



# FINAL TERMS

TRANCHE 2





QLZH Holding p.l.c. (the “**Issuer**”)  
Issue of €5,200,000 secured callable bonds (the “**Bonds**”)  
€12,000,000 Bond Issuance Programme  
ISIN: MT0002861210  
Series: 2025-1  
Tranche No: 2

## Part A - Contractual Terms

These are the Final Terms for the issue of a Tranche of Bonds under the Issuer’s €12,000,000 Secured Bond Issuance Programme (the “**Programme**”) and comprise the final terms required for the issue and admission to trading on the Official List of the Bonds described herein pursuant to the Programme.

Capitalised terms used herein which are not defined shall have the definitions assigned to them in the Base Prospectus dated 23 June 2025 which was approved by the MFSA in Malta on 23 June 2025 which constitutes a base prospectus for the purposes of the Prospectus Regulation.

This document constitutes the Final Terms of the Bonds described herein for the purposes of the Prospectus Regulation and must be read in conjunction with such Base Prospectus. Full information on the Issuer and the offer of the Bonds is only available on the basis of the combination of these Final Terms and the Base Prospectus.

The Base Prospectus and these Final Terms are available for viewing at the office of the Issuer and on the websites of: (a) the MFSA during a period of twelve months from the date of approval of the Base Prospectus; and (b) the Issuer (<https://www qlzhholding.com/investors>) and copies of the Base Prospectus and these Final Terms may be obtained free of charge from the registered office of the Issuer. A summary of this individual issue is annexed to these Final Terms (Annex 1).

### THE BONDS ARE COMPLEX FINANCIAL INSTRUMENTS.

|    |                          |  |
|----|--------------------------|--|
| 1. | Issuer                   | QLZH Holding p.l.c.  |
| 2. | Series Number            | 2025-1   |
| 3. | Tranche Number           | This Tranche is fully fungible with the existing Tranche 1 issued in terms of the Base Prospectus and the final terms to the Base Prospectus dated 23 June 2025 (the “ <b>Tranche 1 Bonds</b> ”). It is expected that from the first Interest Payment Date, the Tranche 1 Bonds and the Tranche 2 Bonds shall be integrated and thereafter shall trade under ISIN: MT0002861228. |
| 4. | Specified Currency       | Euro   |
| 5. | Aggregate Nominal Value: |  |
|    | i. Series                | up to €12,000,000, which may be issued in tranches forming part of Series 2025-1, or in combination with tranche/s forming part of one or more separate Series   |
|    | ii. Tranche              | up to €5,200,000   |

|     |  |   |
|-----|--|---|
| 6.  | Issue Price of Bonds                     | €100 in respect of each Bond  |
| 7.  | Specified denomination (Nominal Value)   | €100 in respect of each Bond  |
| 8.  | Number of Bonds offered for subscription | up to 52,000  |
| 9.  | Issue Date                               | 31 December 2025  |
| 10. | Interest Commencement Date               | 31 December 2025  |
| 11. | Maturity Date                            | 22 July 2035  |
| 12. | Early Redemption Date                    | any date falling between 22 July 2030 and the 21 July 2035, subject to the Issuer giving the Bondholders at least sixty (60) Business Days' notice in writing |
| 13. | Redemption Value                         | Redeemable at the redemption price detailed in Section 5(ii) of these Final Terms   |

## INTEREST

|     |                         |   |
|-----|-------------------------|---|
| 14. | Rate of Interest        | 5.5%  |
| 15. | Interest Payment Date/s | 22 July of each year (including 2026, being the first interest payment date) and the Redemption Date (or if any such date is not a Business Day, the next following day that is a Business Day) |

## GENERAL PROVISIONS

|     |  |   |
|-----|--|---|
| 16. | Corporate authorisations for issuance of the Bonds | The Bond Issue was authorised pursuant to a resolution of the Board passed on 13 June 2025 whereas the issuance of Bonds under this Tranche and the listing thereof on the Official List was authorised pursuant to a resolution of the Board passed on 26 November 2025. |
| 17. | Taxation   | As per "Taxation" section of the Base Prospectus  |

## Purpose of Final Terms

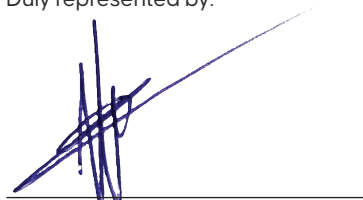
These Final Terms comprise the Final Terms required for the offer for subscription, issue and admission to trading on the Official List of the Bonds described herein pursuant to the Programme of the Issuer dated 23 June 2025.

## Responsibility

The Issuer accepts responsibility for the information contained in these Final Terms.

Signed on behalf of QLZH Holding p.l.c.

Duly represented by:



**Michael Mercieca**  
Director

## Part B - Other Information

### DEFINITIONS

The following words and expressions shall bear the following meanings, except where the context otherwise requires:

|                           |  |
|---------------------------|--|
| Development Projects      | collectively, the Floriana Site and the Valletta Properties;   |
| Floriana Project          | the restoration, conversion, development and finishing works carried out or to be carried out on the Floriana Site, as better described in Section 4(i) of these Final Terms;  |
| Floriana Site             | the house with 3 entrances, the main door of which is currently officially numbered 84 (and the 2 side-doors which are situated one on each side of the main door and are numbered 83 and 85 respectively) formerly numbered 88, 89 and 90, Gunlayer Street, Floriana, Malta, together with its overlying airspace, basement, and underlying subsoil, and with all its rights and appurtenances;   |
| Floriana Special Hypothec | the first ranking Special Hypothec for the full nominal value of the Bonds and the Interest Buffer over the Floriana Site, together with all and any immovables constructed or to be developed thereon subject to any such reductions as may be made from time to time in terms of the Security Trust Deed (as described in further detail in Section 8 of these Final Terms), to be constituted upon the final deed of sale and purchase of the Floriana Site;  |
| Hypothecated Property     | collectively, the Floriana Site and the Valletta Properties, as may be varied from time to time in accordance with Section 8 of these Final Terms and the Security Trust Deed;   |
| Independent Valuation     | the valuation made by such qualified professional valuer in Malta as may be nominated by the Issuer and/or Mercı Developments and approved by the Security Trustee;  |
| Interest Buffer           | an amount equivalent to 1 year of interest on the Bonds, as calculated in accordance with these Final Terms;   |
| Intermediaries' Offer     | the offer of Bonds, pursuant to these Final Terms and the Base Prospectus, by the Issuer to the Authorised Intermediaries, for their own account and/or for the purposes of allocating the Bonds to their own clients;   |
| Loan Agreement/s          | the loan agreement/s entered into on or around the date of these Final Terms between the Issuer (as lender) and Mercı Developments and/or any one or more companies forming part of the QLZH Group (as borrower/s), as the case may be, as described in Section 4.7.1 of the Base Prospectus;  |
| Maisonette                | the independent maisonette presently intended to be used for residential purposes with its independent access from Triq Sant' Ursola, Valletta, numbered 69, underlying the Valletta Block and without its overlying airspace, and in part overlying third party property, provided that it is being stated that notwithstanding that the Maisonette is presently used for residential purposes, this shall not limit the right of the vendor or its successors in title from changing the use of the Maisonette, provided that the necessary permits are obtained and provided that the Maisonette shall continue to be subject to the rights and servitudes mentioned in the relevant promise of sale agreement; |

|                         |  |
|-------------------------|--|
| Offer Period            | the period set out in Section 7(vi) of these Final Terms, during which the Bonds are available for subscription;   |
| Real Estate Projects    | collectively, the Floriana Project and the Valletta Properties;  |
| Reserve Account         | the reserve account maintained by the Security Trustee for the benefit of the Bondholders, as described in Section 8(iii) of these Final Terms;  |
| Roof                    | the uppermost roof/s of the Valletta Block existing at any point in time together with its free overlying airspace <i>usque ad coelom</i> , and expressly includes, but without limitation, the roof overlying the uppermost Valletta Block unit/s together with its free overlying airspace <i>usque ad coelom</i> , but which expressly excludes those parts of the roof which may serve as an extension of the Valletta Block common parts with their relative airspace <i>usque ad coelom</i> ;  |
| Special Hypothecs       | the Floriana Special Hypothec, the Valletta Special Hypothec and/or any other special hypothec/s over any Other Property (as defined in Section 8(iii) of these Final Terms) as may be constituted and registered in favour of the Security Trustee;   |
| UCA Scheme              | the Urban Conservation Area scheme as extended, or as to be extended, providing certain relief from income tax and duty on documents and transfers on certain property transfers in terms of S.L. 123.203 as may be amended from time to time;   |
| Valletta Block or Block | means the block of apartments and penthouse whereby the Valletta Properties together with other third-party properties are located, which block has two entrances, one from Triq it-Teatru l-Antik numbered 155, and the other from Triq Sant' Ursola numbered 70, which block partly overlies the Maisonette and third-party property, with all its rights and appurtenances;   |
| Valletta Project        | the development and finishing works carried out on the Valletta Properties, as better described in Section 4(i) of these Final Terms;  |
| Valletta Properties     | <p>Collectively, the Maisonette and the following properties forming part of the Valletta Block:</p> <ol style="list-style-type: none"> <li>the Block unit internally numbered 5 forming part of the Block without its overlying and underlying airspace which Block unit is a duplex apartment situated at second and third floor of the Block ("<b>Apartment 5</b>");</li> <li>the Block unit internally numbered 8 forming part of the Block without its overlying and underlying airspace which Block unit is situated at third floor level and intermediate level of the Block ("<b>Apartment 8</b>"); and;</li> <li>the Block unit consisting of the penthouse internally numbered 9 including its overlying airspace and the Roof, <i>usque ad coelom</i>, forming part of the Block without its underlying airspace which Block unit is situated at fourth floor level of the Block and includes the Roof (the "<b>Penthouse</b>");</li> </ol> |

### Valletta Special Hypothec

the first ranking Special Hypothec for the full nominal value of the Bonds and the Interest Buffer thereon over the Valletta Properties, subject to any such reductions as may be made from time to time in terms of the Security Trust Deed (as described in further detail in Section 8 of these Final Terms), to be constituted upon the final deed of sale and purchase of, and/or acquisition of rights over (as applicable), the Valletta Properties; and

### Valuation Reports

the valuation reports drawn up in relation to the Hypothecated Property by Architect Paul Camilleri and dated 4 November 2025 with respect to the Floriana Site and 12 November 2025 with respect to the Valletta Properties, copies of which are deemed to be incorporated by reference into (and to form part of) these Final Terms.

## 1. ADMISSION TO TRADING AND LISTING

|      |   |   |
|------|---|---|
| i.   | <b>Listing</b>  | Official List   |
| ii.  | <b>Admission to trading</b>                                       | Application to the MSE has been made for the Bonds to be admitted to trading on the Official List. The Bonds are expected to be listed on 31 December 2025 with trading expected to commence on 5 January 2026. |
| iii. | <b>Previous admission to trading</b>                              | Not applicable  |
| iv.  | <b>Estimate of total expenses related to admission to trading</b> | €67,500   |

## 2. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE BOND ISSUE

Other than the possible subscription for Bonds by Authorised Intermediaries (which include the Sponsor) and any fees payable to the various professional advisors and service providers in connection with the Bond Issue, the Issuer is not aware of any person involved in the Bond Issue that has a material interest in the Bond Issue.

## 3. THIRD PARTY INFORMATION

Save for the Financial Analysis Summary prepared by the Sponsor, and the Valuation Reports prepared by Architect Paul Camilleri of Paul Camilleri & Associates, of 127, Archbishop Street, Valletta VLT 1444, Malta, these Final Terms do not contain any statement or report attributed to any person as an expert.

The Financial Analysis Summary has been included as Annex 3 to these Final Terms, in the form and context in which it appears, with the authorisation of the Sponsor, which has given, and has not withdrawn, its consent to its inclusion herein.

The Valuation Reports are deemed to be incorporated by reference in, and to form part of, these Final Terms, in the form and context in which it appears, with the authorisation of Architect Paul Camilleri, who has given, and has not withdrawn, his consent to their inclusion herein, and are available for inspection at the Issuer's registered office and on the Issuer's website ([www.qzhholding.com/investors](http://www.qzhholding.com/investors)).

None of the foregoing experts have any beneficial interest in the Issuer. The Issuer confirms that each of the aforementioned reports and documents and any other information sourced from third parties and contained and referred to in these Final Terms has been accurately reproduced in these Final Terms and that there are no facts of which the Issuer is aware that have been omitted and which would render the reproduced information inaccurate or misleading.

#### 4. REASONS FOR THE OFFER AND USE OF PROCEEDS, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

i. Reasons for the offer and use of proceeds

The net proceeds from this Tranche, which net of the Bond Issue expenses are expected to amount to approximately €5,132,500 will be utilised for the following purposes, in the order of priority set out below:

1. *circa* €4,623,500 will be used for the purpose of financing the acquisition of ownership title and/or other real rights over the Development Projects (as applicable), and the completion of the Real Estate Projects. For ease of reference, *circa* €2,562,000 is required for the purpose of the acquisition of the Valletta Properties with the finishing costs thereof estimated at *circa* €305,500. Whilst the cost to acquire the Floriana Project is *circa* €870,000 with the estimated development costs thereof at *circa* €886,000; and
2. *circa* €509,000 will be utilised for general corporate funding purposes.

As better described in this Section, Merci Developments shall be acceding to a number of agreements relating to the Development Projects. Merci Developments intends to develop each of the Development Projects in the manner set out hereunder.

##### **Floriana Project**

On completion, the Floriana Site will consist of a Class 3A guesthouse having 12 rooms spread over 4 floors.

As described in the Valuation Reports, the open market value of the Floriana Project in its existing state is €1,060,000; with an estimated capital value of €2,240,000 on completion.

##### *Acquisition of ownership title to the Floriana Site*

On 18 September 2025, Merci Developments, in witness of Notary Dr. Annalise Micallef, entered into a promise of sale agreement for the acquisition of the Floriana Site, for the agreed price of €810,000; €81,000 of which were paid by Merci Developments as a deposit on account of the final price (the “**Floriana POS**”).

Amongst other market standard conditions, the Floriana POS was concluded subject to:

- a) the permit bearing reference PA/07260/18 being *in vigore* and that all payments in connection with aforesaid permit having been fully settled and paid by the vendor;
- (b) verification of title by the Notary Dr. Annalise Micallef in terms of the Examination of Title Regulations (S.L. 55.06) as may be amended from time to time, in particular subject to the condition in favour of Merci Developments to the effect that in previous contracts affecting the Property there are no conditions which restrict the development or enjoyment of the property as per approved planning permit; and
- (c) the applicability of the UCA Scheme, as currently extended, or as to be extended to the Floriana POS.

The Floriana POS is valid until 15 January 2026. Provided that the parties to the Floriana POS have agreed that should the UCA Scheme not be extended for deeds to be completed after 31 December 2025, or should it be extended however not so as to cover the deed to be executed in terms of the Floriana POS, the parties thereto have undertaken to complete the final deed of sale and purchase by not later than 29 December 2025 in order to ensure the applicability of the UCA Scheme and the benefits thereof.



On 15 May 2018, HMK International Limited (C 46978) of Hal Mann, The Factory, Mosta Road, Lija LJA 9016, Malta filed a Planning Authority application (PA/07260/18) for the development of the Floriana Site. This application was approved by the Planning Authority and rendered executable on 16 May 2019 and is valid until 13 February 2027.

Subject to the successful issue and allocation of the Bonds, the Issuer, in accordance with the terms of the relevant Loan Agreement, will make part of the proceeds of the Bond Issue available to Merci Developments for the purpose of financing the Floriana Project.

#### **Valletta Project**

On completion, the Valletta Properties will consist of the following rental properties:

- a) a one-bedroom maisonette;
- b) a one-bedroom apartment;
- c) a one-bedroom apartment; and
- d) a three-bedroom penthouse.

As described in the Valuation Reports, the open market value of the Valletta Project in its existing state is €2,938,000; with an estimated capital value of €3,503,000 on completion.

