# Camilleri Holdings Limited

# Report & Consolidated Financial Statements

# 31 December 2024

Company registration number: C 27495

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# Directors' report

The directors present their report together with the audited financial statements of Camilleri Holdings Limited (the 'company') and the consolidated financial statements of the group for the year ended 31 December 2024.

## Principal activities

The group is principally engaged in the importation and sale of clothing apparel and related household items. It is also involved in food, catering and rental of venues.

The company's principal activity is that of providing management services to its subsidiaries.

## Results and review of business

During the year, the group through its Finance company started and successfully concluded in February 2024 the roll-over of its Euro 5 million 4.75% 2027 bond issue into a new 6.25% 2034 bond issue of Euro 15 million.

The use of proceeds as per issue Securities Note were as follows: Euro 4.2 million for 4.75% 2027 bond rollover, Euro 3.2 million for group bank facility settlements, Euro 2.2 million for new investments and refurbishments and Euro 5.0 million for general corporate funding.

The Directors have put in place a five years plan to restructure the group's lines of business which will address the growth potential of the group and mitigate the related risks. The preparation stage of the plan commenced within 2024.

## Directors

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

Joseph Camilleri
Andre' Camilleri
Anthony Camilleri
Christos Barmperis
Christian Camilleri
Pierre Griscti
Ann Micallef
Alexia Spiteri

In accordance with the company's Articles of Association, the present directors remain in office.

### Disclosure of information to the auditor

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

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

### Statement of directors' responsibilities

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

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

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

### Auditor

A resolution to appoint Grant Thornton as auditor of the group and the company will be proposed at the forthcoming Annual General Meeting.

**Joseph Camilleri**
Director

**Anthony Camilleri**
Director

Registered office:
63, St. Dominic Street,
Valletta VLT 1602

29 April 2025

# Statements of comprehensive income

| | | Group | | Company | |
|---|---|---|---|---|---|
| | **Notes** | **2024** | **2023** | **2024** | **2023** |
| | | **€** | **€** | **€** | **€** |
| Revenue | | 18,208,745 | 19,048,956 | - | - |
| Cost of goods sold | | (9,955,572) | (10,598,872) | - | - |
| **Gross profit** | | **8,253,173** | **8,450,084** | **-** | **-** |
| Other income | 5 | 261,278 | 331,442 | 2,352,307 | 2,427,857 |
| Administrative expenses | | (8,886,672) | (8,775,216) | (2,533,609) | (2,338,927) |
| Net finance costs | 7 | (1,373,079) | (1,038,648) | (478,185) | (569,464) |
| **Loss before tax** | 8 | **(1,745,300)** | **(1,032,338)** | **(659,487)** | **(480,534)** |
| Tax income | 9 | 651,380 | 425,825 | 224,897 | 162,116 |
| **Loss for the year** | | **(1,093,920)** | **(606,513)** | **(434,590)** | **(318,418)** |
| **Other comprehensive income** | | | | | |
| *Items that will be reclassified to profit and loss* | | | | | |
| Other comprehensive income for the year | | **-** | **-** | **-** | **-** |
| **Total comprehensive loss for the year** | | **(1,093,920)** | **(606,513)** | **(434,590)** | **(318,418)** |

# Statements of financial position

| | Notes | Group 2024 | Group 2023 | Company 2024 | Company 2023 |
|---|---|---|---|---|---|
| | | € | € | € | € |
| **Assets** | | | | | |
| **Non-current** | | | | | |
| Goodwill | 10 | 3,610,315 | 3,610,315 | - | - |
| Intangible assets | 11 | 398,755 | 397,887 | 33,618 | 15,294 |
| Property, plant and equipment | 12 | 25,765,261 | 25,814,636 | 475,931 | 480,372 |
| Right-of-use assets | 13 | 5,229,885 | 4,326,682 | 416,593 | 809,086 |
| Long-term financial assets | 14 | - | 68,219 | - | - |
| Investment property | 15 | 16,492 | 16,492 | 24,428,927 | 9,278,927 |
| Investment in subsidiaries | 16 | - | - | 5,326,552 | 9,871,552 |
| Investment in associates | 17 | 28,232 | 28,232 | 28,232 | 28,232 |
| Deferred tax assets | 18 | 3,919,037 | 3,007,873 | 897,875 | 674,652 |
| | | **38,967,977** | **37,270,336** | **31,607,728** | **21,158,115** |
| **Current** | | | | | |
| Inventories | 19 | 5,190,840 | 4,612,459 | - | - |
| Trade and other receivables | 20 | 1,958,748 | 1,908,517 | 8,270,194 | 7,739,801 |
| Cash and cash equivalents | 21 | 3,593,764 | 3,004,691 | 31,537 | 41,131 |
| | | **10,743,352** | **9,525,667** | **8,301,731** | **7,780,932** |
| **Total assets** | | **49,711,329** | **46,796,003** | **39,909,459** | **28,939,047** |
| **Equity** | | | | | |
| Share capital | 22 | 75,456 | 75,456 | 75,456 | 75,456 |
| Revaluation reserve | | 14,156,024 | 14,156,024 | 14,156,024 | 14,156,024 |
| Retained earnings | | 2,273,439 | 3,367,359 | (330,485) | 104,105 |
| **Total equity** | | **16,504,919** | **17,598,839** | **13,900,995** | **14,335,585** |
| **Liabilities** | | | | | |
| **Non-current** | | | | | |
| Bonds payable | 23 | 14,654,533 | 4,121,304 | - | - |
| Borrowings | 24 | - | 3,038,442 | - | 2,855,767 |
| Long-term financial liabilities | 25 | - | - | 14,919,500 | - |
| Trade and other payables | 27 | 999,353 | 755,489 | 324,049 | 282,361 |
| Lease liabilities | 26 | 5,054,670 | 4,352,389 | 408,497 | 778,515 |
| Deferred tax liabilities | 18 | 1,000,956 | 1,024,729 | 1,000,215 | 1,001,889 |
| | | **21,709,512** | **13,292,353** | **16,652,261** | **4,918,532** |
| **Current** | | | | | |
| Borrowings | 24 | 2,734,435 | 6,343,225 | 2,446,978 | 4,380,746 |
| Current tax liability | | 267,801 | 28,319 | 6,397 | 30,254 |
| Trade and other payables | 27 | 7,509,615 | 8,803,155 | 6,791,136 | 5,077,165 |
| Lease liabilities | 26 | 985,047 | 730,112 | 111,692 | 196,765 |
| | | **11,496,898** | **15,904,811** | **9,356,203** | **9,684,930** |
| **Total liabilities** | | **33,206,410** | **29,197,164** | **26,008,464** | **14,603,462** |
| **Total equity and liabilities** | | **49,711,329** | **46,796,003** | **39,909,459** | **28,939,047** |

