

The Directors
Excel Finance p.l.c.
72, Mattia Preti Street,
Ghawdex,
Rabat, Malta

28 October 2025

Re: Financial Analysis Summary – 2025

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 Excel Finance p.l.c (the “**Issuer**”) and Excel Investments Holding Ltd (the “**Group**” or the “**Guarantor**”). The Issuer is a wholly owned subsidiary of the Guarantor, and as such, its financial performance is fully consolidated within the Guarantor’s financial statements. The data is derived from various sources, or is based on our own computations as follows:

- a) Historical financial data for the financial period ended 31 December 2024 has been extracted from the audited financial statements of the Issuer and Guarantor respectively.
- b) The forecast data for the financial years 2025 and 2026 has been provided by management.
- c) Our commentary on the Issuer and Guarantor’s results and financial position is based on the explanations provided by management.
- d) The ratios quoted in the Financial Analysis Summary have been computed by us applying the definitions set out in Part 4 of the Analysis.
- e) The principal relevant market players listed in Part 3 of the document have been identified by management. Relevant financial data in respect of competitors has been extracted from public sources such as the web sites of the companies concerned or financial statements filed with the Registrar of Companies or websites providing financial data.

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 and is meant to complement, and not replace, the content of the full Prospectus. 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 and no representation or warranty is provided in respect of the reliability of the information contained in the Prospectus. 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 2025

Excel Finance p.l.c.

28 October 2025

**Prepared by Calamatta Cuschieri
Investment Services Limited**

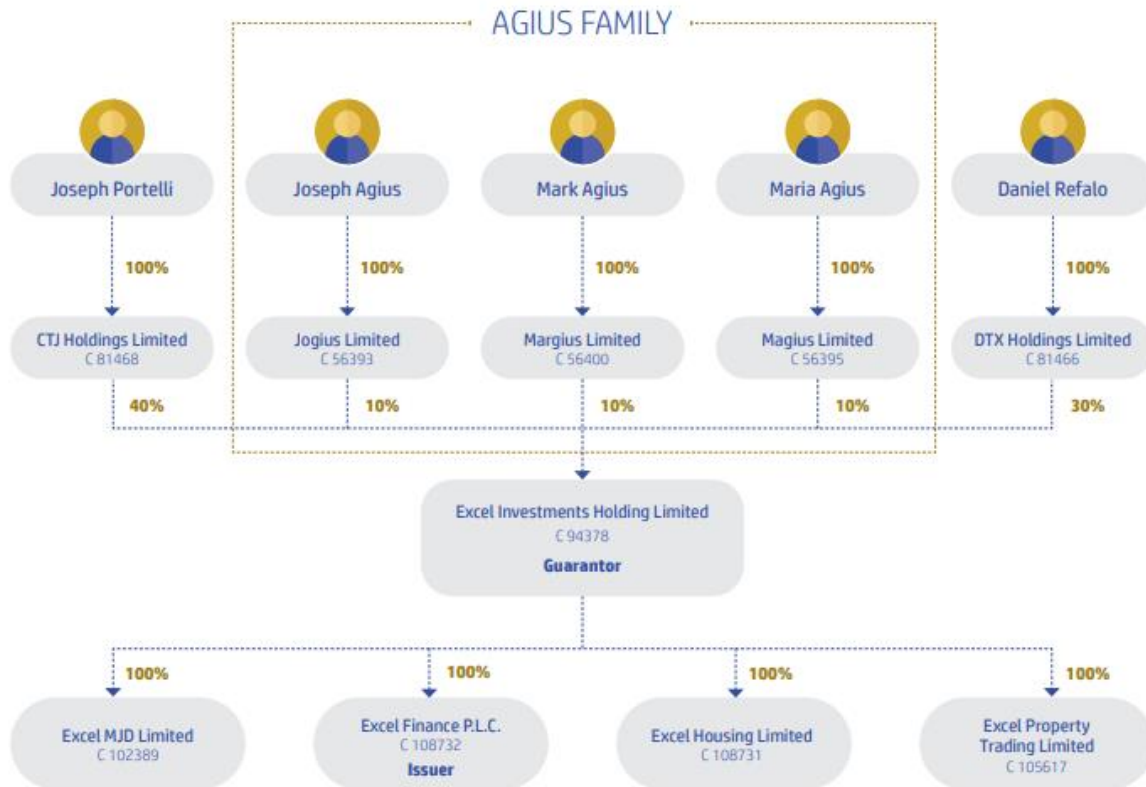
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Part 1 Information about the Group

1.1 The Group's Key Activities and Structure

The Group structure is as follows:



Excel Finance p.l.c. with company registration number C108732, is a public limited company registered in Malta on 12 June 2024. The Issuer has an authorised share capital of € 300,000 divided into 300,000 shares of nominal value €1 each, and has issued a share capital of € 250,000 divided into 250,000 ordinary shares of €1 each. The Issuer is for the majority owned by Excel Investments Holdings Limited, with the exception of ten (10) shares. The sole purpose of the Issuer is to act as the financing arm of the Group.