#### *Acquisition of the Valletta Properties*

On 22 September 2025, Merci Developments, in witness of Notary Dr. Annalise Micallef, entered into 4 promise of sale agreements, having the same terms and conditions, for the acquisition of the Valletta Properties (the “**Valletta POSs**”). The aggregate consideration for the acquisition of the Valletta Properties is €2,500,000 which is due in its entirety on the execution of the final deeds of acquisition. The acquisition of the Valletta Properties is subject to the rights and appurtenances as stated in the Valletta POSs relating to the Block common parts. The acquisition price due for each individual property is as follows:

- a) Maisonette: €330,000;
- b) Apartment 5: €330,000;
- c) Apartment 8: €475,000; and
- d) Penthouse: €1,365,000.

Whilst no deposits have been paid for the Valletta Properties in terms of the Valletta POSs, the parties thereto have agreed on an *ad hoc* contractual remedy in the form of pre-liquidated damages. Where Merci Developments does not appear on the final deed of acquisition for a reason which is not valid according to law, the vendor shall be entitled to pre-liquidated damages in the amount of 10% of the agreed upon purchase price of the relative property.

In acquiring the Penthouse, Merci Developments shall also acquire the Roof and the right to build further storeys thereon, subject to the conditions set out in the relative Valletta POS.

The Valletta POSs also set out the terms and conditions for the constitution of the Block condominium, the rules and conditions thereof and the requirement to create a Block association and administrator. Amongst other market standard conditions, the Valletta POSs have been concluded subject to:

- a) the permit bearing reference PA/07544/22 being *in vigore*; and
- b) verification of title by the Notary in terms of the Examination of Title Regulations (S.L. 55.06) as may be amended from time to time.

The Valletta POSs are valid until 31 December 2025. Provided that the parties to the Valletta POSs have agreed that should the UCA Scheme be extended for deeds to be completed after 31 December 2025, the parties thereto have undertaken, if requested to do so by Merci Developments, to sign an extension of the term of validity of the Valletta POSs up to 15 January 2026.

In terms of the Valletta POSs, the vendor shall be responsible for all finishing works in the property (and the Block common parts) and undertakes to complete said finishing works up to a stage of practical completion by not later than 31 March 2026. Such finishing works are subject to the terms of a contract of works, as set out in the relative Valletta POSs, and the terms and conditions thereof.

#### *Planning Authority Permit & Financing of Valletta Project*

On 10 November 2022, Jeffrey Farrugia, filed Planning Authority application PA/07544/22 for alterations to two existing houses to divide these into two maisonettes, six apartments, two penthouses, and a proposed extension at roof level for the second penthouse. This application was approved by the Planning Authority and the corresponding permit was subsequently rendered executable on 19 February 2025. Furthermore, on 24 June 2025, a Planning Authority application (PA/05671/25) for the facade restoration of the Valletta Block was filed which was rendered executable on 30 October 2025.

Subject to the successful issue and allocation of the Bonds, the Issuer, in accordance with the terms of the relevant Loan Agreement, will make part of the proceeds of the Bond Issue available to Merci Developments for the purpose of financing the Valletta Project.

|  |  |
|--|--|
| <p>ii. Estimated net proceeds and total expenses of the Bond Issue</p> | <p>The Bond Issue will involve expenses, including professional fees and costs related to publicity, advertising, printing, listing, registration, sponsor, management, selling commission and other miscellaneous costs incurred in connection with this Tranche. Such expenses are estimated not to exceed €67,500 and shall be borne by the Issuer. The amount of the expenses will be deducted from the proceeds of this Tranche, which, accordingly, will bring the estimated net proceeds from this Tranche to €5,132,500. There is no particular order of priority with respect to such expenses.</p>                                     |
| <p>iii. Conditions to which the offer is subject</p>                   | <p>The offer of the Bonds is conditional upon: (a) the Bonds being admitted to the Official List, and (b) the proceeds raised under this Tranche amounting to at least €2,500,000. In the event that any of these conditions is not satisfied by the close of the Offer Period, the issue of Bonds under this Tranche will be withdrawn or revoked unilaterally by the Issuer.</p> <p>In the event that the issue of Bonds under this Tranche is not fully subscribed, the Issuer will, subject to a minimum aggregate subscription amount of €2,500,000, as aforementioned, proceed with the listing of the amount of Bonds subscribed for.</p> |

In the event of a revocation of the Bond Issue or withdrawal of the offer of the Bonds as aforesaid, any application monies received by or on behalf of the Issuer will be returned without interest (through the Sponsor and/or the Authorised Intermediaries, as applicable) by direct credit into the Applicant's bank account indicated by the Applicant in the relative Application. If no such bank account number is provided, or in the event that the bank account details in the Application are incorrect or inaccurate, such returns will be made by means of a cheque mailed to the Applicant's address (or, in the case of joint Applications, the address of the first named Applicant) indicated in the Application.

## 5. YIELD

| i.                          | Indication of yield             | 5.5%   |      |                  |       |                             |         |        |                             |         |        |                         |         |        |
|-----------------------------|---------------------------------|--|------|------------------|-------|-----------------------------|---------|--------|-----------------------------|---------|--------|-------------------------|---------|--------|
| ii.                         | Method of calculating the yield | <p>The gross yield calculated on the basis of the interest, the Issue Price and the Nominal Value of the Bonds is 5.5%. The table below illustrates the gross yield at the different Early Redemption Dates:</p> <table> <tr> <th>Year</th><th>Redemption Price</th><th>Yield</th></tr> <tr> <td>22 July 2030 – 21 July 2031</td><td>102.750</td><td>5.924%</td></tr> <tr> <td>22 July 2031 – 21 July 2032</td><td>101.375</td><td>5.672%</td></tr> <tr> <td>22 July 2032 – Maturity</td><td>100.000</td><td>5.500%</td></tr> </table> | Year | Redemption Price | Yield | 22 July 2030 – 21 July 2031 | 102.750 | 5.924% | 22 July 2031 – 21 July 2032 | 101.375 | 5.672% | 22 July 2032 – Maturity | 100.000 | 5.500% |
| Year                        | Redemption Price                | Yield  |      |                  |       |                             |         |        |                             |         |        |                         |         |        |
| 22 July 2030 – 21 July 2031 | 102.750                         | 5.924%   |      |                  |       |                             |         |        |                             |         |        |                         |         |        |
| 22 July 2031 – 21 July 2032 | 101.375                         | 5.672%   |      |                  |       |                             |         |        |                             |         |        |                         |         |        |
| 22 July 2032 – Maturity     | 100.000                         | 5.500%   |      |                  |       |                             |         |        |                             |         |        |                         |         |        |

## 6. OPERATIONAL INFORMATION

|     |          |   |
|-----|----------|---|
| i.  | ISIN     | From the Issue Date of the Bonds forming part of this Tranche until the date of admission to listing of the same Bonds (both dates as set out in Section 7(vi) of these Final Terms), the Bonds shall have the following ISIN: MT0002861210. It is expected that from the first Interest Payment Date, the Tranche 1 Bonds and the Tranche 2 Bonds shall be integrated and thereafter shall trade under ISIN: MT0002861228. |
| ii. | Delivery | Delivery against payment  |

## 7. DISTRIBUTION

|      |  |   |
|------|--|---|
| i.   | Categories of potential investors to which the Bonds are offered             | The Bonds are available to all categories of potential investors  |
| ii.  | Conditions for use of the Base Prospectus by the Authorised Intermediary/ies | As set out in Section 2.2 of the Base Prospectus  |
| iii. | Plan of distribution and allotment   | <p><b>Intermediaries' Offer</b></p> <p>The Bond Issue is open for subscription by all categories of investors including the general public and will be distributed by the Authorised Intermediaries participating in the Intermediaries' Offer. Accordingly, the Issuer has reserved the full amount of the Bond Issue for subscription by Authorised Intermediaries for their own account or for the account of their underlying clients. In this regard, the Issuer shall enter into conditional subscription agreements with a number of Authorised Intermediaries for the subscription of Bonds, whereby it will bind itself to allocate the Bonds to the Authorised Intermediaries in accordance with the terms of such subscription agreements.</p> |

In terms of each subscription agreement to be entered into with an Authorised Intermediary, the Issuer will be conditionally bound to issue, and each Authorised Intermediary will be conditionally bound to subscribe for, such number of Bonds specified in the relevant subscription agreement subject to approval by the MSE of the Issuer's application for the Bonds to be admitted to listing and trading on the Official List. Each subscription agreement will become binding on each of the Issuer and the relevant Authorised Intermediary upon signing, subject to receipt by the Sponsor of all subscription proceeds in cleared funds on the date specified in the signed subscription agreement.

Authorised Intermediaries subscribing for Bonds may do so for their own account or for the account of their underlying clients, and shall in addition, be entitled to distribute any portion of the Bonds subscribed to their underlying clients upon commencement of trading or instruct the Sponsor to issue a portion of the Bonds subscribed by them directly to their underlying clients.

#### **Allocation Policy**

The Issuer shall allocate the entirety of the Bonds issued under this Tranche, up to an aggregate amount of €5,200,000, to Authorised Intermediaries participating in the Intermediaries' Offer as described above, without priority or preference and in accordance with the allocation policy determined by the Issuer and the Sponsor.

The Issuer shall announce the results of the Bond Issue, together with the basis of acceptance of Applications and the allocation policy to be adopted, through a company announcement within 5 Business Days from the closing of the Offer Period. It is expected that any allotment advice will be made available to Applicants by the CSD shortly after listing of the Bonds. The registration advice and other documents and any monies returnable to Applicants may be retained pending clearance of the remittance and any verification of identity as required by the PMLA. Such monies will not bear interest while retained as aforesaid.

|     |   |   |  |    |                                      |                                     |    |   |                  |    |            |                  |    |                                       |                  |    |  |                  |    |  |                  |    |   |                |    |   |                 |
|-----|---|---|--|----|--------------------------------------|-------------------------------------|----|---|------------------|----|------------|------------------|----|---------------------------------------|------------------|----|--|------------------|----|--|------------------|----|---|----------------|----|---|-----------------|
| iv. | Placing and/or Underwriting   | The Bond Issue will neither be pre-placed nor underwritten  |  |    |                                      |                                     |    |   |                  |    |            |                  |    |                                       |                  |    |  |                  |    |  |                  |    |   |                |    |   |                 |
| v.  | Selling commission  | 1.25%   |  |    |                                      |                                     |    |   |                  |    |            |                  |    |                                       |                  |    |  |                  |    |  |                  |    |   |                |    |   |                 |
| vi. | Expected timetable  | <table><tr><td>1.</td><td>Offer Period (Intermediaries' Offer)</td><td>4 December 2025 to 19 December 2025</td></tr><tr><td>2.</td><td>Announcement of Intermediaries' Offer results</td><td>29 December 2025</td></tr><tr><td>3.</td><td>Issue Date</td><td>31 December 2025</td></tr><tr><td>4.</td><td>Commencement of interest on the Bonds</td><td>31 December 2025</td></tr><tr><td>5.</td><td>Refund of unallocated monies, (if any)</td><td>31 December 2025</td></tr><tr><td>6.</td><td>Expected date of admission of the Bonds to listing</td><td>31 December 2025</td></tr><tr><td>7.</td><td>Expected date of commencement of trading of the Bonds</td><td>5 January 2026</td></tr><tr><td>8.</td><td>Expected date for the constitution of the Floriana Special Hypothec and the Valletta Special Hypothec</td><td>15 January 2026</td></tr></table> |  | 1. | Offer Period (Intermediaries' Offer) | 4 December 2025 to 19 December 2025 | 2. | Announcement of Intermediaries' Offer results | 29 December 2025 | 3. | Issue Date | 31 December 2025 | 4. | Commencement of interest on the Bonds | 31 December 2025 | 5. | Refund of unallocated monies, (if any) | 31 December 2025 | 6. | Expected date of admission of the Bonds to listing | 31 December 2025 | 7. | Expected date of commencement of trading of the Bonds | 5 January 2026 | 8. | Expected date for the constitution of the Floriana Special Hypothec and the Valletta Special Hypothec | 15 January 2026 |
| 1.  | Offer Period (Intermediaries' Offer)  | 4 December 2025 to 19 December 2025   |  |    |                                      |                                     |    |   |                  |    |            |                  |    |                                       |                  |    |  |                  |    |  |                  |    |   |                |    |   |                 |
| 2.  | Announcement of Intermediaries' Offer results   | 29 December 2025  |  |    |                                      |                                     |    |   |                  |    |            |                  |    |                                       |                  |    |  |                  |    |  |                  |    |   |                |    |   |                 |
| 3.  | Issue Date  | 31 December 2025  |  |    |                                      |                                     |    |   |                  |    |            |                  |    |                                       |                  |    |  |                  |    |  |                  |    |   |                |    |   |                 |
| 4.  | Commencement of interest on the Bonds   | 31 December 2025  |  |    |                                      |                                     |    |   |                  |    |            |                  |    |                                       |                  |    |  |                  |    |  |                  |    |   |                |    |   |                 |
| 5.  | Refund of unallocated monies, (if any)  | 31 December 2025  |  |    |                                      |                                     |    |   |                  |    |            |                  |    |                                       |                  |    |  |                  |    |  |                  |    |   |                |    |   |                 |
| 6.  | Expected date of admission of the Bonds to listing  | 31 December 2025  |  |    |                                      |                                     |    |   |                  |    |            |                  |    |                                       |                  |    |  |                  |    |  |                  |    |   |                |    |   |                 |
| 7.  | Expected date of commencement of trading of the Bonds   | 5 January 2026  |  |    |                                      |                                     |    |   |                  |    |            |                  |    |                                       |                  |    |  |                  |    |  |                  |    |   |                |    |   |                 |
| 8.  | Expected date for the constitution of the Floriana Special Hypothec and the Valletta Special Hypothec | 15 January 2026   |  |    |                                      |                                     |    |   |                  |    |            |                  |    |                                       |                  |    |  |                  |    |  |                  |    |   |                |    |   |                 |

The Issuer reserves the right to close the offer of Bonds prior to the end of the Offer Period in the event that the Bonds are fully subscribed prior to such date and time, in which case the events set out in steps 2 to 8 above shall be brought forward (although the number of Business Days between each of these events is not expected to be varied).

## 8. SECURITY

|      |   |   |
|------|---|---|
| i.   | Security Provider   | Merci Developments (and/or the relevant Property Company with respect to the Other Property, as explained in Section 8(iii) below)  |
| ii.  | Secured Asset/s   | Hypothecated Property   |
| iii. | Security to be provided by a Security Provider to secure Issuer's obligations under the Bonds | The obligations of the Issuer to the Bondholders under the Bonds will be secured in favour of the Security Trustee for the benefit of the Bondholders by virtue of the relevant Special Hypothecs over the Hypothecated Property and the Reserve Account (as defined below), and in accordance with the terms of the Security Trust Deed and these Final Terms. |

In its existing state, the estimated current market value of the Hypothecated Property (as set out in the Valuation Report/s) amounts to €3,998,000. Accordingly, the value of the Hypothecated Property as at the date of constitution of the Floriana Special Hypothec and the Valletta Special Hypothec will be less than the full amount of principal outstanding under the Bonds and the Interest Buffer. As described further in the Valuation Reports, however, the estimated value of the Hypothecated Property during the development and upon completion of the Real Estate Projects is expected to increase, and should be sufficient to cover the full amount of interest and principal payable to the Bondholders under the Bonds on the Redemption Date.

In order to cater for the shortfall in the value of the security being granted in favour of the Security Trustee in the interim period, any such level of cash as may be required to cater for such shortfall shall be deposited in the reserve account which has been created and maintained by the Security Trustee for the benefit of the Bondholders with a licenced credit institution in Malta (the "**Reserve Account**"). As described in the Security Trust Deed, the Security Trustee may engage an authorised investment firm (to be approved by the Issuer) to invest any part or portion of the Bond proceeds contained in the Reserve Account, from time to time. Any investment/s made by the authorised investment firm so engaged (if at all) shall take into account generally accepted prudent investment principles, and shall be such as to ensure the security, quality, liquidity of the investment/s made as a whole.