The financial statements on pages 4 to 44 were approved by the board of directors, authorised for issue on 29 April 2025 and signed on its behalf by:

**Joseph Camilleri**
Director

**Anthony Camilleri**
Director

# Statements of changes in equity

**Group**

| | Share capital € | Revaluation reserve € | Retained earnings € | Total equity € |
|---|---|---|---|---|
| Balance at 1 January 2024 | 75,456 | 14,156,024 | 3,367,359 | 17,598,839 |
| Loss for the year | - | - | (1,093,920) | (1,093,920) |
| **Balance at 31 December 2024** | **75,456** | **14,156,024** | **2,273,439** | **16,504,919** |
| Balance at 1 January 2023 | 75,456 | 14,156,024 | 3,973,872 | 18,205,352 |
| Loss for the year | - | - | (606,513) | (606,513) |
| **Balance at 31 December 2023** | **75,456** | **14,156,024** | **3,367,359** | **17,598,839** |

**Company**

| | Share capital € | Revaluation reserve € | Retained earnings € | Total equity € |
|---|---|---|---|---|
| Balance at 1 January 2024 | 75,456 | 14,156,024 | 104,105 | 14,335,585 |
| Loss for the year | - | - | (434,590) | (434,590) |
| **Balance at 31 December 2024** | **75,456** | **14,156,024** | **(330,485)** | **13,900,995** |
| Balance at 1 January 2023 | 75,456 | 14,156,024 | 422,523 | 14,654,003 |
| Loss for the year | - | - | (318,418) | (318,418) |
| **Balance at 31 December 2023** | **75,456** | **14,156,024** | **104,105** | **14,335,585** |

Retained earnings include all current and prior period results as disclosed in the statement of total comprehensive income less dividends.

# Statements of cash flow

| | Notes | Group 2024 | Group 2023 | Company 2024 | Company 2023 |
|---|---|---|---|---|---|
| | | € | € | € | € |
| **Operating activities** | | | | | |
| Profit (loss) before tax | | (1,745,300) | (1,032,338) | (659,487) | (480,534) |
| Adjustments | 28 | 1,879,652 | 2,397,585 | 659,026 | 814,857 |
| Net changes in working capital | 28 | (1,722,361) | 1,099,999 | (9,379,735) | 958,516 |
| Tax paid | | - | (6,099) | (23,857) | (6,099) |
| Interest paid | | (236,357) | (788,591) | (434,297) | (517,244) |
| **Net cash generated from (used in) operating activities** | | **(1,824,366)** | **1,670,556** | **(9,838,350)** | **769,496** |
| **Investing activities** | | | | | |
| Payments to acquire intangible assets | | (28,014) | (16,057) | (28,013) | (16,057) |
| Payments to acquire property, plant and equipment | | (211,210) | (80,677) | (32,544) | (25,861) |
| Movement of long-term financial assets | | 68,219 | 77,880 | - | - |
| **Net cash used in investing activities** | | **(171,005)** | **(18,854)** | **(60,557)** | **(41,918)** |
| **Financing activities** | | | | | |
| Advances paid from bank loan | | (4,396,960) | (1,065,947) | (3,675,449) | (806,730) |
| Proceeds from short term loans | | - | 300,000 | - | - |
| Proceeds from Bonds payable | | 14,612,218 | - | - | - |
| Movement of long-term financial liabilities | | - | (733) | 14,919,500 | - |
| Payment of lease liability | | (935,957) | (902,564) | (196,764) | (185,161) |
| Redemption of bonds | | (4,150,000) | (300,000) | - | - |
| Movement in sinking fund | | - | 300,000 | - | - |
| Interest paid on lease | | (294,579) | (249,953) | (43,888) | (52,220) |
| **Net cash used in financing activities** | | **4,834,722** | **(1,919,197)** | **11,003,399** | **(1,044,111)** |
| Net change used in cash and cash equivalents | | 2,839,351 | (267,495) | 1,104,492 | (316,533) |
| Cash and cash equivalents, beginning of year | | (1,980,022) | (1,712,527) | (3,519,933) | (3,203,400) |
| **Cash and cash equivalents, end of year** | 21 | **859,329** | **(1,980,022)** | **(2,415,441)** | **(3,519,933)** |

# Notes to the consolidated financial statements

## 1 Nature of operations

The group is principally engaged in the importation and sale of clothing apparel and related household items. It is also involved in food, catering and rental of venues.