The Guarantor is a private liability company registered in Malta on 3 March 2020, with registration number C94378. The Guarantor has an authorised share capital of €5,000,000 divided into 2,000,000 Class A, 1,500,000 Class B, and 1,500,000 Class C ordinary shares of nominal value €1 each. The Guarantor's issued share capital as of today is € 5,000,000 divided into 2,000,000 Class A, 1,500,000 Class B, and 1,500,000 Class C ordinary shares. The shares are distributed/owned in the following order. Class A are fully owned and paid up by CTJ Holdings Ltd. Class B shares are fully owned and paid up by DTX Holdings Ltd. The Class C

shares are divided equally (500,000 shares each) between Margius Ltd, Jogius Ltd, and Magius Ltd.

The Group, in its current form, has been constituted pursuant to a corporate restructuring process which took place in 2024 and involved a series of share transfers and other corporate transactions leading to Excel MJD Limited ("Excel MJD") and Excel Property Trading Limited ("Excel Property Trading") becoming subsidiaries of the Guarantor. In 2024 the Issuer and Excel Housing Limited ("Excel Housing") were also incorporated as subsidiaries of the Guarantor. A detailed overview of the Group's formation and company backgrounds is available in the Prospectus dated 2 December 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 composed as follows:

Name	Office Designation
Mr Daniel Refalo	Executive Director
Ms Maria Agius	Executive Director
Mr Joseph Portelli	Non-Executive Director
Mr Albert Frendo	Chairman, Independent, Non-executive Director
Mr Richard Abdilla Castillo	Non-Executive Director
Mr Jean Paul Debono	Independent, Non-Executive Director

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.

Board of Directors - Guarantor

As of the date of this Analysis, the board of directors of the Guarantor is composed as follows:

Name	Office Designation
Mr Joseph Portelli	Non-Executive Director
Mr Daniel Refalo	Executive Director
Mr Mark Agius	Executive Director
Albert Frendo	Independent non-Executive Director
Jean Paul Debono	Independent non-Executive Director
Richard Abdilla Castillo	Non-Executive Director

The business address of the directors of the Guarantor is the registered office of the Issuer. Mr Mark Agius is the company secretary of the Guarantor.

1.3 Major Assets owned by the Group

The Issuer was set up to act as the financing arm of the Group's entities and therefore its assets will mainly include loans advanced to the various related parties. Following the restructuring, the Guarantor owns the subsidiaries of the Group (including the Issuer), who subsequently own the following major assets.

1.3.1 Q-Hub

Excel MJD is the owner of the Q-Hub Centre which is a major commercial mall managed by Excel MJD Ltd, valued at €32.5m upon its completion. Q-Hub consists of 4 basement levels and 6 levels above ground floor spanning 3,820 sqm with 239 parking spaces to be used by its tenants. The property is situated on Triq Hal-Qormi c/w Triq I-Erba Qaddisin c/w Triq Valletta, Qormi and is surrounded by four roads with each façade designed to best match the characteristics of the area.

1.3.2 Apartment Blocks

Excel Housing owns and manages a residential property portfolio valued at €27.2m which consists of five apartment blocks in Malta and Gozo currently leased to the Housing Authority under the Government Housing Scheme. These are expanded on below:

1.3.2.1 Citiway

Consisting of 32 apartments and 32 garages, valued at €9.0m in Triq il-Madonna tal-Gebbla, Gzira.

1.3.2.2 D Rock

Consisting of 36 apartments and 12 garages, valued at €9.0m in Triq Ta' Xaman (or Xaghman), Sannat, Gozo.

1.3.2.3 Il-Midra

Consisting of 7 apartments, 2 penthouses, and 8 garages, valued at €2.5m in Triq il-Wileg, San Lawrenz, Gozo.

1.3.2.4 Innuendo

Consisting of 1 maisonette, 7 apartments, and 3 garages, valued at €1.9m in Triq Patri Anton Debono, Victoria, Gozo.

1.3.2.5 Trilogy

Consisting of 4 maisonettes, 12 apartments, 3 penthouses and 17 underlying garages, valued at €4.8m in Triq Guzeppi Bajada, Xaghra, Gozo.

1.3.3 Various sites and properties

On 21 October 2024 Excel Property Trading acquired 11 sites of various sizes and in various localities which it intends to or is in the course of developing into residential and/or commercial complexes or buildings for eventual resale from Excel Investments Limited. These sites were acquired through a sale and purchase transaction for €5.4m:

- Orchidea Court – Ghajnsielem, Gozo
- Harruba Residences – Nadur, Gozo
- Sunset Suites – Xlendi, Gozo
- Ta' Dbiegi View Houses – Gharb, Gozo
- Giovanni's – Xewkija, Gozo
- Bugeja Court – Ghajnsielem, Gozo
- Misrah il-Barrieri – Msida, Malta
- Vista Giuliana – St. Julians, Malta
- Narcisa – Sannat, Gozo
- Millhouse – Qala, Gozo
- Benghazi Site – Ghajnsielem, Gozo

Part 2 Historical Performance and Forecasts

The Guarantor is the parent company of the Group, and as such, the financial performance of all entities within the Group, namely Excel MJD, the Issuer, Excel Housing and Excel Property Trading are consolidated at the Group level. This report will present historical financial information for the Issuer for the financial period ended 31 December 2024 (due to the company being incorporated on 12 June 2024) and historical consolidated financial information for the Guarantor (following the restructuring) as the parent of the Group for the year ended 31 December 2024, being the first year for which consolidated financial statements were prepared. The report also includes the consolidated financial projections for the Issuer and consolidated Group for the years 2025 and 2026, reflecting the impact of the 2024 corporate restructuring.