Subject to the terms set out in the Security Trust Deed, the Issuer shall have the right to add any other immovable property or properties forming part of the QLZH Group's portfolio of properties (the "**Other Property**") to the immovable properties constituting the Hypothecated Property (from time to time). The Issuer shall also have the right to substitute all or part of the immovable properties constituting the Hypothecated Property (from time to time) with any Other Property. In either case, such addition or substitution shall be subject to:

- a) an Independent Valuation confirming the value of the Other Property (and in the case of a substitution, a confirmation that such value is at least equal to the value of that part of the Hypothecated Property being substituted);
- b) the constitution, by virtue of the relevant notarial deed/s, of special hypothec/s over the Other Property to be registered in favour of the Security Trustee by the relevant Property Company; and
- c) the prior consent of the Security Trustee.

In addition to the above (and in order to further augment the strength of the Special Hypothec/s granted in favour of the Security Trustee for the benefit of the Bondholders), the Issuer and/or the relevant Property Company shall endeavour to provide the Security Trustee with authentic copy/ies of a public deed/s registered at the Public Registry in accordance with the provisions of article 1996A of the Civil Code, pursuant to which any third-party contractors engaged to carry out works on the Real Estate Projects irrevocably renounce their right/s to register a special privilege or special legal hypothec on the Hypothecated Property in terms of article 2010(b) and article 2022 of the Civil Code, or to otherwise register or secure any other cause of preference or security on the Hypothecated Property to which they may be entitled by virtue of any claim for outstanding dues for supplies, materials, works or services performed or undertaken by them in connection with the development of the Hypothecated Property; and this in order to preserve the ranking of the Security Trustee (acting for the benefit of the Bondholders) over the assets of the relevant Property Company, and further minimise the possibility that any real rights are created over the Hypothecated Property which would have the effect of diminishing the value of the Special Hypothecs registered in favour of the Security Trustee (for the benefit of the Bondholders). Despite the Issuer and/or the relevant Property Company's best efforts, however, there can be no guarantee that the third-party contractors engaged to carry out works as aforementioned will accept to renounce their right/s as stated herein.

**iv. Constitution of Security and Release of Bond Proceeds**

By virtue of the relevant notarial deeds of sale and purchase, and/or acquisition of rights, relating to the Development Projects (as applicable), Merci Developments shall constitute in favour of the Security Trustee (for the benefit of the Bondholders), the relevant Special Hypothecs over the Hypothecated Property, for the full amount of principal outstanding under the Bonds due by the Issuer to the Bondholders in respect of the Bonds and an Interest Buffer. The relevant Special Hypothecs may be enforced by the Security Trustee upon the Bonds becoming immediately due and payable upon an Event of Default as described in Section 9.15 of the Base Prospectus, following which Bondholders shall be paid out of the Hypothecated Property in priority to other creditors, save for any prior ranking security or privilege that may arise by operation of law.

The Sponsor (in its capacity as registrar in respect of the Bond Issue) shall, save for the payment of the expenses related to the Bond Issue, transfer the proceeds of the Bond Issue to the Security Trustee.

Subject to that stated in Sections 8(iii) and 8(vi) of these Final Terms, the Security Trustee shall release the net proceeds of the Bond Issue to the Issuer upon successful conclusion of the conditions set out (and in the manner set forth) below:

- a) within 10 Business Days following the admission to listing of the Bonds, the Issuer, Merci Developments, the relevant vendor/s, and the Security Trustee, appear on the relevant notarial deed/s of sale and purchase, and/or acquisition of rights (as applicable), with respect to the Development Projects. Merci Developments shall also, simultaneously, on the same deed of sale and purchase, and/or acquisition of rights (as applicable), grant and constitute the relevant Special Hypothecs in favour of the Security Trustee.

Following the constitution of the relevant Special Hypothecs, the Security Trustee shall, upon the instruction of the Issuer and in satisfaction of the Issuer's obligations under the relevant Loan Agreement, release and transfer an amount corresponding to up to €3,310,000 of the proceeds of the Bond Issue to the relevant vendor/s in satisfaction of the consideration payable by Merci Developments for the acquisition of ownership title and/or other real rights (as applicable) over the Development Projects;

- b) with respect to the portion of the proceeds of the Bond Issue which is intended to be used to finance the development, finishing and completion of the Real Estate Projects, the Security Trustee shall release and transfer the relevant amount/s to the Issuer as follows:
  - 1) with respect to that specific portion of the proceeds of the Bond Issue required to effect payment of one or more deposits to any third-party contractors engaged to carry out works on the Real Estate Projects from time to time, solely against presentation of the corresponding invoices and/or documents containing any such request/s for deposit/s payable; and
  - 2) with respect to that specific portion of the proceeds of the Bond Issue required to effect payment for works carried out by any third-party contractors engaged to carry out works on the Real Estate Projects from time to time, solely against presentation of one or more invoices requesting payment, as well as an architect's certificate of completion in respect of the relevant works described in the invoices/s in question.

This is intended to ensure, as far as is reasonably possible, that the aggregate value of cash held by the Security Trustee in the Reserve Account, together with the value of the Hypothecated Property, are equivalent to the value of Bonds outstanding at any point in time and an Interest Buffer; and

- c) with respect to the remaining balance of the Bond Issue which is intended to be used for general corporate funding purposes, the Security Trustee shall release and transfer this amount to the Issuer following a request made to the Security Trustee by the Issuer to this effect.

#### v. Ranking of the Bonds

The Bonds (their repayment and the payment of interest thereon) shall constitute the general, direct, and unconditional obligations of the Issuer to the Bondholders, secured in the manner described in this Section 8, and shall at all times rank *pari passu*, without any priority or preference among themselves. The Bonds shall rank subsequent to any other prior ranking indebtedness of the Issuer, if any.

In accordance with the terms of the Security Trust Deed, the Issuer shall have the right, upon a written request to the Security Trustee, to have all or part/s of the Hypothecated Property released from the effects of the relevant Special Hypothecs, provided that at least one of the following conditions is satisfied:

- a) all the Bonds have been purchased and cancelled by the Issuer or all the Bonds have been redeemed (upon Redemption Date) by the Issuer; or
- b) part/s of the Hypothecated Property has/have been sold to a third-party purchaser for cash consideration, and it is warranted under the terms of the respective notarial sale and purchase agreement that the cash consideration received will be held on trust by the Security Trustee in the Reserve Account for the benefit of the Bondholders; provided that the aggregate value of the Hypothecated Property (as determined by an Independent Valuation dated not more than 12 months earlier) that will remain subject to the relevant Special Hypothecs together with the cash held in the Reserve Account (including the cash consideration received for the sale of the relevant part/s of the Hypothecated Property) exceeds the aggregate Nominal Value of all outstanding Bonds together with the Interest Buffer; or
- c) the aggregate value of the Hypothecated Property (as determined by an Independent Valuation dated not more than 12 months earlier) that will remain subject to the relevant Special Hypothecs together with the cash held in the Reserve Account, both prior to and immediately following the release of the relevant part/s of the Hypothecated Property from the relevant Special Hypothecs, exceeds the aggregate Nominal Value of all outstanding Bonds together with the Interest Buffer.

Further to the above, in accordance with the terms of the Security Trust Deed, the Issuer has the right, upon a written request to the Security Trustee (both in connection with a sale of part/s of the Hypothecated Property as set out under (b) above or otherwise), to have all or part of the cash held in the Reserve Account released to it and/or the relevant Property Company provided that the aggregate value of the Hypothecated Property (as determined by an Independent Valuation dated not more than 12 months earlier) that remains subject to the Special Hypothecs together with the remaining cash held in the Reserve Account (if any), immediately following the aforementioned release of cash from the Reserve Account, exceeds the aggregate Nominal Value of all outstanding Bonds together with the Interest Buffer.

Each of the Issuer, the relevant Property Company or the Security Trustee shall have the right at any time acting reasonably to require, at the Issuer's expense, an Independent Valuation to be made of the whole or any part of the Hypothecated Property in connection with any request to the Security Trustee for the release of all or part of the Special Hypothecs and/or the Reserve Account as described above.



## 9. ADDITIONAL INFORMATION

|       |  |  |
|-------|--|--|
| i.    | Time period, including any possible amendments, during which the offer will be open  | The period between 08:30 hours CET on 4 December 2025 and 12:00 hours CET on 19 December 2025, both days included (or such earlier date as may be determined by the Issuer). Kindly refer to Section 7(vi) of these Final Terms regarding possible amendments to the Offer Period.   |
| ii.   | Manner and date in which results of the offer are to be made to public   | The Issuer shall announce the results of the Bond Issue, together with the basis of acceptance of Applications and the allocation policy to be adopted, through a company announcement, within 5 Business Days from closing of the Offer Period.   |
| iii.  | Description of the application process   | Applications may be made through the Authorised Intermediaries (including the Sponsor) during the Offer Period. The Offer Period shall close immediately upon attaining full subscription or at the end of the Offer Period, whichever is the earliest. Applications must be accompanied by the full price of the Bonds applied for in Euro and in cleared funds at the Issue Price. If an Application and proof of payment of cleared funds do not reach the Sponsor by the close of the Offer Period, the Application will be deemed to have been declined.    |
| iv.   | Details of the minimum/ maximum amount of application (whether in numbers of securities or aggregate amount to invest)                             | Applications shall be subject to a minimum subscription amount of €5,000 in Nominal Value of Bonds (and in multiples of €100 thereafter) in relation to each underlying client to which an Application relates.  |
| v.    | Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants                                       | Subject to all other terms and conditions set out in the Base Prospectus, the Issuer or the Sponsor (acting on the Issuer's behalf) reserve the right to reject, in whole or in part, or to scale down, any Application, for any reason whatsoever, including but not limited to multiple or suspected multiple Applications or any Application which in the opinion of the Issuer or the Sponsor (acting on the Issuer's behalf) is not properly completed in all respects in accordance with the instructions or is not accompanied by the required documents. |
| vi.   | Method and time limits for paying up the securities and for delivery of the securities   | Applications must be accompanied by the full price of the Bonds applied for in Euro and in cleared funds at the Issue Price. If an Application and proof of payment of cleared funds do not reach the Sponsor by the close of the Offer Period, the Application will be deemed to have been declined.  |
| vii.  | Indication of the expected price at which the securities will be offered or the method of determining the price and the process for its disclosure | At Nominal Value   |
| viii. | Process for notification to applicants of the amount of Bonds allotted and indication whether dealing may begin before notification is made        | Please refer to Section 9(ii).<br><br>Dealing in the Bonds may not commence before the Bonds are admitted to Official List.  |
| ix.   | Credit rating of the Bonds   | Not applicable   |



# Annex 1: Issue Specific Summary

This summary is issued in accordance with the provisions of the Prospectus Regulation and the Capital Markets Rules. Capitalised terms used but not otherwise defined in this Summary shall have the meanings assigned to them in the 'Definitions' section of the Base Prospectus and these Final Terms, as the case may be.

## A. INTRODUCTIONS AND WARNINGS

Prospective investors are hereby warned that:

- this summary should be read as an introduction to the Base Prospectus and these Final Terms;
- any decision to invest in the Bonds should be based on consideration of the Base Prospectus and these Final Terms as a whole by the prospective investor;
- they may lose all or part of the capital invested in subscribing for the Bonds;
- where a claim relating to the information contained in the Base Prospectus or these Final Terms is brought before a court, the plaintiff investor might, under Maltese law, have to bear the costs of translating the Base Prospectus and these Final Terms before the legal proceedings are initiated;
- civil liability attaches only to those persons who have tabled the summary including any translation thereof and who applied for its notification, but only if the summary, when read together with the other parts of the Base Prospectus and these Final Terms, is misleading, inaccurate or inconsistent; or does not provide key information in order to aid investors when considering whether to invest in the Bonds; and
- this summary (and the entire Base Prospectus and these Final Terms) relate to a product that is not simple and may be difficult to understand.

From the Issue Date of the Bonds forming part of this Tranche until the date of admission to listing of the same Bonds (both dates as set out in Section 7(vi) of these Final Terms), the Bonds shall have the following ISIN: MT0002861210. It is expected that from the first Interest Payment Date, the Tranche 1 Bonds and the Tranche 2 Bonds shall be integrated and thereafter shall trade under ISIN: MT0002861228.

### **Identity and Contact Details of the Issuer:**

|                              |   |
|------------------------------|---|
| Legal & Commercial Name:     | QLZH Holding p.l.c.   |
| Company Registration Number: | C 102616  |
| Registered Office Address:   | Cali House, 3rd Floor, Vjal ir-Rihan, San Gwann SGN 9020, Malta |
| LEI:                         | 9845002AB33C9911EF94  |
| Telephone Number:            | +356 2010 8777  |
| E-mail Address:              | <a href="mailto:info@qlzh.com">info@qlzh.com</a>                |
| Website:                     | <a href="http://www.qlzhholding.com">www.qlzhholding.com</a>    |

The Base Prospectus has been approved by the Competent Authority on 23 June 2025. The Competent Authority has only approved the Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation, and such approval should not be considered as an endorsement of the Issuer or of the quality of the Bonds.

### **Identity and Contact Details of the Competent Authority:**

|                   |   |
|-------------------|---|
| Name:             | Malta Financial Services Authority  |
| Address:          | Malta Financial Services Authority, Triq L-Imdina, Zone 1, Central Business District, Birkirkara CBD 1010, Malta. |
| Telephone Number: | +356 2144 1155  |
| Website:          | <a href="http://www.mfsa.mt">www.mfsa.mt</a>  |

## B. KEY INFORMATION ON THE ISSUER

### Who is the issuer of the securities?

The Issuer of the Bonds is QLZH Holding p.l.c., a public limited liability company registered in Malta in terms of the Companies Act. The Issuer's LEI number is 9845002AB33C9911EF94.

The Issuer's principal activities are those of a holding company whose principal objects are as set out in its Memorandum and Articles of Association. As such, the Issuer does not undertake any trading activity in its own name, and is mainly dependent on the activities and business prospects of its operating subsidiaries, as set out in further detail in the Base Prospectus and in the section titled 'What are the key risks that are specific to the Issuer?' below.

As at the date of these Final Terms, the Issuer's largest shareholder is Valletta Hub, which holds approximately 80% of the issued share capital of the Issuer. As at the date of these Final Terms, the Board is composed of the following 5 Directors:

|                            |  |
|----------------------------|--|
| Dr. Francis Galea Salomone | <i>Independent Non-Executive Director and Chairman</i> |
| Mr. Edward Cachia          | <i>Independent Non-Executive Director</i>              |
| Mr. Luke Coppini           | <i>Independent Non-Executive Director</i>              |
| Mr. Michael Mercieca       | <i>Executive Director</i>                              |
| Mr. Stephen Mercieca       | <i>Executive Director</i>                              |

The Issuer's statutory auditors are CLA Malta, a registered audit firm and principal with the Accountancy Board of Malta in terms of the Accountancy Profession Act (Chapter 281 of the laws of Malta) with registration number AB/26/84/43.

### What is the key financial information regarding the QLZH Group?

The key information regarding the QLZH Group is set out below:

| €000  | Period From 26 July 2022<br>to 31 December 2023<br>Audited | Financial year ending 31<br>December 2024<br>Audited |
|---|--|--|
| <b>Statement of Profit or Loss &amp; Other Comprehensive Income</b> |  |  |
| Operating profit  | 562,156  | 555,195  |
| <b>Statement of Financial Position</b>                              |  |  |
| Total Assets  | 5,884,736  | 6,297,958  |
| Total Liabilities   | 4,502,513  | 2,893,792  |
| Total Equity  | 1,382,223  | 3,404,166  |
| Net Financial Debt  | 817,240  | 1,300,762  |
| <b>Consolidated Statement of Cash Flows</b>                         |  |  |
| Cash (used in)/generated from operations                            | (109,471)  | 1,367,924  |
| Net cash flows from investing activities                            | 175,839  | (178,182)  |
| Net cash flows from financing activities                            | 179,113  | (1,160,098)  |

### **What are the key risks that are specific to the Issuer?**

The most material risk factors specific to the Issuer are set out below. Wherever the term “QLZH Group” is used, the risk factor would also apply to the Issuer.