The company's principal activity is that of providing management services to its subsidiaries and to act as a holding company.

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

Camilleri Holdings Limited is a private limited liability company and is incorporated and domiciled in Malta. The address of the company's registered office is 63, St. Dominic Street, Valletta VLT 1602.

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

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

### 2.1 Going concern

During the the year, the group through Camilleri Finance plc started and successfully concluded the roll-over of its Euro 5 million 4.75% 2027 bond issue into a new 6.25% 2034 bond issue of Euro 15 million.

At 31 December 2024, the group had a working capital deficiency of € 753,546 (2023: € 6,739,144).

Based on the foregoing, the director confirm that it remains appropriate to prepare the financial statements on a going concern basis.

## 3 New or revised Standards or Interpretations

### 3.1 New standards adopted as at 1 January 2024

Some accounting pronouncements which have become effective from 1 January 2024 and have therefore been adopted do not have a significant impact on the group's and company's financial results or position.

Other Standards and amendments that are effective for the first time in 2024 and could be applicable to the group or the company are:

• Classification of Liabilities as Current or Non-current (Amendments to IAS 1)
• Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)
• Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)
• Non-current Liabilities with Covenants (Amendments to IAS 1)

These amendments do not have a significant impact on these financial statements and therefore no disclosures have been made.

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

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

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

None of these Standards or amendments to existing Standards have been adopted early by the group and company. Management anticipates that all relevant pronouncements will be adopted for the first period beginning on or after the effective date of the pronouncement.

With the exception of IFRS 18, these amendments are not expected to have a significant impact on the financial statements in the period of initial application and therefore no disclosures have been made. The group and the company will assess the impact on disclosures from the initial adoption of IFRS 18. IFRS 18 will be effective for annual reporting periods beginning on or after 1 January 2027. The group and the company is not expected to early adopt this new standard.

## 4 Material accounting policies

### 4.1 Overall considerations

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

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

### 4.2 Presentation of financial statements

The financial statements are presented in accordance with IAS 1 '*Presentation of Financial Statements'* (Revised 2007). The group and the company have elected to present the 'statement of comprehensive income' in one statement.

### 4.3 Basis of consolidation

The financial statements consolidate those of the parent company and all of its subsidiaries drawn up to 31 December 2024. Subsidiaries are all entities over which the group has power to control the financial and operating policies. Camilleri Holdings Limited and its subsidiaries obtain and exercise control through voting rights. All subsidiaries have a reporting date of 31 December.

Intra-group balances, transactions and unrealised gains and losses on transactions between the group companies are eliminated on consolidation. Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from the group perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the group.

Profit or loss and other comprehensive income of subsidiaries acquired or disposed of during the year are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable.

The consolidated financial statements have been prepared from the financial statements of the companies as set out in note 16.

### 4.4 Revenue

Revenue is generated from the sale of branded clothing apparel, imported food and delicacies, manufactured and catering food and rent of venues.

Revenue arises mainly from the sale of goods.

To determine whether to recognise revenue, the group and the company follows a 5-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue when/as performance obligation(s) are satisfied

Revenue is recognised either at a point in time or over time, when (or as) the group or the company satisfies performance obligations by transferring the promised goods to its customers.

The company recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities in the statement of financial position. Similarly, if the group or the company satisfies a performance obligation before it receives the consideration, the group or the company recognises either a contract asset or a receivable in its statement of financial position, depending on whether something other than the passage of time is required before the consideration is due.

Revenue from the sale of goods is recognised when or as the group or the company transfers control of the assets to the customer. Control is transferred at a point in time and occurs when the customer takes undisputed delivery of the goods.

Dividend income, other than those from investments in associates, is recognised at the time the right to receive payment is established.

### 4.5 Operating expenses

Operating expenses are recognised upon utilisation of the service or as incurred.

### 4.6 Borrowing costs

Borrowing costs primarily comprise interest on the group and company's borrowings. Borrowing costs incurred on specific fixed asset projects prior to their commissioning are capitalised as part of the cost of the asset. The capitalisation rate used to determine the amount of borrowing costs eligible for capitalisation is based on the average rate of interest on bank borrowings. All other borrowing costs are amortised on an effective interest basis over the life of the loan facility agreement.

### 4.7 Employee benefits

Contributions toward the state pension in accordance with local legislation are recognised in profit or loss when they are due.

### 4.8 Foreign currency translation

#### Foreign currency transactions and balances

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

Non-monetary items are not retranslated at year-end and are measured at historical cost (translated using the exchange rates at the transaction date), except for non-monetary items measured at fair value which are translated using the exchange rates at the date when fair value was determined.

### 4.9 Business combinations

Business combinations of entities not under common control are accounted for by applying the acquisition method in accordance with IFRS 3 '*Business Combinations*'. The acquisition method involves the recognition at fair value of all identifiable assets and liabilities of the acquiree at the acquisition date, including contingent liabilities regardless of whether or not they were recorded in the financial statements of the acquiree prior to acquisition. On initial recognition, the assets and liabilities of the acquiree are included in the statement of financial position of the company at their fair values, which are also used as the basis for subsequent measurement in accordance with the company's accounting policies. Goodwill is stated after separating out the identifiable intangible assets.