The projected financial statements detailed below relate to events in the future and are based on assumptions which the Company 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 Issuer's Income Statement

Income Statement for the year ended 31 December	FY24 (6.5 months)	FY25P	FY26F
	€000s	€000s	€000s
Finance income	8	3,183	3,100
Administrative expenses	(22)	(150)	(154)
Finance cost	(15)	(2,700)	(2,700)
Profit / (loss) before tax	(29)	333	246
Taxation	-	(116)	(86)
Profit / (loss) after tax	(29)	217	160

The Issuer was principally formed to operate as the finance arm of the Group and hence, during FY24, issued €50.0m 5.4% secured bonds. Given its role as the finance vehicle of the Group, the Issuer generates income from the differential in interest rates between the coupon on its listed bonds (5.4%) and the interest income charged to the Guarantor on the funds advanced (6.5%). Finance income amounted to €8k in FY24 and is expected to increase to €3.1m going forward as a full year's interest is received. A similar story is

expected for finance costs which amounted to 15k in FY24 and is forecast to increase to €2.7m again mainly due to a full years' worth of interest being charged. Administrative expenses in FY25 and FY26 will mainly include audit fees (€12k), directors' remuneration (€50k) and legal and professional fees (€90k). After taxation charges of €116k and €86k, profit after tax is expected to come in at €217k and €160k in FY25 and FY26 respectively.

2.2 Issuer's Statement of Financial Position

Statement of Financial Position as at 31 December	FY24 (6.5 months)	FY25P	FY26F
	€000s	€000s	€000s
Assets			
Non-current assets			
Loan receivable	26,037	50,611	50,740
Total Non-current assets	26,037	50,611	50,740
Current assets			
Cash and cash equivalents	24,256	22	22
Total current assets	24,256	22	22
Total assets	50,293	50,633	50,762
Equity and liabilities			
Equity			
Share capital	250	250	250
Retained earnings	(28)	188	348
Total equity	222	438	598
Non-current liabilities			
Debt securities in issue	50,000	50,000	50,000
Total non-current liabilities	50,000	50,000	50,000
Current liabilities			
Trade and other payables	71	195	164
Total current liabilities	71	195	164
Total liabilities	50,071	50,195	50,164
Total equity and liabilities	50,293	50,633	50,762

The main assets on the Issuer's balance sheet in FY24 consisted of €26.0m in loans receivable and €24.3m in cash and cash equivalents. The loan advanced to the Guarantor is unsecured, bears an interest rate of 6.5% and has no fixed date of repayment. In FY25 the Issuer advanced another €24.6m to the Guarantor, which is projected to lead to a total loans receivable of €50.6m and bring cash and cash equivalents down to €22k by year end FY25. The Issuers asset base is then forecast to remain stable in FY26. The Issuers share capital amounted to 250k in FY24 and is

expected to remain stable in the forecasted period. Retained earnings stood at €(28k) in FY24 and is projected to fluctuate with the profit or loss generated by the company for the year and reach €348k in FY26. The Issuers equity base is hence expected to amount to €438k and €598k in FY25 and FY26 respectively. Liabilities for the Issuer mainly consist of the €50.0m in debt securities issued with total equity and liabilities amounting to €50.3m in FY24 and forecast to reach €50.6m and €50.8m in FY25 and FY26.

2.3 Issuer's Cashflow Statement

Statement of Cash Flows for the year ended 31 December	FY24 (6.5 months)	FY25P	FY26F
	€000s	€000s	€000s
Net cash generated from / (used in) operating activities	34	340	130
Net cash generated from / (used in) investing activities	(26,028)	(24,574)	(130)
Net cash generated from / (used in) financing activities	50,250	-	-
Net movement in cash and cash equivalents	24,256	(24,234)	-
Cash and cash equivalents at start of year	-	24,256	22
Cash and cash equivalents at end of year	24,256	22	22

The Issuers main movements in cash and cash equivalents relate to the issuance of the €50.0m bond issue in FY24, €26.0m of which was advanced immediately to the Guarantor in the same year with another €24.6m being

advanced in FY25. No significant movements in cash and cash equivalents are expected for FY26. This led to a closing cash balance in FY24 of €24.3m and an expected closing cash balance of €22k in both FY25 and FY26.

2.4 Guarantor's Income Statement (Consolidated)

Income Statement for the year ended 31 December	FY24A	FY25P	FY26F
	€000s	€000s	€000s
Revenue	359	7,497	28,772
Direct costs	(106)	(3,195)	(15,036)
Gross profit	253	4,302	13,736
Administrative expenses	(125)	(605)	(1,014)
Other income	4	-	-
Fair value movement relating to investment property	(145)	-	-
EBIT	(13)	3,697	12,722
Finance costs	(106)	(2,700)	(2,700)
Profit / (loss) before tax	(119)	997	10,022
Taxation	(545)	(699)	(2,365)
Profit / (loss) after tax	(664)	298	7,657

EBITDA Derivation:	FY24A	FY25P	FY26F
Operating profit (EBIT)	(13)	3,697	12,722
Adjustments:			
Amortisation	1	162	162
EBITDA	(12)	3,859	12,884

