## 8 Loan receivable

	2024 €
<b>Financial assets:</b>	
Loan receivable from parent company	26,036,638
<b>Loan receivable</b>	<b>26,036,638</b>

Loan receivable from parent company is unsecured, bears interest at 5.75% per annum, and has no fixed date of repayment.

## 9 Cash and cash equivalents

Cash and cash equivalents include the following components:

	2024 €
Cash held under trustee account	24,232,515
Cash at bank	23,575
<b>Cash and cash equivalents in the statement of financial position and statement of cash flows</b>	<b>24,256,090</b>

The company did not have any restrictions on its cash at bank at year end.

## 10 Share capital

The share capital of Excel Finance p.l.c. consists only of fully paid ordinary shares with a par value of € 1 each. All shares are equally eligible to receive dividends and the repayment of capital and represent one vote at the shareholders' meeting of Excel Finance p.l.c.

	2024 €
<b>Shares authorised at 31 December</b>	
300,000 ordinary shares of € 1 each	300,000
<b>Shares issued and fully paid at 31 December</b>	
250,000 ordinary shares of € 1 each	250,000

## 11 Debt securities in issue

In December 2024, the company issued € 50,000,000 5.4% secured bonds of € 100 nominal value each, redeemable at par in December 2031. Interest on the bonds is due and payable annually in arrears on 30 December of each year at the above-mentioned rate. The company's bond is secured by the collateral provided by the guarantor, Excel Investments Holdings Limited. The collateral is in the form of first ranking special hypothec over the security property or investment properties of the guarantor.

Transaction costs of € 912,446 paid out of bond proceeds directly related to the bond issuance were borne by the parent company.

The bonds were listed on the official list of the Malta Stock Exchange (MSE) in January 2025.

## 12 Trade and other payables

	2024 €
Trade and other payables	41,023
Accrued expenses	26,594
<b>Financial liabilities</b>	<b>67,617</b>
Statutory payable	3,387
<b>Total trade and other payables</b>	<b>71,004</b>

The carrying amount of financial liabilities is considered a reasonable approximation of fair value.



### 13 Cash flow adjustments and changes in working capital

The following non-cash flows adjustment and adjustments for changes in working capital have been made to the pre-tax result for the period to arrive at operating cash flow:

	2024 (6 ½ months) €
<b>Adjustments:</b>	
Finance income	(8,203)
Finance cost	14,795
	<u>6,592</u>
<b>Net changes in working capital:</b>	
Increase in trade and other payables	<u>56,209</u>

### 14 Related party transactions

The company's related parties include its parent company, fellow subsidiary companies, other related companies, directors and shareholders.

Unless otherwise stated, none of the transactions incorporates special terms and conditions and no guarantee was given or received. Outstanding balances are usually settled in cash. Loan receivable from parent company is disclosed separately under note 8.

#### 14.1 Transactions with entities under common control

	2024 (6 ½ months) €
<b>Transactions with parent company</b>	
Interest income	<u>8,203</u>
<b>Transactions with directors</b>	
Directors' remuneration	<u>9,679</u>

### 15 Risk management objectives and policies

The company is exposed to various risks in relation to financial instruments. The company's financial assets and liabilities by category is summarised in note 15.4. The main types of risks are credit risk, liquidity risk and market risk.

The company's risk management is coordinated by the directors and focuses on actively securing the company's short to medium term cash flows by minimising the exposure to financial risks.

The most significant financial risks to which the company is exposed are described in the succeeding page.



### 15.1 Credit risk

The company's exposure to credit risk is limited to the carrying amount of financial asset recognised at the end of the reporting period, as summarised below:

	Notes	2024 €
<b>Non-current asset</b>		
Loan receivable	8	<u>26,036,638</u>
<b>Current asset</b>		
Cash and cash equivalents	9	<u>24,256,090</u>

The company continuously monitors defaults of counterparties, identified either individually or by group, and incorporates this information into its credit risk controls.

The carrying amount of financial assets recorded in the financial statements represents the company's maximum exposure to credit risk. None of the company's financial assets is secured by collateral or other credit enhancements.

#### Loan receivable

Loan receivable comprise amounts due from parent company. The company's concentration to credit risk arising from this receivables are considered limited as there were no indications that the counterparty is unable to meet its obligations. The company reviews loans and receivables to evaluate whether events or changes in circumstances indicate that the carrying amounts may not be recoverable. This is done by assessing the financial soundness of the parent company and its subsidiaries through referring to group cash flow projections and forecasts.