Goodwill represents the future economic benefits arising from an acquisition of business that are not individually identified and separately recognised. Goodwill is carried at cost less accumulated impairment losses. Refer to note 4.13 for a description of impairment testing procedures.

### 4.10 Intangible assets

Intangible assets are subject to impairment testing as described in note 4.13.

Intangible assets that are acquired by the group and the company, which have finite useful lives, are measured at cost less accumulated amortisation and impairment losses. Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss as incurred. Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful life of the intangible asset from the date they are available for use as follows:

| | % |
|---|---|
| - Computer software | 20 - 25 |
| - Franchise rights | 10 |

Amortisation has been included within 'administrative expenses' in the statement of comprehensive income.

Acquired software are capitalised on the basis of the costs incurred to acquire and install the specific software. Costs associated with maintaining computer software are expensed as incurred.

### 4.11 Property, plant and equipment

Items of property, plant and equipment are initially recognised at acquisition cost. Subsequently, they are carried at acquisition cost less accumulated depreciation and impairment losses.

Depreciation is calculated, using the straight-line method, to write off the cost or valuation of assets over their estimated useful lives on the following bases:

| | % |
|---|---|
| - Air conditioning | 16.66 |
| - Computer and office equipment | 25 |
| - Furniture and fittings | 10 |
| - Plant and machinery | 16.67 |
| - Electrical installations | 6.66 |
| - Catering equipment | 16.66 |
| - Motor vehicles | 20 |

Material residual value estimates and estimates of useful lives are updated as required, but at least annually, whether or not the asset is revalued. Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised in profit or loss within 'other income' or 'administrative expenses'.

## 4.12 Leased assets

**The group and the company as a lessee**

The group and the company consider whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (underlying asset) for a period of time in exchange for a consideration'. To apply this definition, the group and the company assess whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the group and the company
- the group and the company have the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract
- the group and the company have the right to direct the use of the identified asset throughout the period of use. The group and the company assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

Measurement and recognition of lease

At lease commencement date, the group and the company recognise a right of use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the group and the company, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the commencement date (net of any incentives received).

The group and the company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The group and the company also assess the right-of-use asset for impairment when such indicators exist.

At lease commencement date, the group and the company measure the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the group's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The group and the company have elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

On the statement of financial position, right-of-use assets (see note 13) and lease liabilities (see note 26) have been disclosed separately.

### 4.13 Impairment of goodwill, intangible assets and property, plant and equipment

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

Cash generating units to which goodwill has been allocated (determined by the group and the company's management as equivalent to its operating segments) are tested for impairment at least annually. All individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of its fair value less costs to sell and its value in use. To determine the value in use, the group and the company's management estimate expected future cash flows from each cash-generating unit and determine a suitable interest rate in order to calculate the present value of those cash flows. Discount factors are determined individually for each cash-generating unit and reflect their respective risk profiles as assessed by management.

Impairment losses are recognised in the profit or loss. Impairment losses for cash-generating units are charged pro rata to the assets in the cash-generating unit. All assets, with the exception of goodwill, are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An impairment charge that has been recognised is reversed if the cash-generating unit's recoverable amount exceeds its carrying amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

### 4.14 Investment property

Investment property is property held to earn rentals and/or for capital appreciation, and is accounted for using the fair value model.

Investment property is revalued annually and is included in the statement of financial position at its fair value. This is determined by external professional valuers with sufficient experience with respect to both the location and the nature of the investment property and supported by market evidence.

Any gain or loss resulting from either a change in the fair value or the sale of an investment property is immediately recognised in profit or loss within 'gain (loss) on fair value of investment property'.
Rental income and operating expenses from investment property are reported within 'revenue' and 'operating expenses', and are recognised as described in notes 4.4 and 4.5, respectively.

### 4.15 Investments in subsidiaries

Investments in subsidiaries are included in the company's statement of financial position at cost less any impairment loss that may have arisen. Income from investments is recognised only to the extent of distributions received by the company.

At the end of each reporting period, the company reviews the carrying amount of its investments in subsidiaries to determine whether there is any indication of impairment and, if any such indication exists, the recoverable amount of the investment is estimated. An impairment loss is the amount by which the carrying amount of an investment exceeds its recoverable amount. The recoverable amount is the higher of fair value less costs to sell and value in use. An impairment loss that has been previously recognised is reversed if the carrying amount of the investment exceeds its recoverable amount. An impairment loss is reversed only to the extent that the carrying amount of the investment does not exceed the carrying amount that would have been determined if no impairment loss had been previously recognised. Impairment losses and reversals are recognised immediately in profit or loss.

### 4.16 Investments in associates

Associates are those entities over which the company is able to exert significant influence but which are neither subsidiaries nor joint ventures. Investments in associates are initially recognised at cost and subsequently accounted for using the equity method. Any goodwill or fair value adjustment attributable to the company's share in the associate is not recognised separately and is included in the amount recognised as investment in associates.

The carrying amount of the investments in associates is increased or decreased to recognise the company's share of the profit or loss and other comprehensive income of the associate. These changes include subsequent depreciation, amortisation or impairment of the fair value adjustment of assets and liabilities.

Unrealised gains and losses on transactions between the company and its associates are eliminated to the extent of the company's interest in those entities. Where unrealised losses are eliminated, the underlying asset is also tested for impairment.