Ratio Analysis	FY24A	FY25P	FY26F
Profitability			
Growth in Revenue (YoY Revenue Growth)	N/A	1988.3%	283.8%
Operating (EBIT) Margin (EBIT/Revenue)	N/A	49.3%	44.2%
Net Margin (Profit for the year / Revenue)	N/A	4.0%	26.6%
Return on Common Equity (Net Income / Equity)	N/A	0.8%	16.7%
Return on Assets (Net Income / Assets)	N/A	0.3%	6.2%

As mentioned in section 1, the current Group structure was finalised in 2024 following a restructuring, with operations being subdued in 2024 and certain major agreements only being finalised towards the end of 2024. Following the restructuring, the Group is involved in the rental of offices, other commercial tenements and residences to third parties whilst also being involved in real estate development and sale. During FY24, the Group generated revenue amounting to €359k, with direct costs amounting to €106k. After charging €125k in administrative expenses and €145k in negative fair value movements to investment property, the Group recorded an operating loss of 13k and a loss after tax of €664k. The tax expense was mainly related to €520k in deferred tax related to the movements in investment property.

Moving into FY25 the Group expects to ramp up its operations with revenue jumping to €7.5m before increasing

further to €28.8m in FY26. The revenue structure reflects a mix of short-term property sales and longer-term rental income, with property sales making up a larger portion of the total revenue.

After charging costs directly associated with property sales and rentals the Guarantor expects to generate €4.3m and €13.7m in gross profit meaning the Group retains nearly half of its revenue after covering direct costs. The Group's operating performance, as measured by EBIT is projected at €3.7m in FY25 with a corresponding EBIT margin of 49.3%. In FY26 EBIT is expected to increase further to €12.7m with EBIT margin coming down to 44.2%. This is after accounting for forecasted administrative expenses of €605k and €1.0m in FY25 and FY26 respectively.

Finance costs are projected to be €2.7m in both FY25 and FY26 mainly related to bond and bank interest. This is

expected to lead to a profit before tax of €1.0m in FY25 and €10.0m in FY26. Taxation charges are forecast in the region of €699k and €2.4m leading to a profit after tax of €298k and €7.7m in FY25 and FY26 respectively.

In terms of profitability ratios, the return on common equity for FY25 is projected at 0.8% and the return on assets is

projected at 0.3%. In FY26 these are expected to improve to 16.7% and 6.2% in line with the increased profits.

It is pertinent to note that the Group's FY24 financial performance is not representative of the Group as it is today given its formation in 2024 and this should be factored in when considering the analysis and ratios reported above.

2.5 Guarantors' Income Statement Variances with Prospectus Projections

Income Statement for the year ended 31 December	FY24P	FY24A	Variance
	€000s	€000s	€000s
Revenue	1,311	359	(952)
Direct costs	(659)	(106)	553
Gross profit	652	253	(399)
Administrative expenses	(233)	(125)	108
Other income	-	4	4
Fair value movement relating to investment property	-	(145)	(145)
EBIT	419	(13)	(432)
Finance costs	(470)	(106)	364
Profit / (loss) before tax	(51)	(119)	(68)
Taxation	(80)	(545)	(465)
Profit / (loss) after tax	(131)	(664)	(533)

The main reason for the negative variance across the board in FY24 when comparing the actual performance of the Group with the projections initially made in the Prospectus dated 02 December 2024 were related to timing delays in major projects. These delays led to revenue which was lower by €1.0m and related direct costs which were lower by €553k. Administrative expenses were also lower by €108k compared to what was initially forecast. The Group also

recorded a negative fair value movement of €145k which was not initially projected. After accounting for finance costs which were €106k lower than projections, the Group recorded a profit before tax of €119k compared to the €51k initially forecast. Taxation was €465k higher than projections mainly due to the deferred tax movement on the investment property revaluation leading to profit after tax which was €533k less than initially expected.

2.6 Guarantor's Statement of Financial Position (Consolidated)

Statement of Financial Position as at 31 December	FY24A	FY25P	FY26F
	€000s	€000s	€000s
Assets			
Non-current assets			
Investment property	59,700	59,720	60,991
Prepayments	782	974	812
Total non-current assets	60,482	60,694	61,803
Current assets			
Inventory	7,256	25,229	54,521
Prepayments	130	-	-
Amounts due from related parties	-	22,113	13,003
Trade and other receivables	4,720	2,077	244
Cash and cash equivalents	24,829	2,363	5,906
Total current assets	36,935	51,782	73,674
Total assets	97,417	112,476	135,477
Equity and liabilities			
Equity			
Share capital	5,000	5,000	5,000
Shareholders' loan	34,157	34,158	34,158
Revaluation Reserve	(665)	(1,302)	(882)
Retained earnings	(7)	2,947	12,767
Non-controlling interest	-	-	-
Total equity	38,485	40,803	51,043
Non-current liabilities			
Debt Securities	50,000	50,000	50,000
Bank loans	-	10,500	5,103
Amounts due to related parties	-	854	854
Deferred tax liabilities	2,600	2,600	2,600
Trade and other payables	941	10	10
Total non-current liabilities	53,541	63,964	58,567
Current liabilities			
Trade and other payables	5,391	7,709	25,867
Total current liabilities	5,391	7,709	25,867
Total liabilities	58,932	71,673	84,434
Total equity and liabilities	97,417	112,476	135,477