Management does not consider the financial assets to have deteriorated in credit quality and the effect of management's estimate of the 12-month credit loss has been determined to be insignificant to the results of the company.

#### Other financial assets at amortised cost

Other financial assets at amortised cost include cash and cash equivalents.

The company banks with local institutions. At 31 December 2024, cash and cash equivalents are held with local counterparties and are callable on demand. Management considers the probability of default to be close to zero as the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12 month expected credit losses as any such impairment would be insignificant to the company.

While the company continues to closely monitor all of its financial assets at more frequent interval as a result of such events, based on the above assessments, management considers that there is no need to provide for expected credit losses in these financial statements.

## 15.2 Liquidity risk

The company's exposure to liquidity risk arises from its obligations to meet its financial liabilities, which comprise of debt securities in issue and trade and other payables (see notes 11 and 12). Prudent liquidity risk management includes maintaining sufficient cash and committed credit facilities to ensure the availability of an adequate amount of funding to meet the company's obligations when they become due.

At 31 December 2024, the company's financial liabilities have contractual maturities which are summarised below:

	Carrying amount €	Contractual cash flows €	Within 1 year €	Within 2 to 5 years €	More than 5 years €
<b>At 31 December 2024</b>					
Debt securities	50,000,000	68,900,000	2,700,000	10,800,000	55,400,000
Trade and other payables	67,617	67,617	67,617	-	-
	<b>50,067,617</b>	<b>68,967,617</b>	<b>2,767,617</b>	<b>10,800,000</b>	<b>55,400,000</b>

The above amounts reflect the contractual undiscounted cash flows which may differ from the carrying amounts of the liabilities at the reporting date.

## 15.3 Market risk

### Foreign currency risk

The company transacts business mainly in euro and had no significant foreign currency denominated financial assets and liabilities at the end of the financial reporting period under review. Consequently, the company's exposure to foreign currency risk is negligible.

### Interest rate risk

The company's exposure to interest rate risk is limited since its debt securities are at fixed interest rates.

## 15.4 Summary of financial assets and liabilities by category

The carrying amounts of the company's financial assets and liabilities as recognised at the end of the reporting periods under review may also be categorised as follows. See note 4.7 for explanations about how the category of financial instruments affects their subsequent measurement.

	Notes	2024 €
<b>Non-current assets</b>		
Financial assets at amortised cost:		
- Loan receivable	8	<b>26,036,638</b>
<b>Current assets</b>		
Financial assets at amortised cost:		
- Cash and cash equivalents	9	<b>24,256,090</b>
<b>Non-current liabilities</b>		
Financial liabilities measured at amortised cost:		
- Debt securities	11	<b>50,000,000</b>
<b>Current liabilities</b>		
Financial liabilities measured at amortised cost:		
- Trade and other payables	12	<b>67,617</b>

## 16 Capital management policies and procedures

The company's capital management objectives are to ensure its ability to continue as a going concern and to provide an adequate return to shareholders and benefits to other stakeholders by pricing products and services commensurately with the level of risk, and maintaining an optimal capital structure to reduce the cost of capital.

The company monitors the level of debt, which includes borrowings and trade and other payables less cash and bank balances against total capital on an ongoing basis. The directors consider the company's gearing level at year end to be appropriate for its business.

#### **17 Post reporting date events**

In January 2025, the debt securities of the company as disclosed in note 11 were listed on the official list of the Malta Stock Exchange (MSE).

Apart from this, no adjusting or other significant non-adjusting events have occurred between the end of the reporting period and the date of authorisation.

## Independent auditor's report

To the shareholders of Excel Finance p.l.c.

### Report on the audit of the financial statements

#### Opinion

We have audited the financial statements of Excel Finance p.l.c. set out on pages 4 to 18 which comprise the statement of financial position as at 31 December 2024, and the statement of profit or loss, statement of changes in equity and statement of cash flows for the period then ended and notes to the financial statements, including material accounting policies information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the company as at 31 December 2024, and of its financial performance and its cash flows for the period then ended in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union (EU), and have been properly prepared in accordance with the requirements of the Companies Act, Cap. 386 (the "Act").