Amounts reported in the financial statements of associates have been adjusted where necessary to ensure consistency with the accounting policies of the company.

### 4.17 Financial instruments

#### Recognition and derecognition

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

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

#### Classification and initial measurement of financial assets

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

Financial assets are classified into the following categories:

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

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

The classification is determined by both:

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

All income and expenses relating to financial assets that are recognised in the income statement are presented within 'finance costs', 'finance income' or 'other financial items'.

### Subsequent measurement of financial assets

***Financial assets at amortised cost***

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

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

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

### Impairment of financial assets

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

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

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

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

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

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

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

### Classification and measurement of financial liabilities

The group's financial liabilities include bonds payable, borrowings, lease liabilities and trade and other payables.

The company's financial liabilities include borrowings, lease liabilities and trade and other payables.

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

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

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

### 4.18 Inventories

Inventories are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less any applicable selling expenses.

The cost of inventories is based on the weighted average principle and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition.

### 4.19 Income taxes

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

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

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of goodwill, or on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax on temporary differences associated with shares in subsidiaries and joint ventures is not provided if reversal of these temporary differences can be controlled by the group and company and it is probable that reversal will not occur in the foreseeable future.

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

Deferred tax assets are recognised to the extent that it is probable that they will be able to be utilised against future taxable income. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Changes in deferred tax assets or liabilities are recognised as a component of tax income or expense in profit or loss, except where they relate to items that are recognised in the separate and consolidated statement of other comprehensive income or equity (such as the revaluation of land) in which case the related deferred tax is also recognised in other comprehensive income or equity respectively.

### 4.20 Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents comprise cash in hand and at bank net of bank overdraft. In the consolidated statement of financial position and the company's statement of financial position, the bank overdraft is included within bank borrowings under current liabilities.

### 4.21 Equity, reserves and dividend payments

Share capital represents the nominal value of shares that have been issued.

The revaluation reserve within equity comprises unrealised gains on the revaluation of investment property, initially recognised in profit and loss and transferred to revaluation reserve until realised.

Retained earnings include all current and prior period results less dividend distributions.

Dividend distributions payable to equity shareholders are included in 'other liabilities' when the dividends have been approved in a general meeting prior to the reporting date.

### 4.22 Provisions and contingent liabilities

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

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

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

In those cases where the possible outflow of economic resources as a result of present obligations is considered improbable or remote, no liability is recognised, unless it was assumed in the course of a business combination. In a business combination, contingent liabilities are recognised in the course of the allocation of the purchase price to the assets and liabilities acquired in the business combination. They are subsequently measured at the higher amount of a comparable provision as described above and the amount initially recognised, less any amortisation.

Possible inflows of economic benefits to the group and the company that do not yet meet the recognition criteria of an asset are considered contingent assets.

### 4.23 Significant management judgement in applying accounting policies and estimation uncertainty

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Use of available information and application of judgement are inherent in making estimates. Actual results in future could differ from such estimates and the differences may be material to the financial statements. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

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

#### Significant management judgement

The following are significant management judgements in applying the accounting policies of the group and the company that have the most significant effect on the financial statements.

##### Recognition of deferred tax assets

The extent to which deferred tax assets can be recognised is based on an assessment of the group and company's future taxable income against which the deductible temporary differences can be utilised.

##### Determining whether an arrangement contains a lease

The group and the company use their judgment in determining whether an arrangement contains a lease, based on the substance of the arrangement and makes assessment of whether it is dependent on the use of a specific asset or assets, conveys a right to use the asset and transfers substantially all the risks and rewards incidental to ownership to/from the group and the company.

##### Control assessment

IFRS 10 requires the parent company to assess its involvement in its investee companies. Refer to notes 16 and 17 for further details.

#### Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expense is provided below. Actual results may be substantially different.

##### Impairment of non-financial assets

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating unit based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate (note 4.13).

##### Useful lives of depreciable assets

Management reviews the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets to the group and the company. The carrying amounts are analysed in notes 11 and 12. Actual results, however, may vary due to technical obsolescence, particularly relating to software and IT equipment.

**Investment property**

At each reporting date investment property is revalued by independent valuers based on managements' estimates of expected future cash flows. The value of the property is determined by applying a suitable discount rate to calculate the present value of these future cash flows.

Cash flows may vary due to a variety of factors affecting the group. In addition, the discount rate used may also be influenced by outside forces.

**Inventories**

Management estimates the net realisable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realisation of these inventories may be affected by expiry, obsolescence or other market-driven changes that may reduce future selling prices.

## 5 Other income

| | Group | | Company | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | € | € | € | € |
| Rechargeables | - | - | 2,202,946 | 2,286,780 |
| Rent | 26,106 | 25,355 | 26,105 | 25,355 |
| Income on ancillary services | (3,080) | 29,254 | - | - |
| Gain on derecognition of lease | - | - | 52,366 | - |
| Interest income on deferred consideration | - | - | 20,928 | 66,487 |
| Other income | 238,252 | 276,833 | 49,962 | 49,235 |
| | **261,278** | **331,442** | **2,352,307** | **2,427,857** |

## 6 Staff costs

| | Group | | Company | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | € | € | € | € |
| Wages and salaries | 3,911,272 | 3,808,303 | 1,194,771 | 1,202,608 |
| Social security contributions | 285,768 | 320,237 | 62,368 | 60,278 |
| Outsourced wages | 745,381 | 490,583 | 33,541 | 20,545 |
| | **4,942,421** | **4,619,123** | **1,290,680** | **1,283,431** |