### **Dependence on the QLZH Group**

The Issuer is the holding company of the QLZH Group. It does not own any substantial assets other than shares held in its subsidiary companies, and its revenue generating activities are effectively limited to: (i) the receipt of interest income on any funds advanced to its subsidiary companies in the form of intra-group loans, and (ii) the receipt of dividends which may be declared by such subsidiary companies, from time to time. This limited source of income is, in turn, heavily dependent on the revenues and earnings of the subsidiary companies in question, which may be affected by, amongst other things, a downturn in their respective business/es, socio-economic factors, the prevailing market outlook, debt servicing requirements (be it with respect to existing or future indebtedness, including outstanding liabilities due to the Maltese Commissioner for Tax and Customs – with whom an approved payment plan for settlement of these liabilities has been entered into) and other factors beyond the control of the QLZH Group. In view of the foregoing, it may be concluded that the operating results of the QLZH Group as a whole have a direct effect on the Issuer’s financial position and performance and may in turn affect the Issuer’s ability to meet its obligations to the Bondholders under the Bonds.

### **The QLZH Group’s Business**

There are a number of factors that commonly affect the real estate industry – many of which are beyond the QLZH Group’s control – which could adversely affect the viability of the QuickLets Business, the Zanzi Homes Business, and the value of the QLZH Group’s real estate assets (including the Hypothecated Property). These factors include, but are not limited to: (i) changes in local market conditions, including inter alia an oversupply of properties, a reduction in demand for real estate or a change in local real estate preferences, (ii) shortages and/or price increases in raw materials and services relating to the construction sector leading to an insufficiency of resources to complete projects and/or cost overruns, and (iii) unforeseen delays in the expected timeline for the completion of one or more real estate projects, which may in turn result in liquidity strains and/or liability risks owing to the knock-on effect/s which such delays would have on projected costs and timelines for the completion of such projects and on the conclusion of any corresponding sale and/or lease arrangements or transactions. Should any one or more of the factors described above materialise, this could have a material adverse effect on the QLZH Group’s business, financial condition and prospects; which may in turn affect the Issuer’s ability to meet its obligations to the Bondholders under the Bonds.

### **Property Valuations and Net Realisable Value**

The valuation of property is inherently subjective due to, amongst other things, the specific nature and circumstances attributable to each property subject to valuation, and the number of assumptions made by the architect tasked with preparing such valuations at any given point in time. Accordingly, there can be no guarantee that the valuation of any given property (including the Hypothecated Property) reflects the value which would be obtained upon its sale or lease; even where such sale or lease occurs shortly after the relevant valuation date. Actual values may be materially different from any future values that may be expressed or implied by virtue of forward-looking statements included in the relevant valuation/s, or anticipated on the basis of historical trends pertaining to the real estate sector. Consequently, there is a risk that the QLZH Group may purchase real estate assets based on inaccurate valuations, which could in turn affect its financial position.

### **Counterparty Risk**

The QLZH Group (including in particular, the Property Companies) relies upon third-party or affiliated service providers including architects, project managers, building sub/contractors, suppliers, governmental authorities and other service providers for the construction and subsequent development of its real estate assets (including the Hypothecated Property). This reliance may give rise to counterparty risk where such third-parties/affiliated service providers do not perform and/or deliver results in line with their contractual obligations and the QLZH Group’s expectations, or where the relevant governmental authority withholds the issuance of any necessary permits and/or approvals required to conclude the development process. If such counterparty risks were to materialise, this could give rise to the need for remedial works and/or the need to alter and resubmit any relevant development permits to the competent governmental authority/ies for approval, which may in turn cause development delays, cost overruns, loss of revenue and/or a higher risk of litigious claims from frustrated third-parties. The occurrence of any such events could all have an adverse impact on the QLZH Group’s business, financial condition and prospects.

## C. KEY INFORMATION ON THE BONDS

|                              |   |
|------------------------------|---|
| Securities                   | Secured Callable Bonds  |
| Amount                       | Up to €5,200,000  |
| Nominal Value                | €100 per Bond   |
| Denomination                 | Euro (€)  |
| ISIN                         | MT0002861210  |
| Issue Price                  | At Nominal Value (€100 per Bond)  |
| Interest                     | 5.5%  |
| Issue Date                   | 31 December 2025  |
| Interest Payment Dates       | 22 July each year (including 22 July 2026, being the first interest payment date) and the Redemption Date (or if any such date is not a Business Day, the next following day that is a Business Day);   |
| Maturity Date                | 22 July 2035;   |
| Early Redemption Date        | any date falling between 22 July 2030 and 21 July 2035, subject to the Issuer giving the Bondholders at least sixty (60) Business Days' notice in writing;  |
| Redemption Amount:           | Nominal Value together with accrued and unpaid interest up to the Redemption Date;  |
| Security                     | the obligations of the Issuer to the Bondholders under the Bonds will be secured by virtue of the Special Hypothecs granting the Security Trustee (for the benefit of the Bondholders) a right of preference and priority for repayment over the Hypothecated Property and the Reserve Account;   |
| Rights attached to the Bonds | the right to (i) attend, participate in and vote at meetings of Bondholders in accordance with the Terms and Conditions; (ii) receive payment of capital and interest in accordance with the ranking as provided in the Terms and Conditions; (iii) enjoy such other rights attached to the Bonds emanating from the Base Prospectus and the Final Terms; and (iv) benefit from the enforcement of the Special Hypothecs; |
| Status                       | The Bonds (their repayment and the payment of interest thereon) shall constitute the general, direct, and unconditional obligations of the Issuer to the Bondholders, secured in the manner described above, and shall at all times rank <i>pari passu</i> , without any priority or preference among themselves. The Bonds shall rank subsequent to any other prior ranking indebtedness of the Issuer, if any; and      |
| Transferability              | The Bonds shall be freely transferable  |

### Where will the Bonds be traded?

Application has been made to the MSE for the Bonds to be listed and traded on the Official List.

## What are the key risks that are specific to the Bonds?

### Complex Financial Instruments and Suitability Risks

The Bonds are complex financial instruments and may not be suitable for all prospective investors. As such, prospective investors are urged to consult an independent investment advisor licensed under the Investment Services Act as to the suitability or otherwise of an investment in the Bonds before making an investment decision. In particular, such advice should be sought with a view to ascertaining that each prospective investor: (a) has sufficient knowledge and experience to make a meaningful evaluation of the Bonds and understand the merits and risks of investing in the Bonds and the information contained, or incorporated by reference, in the Base Prospectus or any Supplement; (b) has sufficient financial resources and liquidity to bear all the risks of an investment in the Bonds, including where the currency for principal or interest payments is different from the prospective investor's currency; (c) understands thoroughly the terms of the Bonds and is familiar with the behaviour of any relevant indices and financial markets; and (d) is able to evaluate possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks. In the event that the prospective investor does not seek independent financial advice and/or does not read and fully understand the provisions of the Base Prospectus and these Final Terms, there is a risk that such investor may acquire an investment which is not suitable for his or her risk profile.

### Bonds are Redeemable at the Option of the Issuer

Any or all of the Bonds may be redeemed by the Issuer on an Early Redemption Date subject to, at least, sixty (60) Business Days' prior written notice having been given to the relevant Bondholders. Bondholders will be entitled to, in respect of the Bonds being redeemed, repayment of all principal together with interest accrued until the date of redemption but once the Bonds are redeemed the relevant Bondholders will no longer be entitled to any interest or other rights in relation to those Bonds. If Bonds are redeemed prior to the Maturity Date, a Bondholder would not receive the same return on its investment that it would have received if those Bonds were redeemed on the Maturity Date. In addition, the Bondholder may not be able to re-invest the proceeds from the early redemption at yields that would have been received on the Bonds had they not been redeemed. This optional redemption feature may also have a negative impact on the market value of the Bonds. During a period when the Issuer may opt to redeem the Bonds, it is unlikely that the market value will rise above the price at which the Bond will be redeemed.

### Value of the Hypothecated Property

In its existing state, the Hypothecated Property has been valued for a total amount which is marginally less than, and which is not sufficient to cover, the full redemption value of the Bonds (including interest thereon). Although the estimated value of the Hypothecated Property upon completion of the Real Estate Projects is expected to increase, there is no guarantee that unforeseen issues will not arise which will negatively affect the completion of the Real Estate Projects and/or the post-completion value of the Hypothecated Property.

In view of the foregoing, there can be no guarantee that the value of the Security over the term of the Bonds will be sufficient to cover the full amount of interest and principal outstanding under the Bonds. This reality is compounded further by the fact that the Valuation Reports prepared in respect of the Hypothecated Property contain certain assumptions, and as a result, the actual value of the Hypothecated Property may be materially different from any future values that may be expressed or implied in any forward-looking statements or anticipated on the basis of historical trends, as the eventual reality might not match the assumptions made. There can therefore be no assurance that the Valuation Report/s will reflect what the actual market value of the Hypothecated Property will be at the time of hypothetical enforcement of the Special Hypothecs. A lower market value at the time of enforcement of the Special Hypothecs could have an adverse effect on the recoverability of the outstanding amounts due to the Bondholders under the Bonds.

## D. KEY INFORMATION ON THE BONDS

### Under which conditions and timetable can I invest in the Bonds?

|    |   |                                     |
|----|---|-------------------------------------|
| 1. | Offer Period (Intermediaries' Offer)  | 4 December 2025 to 19 December 2025 |
| 2. | Announcement of Intermediaries' Offer results   | 29 December 2025                    |
| 3. | Issue Date  | 31 December 2025                    |
| 4. | Commencement of interest on the Bonds   | 31 December 2025                    |
| 5. | Refund of unallocated monies (if any)   | 31 December 2025                    |
| 6. | Expected date of admission of the Bonds to listing  | 31 December 2025                    |
| 7. | Expected date of commencement of trading of the Bonds   | 5 January 2026                      |
| 8. | Expected date for the constitution of the Floriana Special Hypothec and the Valletta Special Hypothec | 15 January 2026                     |

## **General Terms and Conditions**

The Bond Issue, the listing of the Bonds on the Official List and the publication of the Base Prospectus were authorised by a resolution of the Board passed on 13 June 2025 whereas the issuance of Bonds under this Tranche and the listing thereof on the Official List was authorized pursuant to a resolution of the Board passed on 26 November 2025. Application has been made to the MSE for the Bonds to be listed and traded on the Official List. The Bonds are being issued at their Nominal Value (€100 per Bond) subject to a maximum aggregate principal amount of the Bonds that may be issued not exceeding €5,200,000. Authorised Intermediaries who shall be subscribing to Bonds pursuant to subscription agreements shall be doing so for their own account and/or for the account of their underlying clients, subject to a minimum subscription amount of €5,000 in Nominal Value of Bonds (and in multiples of €100 thereafter) in relation to each underlying client. The issue and allotment of the Bonds is conditional, inter alia, upon: (a) the Bonds being admitted to the Official List, and (b) the proceeds raised under this Tranche amounting to at least €2,500,000. In the event that any of these conditions is not satisfied by the close of the Offer Period, the issue of Bonds under this Tranche will be withdrawn or revoked unilaterally by the Issuer.

## **Plan of Distribution and Allotment**

The Bond Issue is open for subscription by all categories of investors including the general public and will be distributed by the Authorised Intermediaries participating in the Intermediaries' Offer. Accordingly, the Issuer has reserved the full amount of the Bond Issue for subscription by Authorised Intermediaries for their own account or for the account of their underlying clients. In this regard, the Issuer shall enter into conditional subscription agreements with a number of Authorised Intermediaries for the subscription of Bonds, whereby it will bind itself to allocate the Bonds to the Authorised Intermediaries in accordance with the terms of such subscription agreements.

## **Estimated Expenses**

The Bond Issue will involve expenses, including professional fees and costs related to publicity, advertising, printing, listing, registration, sponsor, management, selling commission and other miscellaneous costs incurred in connection with this Bond Issue. Such expenses are estimated not to exceed €67,500 and shall be borne by the Issuer. The amount of the expenses will be deducted from the proceeds of the Bond Issue, which, accordingly, will bring the estimated net proceeds from the Bond Issue to €5,132,500. There is no particular order of priority with respect to such expenses.

## **Why is the Base Prospectus being produced?**

The net proceeds from the Bond Issue, which net of the Bond Issue expenses are expected to amount to approximately €5,132,500, will be utilised for the following purposes, in the order of priority set out below:

- 1) *circa* €4,623,500 will be used for the purpose of financing the acquisition of ownership title and/or other real rights over the Development Projects (as applicable), and the completion of the Real Estate Projects. For ease of reference, *circa* €2,562,000 is required for the purpose of the acquisition of the Valletta Properties with the finishing costs thereof estimated at *circa* €305,500. Whilst the cost to acquire the Floriana Project is *circa* €870,000 with the estimated development costs thereof at *circa* €886,000; and
- 2) *circa* €509,000 will be utilised for general corporate funding purposes.

The obligations of the Issuer to the Bondholders under the Bonds will be secured in favour of the Security Trustee for the benefit of the Bondholders, in accordance with the terms of the Security Trust Deed and the relevant Special Hypothecs over the Hypothecated Property and the Reserve Account.

In its existing state, the estimated current market value of the Hypothecated Property (as set out in the Valuation Report/s) amounts to €3,998,000. Accordingly, the value of the Hypothecated Property as at the date of constitution of the relevant Special Hypothecs will be less than the full amount of interest and principal outstanding under the Bonds together with the Interest Buffer. As described further in the Valuation Reports, however, the estimated value of the Hypothecated Property during the development and upon completion of the Real Estate Projects is expected to increase, and should be sufficient to cover the full amount of interest and principal payable to the Bondholders under the Bonds on the Redemption Date.

In order to cater for the shortfall in the value of the security being granted in favour of the Security Trustee in the interim period, any such level of cash as may be required to cater for such shortfall shall be deposited in the reserve account which has been created and maintained by the Security Trustee for the benefit of the Bondholders.

In accordance with the terms of the Security Trust Deed, the Issuer shall have the right, upon a written request to the Security Trustee, to have all or part/s of the Hypothecated Property released from the effects of the relevant Special Hypothecs, subject to the satisfaction of any one of the conditions set out in the Final Terms. The Issuer shall also have the right to: (i) add the Other Property to the immovable properties constituting the Hypothecated Property (from time to time), and/or (ii) substitute all or part of the immovable properties constituting the Hypothecated Property (from time to time) with any Other Property.



## Annex 2: List of Authorised Intermediaries

| Name   | Address   | Telephone number |
|--|---|------------------|
| <b>Calamatta Cuschieri Investment Services Limited</b>     | Ewropa Business Centre,<br>Triq Dun Karm,<br>Birkirkara BKR 9034, Malta         | 25688688         |
| <b>FINCO Treasury Management Limited</b>                   | The Bastions, Office No 2,<br>Emvin Cremona Street,<br>Floriana FRN 1281, Malta | 21220002         |
| <b>Michael Grech Financial Investment Services Limited</b> | The Brokerage, Level 0,<br>St. Marta Street,<br>Victoria, Gozo VCT 2550, Malta  | 22587000         |
| <b>MeDirect Bank (Malta) p.l.c</b>                         | The Centre,<br>Tigne' Point Sliema<br>TPO 0001                                  | 25574400         |
| <b>Curmi &amp; Partners Ltd</b>                            | Finance House<br>Princess Elizabeth Street Ta' Xbiex<br>XBX 1102                | 21347331         |



# Annex 3: Financial Analysis Summary

The Directors  
**QLZH Holding p.l.c.**  
Cali House, 3<sup>rd</sup> Floor,  
Vjal ir-Rihan, San Gwann,  
SGN 9020,  
Malta

4 December 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 QLZH Holding p.l.c. (the “**Issuer**”). The data is derived from various sources, including the Base Prospectus dated 23 June 2025 published by the Issuer (the “**Prospectus**”), or is based on our own computations as follows:

- a) Historical financial data for the two financial periods ending 31 December 2023 and 2024 has been extracted from the audited financial statements of the Issuer.
- b) The forecast data for the financial years ending 31 December 2025, 2026 and 2027 has been provided by management.
- c) Our commentary on the Issuer results and financial position is based on the explanations provided by management.
- d) The ratios quoted in the Analysis 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.

The Analysis is meant to assist potential investors by summarising the more important financial data set out in the Prospectus. The Analysis does not contain all data that is relevant to potential investors and is meant to complement, and not replace, the contents of the full Prospectus. The Analysis does not constitute an endorsement by our firm of the proposed bond issue and should not be interpreted as a recommendation to invest in 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. Potential investors are encouraged to seek professional advice before investing in the Issuer’s securities.