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements of the Accountancy Profession (Code of Ethics for Warrant Holders) Directive issued in terms of the Accountancy Profession Act, Cap. 281 that are relevant to our audit of the financial statements in Malta. We have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Other information

The directors are responsible for the other information. The other information comprises the Directors' report shown on pages 2 and 3 which we obtained prior to the date of this auditor's report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information.



In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

With respect to the directors' report, we also considered whether the directors' report includes the disclosures required by Article 177 of the Act.

Based on the work we have performed, in our opinion:

- The information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements, and
- the directors' report has been prepared in accordance with the Act.

In addition, in light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we are required to report if we have identified material misstatements in the directors' report and other information that we obtained prior to the date of this auditor's report. We have nothing to report in this regard.

#### **Responsibilities of the directors for the financial statements**

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS as adopted by the EU and are properly prepared in accordance with the provisions of the Act, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for overseeing the company's financial reporting process.

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

#### **Report on other legal and regulatory requirements**

We also have responsibilities under the Companies Act, Cap. 386 to report to you if, in our opinion:

- adequate accounting records have not been kept
- the financial statements are not in agreement with the accounting records; and
- we have not received all the information and explanations we require for our audit.

We have nothing to report to you in respect of these responsibilities.

The Principal on the audit resulting in this independent auditor's report is Sharon Causon.



Sharon Causon (Principal) for and on behalf of

**GRANT THORNTON**  
Certified Public Accountants

Fort Business Centre  
Triq L-Intornjatur, Zone 1  
Central Business District  
Birkirkara CBD 1050  
Malta

28 August 2025

Excel Finance p.l.c  
72, Triq Mattia Preti  
Rabat, Ghawdex  
VCT 2233  
Malta

28 August 2025

Grant Thornton  
Fort Business Centre  
Triq L-Intornjatur, Zone 1  
Central Business District  
Birkirkara CBD 1050  
Malta

Dear Sirs,

This representation letter is provided in connection with your audit of the financial statements of Excel Finance p.l.c. for the period ended 31 December 2024 for the purpose of expressing an opinion as to whether the financial statements give a true and fair view of the financial position of the company as of 31 December 2024 and of the results of its operations and cash flows for the period then ended in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU).

We confirm that we have fulfilled our responsibilities, on behalf of the board of directors, for the fair presentation of the financial statements in accordance with IFRS as adopted by the EU and the Companies Act (Cap. 386).

Certain representations in this letter are described as being limited to matters that are material. Items are considered to be material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of the surrounding circumstances, makes it probable that the judgement of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

We confirm, to the best of our knowledge and belief, the following representations:

1. The financial statements referred to above are fairly presented in accordance with IFRS as adopted by the EU. The directors have elected to prepare the financial statements in accordance with IFRS and the Companies Act, Cap. 386.
2. We have provided you with:
  - i. access to all information of which we are aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
  - ii. additional information that you have requested from us for the purpose of your audit; and
  - iii. unrestricted access to persons within the entity from whom you determine it necessary to obtain audit evidence.
3. No minutes of meetings of shareholders, directors and management have been kept by the company.



4. We confirm that we have considered the factors outlined in IAS 21 - *The Effects of Changes in Foreign Exchange Rates*, in determining the functional currency of the company and confirm that the appropriate functional currency is applied in the recording and the preparation of the books of account of the company.
5. There have been no communications from regulatory authorities concerning non-compliance with, or deficiencies in, financial reporting practices.

We are not aware of any events that involve possible or actual non-compliance with the laws and regulations which are central to the company's ability to conduct its business. Neither are we aware of other events that involve possible or actual non-compliance with laws or regulations whose consequences may have a potentially material effect on the financial statements and which therefore should be considered for disclosure or as a basis for recording a loss provision.

6. There are no material transactions that have not been properly recorded in the accounting records underlying the financial statements.
7. There are no uncorrected financial statement misstatements that are material, both individually and in the aggregate, to the financial statements taken as a whole.
8. All loans receivable and amounts due from debtors are collectible.
9. We acknowledge our responsibilities for making the accounting estimates included in the financial statements. Where it was necessary to choose between estimation techniques that comply with IFRS, we selected the estimation technique considered to be the most appropriate to the company's particular circumstances for the purpose of giving a true and fair view. Those estimates reflect our judgement based on our knowledge and experience about past and current events and are also based on our assumptions about conditions we expect to exist and courses of action we expect to take. In that regards, adequate provisions have been made to reduce trade debtors to their estimated collectable amounts.
10. We understand that the term "fraud" includes misstatements resulting from fraudulent financial reporting and misstatements resulting from misappropriation of assets. Misstatements resulting from fraudulent financial reporting involve intentional misstatements including omissions of amounts or disclosures in financial statements to deceive financial statement users. Misstatements resulting from misappropriation of assets involve the theft of an entity's assets, often accompanied by false or misleading records or documents in order to conceal the fact that the assets are missing or have been pledged without proper authorisation.