The average number of employees was:

| | Group | | Company | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | No. | No. | No. | No. |
| Management and operations | 244 | 226 | 31 | 34 |

## 7 Net finance costs

The following amounts may be analysed as follows for the reporting periods presented:

| | Group | | Company | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | € | € | € | € |
| Interest on bank loans and overdraft | 177,389 | 555,359 | 434,297 | 517,244 |
| Other interest charges | 22,411 | 24,207 | - | - |
| Interest on bonds payable | 845,018 | 200,930 | - | - |
| Amortisation of bond issue costs | 33,682 | 8,199 | - | - |
| Interest for lease liability | 294,579 | 249,953 | 43,888 | 52,220 |
| **Net finance costs** | **1,373,079** | **1,038,648** | **478,185** | **569,464** |

## 8 Loss before tax

The loss before tax is stated after charging:

| | Group | | Company | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | € | € | € | € |
| Auditors' remuneration | 45,700 | 44,500 | 4,400 | 4,300 |
| Directors' remuneration | 72,000 | 48,000 | - | - |
| Depreciation on property, plant and equipment | 260,585 | 336,560 | 36,985 | 33,456 |
| Amortisation of intangible assets | 27,145 | 51,364 | 9,689 | 25,405 |
| Amortisation of property management rights | 606,000 | 606,000 | - | - |
| Amortisation of right-of-use asset | 989,976 | 962,918 | 186,533 | 186,532 |

## 9 Tax income

The relationship between the expected (expense) income based on the effective tax rate of the group and the company at 35% (2023: 35%) and the actual tax income recognised in the statement of comprehensive income can be reconciled as follows:

| | Group | | Company | |
|---|---|---|---|---|
| | **2024** | **2023** | **2024** | **2023** |
| | **€** | **€** | **€** | **€** |
| Loss before tax | (1,745,300) | (1,032,338) | (659,487) | (480,534) |
| Tax rate | 35% | 35% | 35% | 35% |
| **Expected tax income** | **610,855** | **361,318** | **230,820** | **168,186** |
| Adjustments for: | | | | |
| Depreciation on ineligible assets | (2,615) | (1,882) | - | - |
| Maintenance allowance on rental income | 102,911 | 99,724 | 1,827 | 1,775 |
| Disallowable expenses | (67,360) | (24,939) | (5,425) | (6,147) |
| Other permanent differences | 7,589 | (8,396) | (2,325) | (1,698) |
| **Actual tax income, net** | **651,380** | **425,825** | **224,897** | **162,116** |
| **Comprising:** | | | | |
| Current tax expense | (283,557) | (392,338) | - | - |
| Deferred tax income (expense) resulting from origination and reversal of temporary differences | 934,937 | 425,825 | 224,897 | 162,116 |
| Compensation received for losses surrendered to group companies | - | 392,338 | - | - |
| **Tax income** | **651,380** | **425,825** | **224,897** | **162,116** |

Refer to note 18 for information on the group and company's deferred tax asset (liability).

## 10 Goodwill

The movement in the net carrying amount of goodwill is as follows:

| | **2024** | **2023** |
|---|---|---|
| | **€** | **€** |
| Balance as at 1 January/31 December | **3,610,315** | **3,610,315** |

### 10.1 Acquisition of Cyka Limited

On 9 June 2017, the company acquired 100% of the equity instruments of Cyka Limited. Cyka Limited is in the business of importation and distribution of various brands of fashion wear such as Promod, Caroll, Morgan and Jules. Goodwill recognised amounted to € 2,897,152.

### 10.2 Acquisition of Firm J.P Caruana

On 9 January 2017, C. Camilleri & Sons Limited acquired the operational business of Firm J.P Caruana. The operational business includes the importation and distribution of sweets, gums, jellies, chocolates and biscuits. The group's acquisition of the business was made to achieve the critical mass required to enter into profitability grounds. Goodwill recognised amounted to € 713,163.

## 11 Intangible assets

Details of the group's intangible assets and their carrying amounts are as follows:

**Group**

| | Computer software € | Franchise rights € | Total € |
|---|---|---|---|
| **Gross carrying amount** | | | |
| Balance at 1 January 2024 | 346,760 | 869,887 | 1,216,647 |
| Additions | 28,013 | - | 28,013 |
| Balance at 31 December 2024 | 374,773 | 869,887 | 1,244,660 |
| **Amortisation** | | | |
| Balance at 1 January 2024 | 332,168 | 486,592 | 818,760 |
| Amortisation for the year | 11,012 | 16,133 | 27,145 |
| Balance at 31 December 2024 | 343,180 | 502,725 | 845,905 |
| **Carrying amount at 31 December 2024** | **31,593** | **367,162** | **398,755** |

| | Computer software € | Franchise rights € | Total € |
|---|---|---|---|
| **Gross carrying amount** | | | |
| Balance at 1 January 2023 | 330,703 | 869,887 | 1,200,590 |
| Additions | 16,057 | - | 16,057 |
| Balance at 31 December 2023 | 346,760 | 869,887 | 1,216,647 |
| **Amortisation** | | | |
| Balance at 1 January 2023 | 304,517 | 462,879 | 767,396 |
| Amortisation for the year | 27,651 | 23,713 | 51,364 |
| Balance at 31 December 2023 | 332,168 | 486,592 | 818,760 |
| **Carrying amount at 31 December 2023** | **14,592** | **383,295** | **397,887** |