Ratio Analysis	FY24A	FY25P	FY26F
Financial Strength			
Gearing 1 (Net Debt / Net Debt and Total Equity)	39.5%	58.8%	49.1%
Gearing 2 (Total Liabilities / Total Assets)	60.5%	63.7%	62.3%
Gearing 3 (Net Debt / Total Equity)	65.4%	142.5%	96.4%
Net Debt / EBITDA	N/A	15.1x	3.8x
Current Ratio (Current Assets / Current Liabilities)	6.9x	6.7x	2.8x
Interest Coverage level 1 (EBITDA / Cash interest paid)	(0.1)x	1.4x	4.8x
Interest Coverage level 2 (EBITDA / Finance costs)	(0.1)x	1.4x	4.8x

The Group's non-current assets in FY24 amounted to €60.5m and mainly included €59.7m worth of investment property following a revaluation done in November 2024. The investment properties are split €27.2m in properties rented to the Housing Authority and €32.5m related to Q-Hub. Moving on to current assets, the most significant items on the Group's balance sheet included cash and cash equivalents of €24.8m, inventory of €7.3m and trade and other receivables of €4.7m. The large cash position follows the €50.0m bond issue in the year of which €17.6m was used to acquire investment property and €10.1m on repayments of bank borrowings. The trade and other receivables mainly relate to €2.1m of amounts due from other related parties and €2.3m in VAT refundable. This brings the total assets of the Group in FY24 to €97.4m.

The Groups equity in FY24 came in at €38.5m and mainly included €5.0m in share capital and €34.2m in shareholders' loans. The shareholders' loans are unsecured, interest free and payable at the Group's discretion and as such, the economic substance of the shareholders' loan is that of additional capital provided to the Group by its shareholders and therefore qualifies under equity. Non-current liabilities amounted to €53.5m, made up of €50.0m in debt securities, €2.6m in deferred tax liabilities and €941k in trade and other payables. Current liabilities, on the other hand, were solely made up of €5.4m in trade and other payables relating to

accrued expenses, trade payables and deferred income. This brought the Group's total equity and liabilities to €97.4m in FY24.

Going forward, the Group expects total non-current assets to remain relatively stable and reach €61.8m in FY26. Current assets are expected to increase markedly to €135.5m in FY26 mainly due to increases in inventory and amounts due from related parties with its cash and cash equivalents decreasing accordingly as the Group adds to its development and resale portfolio.

Equity in the projected years is expected to move in line with the profits generated during the year with retained earnings increasing to €3.0m in FY25 and further to €12.8m in FY26 leading to total equity €51.0m. In FY25 the main movement in non-current liabilities relate to €10.5m in bank borrowings which are forecast to decrease to €5.1m in FY26 due to repayments. Current trade and other payables are expected to increase to €7.7m in FY25 and €25.8m in FY26 leading to total equity and liabilities of €112.5m in FY25 and €135.5m in FY26. The Groups gearing is expected to remain strong in all years below 60.0% with a current ratio expected to stabilise at 2.8x time in FY26 and ample cash to cover interest payments as shown in the healthy projected interest coverage ratios.

2.7 Guarantor's Cashflow Statement (Consolidated)

Statement of Cash Flows for the year ended 31 December	FY24A	FY25P	FY26F
	€000s	€000s	€000s
Cash flows from operating activities			
Profit / Loss before income tax	(119)	997	10,022
Adjustments for:			
Amortisation of bond issuance costs	1	162	162
Fair value loss on investments property	145	2,019	1,313
Interest expense	106	2,700	2,700
	133	5,878	14,197
Changed in working capital:			
Inventories	(1,901)	(17,972)	(29,293)
Trade and other receivables	(3,079)	(19,470)	10,943
Trade and other payables	8,298	2,122	18,070
	3,451	(29,442)	13,917
Tax paid	(25)	(580)	(2,277)
Net cash generated from / (used in) operating activities	3,426	(30,022)	11,640
Cash flows from investing activities			
Acquisition of investment property	(17,645)	(20)	-
Payment of bond issue costs	(913)	(224)	-
Net cash generated from / (used in) investing activities	(18,558)	(244)	-
Cash flows from financing activities			
Proceeds from issuance of bonds	50,000	-	-
Net bank borrowings	(10,112)	10,500	(5,397)
Interest paid on borrowings	(91)	(2,700)	(2,700)
Net cash generated from / (used in) financing activities	39,797	7,800	(8,097)
Net movement in cash and cash equivalents	24,665	(22,466)	3,543
Cash and cash equivalents at start of year	164	24,829	2,363
Cash and cash equivalents at end of year	24,829	2,363	5,906
Ratio Analysis	FY24A	FY25P	FY26F
Cash Flow	€000s	€000s	€000s
Free Cash Flow (Net cash from operations - Capex)	(14,219)	(30,042)	11,640

The Group's net cash generated from operating activities amounted to €3.5m in FY24. Adjustments in the form of working capital movements included an €8.3m positive movement in trade and other payables and €1.9m and €3.1m negative movements in inventories and trade and other receivables respectively. Moving on to investing activities, the Group acquired €17.7m worth of investment properties and paid €913k in bond issue costs leading to a

total outflow of €18.6m in investing activities. Financing activities resulted in a net inflow of €39.8m mainly due to the proceeds received from the bond issue of which €10.1m was used to pay off bank borrowings.