Yours sincerely,



**Patrick Mangion**  
Head of Capital Markets

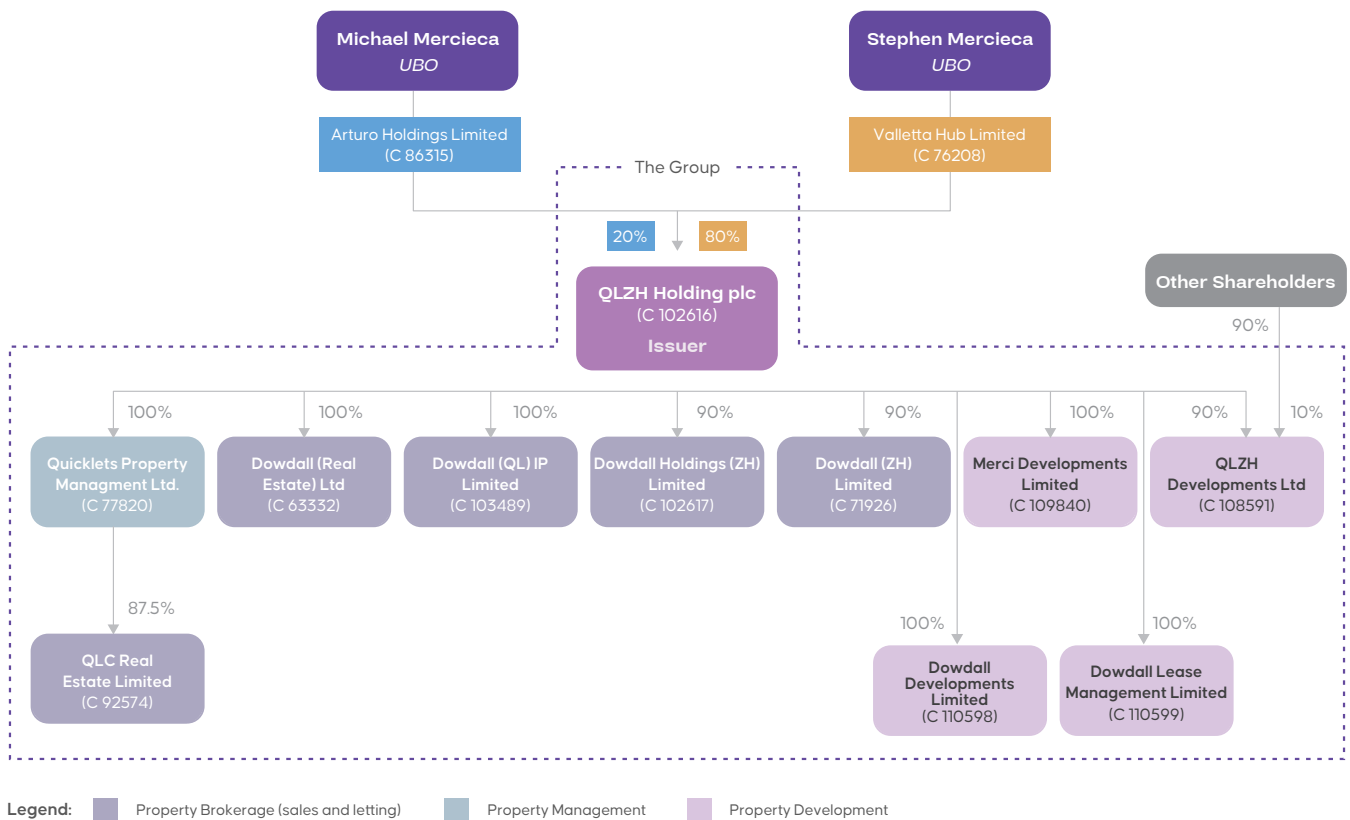
# TABLE OF CONTENTS

|   |  |           |
|---|--|-----------|
| <b>PART 1</b>                               |  |           |
| <b>INFORMATION ABOUT THE GROUP</b>          |  | <b>27</b> |
| 1.1   | Issuer's Key Activities and Structure    | 27        |
| 1.2   | Directors and Key Employees              | 28        |
| 1.3   | Major Assets owned by the Group          | 29        |
| 1.4   | Operational Developments                 | 29        |
| 1.5   | Use of Proceeds                          | 30        |
| <b>PART 2</b>                               |  |           |
| <b>HISTORICAL PERFORMANCE AND FORECASTS</b> |  | <b>31</b> |
| 2.1   | Issuer's Income Statement                | 31        |
| 2.2   | Issuer's Statement of Financial Position | 32        |
| 2.3   | Issuer's Statement of Cash Flows         | 33        |
| 2.4   | Group's Income Statement                 | 34        |
| 2.5   | Group's Statement of Financial Position  | 36        |
| 2.6   | Group's Statement of Cash Flows          | 38        |
| <b>PART 3</b>                               |  |           |
| <b>KEY MARKET AND COMPETITOR DATA</b>       |  | <b>40</b> |
| 3.1.  | General Market Conditions                | 40        |
| 3.2   | Economic Update                          | 40        |
| 3.3   | Economic Outlook                         | 40        |
| 3.4   | Residential Property                     | 41        |
| 3.5   | Commercial Property                      | 42        |
| 3.6   | Tourism Update                           | 42        |
| 3.7   | Comparative Analysis                     | 43        |
| <b>PART 4</b>                               |  |           |
| <b>GLOSSARY AND DEFINITIONS</b>             |  | <b>45</b> |

# Part 1 Information about the Group

## 1.1 ISSUER'S KEY ACTIVITIES AND STRUCTURE

The Group structure is as follows:



QLZH Holding p.l.c. (“**QLZH**” or the “**Issuer**”) is the issuer of the Tranche 2 Bonds issued as per Final Terms dated 4 December 2025. It was incorporated on 26 July 2022 under Maltese law as a publicly limited liability company, with company registration number C 102616. The Issuer along with its ten subsidiaries constitutes the “**Group**”.

As at the date of this analysis the Issuer has an authorised and issued share capital of €4,218,227 divided into 4,218,227 shares. The issued share capital comprises 789,600 Ordinary A shares, 3,180,960 Ordinary B shares, 1,000 Ordinary C shares and 246,667 Non-Redeemable Preference shares of €1.00 each. The shares are owned by Valletta Hub Limited (“**Valletta Hub**”) which holds 80% of the rights attached to the shares and Arturo Holdings Limited (“**AHL**”), which holds the remaining 20%.

Quicklets Property Management Limited (“**Quicklets Property Management**”), was incorporated on 27 October 2016, with registration number C 77820, and has 1,760 issued shares at a nominal value of €1.00 each fully owned by the Issuer. Quicklets Property Management’s main functions are to provide property management and administrative services for residential and commercial properties. Quicklets Property Management is the only subsidiary in the Group to have an additional subsidiary. This subsidiary being QLC Real Estate Limited, with registration number C 92574, and which was incorporated on 15 July 2019 and has 1,200 issued shares of a nominal value of €1.00 each of which 87.5% owned by Quicklets Property Management. QLC Real Estate Limited specialises in the letting of commercial property.

Dowdall Real Estate Limited (“**Dowdall Real Estate**”), with registration number C 63332, was incorporated on 30 December 2013 and has 53,000 issued shares at a nominal value of €1.00 each fully owned by the Issuer. Dowdall Real Estate operates a shared brokerage office of Zanzi Homes and the Quicklets business in Sliema.

Dowdall (QL) IP Limited (“**Dowdall (QL) IP**”) with registration number C 103489, was incorporated on 13 October 2022, and has 1,200 issued shares at a nominal value of €1.00 each fully owned by the Issuer. Dowdall (QL) IP is a holding company and is the proprietor of the Quicklets Brand (one of the major assets of the Group as described in section 1.3.1.), and charges franchise, marketing, and brand-related fees for the Quicklets business.

Dowdall Holdings ZH Limited ("**Dowdall Holdings ZH**") with registration number C 102617, was incorporated on 26 July 2022, and has 1,225 issued shares at a nominal value of €1.00 each, 90% owned by the Issuer. Dowdall Holdings ZH is a holding company, and is the proprietor of the Zanzi Brand (one of the major assets of the Group as described in section 1.3.1.), and charges franchise, marketing, and brand-related fees for the Zanzi Homes business.

Dowdall ZH Limited ("**Dowdall ZH**") with registration number C 71926, was incorporated on 17 August 2015, and has authorised shares of 25,000, of which 24,500 have been issued at a nominal value of €1.00, 90% owned by the Issuer. Dowdall ZH operates the Zanzi Homes property brokerage office in St Julian.

Dowdall Developments Limited ("**Dowdall Developments**") with registration number C 110598, was incorporated on 24 December 2024, and has 1,200 issued shares at a nominal value of €1.00 each fully owned by the Issuer. Dowdall Developments is responsible for the support of real estate development activities of Merci Developments Limited and QLZH Developments Limited (together referred to as the "**Property Companies**" such as to negotiate and enter into contracts with developers.

Merci Developments Limited ("**Merci Developments**") with registration number C 109840, was incorporated on 18 October 2024, and has 1,500 issued shares at a nominal value of €1.00 each fully owned by the Issuer. Merci Developments is a holding company who is responsible for the development of the Bugibba and the Pembroke projects.

QLZH Developments Limited ("**QLZH Developments**") with registration number C 108591, was incorporated on 29 May 2024, and has 2,090 issued shares at a nominal value of €1.00 each, owned 90.43% by the Issuer.

Dowdall Lease Management Limited ("**Dowdall Lease Management**") with registration number C 110599, was incorporated on 24 December 2024, and has 1,200 issued shares at a nominal value of €1.00 each fully owned by the Issuer. Dowdall Lease Management is a service company whose main functions are to manage, administrate, negotiate and enter into lease agreements for the Property Companies of the Group.

## 1.2 DIRECTORS AND KEY EMPLOYEES

### Board of Directors

As of the date of this Analysis, the following persons constitute the board of directors of the Issuer:

| NAME                   | DESIGNATION                                     |
|------------------------|---|
| Francis Galea Salomone | Independent Non-Executive Director and Chairman |
| Luke Coppini           | Independent Non-Executive Director              |
| Edward Cachia          | Independent Non-Executive Director              |
| Michael Mercieca       | Executive Director                              |
| Stephen Mercieca       | Executive Director                              |

The registered office of the Issuer is situated at Cali House, 3<sup>rd</sup> Floor, Vjal ir-Rihan, San Gwann SGN 9020, Malta.

Ganado Services Limited is the company secretary of the Issuer.

The board of the Issuer is composed of five directors who are entrusted with its overall direction and management. The executive directors are in charge of the decision-making and the day-to-day management of the Issuer, whereas the non-executive directors, all of whom are independent of the Issuer, monitor the executive activity of the Issuer and contribute to the development of its corporate strategy, by providing objective and impartial scrutiny.

## 1.3 MAJOR ASSETS OWNED BY THE GROUP

### 1.3.1 Intellectual Property

As at FY24, the main major asset of the Group was Intellectual Property ("IP"). The IP within the Group as explained in section 1.1 are held by Dowdall (QL) IP and Dowdall Holdings ZH. Through the ownership of the IP, the Group generates franchise fees from the franchise network and self-operated offices.

#### 1.3.1.1 Franchise Network

Through its franchise model, the Group has been able to enhance its brand value and expand its presence across the islands, as third-party franchisees establish offices under either the Quicklets or Zanzi Homes brands. Franchisees pay a franchise fee to either Dowdall (QL) IP or Dowdall Holdings ZH, depending on the brand they choose to operate. This has enabled the Group to strengthen its market presence and broaden its reach throughout the islands.

#### 1.3.1.2 Self-Operated Offices

The Group also directly operates six offices, these being:

- Zanzi and QuickLets office in Sliema
- Zanzi office in St. Julian's
- Zanzi office in San Gwann (referred to Zanzi Luxury)
- Zanzi office in San Gwann (referred to as Zanzi Minus 1)
- Zanzi office in Zebbug (referred to as Zebbug Hub)
- Zanzi office in Balzan (referred to as Balzan Dash)

Five of the above offices are owned and operated by Dowdall ZH, with the exception of the Sliema office being operated by Dowdall Real Estate. Through these offices the Group derives commission income and maintain full ownership of the offices. Dowdall ZH and Dowdall Real Estate also pays a franchise fee to the IP holding companies for the use of the brand.

## 1.4 OPERATIONAL DEVELOPMENTS

The main activities of the Issuer are set out in section 1.1. The most material and ongoing operational developments of the Group are as follows:

### 1.4.1 Group's strategy

Building on its extensive experience in the local real estate market, the Group has taken a strategic step to expand its business model by entering the property development sector. To this end, new entities were incorporated namely, Merci Developments and QLZH Developments, which now serve as the Group's dedicated property development arms. These companies have been tasked with acquiring and developing various sites, with properties either to be sold or leased to third-party stakeholders in the coming years.

#### 1.4.1.1 Bugibba and Pembroke ("Tranche 1 Project")

The Group, through Merci Developments, allocated €5.0m from the Tranche 1 Bond proceeds to finance the acquisition of two properties in Pembroke and Bugibba. The properties are being redeveloped into 19 residential units and 3 garages. The Group intends to retain the redeveloped properties for rental income and long-term capital appreciation. Management anticipates completing both projects by 2027, with annual rental income expected to reach €0.4m from that point onward.

#### 1.4.1.2 Valletta and Floriana ("Tranche 2 Project")

The initial idea for the Tranche 2 Bond proceeds was to allocate €3.5m towards a project in Ibragg (the "**Ibragg Project**") which was, at the time, subject to an appeal (PAB/00001/25). Management had previously noted that should the appeal not go in their favour, the Tranche 2 Bond proceeds would be allocated to an alternative project with an executable permit and with the same expected yield as the Ibragg Project. While the Issuer eventually won the appeal, given that the appellant still had the opportunity to file an appeal through Court, management decided to replace the Ibragg project with the alternative project.

The alternative project relates to an unconverted guesthouse in Floriana (the "**Floriana Project**") and 4 shell form units in Valletta (the "**Valletta Project**"). The idea is for the guesthouse to be redeveloped into 12 units. The intended purpose for both projects is short-lets whilst the intended purpose of the Ibragg Project was for long-lets. The Tranche 2 Project is expected to bring in significantly higher rental income when compared to the initial Ibragg Project but will be complemented by an increase in project management and maintenance costs due to the turnover of guests for short-let properties. After accounting for the higher costs, the net result is expected to be a marginally higher EBITDA with the market value upon completion expected to be similar.

## 1.5 USE OF PROCEEDS

The net proceeds from Tranche 2, after deducting estimated bond issue costs of approximately €67.5k (including professional fees), are expected to amount to €5.1m. These will be applied in the following amounts and order of priority:

- i. Circa €4.6m will be used for the purpose of financing the acquisition of ownership title and/or other real rights over the Development Projects (as applicable), and the completion of the Real Estate Projects. For ease of reference:
  - a. Circa €2.6m will be allocated for the acquisition of the Valletta Properties.
  - b. Circa €305.5k will cover the finishing costs of the Valletta Properties.
  - c. Circa €870k will be used for the acquisition of the Floriana Project.
  - d. Circa €886k will be allocated for the development costs of the Floriana Project.
- ii. Circa €509k will be utilised for general corporate funding purposes.



## Part 2 Historical Performance and Forecasts

The Issuer's historical financial information for the two periods ending 31 December 2023 and 2024, as set out in the audited financial statements of the Issuer may be found in section 2.1 to 2.3 of this Analysis. These sections also include the forecast performance of the Issuer for the year ending 31 December 2025, 2026 and 2027. Moreover, the Group's historical financial information for the two periods ending 31 December 2023 and 2024, together with the Group's forecast performance for the year ending 31 December 2025, 2026 and 2027 are set out in section 2.4 to section 2.6.

The forecast 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 forecasts and actual results may be material.