We acknowledge our responsibility for the implementation and operations of accounting and internal control systems that are designed to prevent and detect fraud and error.

There have been no instances of fraud or suspected fraud affecting the company involving:

- i. management;
- ii. employees who have significant roles in internal control; or
- iii. others where the fraud could have a material effect on the financial statements.

There have been no allegations of fraud, or suspected fraud, affecting the company's financial statements communicated by employees, former employees, analysts, regulators or others.

11. We have reviewed the risk disclosures included in the financial statements as required under IFRS 7 – *Financial Instruments: Disclosures*. We confirm that we have satisfied ourselves that the qualitative information included represents adequately the risk management processes and procedures operated during the year. We are satisfied that the quantitative information disclosed is reasonable. We are satisfied that the quantitative information disclosed relating to the sensitivity analysis has been based on the knowledge and experience of management.
12. We confirm that we have reviewed all financial assets and liabilities outstanding as of balance sheet date and have correctly classified them as either:
  - financial assets and financial liabilities at fair value through profit or loss;
  - financial assets and financial liabilities at amortised cost; or
  - financial assets and financial liabilities through other comprehensive income

in accordance with the requirements of IFRS 9 - Financial Instruments, and that they are appropriately recorded at their fair value, amortised cost or cost based on their classification.

13. We have no plans or intentions that may materially alter the carrying value or classification of assets and liabilities reflected in the financial statements.
14. We have disclosed to you all the information of which we are aware regarding the identification of related parties and all the related party relationships and transactions. Related party transactions and related amounts receivable or payable, including sales, purchases, loans, transfers, leasing arrangements, and guarantees have been properly recorded or disclosed in the financial statements.

For the purpose of this letter, we understand the following to be the definition of the term "related party":

Affiliates of the company; entities for which investments are accounted for by the equity method by the company; trusts for the benefit of employees, such as pension and profit-sharing trusts that are managed by or under the trusteeship of management; principal owners of the company; its management; members of the immediate families of principal owners of the company and its management; and other parties with which the company may deal if one party controls or can significantly influence the management or operating policies of the other to an extent that one of the transacting parties might be prevented from fully pursuing its own separate interests. Another party also is a related party if it can significantly influence the management or operating policies of the transacting parties or if it has an ownership interest in one of the transacting parties and can significantly influence the other to an extent that one or more of the transacting parties might be prevented from fully pursuing its own separate interests.

15. There are no guarantees, whether written or oral, under which the company is contingently liable.
16. There are no:
  - i. Unasserted claims or assessments that our lawyer has advised us are probable of assertion and must be disclosed in accordance with IAS 37 - *Provisions, Contingent Liabilities and Contingent Assets*.
  - ii. Other material liabilities or gain or loss contingencies that are required to be accrued or disclosed by IAS 37.
17. The company has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
18. The company has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of non-compliance.
19. To the best of our knowledge and belief, no events have occurred subsequent to the reporting date and to the date of this letter that would require adjustment to, or disclosure in, the aforementioned financial statements.
20. In our opinion, it is appropriate for the going concern basis to be adopted in preparing the financial statements. In making this judgement, we have paid particular attention to:
  - i. circumstances which we consider may occur in the period up to 27 August 2026;
  - ii. any planned or expected changes in operations in that period;
  - iii. the need to disclose in the financial statements information regarding any significant uncertainty regarding going concern in the financial statements.

After making these enquiries, we have a reasonable expectation that the company has adequate resources to continue operations for the foreseeable future.

21. We confirm that the above representations are made on the basis of enquiries of management and staff with relevant knowledge and experience (and, where appropriate, of inspection of supporting documentation) sufficient to satisfy ourselves that we can properly make each of the above representations to you.

This letter of representation was approved by the board of directors at its meeting on 28 August 2025.

Signed on behalf of the board of directors

Yours faithfully,



**Joseph Portelli**  
Director  
28 August 2025



**Albert Fiendo**  
Director  
28 August 2025