Moving on to FY25, management expects net cash used in operating activities to amount to €30.0m mainly due to large negative movements in working capital related to inventory

and trade and other receivables. In FY26 this is forecast to turn positive as the profit before income tax of €10.0m and positive movements in trade and other receivables and trade and other payables more than make up for the negative movements in inventories. This is forecast to lead to a net cash generated from operating activities of €11.6m. Investing activities are expected to be subdued in the projected years with just €224k in payments of bond issued

costs and €20k spent on investment properties. In FY25 the Group expects to receive €10.5m in bank loans and pay €2.7m worth of interest on these loans. In FY26, the Group is also forecasting a repayment of €5.4m in bank loans with interest remaining stable at €2.7m. All this is expected to lead to closing cash balances of €2.4m in FY25 and €5.9m in FY26. The Group's free cash flow is also projected to turn positive in FY26 at €11.6m.

Part 3 Key Market and Competitor Data

3.1 General Market Conditions

The Issuer is subject to general market and economic risks that may have a significant impact on its current and future property developments and their timely completion within budget. These include factors such as the health of the local property market, inflation and fluctuations in interest rates, property prices, and rental rates. In the event that general economic conditions and property market conditions experience a downturn, which is not contemplated in the Issuer's planning during development, this shall have an adverse impact on the financial condition of the Issuer and may therefore affect the ability of the Issuer to meet its obligations under the Bonds.

3.2 Malta Economic Update¹

The Bank's Business Conditions Index (BCI) suggests that in August, annual growth in activity was slightly higher than in the previous month and stood around its long-term average estimated since January 2000. The European Commission's confidence surveys show that sentiment in Malta rose in August, and moved above its long-term average, estimated since November 2002. In month-on-month terms, sentiment improved in the services and retail trade sectors, while it declined in the other sectors.

Meanwhile, the Bank's Economic Policy Uncertainty (EPU) Index declined but remained above its historical average estimated since 2004, indicating higher than normal economic policy uncertainty. The European Commission's Economic Uncertainty Indicator (EUI) for August increased further, indicating higher uncertainty surrounding financial and business decisions. The largest increase was recorded in the services sector. In July, industrial production and retail trade rose at a slower pace in annual terms. In June, services production contracted further.

The unemployment rate continued to stand at a historical low of 2.6%, well below the 3.0% rate observed in July 2024. In July, approved commercial building permits increased compared with June and were also higher compared with a year earlier. Approved residential permits fell compared to June but were higher on a year earlier. In August, both the number of residential promise-of-sale agreements and the number of final deeds of sale increased on a year earlier. The annual inflation rate based on the Harmonised Index of

Consumer Prices (HICP) stood at 2.7% in August, up from 2.5% in the previous month.

HICP excluding energy and food in Malta also stood at 2.7%. Both indices stood above the euro area average. In August, inflation based on the Retail Price Index (RPI) stood at 2.7%, up from 2.4% in July. In July, the Consolidated Fund registered a deficit, in contrast to the surplus registered a year earlier. This was due to a decline in government revenue and a strong rise in government expenditure. The annual rate of change of Maltese residents' deposits moderated slightly compared to June, while the annual growth of credit increased.

3.3 Economic Outlook²

According to the Bank's latest forecasts, Malta's real GDP growth is set to moderate from 5.9% in 2024 to 3.9% in 2025. Growth is set to ease further in the following two years, reaching 3.3% in 2027. Compared to the Bank's previous projections, the outlook for GDP growth is revised marginally down in 2025 and is broadly unchanged from the previous forecast for the following two years.

Private consumption is expected to be the main driver of GDP growth over the projection horizon, maintaining a brisk pace, though easing from recent highs, while investment should also continue to recover in the first two years of the projection horizon. Furthermore, net exports are projected to contribute positively to GDP growth over the forecast horizon, driven by trade in services. However, this contribution is set to be much smaller than that of domestic demand.

As activity slows down, employment growth is expected to moderate gradually from 5.3% in 2024 to 3.0% this year before easing further to 2.4% and 2.3% by 2026 and 2027, respectively. The unemployment rate is forecast to edge down to 2.7% by the end of the projection horizon.

The labour market is expected to remain tight and this will be a key factor driving the wage outlook. However, the ongoing disinflation process, together with a growing need for a small open economy as Malta to remain competitive in a challenging trade environment, should dampen upward pressure on wages. Wage growth is expected to moderate to 4.4% in 2025 from 6.3% last year. It is set to edge further down to 3.7% and 3.5% in 2026 and 2027, respectively.

¹ Central Bank of Malta – *Economic Update 9/2025*

² Central Bank of Malta – *Economic Outlook 08/2025*

Annual inflation based on the Harmonised Index of Consumer Prices (HICP) is projected to stand at 2.3% in 2025, from 2.4% last year, reflecting lower food and services inflation. It is expected to ease further to 2.1% in 2026 and 2.0% in 2027, driven primarily by lower services inflation. Compared to the Bank's previous forecast publication, overall HICP inflation is broadly unrevised. While services inflation was revised up by 0.1 percentage points in 2025 and 2026, food, NEIG and energy inflation are unchanged.