### 2.1 ISSUER'S INCOME STATEMENT

| Statement of Comprehensive Income<br>for the period ending 31 December | 2023A<br>[17 months] | 2024A<br>[12 months] | 2025F<br>[12 months] | 2026P<br>[12 months] | 2027P<br>[12 months] |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|
|  | €000s                | €000s                | €000s                | €000s                | €000s                |
| Interest income  | -                    | -                    | 76                   | 632                  | 632                  |
| Interest expense   | -                    | -                    | (166)                | (494)                | (630)                |
| <b>Gross Profit</b>  | <b>-</b>             | <b>-</b>             | <b>(90)</b>          | <b>138</b>           | <b>2</b>             |
| Dividend Income  | 445                  | 507                  | 508                  | 533                  | 560                  |
| Wages recharges  | 467                  | 608                  | 831                  | 847                  | 864                  |
| <b>Total income</b>  | <b>913</b>           | <b>1,115</b>         | <b>1,249</b>         | <b>1,519</b>         | <b>1,426</b>         |
| Administrative expenses  | (501)                | (627)                | (908)                | (984)                | (1,003)              |
| Amortization of bond issue costs                                       | -                    | -                    | (45)                 | (52)                 | (52)                 |
| <b>Profit before tax</b>   | <b>412</b>           | <b>487</b>           | <b>296</b>           | <b>484</b>           | <b>372</b>           |
| Tax  | -                    | -                    | -                    | (48)                 | (1)                  |
| <b>Profit after tax</b>  | <b>412</b>           | <b>487</b>           | <b>296</b>           | <b>435</b>           | <b>371</b>           |

As outlined in Section 1.1 of this Analysis, the Issuer operates as a holding company and does not engage in trading activities of its own. Consequently, its performance is dependent on the results of its subsidiaries.

Historically, the Issuer's revenue has been primarily derived from dividend income and wage recharges, with dividend income sourced from its subsidiaries, including its shareholdings in the Property Companies.

Looking ahead, the Issuer will also generate interest income on bond proceeds advanced to the Property Companies to finance the acquisition and development of real estate projects. The Issuer intends to earn a margin between the interest charged on these intercompany loans and the interest payable to bondholders. Following the full issuance of the bond programme, interest income is projected to stabilise at approximately €632k in FY2026 and FY2027.

Administrative expenses mainly comprise wages and salaries and are expected to increase to around €1.0m by FY2026, reflecting additional costs such as non-executive director fees and bond-related expenses. Bond issue costs are being amortised over the remaining life of the bond.

In FY2024, the Issuer reported a profit after tax of €487k and is expected to remain profitable throughout the projection period. This indicates that administrative and financing costs will be fully covered by the margin generated on intercompany loans.

## 2.2 ISSUER'S STATEMENT OF FINANCIAL POSITION

| Statement of Financial Position as at 31 December | 2023A        | 2024A        | 2025F         | 2026P         | 2027P         |
|---|--------------|--------------|---------------|---------------|---------------|
|   | €000s        | €000s        | €000s         | €000s         | €000s         |
| <b>Assets</b>                                     |              |              |               |               |               |
| <b>Non-current assets</b>                         |              |              |               |               |               |
| Investment in subsidiary                          | 4,851        | 4,855        | 5,686         | 5,686         | 5,686         |
| Loan to subsidiaries                              | -            | -            | 6,354         | 11,486        | 11,486        |
| <b>Total non-current assets</b>                   | <b>4,851</b> | <b>4,855</b> | <b>12,040</b> | <b>17,172</b> | <b>17,172</b> |
| <b>Current assets</b>                             |              |              |               |               |               |
| Trade and other receivables                       | -            | -            | 175           | 175           | 175           |
| Other financial assets                            | 270          | 528          | 528           | 528           | 528           |
| Cash and cash equivalents                         | 14           | 1            | 354           | 923           | 1,278         |
| <b>Total current assets</b>                       | <b>283</b>   | <b>529</b>   | <b>1,056</b>  | <b>1,626</b>  | <b>1,981</b>  |
| <b>Total assets</b>                               | <b>5,134</b> | <b>5,384</b> | <b>13,096</b> | <b>18,798</b> | <b>19,153</b> |
| <b>Equity</b>                                     |              |              |               |               |               |
| Share capital                                     | 4,216        | 4,216        | 4,280         | 4,280         | 4,280         |
| Share premium                                     | 635          | 635          | 635           | 635           | 635           |
| Capital contribution reserve                      | 20           | 20           | 785           | 785           | 785           |
| Retained earnings                                 | 125          | 89           | 386           | 821           | 1,192         |
| <b>Total equity</b>                               | <b>4,996</b> | <b>4,960</b> | <b>6,086</b>  | <b>6,521</b>  | <b>6,892</b>  |
| <b>Liabilities</b>                                |              |              |               |               |               |
| <b>Non-current liabilities</b>                    |              |              |               |               |               |
| Borrowings  | -            | 138          | 138           | 138           | 138           |
| Bond payable                                      | -            | -            | 6,376         | 11,560        | 11,612        |
| <b>Total non-current liabilities</b>              | <b>-</b>     | <b>138</b>   | <b>6,514</b>  | <b>11,698</b> | <b>11,750</b> |
| <b>Current liabilities</b>                        |              |              |               |               |               |
| Trade and other payables                          | 138          | 286          | 496           | 579           | 511           |
| <b>Total current liabilities</b>                  | <b>138</b>   | <b>286</b>   | <b>496</b>    | <b>579</b>    | <b>511</b>    |
| <b>Total liabilities</b>                          | <b>138</b>   | <b>424</b>   | <b>7,010</b>  | <b>12,277</b> | <b>12,261</b> |
| <b>Total equity and liabilities</b>               | <b>5,134</b> | <b>5,384</b> | <b>13,096</b> | <b>18,798</b> | <b>19,153</b> |

As at FY2024, the Issuer's total assets stood at €5.4m, primarily comprising investments in subsidiaries of €4.9m. The remaining assets consisted mainly of current balances due from related parties within the Group (€528k) and a small cash balance.

In FY2025, following the issuance of the first bond tranche of €6.8m, total assets are projected to more than double to €13.1m. This increase reflects the Issuer's strategy of on-lending bond proceeds to its subsidiaries through intercompany loan arrangements to finance the acquisition and development of new property projects. Investments in subsidiaries are also expected to rise by €0.8m, reaching €5.7m in FY2025, indicating continued expansion of the Group's operational base.

Total liabilities are forecast to increase by €6.6m in FY2025, primarily due to the recognition of the bond payable under non-current liabilities (€6.4m). A small borrowing of €138k is also reflected in non-current liabilities.

In FY2026, the Issuer plans to issue a second bond tranche of €5.2m, which will further increase total liabilities to €12.3m. The proceeds from this tranche will also be advanced to subsidiaries, pushing total assets to a projected €18.8m. By FY2027, total assets are expected to reach €19.2m, supported by stable intercompany loan balances and incremental retained earnings.

Liquidity remains modest but improves over time, with cash projected to increase from €1k in FY2024 to €1.3m by FY2027, reflecting prudent cash management and timing of bond issuances.

As at FY2023 and FY2024, total equity stood at approximately €5.0m, mainly composed of share capital (€4.2m) and share premium (€0.6m). In FY2025, equity is forecast to rise to €6.1m, driven by a €785k capital contribution from shareholders, reflecting continued support for the Issuer's growth strategy. Retained earnings are projected to increase steadily over the forecast period, from €125k in FY2023 to €1.2m by FY2027, supported by interest income from intercompany loans and dividend income from subsidiaries.

## 2.3 ISSUER'S STATEMENT OF CASH FLOWS

| Statement of Cash Flows for the period ending 31 December       | 2023A<br>[17 months] | 2024A<br>[12 months] | 2025F<br>[12 months] | 2026P<br>[12 months] | 2027P<br>[12 months] |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|
|   | €000s                | €000s                | €000s                | €000s                | €000s                |
| <b>Cash flow from operating activities</b>                      |                      |                      |                      |                      |                      |
| Profit after tax  | 412                  | 487                  | 296                  | 435                  | 371                  |
| <b>Adjustments for non-cash items:</b>                          |                      |                      |                      |                      |                      |
| Amortization of bond issue                                      | -                    | -                    | 45                   | 52                   | 52                   |
| Taxation  | -                    | -                    | -                    | 48                   | -                    |
| Expected credit loss  | 16                   | (14)                 | -                    | -                    | -                    |
| Dividends received  | (445)                | (507)                | -                    | -                    | -                    |
| <b>Adjustment for working capital:</b>                          |                      |                      |                      |                      |                      |
| Movement in receivables   | (1)                  | (14)                 | (175)                | -                    | -                    |
| Movement in payable   | 138                  | 148                  | 210                  | 34                   | (20)                 |
| <b>Cash generated from operations</b>                           | <b>120</b>           | <b>100</b>           | <b>376</b>           | <b>570</b>           | <b>404</b>           |
| Taxation paid   | -                    | -                    | -                    | -                    | (48)                 |
| <b>Net cash generated from / (used in) operating activities</b> | <b>120</b>           | <b>100</b>           | <b>376</b>           | <b>570</b>           | <b>355</b>           |
| <b>Cash flow from investing activities</b>                      |                      |                      |                      |                      |                      |
| Loan to subsidiaries  | -                    | -                    | (6,354)              | (5,133)              | -                    |
| investment in subsidiaries                                      | -                    | (4)                  | (2)                  | -                    | -                    |
| <b>Net cash generated from / (used in) investing activities</b> | <b>-</b>             | <b>(4)</b>           | <b>(6,356)</b>       | <b>(5,133)</b>       | <b>-</b>             |
| <b>Cash flow from financing activities</b>                      |                      |                      |                      |                      |                      |
| Dividends paid  | (286)                | (523)                | -                    | -                    | -                    |
| Proceeds from / (repayment of) borrowings                       | 181                  | 414                  | -                    | -                    | -                    |
| Proceeds from / (repayment of) bond issuance                    | -                    | -                    | 6,800                | 5,200                | -                    |
| Payment of bond issue costs                                     | -                    | -                    | (468)                | (68)                 | -                    |
| <b>Net cash generated from / (used in) financing activities</b> | <b>(106)</b>         | <b>(109)</b>         | <b>6,332</b>         | <b>5,133</b>         | <b>-</b>             |
| <b>Movement in Cash and Cash Equivalents</b>                    | <b>14</b>            | <b>(12)</b>          | <b>352</b>           | <b>570</b>           | <b>355</b>           |
| Cash and Cash Equivalents at beginning of period                | -                    | 14                   | 1                    | 354                  | 923                  |
| <b>Cash and Cash Equivalents at the end of period</b>           | <b>14</b>            | <b>1</b>             | <b>354</b>           | <b>923</b>           | <b>1,278</b>         |

The Issuer's cash flow profile reflects its light operational structure and investment-driven strategy. Operating cash flows have remained modest but consistently positive, amounting to €120k in FY2023 and €100k in FY2024, before increasing significantly to €376k in FY2025 and stabilising at €355k by FY2027. These inflows are primarily driven by the net interest margin on intercompany loans, dividend income, and minimal overheads, which underpin the Issuer's ability to maintain positive operating cash generation.

The most significant movements occur under investing and financing activities, reflecting the bond programme and related deployment of funds. In FY2025, the Issuer is expected to raise €6.8m from the first bond tranche, followed by €5.2m in FY2026. These proceeds will be fully advanced to subsidiaries through intercompany loans to fund property development, resulting in outflows of €6.4m in FY2025 and €5.1m in FY2026. After accounting for bond issue costs (€468k in FY2025 and €68k in FY2026), financing and investing activities effectively offset each other, ensuring liquidity remains stable.

The Issuer is expected to maintain a positive cash position throughout the forecast period, increasing from €1k in FY2024 to €354k in FY2025, €923k in FY2026, and reaching €1.3m by FY2027. This reflects the careful alignment of bond funding with investment requirements and the retention of sufficient margin to support liquidity and cover running costs.

## 2.4 GROUP'S INCOME STATEMENT

| Group Statement of Comprehensive<br>Income for the years ended 31 December | 2023A        | 2024A        | 2025F        | 2026P        | 2027P        |
|--|--------------|--------------|--------------|--------------|--------------|
|  | €000s        | €000s        | €000s        | €000s        | €000s        |
| Revenue  | 2,316        | 3,105        | 5,458        | 5,786        | 6,477        |
| Cost of Sales  | (579)        | (1,268)      | (2,866)      | (3,019)      | (3,227)      |
| <b>Gross Profit</b>  | <b>1,736</b> | <b>1,838</b> | <b>2,593</b> | <b>2,767</b> | <b>3,250</b> |
| Other income   | 210          | 508          | 343          | 250          | 250          |
| Administrative expenses  | (1,247)      | (1,568)      | (2,054)      | (2,019)      | (2,123)      |
| <b>EBITDA</b>  | <b>699</b>   | <b>777</b>   | <b>881</b>   | <b>998</b>   | <b>1,377</b> |
| Depreciation & amortisation  | (137)        | (222)        | (240)        | (244)        | (214)        |
| Amortisation of bond issue costs   | -            | -            | (45)         | (52)         | (52)         |
| Finance costs  | (46)         | (52)         | (23)         | (163)        | (649)        |
| Fair value gain on investment property                                     | -            | -            | 796          | 1,270        | 1,386        |
| <b>Profit before tax</b>   | <b>516</b>   | <b>503</b>   | <b>1,369</b> | <b>1,809</b> | <b>1,848</b> |
| Tax benefit / expense  | 14           | 359          | (359)        | (509)        | (279)        |
| <b>Profit after tax</b>  | <b>530</b>   | <b>863</b>   | <b>1,010</b> | <b>1,300</b> | <b>1,569</b> |
| Profit / (loss) from discontinued operations                               | (1,092)      | 1,688        | -            | -            | -            |
| <b>Net profit</b>  | <b>(562)</b> | <b>2,551</b> | <b>1,010</b> | <b>1,300</b> | <b>1,569</b> |

| Ratio Analysis   | 2023A  | 2024A  | 2025F | 2026P | 2027P |
|--|--------|--------|-------|-------|-------|
| <b>Profitability</b>   |        |        |       |       |       |
| Growth in Revenue (YoY Revenue Growth)                                     | n/a    | 34.1%  | 75.8% | 6.0%  | 11.9% |
| Gross Profit Margin (Gross Profit / Revenue)                               | 75.0%  | 59.2%  | 47.5% | 47.8% | 50.2% |
| EBITDA Margin (EBITDA / Revenue)   | 30.2%  | 25.0%  | 16.1% | 17.2% | 21.3% |
| Net Profit Margin (Profit for the year / Revenue)                          | -24.3% | 82.2%  | 18.5% | 22.5% | 24.2% |
| Return on Common Equity<br>(Net Income / Average Equity)                   | n/a    | 106.6% | 22.5% | 21.0% | 20.5% |
| Return on Assets (Net Income / Average Assets)                             | n/a    | 41.9%  | 9.5%  | 7.1%  | 6.9%  |
| Return on capital employed<br>(EBITDA/ Total Assets - Current Liabilities) | 37.2%  | 18.0%  | 6.7%  | 5.0%  | 6.4%  |

The Group's revenue is primarily generated from commission income on property sales and rentals through its self-operated offices and franchises on the islands. In FY2024, the Group also began generating revenue from property management services, which are expected to become more significant from FY2025 onwards. As a result, revenue is projected to grow from €3.1m in FY2024 to €5.5m in FY2025, €5.8m in FY2026, and €6.5m in FY2027. The Group expects to complete its property development projects by mid-FY2027, after which these properties will be rented out to third parties, creating an additional recurring income stream.

Cost of sales amounted to €1.3m in FY2024, primarily comprising agent commissions on sales and lettings and management fees paid to team leaders in self-operated offices. Franchise operations do not incur these direct costs. Management anticipates cost of sales will rise to €2.9m in FY2025, €3.0m in FY2026, and €3.2m in FY2027, mainly due to higher property management-related costs. Consequently, gross profit margins are expected to moderate from 59.2% in FY2024 to around 47–50% during the forecast period, reflecting the shift in revenue mix.

Administrative expenses totalled €1.6m in FY2024, driven by payroll, marketing, professional fees, incentives, and events. These are projected to increase to €2.1m in FY2025 and remain broadly stable thereafter, primarily due to additional payroll for property management operations and professional fees related to governance and bond listing obligations.

The Group's EBITDA stood at €777k in FY2024 and is forecast to rise to €881k in FY2025, reaching €1.4m by FY2027, supported by revenue growth and operational efficiencies. Depreciation is expected to remain relatively stable at around €240k annually, while finance costs will increase significantly from €52k in FY2024 to €649k in FY2027, reflecting the full impact of the Tranche 1 and Tranche 2 bond issuances. Additionally, bond issue costs will be amortised over the bond term, amounting to €45k in FY2025 and €52k for FY2026 and FY2027.

Management expects fair value gains on investment properties of €796k in FY2025, €1.3m in FY2026, and €1.4m in FY2027, as development projects near completion and rental income potential is realised, annual revaluations are anticipated. Consequently, profit before tax is projected to increase from €503k in FY2024 to €1.4m in FY2025, and approximately €1.8m in FY2026 and FY2027.

In FY2024, the Group reported a tax benefit of €359k, resulting in a profit after tax of €863k. After recognising a one-off gain of €1.7m from the disposal of a subsidiary, net profit reached €2.6m, translating into an exceptional net margin of 82.2%. No similar gains are expected going forward, therefore, net profit is forecast to normalise at €1.0m in FY2025, €1.3m in FY2026, and €1.6m in FY2027, corresponding to net margins of 18.5%, 22.5%, and 24.2%, respectively.

## 2.5 GROUP'S STATEMENT OF FINANCIAL POSITION

| Group Statement of Financial Position<br>as at the years ended 31 December | 2023A        | 2024A        | 2025F         | 2026P         | 2027P         |
|--|--------------|--------------|---------------|---------------|---------------|
|  | €000s        | €000s        | €000s         | €000s         | €000s         |
| <b>Assets</b>  |              |              |               |               |               |
| <b>Non-current assets</b>  |              |              |               |               |               |
| Intangible Assets  | 3,279        | 3,275        | 3,179         | 3,084         | 2,988         |
| Property, plant and equipment (PPE)  | 133          | 132          | 123           | 97            | 100           |
| Investment property  | -            | -            | 4,592         | 11,418        | 13,884        |
| Right of use assets  | 364          | 923          | 816           | 708           | 601           |
| Other non-current assets   | 11           | 371          | 371           | 371           | 371           |
| <b>Total non-current assets</b>  | <b>3,787</b> | <b>4,700</b> | <b>9,080</b>  | <b>15,678</b> | <b>17,945</b> |
| <b>Current assets</b>  |              |              |               |               |               |
| Trade and other receivables  | 692          | 1,286        | 1,389         | 2,150         | 2,181         |
| Other current assets   | -            | -            | 121           | 241           | 362           |
| Current tax asset  | 4            | 4            | -             | -             | -             |
| Assets classified as held for sale   | 1,226        | -            | -             | -             | -             |
| Cash and cash equivalents  | 176          | 307          | 4,400         | 3,788         | 2,920         |
| <b>Total current assets</b>  | <b>2,098</b> | <b>1,598</b> | <b>5,910</b>  | <b>6,179</b>  | <b>5,462</b>  |
| <b>Total assets</b>  | <b>5,885</b> | <b>6,298</b> | <b>14,990</b> | <b>21,857</b> | <b>23,406</b> |
| <b>Equity</b>  |              |              |               |               |               |
| Share capital  | 4,216        | 4,216        | 4,280         | 4,280         | 4,280         |
| Share premium  | 635          | 635          | 635           | 635           | 635           |
| Retained earnings  | (870)        | 1,129        | 2,095         | 3,348         | 4,868         |
| Capital contribution   | 20           | 20           | 945           | 945           | 945           |
| Other reserves   | (2,701)      | (2,701)      | (2,701)       | (2,701)       | (2,701)       |
| Fair value reserve   | 10           | 10           | 10            | 10            | 10            |
| Non-controlling interest   | 73           | 96           | 290           | 337           | 385           |
| <b>Total equity</b>  | <b>1,382</b> | <b>3,404</b> | <b>5,553</b>  | <b>6,853</b>  | <b>8,422</b>  |
| <b>Liabilities</b>   |              |              |               |               |               |
| <b>Non-current liabilities</b>   |              |              |               |               |               |
| Bond payable   | -            | -            | 6,376         | 11,560        | 11,612        |
| Deferred tax liability   | -            | -            | 359           | 820           | 1,098         |
| Borrowings   | 109          | 197          | 363           | 363           | 349           |
| Lease liabilities  | 309          | 730          | 463           | 231           | -             |
| Trade and other payables   | 77           | -            | -             | -             | -             |
| <b>Total non-current liabilities</b>                                       | <b>495</b>   | <b>926</b>   | <b>7,562</b>  | <b>12,974</b> | <b>13,059</b> |
| <b>Current liabilities</b>   |              |              |               |               |               |
| Trade and other payables   | 689          | 1,286        | 1,541         | 1,721         | 1,632         |
| Borrowings   | 495          | 452          | 57            | 32            | 32            |
| Lease liabilities  | 80           | 230          | 277           | 277           | 261           |
| Liability classified as assets held for sale                               | 2,743        | -            | -             | -             | -             |
| <b>Total current liabilities</b>   | <b>4,008</b> | <b>1,967</b> | <b>1,875</b>  | <b>2,030</b>  | <b>1,925</b>  |
| <b>Total liabilities</b>   | <b>4,503</b> | <b>2,894</b> | <b>9,436</b>  | <b>15,004</b> | <b>14,984</b> |
| <b>Total equity and liabilities</b>  | <b>5,885</b> | <b>6,298</b> | <b>14,990</b> | <b>21,857</b> | <b>23,406</b> |

| Ratio Analysis                                       | 2023A | 2024A | 2025F | 2026P  | 2027P  |
|--|-------|-------|-------|--------|--------|
| <b>Financial Strength</b>                            |       |       |       |        |        |
| Gearing 1 (Net Debt / Net Debt and Total Equity)     | 37.2% | 27.6% | 36.1% | 55.9%  | 52.6%  |
| Gearing 2 (Total Liabilities / Total Assets)         | 76.5% | 45.9% | 63.0% | 68.6%  | 64.0%  |
| Gearing 3 (Net Debt / Total Equity)                  | 59.1% | 38.2% | 56.5% | 126.6% | 110.8% |
| Net Debt / EBITDA                                    | 1.2x  | 1.7x  | 3.6x  | 8.7x   | 6.8x   |
| Current Ratio (Current Assets / Current Liabilities) | 0.5x  | 0.8x  | 3.2x  | 3.0x   | 2.8x   |
| Interest Coverage (EBITDA / Finance Costs)           | 15.2x | 14.9x | 38.1x | 6.1x   | 2.1x   |

As at FY2024, the Group's total assets stood at €6.3m, with non-current assets of €4.7m primarily comprising intangible assets (€3.3m) and right-of-use assets (€923k). A significant shift is expected from FY2025 onwards with the recognition of investment property, which is projected at €4.6m in FY2025, increasing to €11.4m in FY2026 and €13.9m in FY2027, in line with the completion of the Tranche 1 and Tranche 2 projects and subsequent property revaluations. Consequently, non-current assets are forecast to reach €17.9m by FY2027.

Current assets are expected to grow from €1.6m in FY2024 to €5.5m by FY2027, driven mainly by an increase in cash and cash equivalents, which rise from €307k in FY2024 to €4.4m in FY2025 following the first bond issuance, before normalizing at €2.9m in FY2027 as funds are deployed into property development. Receivables also increase steadily, reflecting higher operational activity. Assets held for sale and related liabilities were fully disposed of in FY2023, simplifying the balance sheet.

Total equity is projected to grow from €3.4m in FY2024 to €8.4m by FY2027, supported by rising retained earnings (from €1.1m to €4.9m) and a capital contribution of €945k in FY2025, demonstrating continued shareholder support. Negative other reserves from prior business combinations persist, but their impact is offset by profitability and capital injections. Non-controlling interests also increase moderately, reflecting subsidiary performance.

Total liabilities are expected to rise from €2.9m in FY2024 to €15.0m in FY2027, primarily due to the two bond issuances (€6.8m in FY2025 and €5.2m in FY2026). Deferred tax liabilities also increase in line with property revaluations. Following these issuances, the Group's Gearing 1 ratio peaks at 55.9% in FY2026 before improving slightly to 52.6% in FY2027, indicating a strong equity buffer despite higher leverage. Management expects the current ratio to remain healthy (between 2.8x and 3.2x) and interest coverage to stay adequate, although it declines to 2.1x by FY2027 due to rising finance costs as a result of the bond issuances.

## 2.6 GROUP'S STATEMENT OF CASH FLOWS

| Group Statement of Cash Flows<br>for the years ended 31 December      | 2023A        | 2024A                  | 2025F          | 2026P          | 2027P          |
|---|--------------|------------------------|----------------|----------------|----------------|
|   | €000s        | €000s                  | €000s          | €000s          | €000s          |
| <b>Cash flow from operating activities</b>                            |              |                        |                |                |                |
| Profit after tax  | 530          | 863                    | 1,010          | 1,300          | 1,569          |
| Profit / (loss) from discontinued operations                          | (1,092)      | 1,688                  | -              | -              | -              |
| Adjustments for non-cash investments                                  | 150          | (99)                   | (71)           | (257)          | (162)          |
| Net movement in working capital                                       | 303          | (1,084)                | (542)          | (887)          | (192)          |
| <b>Cash generated from operations</b>                                 | <b>(109)</b> | <b>1,368</b>           | <b>397</b>     | <b>156</b>     | <b>1,215</b>   |
| Taxation paid   | -            | -                      | 4              | -              | (48)           |
| <b>Net cash flows generated from / (used in) operating activities</b> | <b>(109)</b> | <b>1,368</b>           | <b>401</b>     | <b>156</b>     | <b>1,167</b>   |
| <b>Cash flow from investing activities</b>                            |              |                        |                |                |                |
| Acquisition of non-current assets                                     | (78)         | (110)                  | (28)           | (15)           | (15)           |
| Development of investment properties                                  | -            | -                      | (3,621)        | (5,207)        | (1,080)        |
| Acquisition of other investments                                      | -            | -                      | -              | -              | -              |
| Acquisition of subsidiaries, net of cash acquired                     | 254          | -                      | -              | -              | -              |
| Proceeds from disposal of discontinued operation net of cash disposed | -            | (68)                   | -              | -              | -              |
| <b>Net cash flows generated from / (used in) investing activities</b> | <b>176</b>   | <b>(178)</b>           | <b>(3,650)</b> | <b>(5,222)</b> | <b>(1,095)</b> |
| <b>Cash flow from financing activities</b>                            |              |                        |                |                |                |
| Issuance of / (repayment of) capital                                  | -            | -                      | 1,140          | -              | -              |
| Dividends paid  | (288)        | (529)                  | -              | -              | -              |
| Proceeds from / (repayment of) bond net of costs                      | -            | -                      | 6,332          | 5,133          | -              |
| Payment of bond interest  | -            | -                      | -              | (357)          | (630)          |
| Proceeds from / (repayment of) bank borrowings                        | (21)         | 110                    | 51             | (44)           | (34)           |
| Proceeds from / (repayment of) leases                                 | (22)         | (118)                  | (277)          | (277)          | (277)          |
| Proceeds from / (repayment of) other loans                            | 510          | (591)                  | 96             | -              | -              |
| <b>Net cash flows generated from / (used in) financing activities</b> | <b>179</b>   | <b>(1,128)</b>         | <b>7,341</b>   | <b>4,455</b>   | <b>(940)</b>   |
| <b>Movement in Cash and Cash Equivalents</b>                          | <b>245</b>   | <b>62</b>              | <b>4,093</b>   | <b>(612)</b>   | <b>(868)</b>   |
| Cash and Cash Equivalents at the beginning                            | -            | 245                    | 307            | 4,400          | 3,788          |
| <b>Cash and Cash Equivalents at the end</b>                           | <b>245</b>   | <b>307<sup>1</sup></b> | <b>4,400</b>   | <b>3,788</b>   | <b>2,920</b>   |

| Ratio Analysis  | 2023A | 2024A | 2025F   | 2026P   | 2027P |
|---|-------|-------|---------|---------|-------|
| <b>Cash Flow</b>  |       |       |         |         |       |
| Free Cash Flow (Net cash from operations - CAPEX <sup>2</sup> ) | (188) | 1,258 | (3,248) | (5,067) | 72    |

<sup>1</sup> The year-end cash balance for FY2024 includes a bank overdraft of €32k. Accordingly, the audited financial statements reflect a cash balance of €275k – to which the overdraft amount has been added, resulting in a reported cash balance of €307k as presented above.

<sup>2</sup> CAPEX includes "Acquisition of non-current assets" and "Development of investment properties".



The Group's cash flow profile over the forecast period reflects a transition from operational consolidation to investment-driven growth, supported by external financing. In FY2023, the Group recorded a net operating outflow of €109k, primarily due to a loss from discontinued operations (€1.1m). This contrasts sharply with FY2024, where net operating inflows rebounded to €1.4m, driven by a strong profit after tax of €2.6m, which included a one-off gain from the disposal of discontinued operations (€1.7m). Operating cash flows are projected to remain positive throughout the forecast period, at €401k in FY2025, €156k in FY2026, and reaching €1.2m in FY2027, supported by property completions and rental income generation from mid-FY2027.

Investing activities intensify from FY2025 onward, with cumulative outflows of approximately €10.0m between FY2025 and FY2027, primarily for the development of investment properties (€3.7m in FY2025, €5.2m in FY2026, and €1.1m in FY2027). These investments represent a strategic shift in the Group's asset base, aimed at creating long-term rental income streams. Prior to FY2025, investing activity was minimal, limited to minor acquisitions.

The investment programme is funded through substantial financing inflows, notably €6.3m net from the first bond tranche in FY2025 and €5.1m from the second tranche in FY2026, alongside a capital contribution of €1.1m in FY2025. Financing outflows include bond interest payments (€357k in FY2026 and €630k in FY2027) and scheduled lease repayments. As a result, cash and cash equivalents are projected to rise significantly from €307k in FY2024 to €4.4m in FY2025, before moderating to €2.9m by FY2027 as funds are deployed into property development.

Despite strong liquidity, free cash flow turns negative in FY2025 (€-3.2m) and FY2026 (€-5.1m) due to heavy CAPEX requirements. This is expected to normalize from FY2027 as investment properties begin generating income and fair value gains. Overall, the Group's cash flow trajectory is consistent with a growth-oriented property development strategy, underpinned by bond financing and improving operational performance.

# Part 3 Key Market and Competitor Data

## 3.1. GENERAL MARKET CONDITIONS

At the date of this Analysis, management believes that the Group remains subject to the usual business risks inherent in the industries in which it operates. Barring unforeseen circumstances, management does not anticipate any trends, uncertainties, demands, commitments, or events outside the ordinary course of business that are likely to materially affect the companies' prospects for the financial year 2025. Investors are nevertheless strongly encouraged to review the risk factors outlined in the Base Prospectus.

## 3.2 ECONOMIC UPDATE<sup>3</sup>

The Central Bank of Malta's Business Conditions Index (BCI) suggests that in September 2025, annual growth in activity was higher than in the previous month and above its long-term average estimated since January 2000. The European Commission's confidence surveys show that sentiment in Malta rose in September, and moved further above its long-term average, estimated since November 2002.

In month-on-month terms, sentiment improved across all sectors. The most significant increases were observed in the services and construction sectors. The Bank's Economic Policy Uncertainty Index (EPU) declined marginally but remained above its historical average estimated since 2004, indicating an elevated level of economic policy uncertainty.

By contrast, the European Commission's Economic Uncertainty Indicator (EUI) for September decreased, indicating lower uncertainty surrounding financial and business decisions. The largest decrease was recorded in the services sector. In August, industrial production and retail trade rose at a faster pace in annual terms. In July, the services production showed the first signs of recovery since February 2025.

The unemployment rate remained at a historical low of 2.9%, below the 3.1% rate observed in August 2024.

In August, approved commercial building permits declined compared with July but were practically unchanged compared with a year earlier. Approved residential permits rose compared with July and were also higher on a year earlier. In September, 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 2.4% in September, down from 2.7% in the previous month. HICP excluding energy and food in Malta stood at 2.3%, lower than that in the euro area. On the other hand, overall HICP inflation was higher than that in the euro area. In September, inflation based on the Retail Price Index (RPI) stood at 2.4%, down from 2.7% in August.