The general government deficit-to-GDP ratio is set to decline gradually over the forecast period. It is forecast to narrow from 3.7% in 2024 to 3.4% in 2025, to 3.0% in 2026 and to 2.6% by 2027. The government debt-to-GDP ratio is set to peak at 48.7% in 2026 and to decline slightly in 2027. Compared to the Bank's June projections, the forecast deficit and debt profile remained mostly unchanged for 2025 and 2026 and slightly lower in 2027.

Risks to activity are broadly balanced. Downside risks largely emanate from possible adverse effects on foreign demand related to geopolitical tensions and future changes relating to the imposition of US tariffs beyond those included in the baseline. On the other hand, employment and wages could exhibit even stronger dynamics than envisaged in this projection round. This would lift private consumption growth and thus raise output growth more than envisaged.

Risks to inflation are broadly balanced over the projection horizon and mainly relate to external factors. Upside risks to inflation could stem from renewed supply-side bottlenecks that could be triggered by ongoing geopolitical conflicts as well as higher input costs and supply disruptions arising from changes in global trade policy. Having said that, such risks could also be counterbalanced by the rerouting of exports from competitor countries to the EU and heightened competitive pressures in markets targeted by tariffs. Furthermore, imported inflation could fall more rapidly than expected if euro area growth turns out weaker than expected due to the adverse effects on global growth from barriers to trade or negative spill overs from the tighter market financing conditions that may be triggered by changes in trade policy.

On the fiscal side, risks are mostly tilted to the downside (deficit-increasing). These mainly reflect the likelihood of slippages in current expenditure, including higher-than-expected outlays on energy support measures if commodity prices turn out higher than assumed. They also reflect the

likelihood of additional increases in pensions and wages in the outer years.

3.4 Malta retail sector

The confidence indicator in August 2025 for the retail sector rose to 4.4, from -7.1 in the previous month and thus returned above its long-term average of 0.1. The increase mainly reflected an improvement in business activity over the next three months. Moreover, the net share of respondents assessing stocks of finished goods to be above normal decreased. On the other hand, their assessment of sales over the past three months decreased slightly.

The largest increase in average rental rates was observed in the Grand Harbour region which saw prices for retail space rise by 101.6% in 2024, reaching €494/ sqm, which in turn makes the Grand Harbour the most expensive retail location. This rise also follows a two-year dip after peaking in 2020.

The least expensive regions are the central and Southern areas, at €180/sqm and €200/sqm, respectively, although both registered modest growth over prior year. The North West's significant decline in the rental rate can be attributed to sample limitations with the prior year's data, but more data this year reveals this rate to be more in line with expectations

3.5 Malta Commercial property sector

The strong economic growth sustained by the Maltese economy in recent years has contributed to a rise in the employment rate and the influx of foreign workers within the Maltese workforce. This has contributed to an increase in the demand for rental of office and commercial space in Malta. To address such growing demand, the supply of office and commercial space in Malta has considerably increased over the last couple of years. Of note, there are several traditional business areas in Malta. For instance, Sliema attracts many international brands and companies. Likewise, Valletta, being Malta's capital city, is considered as the hub for law firms and many long-established family businesses.

Other traditional commercial areas include the likes of St. Julian's, which is popular for its sea-view offices, and Floriana, which attracts businesses that want to be located in the vicinity of Valletta. In furtherance, there are also top-quality commercial developments within in the proximity of the airport and in other residential areas such as Naxxar, Mosta, Mellieha and in parts of the south of Malta. The variety of commercial and office space in Malta cater for

every type of business, from start-ups to established global organisations. In this regard, numerous business centres have recently been developed, with new centres in the pipeline.

The majority of commercial property on the market is available on a rental basis rather than being offered for sale. The average asking rental rates for office space was €234/sqm in 2024, up from €214/sqm in 2023, while average asking rental rates for retail properties reached €294/sqm, up from €243/sqm.

Rental data for office space presents an intriguing contrast to the generally sluggish environment as expressed by industry players during consultations. Several factors may be behind this reasoning, including a mismatch in expectations between property owners and rent seekers. It is also key to note that as these are advertised prices, they will fail to capture the extent of negotiating that is likely to occur.

The largest increase in rental rates for office space were recorded in the Central region for which saw growth of 12.5%, reaching €167/sqm (2023: €148). The highest Priced region for office space is the North Harbour, with rental rates of €275/sqm, while the lowest rate of €136/sqm hailed from the southern region. Both the Grand Harbour and Southern region saw declining growth in rental rates in office space of -2.1% and -2.2% respectively.

3.6 Comparative Analysis

The purpose of the table below compares the debt issuance of the Group 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 different maturities.

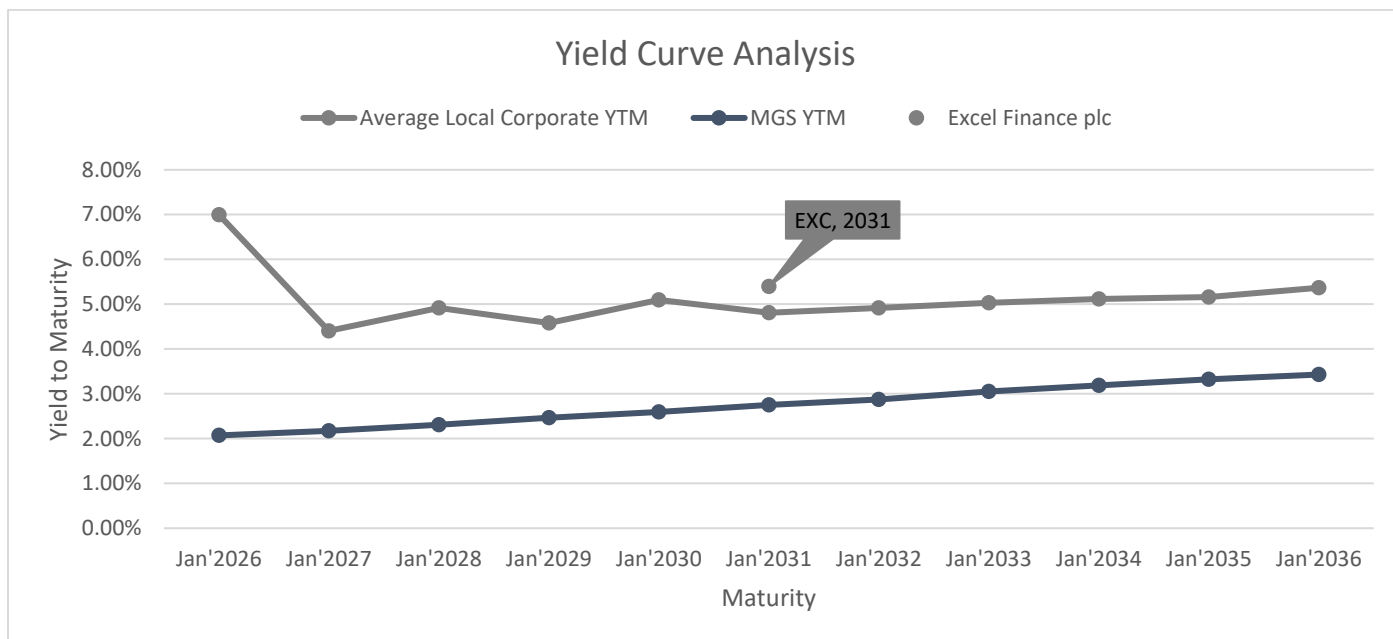
More importantly, we have included different Issuers with similar maturity to the Issuer. One must note that given the material differences in profiles and industries, the risks associated with the Group's business and that of other Issuers is therefore different.

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)	(%)	(%)	(%)
4.25% Mercury Projects Finance plc Secured € 2031	11,000	4.86%	(0.8)x	279.0	66.1	76.3%	73.2%	(46.3)x	0.6x	-1.8%	-12.5%	-58.8%
4.65% Smartcare Finance plc Secured € 2031	13,000	4.58%	0.6x	46.7	10.1	78.4%	73.5%	38.4x	1.9x	-9.9%	-18.9%	-16.3%
3.5% GO plc Unsecured € 2031	60,000	3.90%	11.5x	430.6	86.2	80.0%	70.5%	2.3x	0.6x	16.9%	6.4%	3.8%
3.9% Browns Pharma Holdings plc Unsec Call € 2027-2031	13,000	4.59%	3.2x	99.7	38.2	61.7%	40.7%	5.7x	1.0x	5.8%	4.4%	30.6%
3.65% Mizzi Organisation Finance plc Unsecured € 2028-2031	45,000	4.53%	2.1x	308.6	95.8	69.0%	55.2%	11.4x	0.8x	0.7%	0.4%	3.7%
3.65% IHI plc Unsecured € 2031	80,000	5.42%	1.7x	1,795.3	910.4	57.5%	42.2%	8.8x	0.8x	-0.1%	-0.4%	6.6%
5.4% Excel Finance plc € Secured Bonds 2031	50,000	5.40%	2.8x	97.4	38.5	60.5%	39.5%	N/A	6.9x	-1.7%	-185.0%	N/A
Average*		4.64%										

Source: Latest available audited financial statements

Last closing price as at 23/10/2025

*Average figures do not capture the financial analysis of the Group



Source: Malta Stock Exchange, Central Bank of Malta and Calamatta Cuschieri Estimates

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 of the 5.4% Excel Finance p.l.c. bond.

As at 23 October 2025, the average spread over the Malta Government Stocks (MGS) for comparable issuers with a maturity of 6 years was 189 basis points. The 5.4% Excel

Finance p.l.c. 2031 is currently trading with a YTM of 5.40%, meaning a spread of 264 basis points over the equivalent MGS, and therefore at a premium to the average on the market of 75 basis points.

It is pertinent to note that the above analysis is based mainly on a maturity-matching basis and that the Issuer's industry does not match with all the corporates identified and as such its risks also differ to that of other issuers.

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.
EBIT (Operating Profit)	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.
Profit After Taxation	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	This is calculated as Revenue minus costs of goods sold
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.
Current Liabilities	Obligations which are due within 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.

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 1	The interest coverage ratio is calculated by dividing EBIT of one period by Finance costs of the same period.
Interest Coverage Ratio 2	The interest coverage ratio is calculated by dividing EBIT of one period by cash interest paid 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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Calamatta Cuschieri

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