In August, the Consolidated Fund registered a larger surplus than that registered a year earlier. This was due to a rise in government revenue coupled with a decline in government expenditure. The annual rate of change of Maltese residents' deposits and credit moderated slightly compared to July.

## 3.3 ECONOMIC OUTLOOK<sup>4</sup>

According to the Central Bank of Malta'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.

<sup>3</sup> [Central Bank of Malta – Economic Update 10/2025](#)

<sup>4</sup> [Central Bank of Malta – Forecast 2025-2027 \(08/2025\)](#)

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.

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 spillovers 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 RESIDENTIAL PROPERTY

In May 2025, Malta's residential property market continued to demonstrate significant growth. The number of final deeds of sale reached 1,199, marking an 11.6% increase compared to May 2024<sup>5</sup>. The total value of these transactions was €321.6m, up 3.9% from the previous year. The majority of these deeds (90.0%) involved individual buyers, with the value of these transactions amounting to €269.5m, representing 83.8% of the total value.

Geographically, the highest activity was recorded in the Northern Harbour and Southern Harbour districts, with 356 and 200 deeds respectively. Localities such as San Pawl Il-Baħar, Birkirkara, and Il-Mosta saw the most transactions, accounting for 15.8% of the total final deeds of sale.

Regarding property types, apartments and garages were the most transacted, comprising 34.8% and 21.8% of the total properties, respectively.

Additionally, there were 1,378 promise of sale agreements, reflecting a 9.7% increase from May 2024. Individual buyers accounted for 88.9% of these agreements. The Northern Harbour district recorded the highest number of these agreements, followed by the Northern district. The top localities for promise of sale agreements were San Pawl Il-Baħar, il-Mosta and Birkirkara, making up 17.9% of the total agreements.

Over the past years, residential property has also been significantly impacted by the growth in the short-let market, which has been a key global driver of demand for residential real estate. This business model is typically linked to tourism, which is further explored in the section 3.6 below.

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<sup>5</sup> [National Statistics Office – News Release – 104/2025](#)

### 3.5 COMMERCIAL PROPERTY<sup>6</sup>

The majority of commercial properties on the market are available for rent rather than for sale. In 2024, the average asking rental rate for office space was €234/m<sup>2</sup>, up from €214/m<sup>2</sup> in 2023. Meanwhile, the average asking rental rate for retail properties reached €294/m<sup>2</sup>, an increase from €243/m<sup>2</sup> in the previous year.

Rental data for office space presents an interesting contrast to the generally subdued market sentiment expressed by industry stakeholders during consultations. Several factors may explain this, including a mismatch in expectations between property owners and prospective tenants. It is also important to note that these figures represent advertised prices and may not reflect the actual rates agreed upon following negotiations.

The largest increase in office rental rates was recorded in the Central region, which saw growth of 12.5%, reaching €167/m<sup>2</sup> (2023: €148/m<sup>2</sup>). The highest-priced region for office space was the North Harbour, with rental rates of €275/m<sup>2</sup>, while the lowest rate of €136/m<sup>2</sup> was observed in the Southern region. Both the Grand Harbour and Southern regions experienced declines in office rental rates, with decreases of 2.1% and 2.2%, respectively.

### 3.6 TOURISM UPDATE

According to the National Statistics Office (NSO)<sup>7</sup>, Malta's tourism sector experienced robust growth in 2024, with increases in tourist arrivals, guest nights and expenditure compared to the previous year, which was the first record breaking year in terms of tourist arrivals following the COVID-19 pandemic.

Such growth appears to be continuing in 2025 with inbound tourists for the first four months of 2025 amounted to 1,044,657, an increase of 17.4% compared to the corresponding period in 2024. Similarly, total nights spent during the January – April 2025 period rose by 17.1%, reaching 5,985,257 nights from 5,109,521 nights over the same period in 2024.

Total tourist expenditure was estimated at €804.7m during the first four months of 2025 compared to the €647.7m estimated in 2024, equivalent to a 24.2% increase. Total expenditure per capita increased from €728 in 2024 to €770 in 2025.

According to the Deloitte MHRA Hotel Survey<sup>8</sup>, Malta attracted a record-breaking 1.27m tourists in Q3 2025 surpassing the Q3 2024 number by 9.3%. Guest nights in all types of accommodation were also on the rise at 6.9% over Q3 2024 albeit at a slower pace than tourist arrivals which is explained by the fact that average length of stay in Q3 2025 was 2.2% lower than the 7.2-day figure reached during the corresponding period in 2024.

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<sup>6</sup> KPMG – Construction Industry and Property Market Report 2024

<sup>7</sup> National Statistics Office – News Release – 101/2025

<sup>8</sup> MHRA Hotel Survey by Deloitte – Key Highlights: Q3 2025

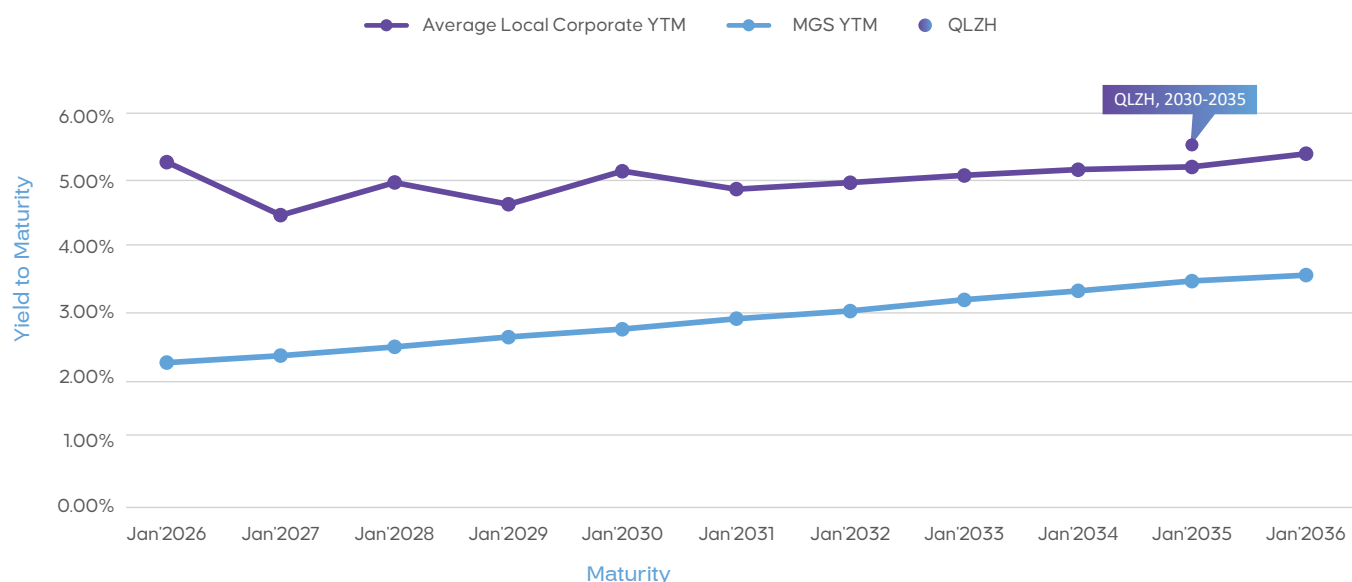
## 3.7 COMPARATIVE ANALYSIS

| Comparative Analysis  |           |                   |                            |              |              |                                  |                                      |                   |               |                         |            |                      |
|---|-----------|-------------------|----------------------------|--------------|--------------|----------------------------------|--------------------------------------|-------------------|---------------|-------------------------|------------|----------------------|
| 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)       | (%)                     | (%)        | (%)                  |
| 6.25% Camilleri Finance plc<br>€ Unsecured 2034             | 15,000    | 6.01%             | 11x                        | 49.7         | 16.5         | 66.8%                            | 54.6%                                | 13.1x             | 0.9x          | -6.6%                   | -6.0%      | -4.4%                |
| 5.85% Burmarrad Group Assets plc<br>€ Secured 2034          | 16,000    | 5.39%             | (3.7)x                     | 38.5         | 21.5         | 44.2%                            | 42.3%                                | 29.3x             | 4.0x          | -1.4%                   | -44.7%     | N/A                  |
| 4.50% The Ona plc Secured<br>€ 2028-2034                    | 16,000    | 4.54%             | (2.3)x                     | 38.9         | 8.0          | 79.6%                            | 77.3%                                | 12.8x             | 1.4x          | -9.7%                   | -10.6%     | 110.3%               |
| 5.35% Hal Mann Vella Group plc<br>Secured € 2031-2034       | 23,000    | 5.11%             | 31x                        | 138.2        | 53.9         | 61.0%                            | 47.6%                                | 7.1x              | 1.3x          | 4.4%                    | 8.5%       | 7.8%                 |
| 5.3% Mercury Projects Finance plc<br>Secured € 2034         | 20,000    | 5.22%             | (0.8)x                     | 279.0        | 66.1         | 76.3%                            | 73.2%                                | (46.3)x           | 0.6x          | -1.8%                   | -12.5%     | -58.8%               |
| 5.2% TUM Finance plc Secured Callable<br>€ 2031 - 2034 (xd) | 12,000    | 5.20%             | 13x                        | 137.8        | 40.0         | 71.0%                            | 54.5%                                | 46.8x             | 0.8x          | -3.6%                   | -79.0%     | -49.4%               |
| 5.30% International Hotel Investments<br>€ Unsec 2035       | 35,000    | 5.30%             | 17x                        | 1,795.3      | 910.4        | 57.5%                            | 42.2%                                | 8.8x              | 0.8x          | -0.1%                   | -0.4%      | 6.6%                 |
| 5.8% Agora Estates plc Secured<br>€ 2036 S1 T1              | 12,000    | 5.54%             | 10x                        | 65.9         | 30.7         | 53.4%                            | 41.5%                                | 28.4x             | 1.2x          | -0.3%                   | -7.6%      | 29.1%                |
| 5.5% Agora Estates plc Secured<br>2036 S1 T2                | 9,000     | 5.50%             | 10x                        | 65.9         | 30.7         | 53.4%                            | 41.5%                                | 28.4x             | 1.2x          | -0.3%                   | -7.6%      | 29.1%                |
| 5.5% QLZH Holding p.l.c. Secured<br>Bonds 2030 - 2035 S1 T2 | 5,200     | 5.50%             | 14.9x                      | 6.3          | 3.4          | 46.0%                            | 27.7%                                | 1.7x              | 0.8x          | 106.5%                  | 82.1%      | 34.1%                |

Source: Latest available audited financial statements  
Last price as at 18/11/2025

\*Average figures do not capture the financial analysis of the Issuer

## Yield Curve Analysis



Source: Central Bank of Malta and Malta Stock Exchange (MSE)

The above graph illustrates the average yearly yield of all local issuers as well as the corresponding yield of Malta Government Stocks (MGS) (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 plots the entire MGS yield curve, thus taking into consideration the yield of comparable issuers. The graph illustrates on a stand-alone basis, the yield on the Issuer's proposed bond.

As at 18 November 2025, the average spread over the MGS for comparable issuers with maturity range of 9-11 years was 201 basis points. The proposed QLZH Holding p.l.c. bond is being priced with a 5.5% coupon issued at par, meaning a spread of 210 basis points over the equivalent MGS, and therefore at a premium to the average on the market of 9 basis points.

## Part 4 Glossary and Definitions

### INCOME STATEMENT

|                               |  |
|-------------------------------|--|
| Revenue                       | Total revenue generated by the Group/Company from its principal business activities during the financial year.   |
| Costs                         | Costs are expenses incurred by the Group/Company in the production of its revenue.   |
| EBITDA                        | EBITDA is an abbreviation for earnings before interest, tax, depreciation and amortisation. It reflects the Group's/Company's earnings purely from operations.     |
| Operating Profit (EBIT)       | EBIT is an abbreviation for earnings before interest and tax.  |
| Depreciation and Amortisation | An accounting charge to compensate for the decrease in the monetary value of an asset over time and the eventual cost to replace the asset once fully depreciated. |
| Net Finance Costs             | The interest accrued on debt obligations less any interest earned on cash bank balances and from intra-group companies on any loan advances.                       |
| Net Income                    | The profit made by the Group/Company during the financial year net of any income taxes incurred.   |

### PROFITABILITY RATIOS

|                         |  |
|-------------------------|--|
| Growth in Revenue (YoY) | This represents the growth in revenue when compared with previous financial year.  |
| Gross Profit Margin     | Gross profit as a percentage of total revenue.   |
| EBITDA Margin           | EBITDA as a percentage of total revenue.   |
| Operating (EBIT) Margin | Operating margin is the EBIT as a percentage of total revenue.   |
| Net Margin              | Net income expressed as a percentage of total revenue.   |
| Return on Common Equity | Return on common equity (ROE) measures the rate of return on the shareholders' equity of the owners of issued share capital, computed by dividing the net income by the average common equity (average equity of two years financial performance). |
| Return on Assets        | Return on assets (ROA) is computed by dividing net income by average total assets (average assets of two years financial performance).   |

|  |  |
|--|--|
| <b>Return on Capital Employed</b>          | Return on capital employed (ROCE) measures the relative profitability of a company after taking into account the amount of capital used during a relative financial performance.               |
| <b>Cash Flow Statement</b>                 | Gross profit as a percentage of total revenue.   |
| <b>Cash Flow from Operating Activities</b> | Cash generated from the principal revenue producing activities of the Group/Company less any interest incurred on debt.  |
| <b>Cash Flow from Investing Activities</b> | Cash generated from the activities dealing with the acquisition and disposal of long-term assets and other investments of the Group/Company.   |
| <b>Cash Flow from Financing Activities</b> | Cash generated from the activities that result in change in share capital and borrowings of the Group/Company.   |
| <b>Capex</b>                               | Represents the capital expenditure incurred by the Group/Company in a financial year.  |
| <b>Free Cash Flows (FCF)</b>               | 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

|                                  |   |
|----------------------------------|---|
| <b>Total Assets</b>              | What the Group/Company owns which can be further classified into Non-Current Assets and Current Assets.   |
| <b>Non-Current Assets</b>        | Assets, full value of which will not be realised within the forthcoming accounting year   |
| <b>Current Assets</b>            | Assets which are realisable within one year from the statement of financial position date.  |
| <b>Inventory</b>                 | Inventory is the term for the goods available for sale and raw materials used to produce goods available for sale.                                    |
| <b>Cash and Cash Equivalents</b> | Cash and cash equivalents are Group/Company assets that are either cash or can be converted into cash immediately.                                    |
| <b>Total Equity</b>              | Total Equity is calculated as total assets less liabilities, representing the capital owned by the shareholders, retained earnings, and any reserves. |
| <b>Total Liabilities</b>         | What the Group/Company owes which can be further classified into Non-Current Liabilities and Current Liabilities.                                     |
| <b>Non-Current Liabilities</b>   | Obligations which are due after more than one financial year.   |
| <b>Total Debt</b>                | All interest-bearing debt obligations inclusive of long and short-term debt.  |
| <b>Net Debt</b>                  | Total debt of a Group/Company less any cash and cash equivalents.   |
| <b>Current Liabilities</b>       | Obligations which are due within one financial year.  |



## FINANCIAL STRENGTH RATIOS

### Current Ratio

The Current ratio (also known as the Liquidity Ratio) is a financial ratio that measures whether or not a company has enough resources to pay its debts over the next 12 months. It compares current assets to current liabilities.

### Quick Ratio (Acid Test Ratio)

The quick ratio measures a Group's/Company's ability to meet its short-term obligations with its most liquid assets. It compares current assets (less inventory) to current liabilities.

### Interest Coverage Ratio

The interest coverage ratio is calculated by dividing EBITDA of one period by 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

### FY

Financial Year.

### 2023A

Based on audited financial statements for the period covering 26th July 2022 to 31st December 2023

### 2024A

Based on audited accounts for the year ended 31st December 2024

### 2025F

Based on management's forecasts for the year ended 31st December 2025

### 2026P

Based on management's projections for the year ended 31st December 2026

### 2027P

Based on management's projections for the year ended 31st December 2027

### 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.