**Company**

Details of the company's intangible asset and its carrying amount is as follows:

| | Computer software € |
|---|---|
| **Gross carrying amount** | |
| Balance at 1 January 2024 | 295,443 |
| Additions | 28,013 |
| Balance at 31 December 2024 | **323,456** |
| **Amortisation** | |
| Balance at 1 January 2024 | 280,149 |
| Amortisation for the year | 9,689 |
| Balance at 31 December 2024 | **289,838** |
| **Carrying amount at 31 December 2024** | **33,618** |
| **Gross carrying amount** | |
| Balance at 1 January 2023 | 279,386 |
| Additions | 16,057 |
| Balance at 31 December 2023 | 295,443 |
| **Amortisation** | |
| Balance at 1 January 2023 | 254,744 |
| Amortisation for the year | 25,405 |
| Balance at 31 December 2023 | 280,149 |
| **Carrying amount at 31 December 2023** | **15,294** |

## 12 Property, plant and equipment

Details of the group's property, plant and equipment and their carrying amounts can be analysed as follows:

| Group | Properties | Leasehold improvements and improvements to premises | Air conditioning | Furniture and fittings | Office equipment | Plant and machinery | Motor vehicles | Catering equipment | Computer equipment | Electrical installations | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | € | € | € | € | € | € | € | € | € | € | € |
| **Gross carrying amount** | | | | | | | | | | | |
| Balance at 1 January 2024 | 24,795,208 | 756,488 | 97,857 | 4,779,596 | 344,394 | 1,799,551 | 291,588 | 408,197 | 222,503 | 1,002,987 | 34,498,369 |
| Additions | - | 11,844 | - | 100,982 | 11,090 | 54,498 | 23,400 | 7,591 | 1,805 | - | 211,210 |
| Balance at 31 December 2024 | 24,795,208 | 768,332 | 97,857 | 4,880,578 | 355,484 | 1,854,049 | 314,988 | 415,788 | 224,308 | 1,002,987 | 34,709,579 |
| **Depreciation** | | | | | | | | | | | |
| Balance at 1 January 2024 | 25,593 | 472,849 | 57,741 | 4,433,332 | 314,302 | 1,675,549 | 291,588 | 357,197 | 184,796 | 870,786 | 8,683,733 |
| Depreciation for the year | 215 | 9,223 | 9,727 | 138,292 | 14,906 | 32,918 | 3,399 | 8,223 | 10,472 | 33,210 | 260,585 |
| Balance at 31 December 2024 | 25,808 | 482,072 | 67,468 | 4,571,624 | 329,208 | 1,708,467 | 294,987 | 365,420 | 195,268 | 903,996 | 8,944,318 |
| **Carrying amount at 31 December 2024** | **24,769,400** | **286,260** | **30,389** | **308,954** | **26,276** | **145,582** | **20,001** | **50,368** | **29,040** | **98,991** | **25,765,261** |
| **Gross carrying amount** | | | | | | | | | | | |
| Balance at 1 January 2023 | 24,795,208 | 756,488 | 89,247 | 4,771,092 | 317,714 | 1,797,763 | 291,588 | 401,390 | 198,015 | 999,187 | 34,417,692 |
| Additions | - | - | 8,610 | 8,504 | 26,680 | 1,788 | - | 6,807 | 24,488 | 3,800 | 80,677 |
| Balance at 31 December 2023 | 24,795,208 | 756,488 | 97,857 | 4,779,596 | 344,394 | 1,799,551 | 291,588 | 408,197 | 222,503 | 1,002,987 | 34,498,369 |
| **Depreciation** | | | | | | | | | | | |
| Balance at 1 January 2023 | 25,593 | 469,212 | 45,112 | 4,239,704 | 303,742 | 1,624,985 | 291,588 | 343,016 | 176,705 | 827,516 | 8,347,173 |
| Depreciation for the year | - | 3,637 | 12,629 | 193,628 | 10,560 | 50,564 | - | 14,181 | 8,091 | 43,270 | 336,560 |
| Balance at 31 December 2023 | 25,593 | 472,849 | 57,741 | 4,433,332 | 314,302 | 1,675,549 | 291,588 | 357,197 | 184,796 | 870,786 | 8,683,733 |
| **Carrying amount at 31 December 2023** | **24,769,615** | **283,639** | **40,116** | **346,264** | **30,092** | **124,002** | **-** | **51,000** | **37,707** | **132,201** | **25,814,636** |

## 12 Property, plant and equipment (continued)

Details of the company's property, plant and equipment and their carrying amounts can be analysed as follows:

| Company | Properties | Improvements to premises | Furniture and fittings | Office equipment | Plant and machinery | Motor vehicles | Electrical installation | Total |
|---|---|---|---|---|---|---|---|---|
| | € | € | € | € | € | € | € | € |
| **Gross carrying amount** | | | | | | | | |
| Balance at 1 January 2024 | 213,681 | 181,241 | 349,815 | 131,870 | 672,170 | 261,788 | 110,913 | 1,921,478 |
| Additions | - | - | | 3,644 | 5,500 | 23,400 | - | 32,544 |
| Balance at 31 December 2024 | 213,681 | 181,241 | 349,815 | 135,514 | 677,670 | 285,788 | 110,913 | 1,954,022 |
| **Depreciation** | | | | | | | | |
| Balance at 1 January 2024 | - | - | 327,643 | 99,166 | 669,191 | 261,788 | 83,318 | 1,441,106 |
| Depreciation for the year | - | - | 16,540 | 12,013 | 912 | 2,072 | 5,448 | 36,985 |
| Balance at 31 December 2024 | - | - | 344,183 | 111,179 | 670,103 | 263,860 | 88,766 | 1,478,091 |
| **Carrying amount at 31 December 2024** | **213,681** | **181,241** | **5,632** | **24,335** | **7,567** | **21,328** | **22,147** | **475,931** |
| **Gross carrying amount** | | | | | | | | |
| Balance at 1 January 2023 | 213,681 | 181,241 | 349,340 | 106,484 | 672,170 | 261,788 | 110,913 | 1,895,617 |
| Additions | - | - | 475 | 25,386 | - | - | - | 25,861 |
| Balance at 31 December 2023 | 213,681 | 181,241 | 349,815 | 131,870 | 672,170 | 261,788 | 110,913 | 1,921,478 |
| **Depreciation** | | | | | | | | |
| Balance at 1 January 2023 | - | - | 309,011 | 90,702 | 668,279 | 261,788 | 77,870 | 1,407,650 |
| Depreciation for the year | - | - | 18,632 | 8,464 | 912 | - | 5,448 | 33,456 |
| Balance at 31 December 2023 | - | - | 327,643 | 99,166 | 669,191 | 261,788 | 83,318 | 1,441,106 |
| **Carrying amount at 31 December 2023** | **213,681** | **181,241** | **22,172** | **32,704** | **2,979** | **-** | **27,595** | **480,372** |

## 13 Right-of-use assets

The group's right-of-use assets are as follows:

| | Leased property € |
|---|---|
| **Cost** | |
| At 1 January 2024 | 9,560,060 |
| Modification of lease | 1,893,179 |
| Derecognition | (1,349,337) |
| **At 31 December 2024** | 10,103,902 |
| **Accumulated depreciation** | |
| At 1 January 2024 | 5,233,378 |
| Derecognition | (1,349,337) |
| Charge for the year | 989,976 |
| **At 31 December 2024** | 4,874,017 |
| **Carrying amount as at 31 December 2024** | **5,229,885** |
| **Cost** | |
| At 1 January 2023 | 9,378,561 |
| Modification of lease | 181,499 |
| **At 31 December 2023** | 9,560,060 |
| **Accumulated depreciation** | |
| At 1 January 2023 | 4,270,460 |
| Charge for the year | 962,918 |
| **At 31 December 2023** | 5,233,378 |
| **Carrying amount as at 31 December 2023** | **4,326,682** |

The company's right-of-use assets are as follows:

| | |
|---|---|
| **Cost** | |
| At 1 January 2024 | 1,741,747 |
| Derecognition | (700,265) |
| **As 31 December 2024** | 1,041,482 |
| **Accumulated depreciation** | |
| At 1 January 2024 | 932,661 |
| Derecognition | (494,305) |
| Charge for the year | 186,533 |
| **At 31 December 2024** | 624,889 |
| **Carrying amount as at 31 December 2024** | **416,593** |
| **Cost** | |
| **At 1 January / 31 December 2023** | 1,741,747 |
| **Accumulated depreciation** | |
| At 1 January 2023 | 746,129 |
| Charge for the year | 186,532 |
| **At 31 December 2023** | 932,661 |
| **Carrying amount as at 31 December 2023** | **809,086** |

## 14 Long-term financial assets

| | Group | | Company | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | € | € | € | € |
| **Financial assets:** | | | | |
| Amounts due from third parties | - | 68,219 | - | - |
| **Long term financial assets** | **-** | **68,219** | **-** | **-** |

The carrying amount of long-term financial assets is considered a reasonable approximation of fair value.

## 15 Investment property

Investment property is all owned by the parent company. It includes properties which are held to earn rental income and for capital appreciation.

Rental income for the year amounts to € 26,105 (2023: € 25,355) and is included within 'other income'.

The fair values of immovable properties have been arrived at by independent valuers not related to the group having appropriate qualifications and experience in the valuation of properties in Malta. The fair value of the investment property is based on the estimated market value of the property as per architect's valuation dated 14 September 2024. Changes in the carrying amounts presented in the statement of financial position can be summarised as follows:

| | Group | | Company | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | € | € | € | € |
| At 1 January | 16,492 | 16,492 | 9,278,927 | 9,278,927 |
| Additions | - | - | 10,605,000 | - |
| Reclassification | - | - | 4,545,000 | - |
| **At 31 December** | **16,492** | **16,492** | **24,428,927** | **9,278,927** |

The company owns various immovable properties held to earn rentals from related parties and are therefore classified as Investment Property. On 5 May 2017, the company entered into a property management rights agreement with Orion Retail Investments Limited ('property manager'), a subsidiary company, by virtue of which the company appointed the latter as its agent in order to manage and administer the properties, for a period of 25 years, commencing from the date of the agreement. The property management rights were valued at € 15,150,000.

On 31 December 2024, Orion Retail Investments Limited and the company agreed to terminate the agreement made on 5 May 2017. All provisions contained therein will cease to exist. After the termination, the unamortised value of the property management rights of €10,605,000 were transferred back to the company. Both parties also agreed that the unamortised value of the property management rights of shall become due by Camilleri Holdings Limited to Orion Retail Investments Limited, the sum has no fixed term for repayment and shall not carry interest.

Due to the difference in accounting policy, the company reclassified its investment in subsidiary in Orion Retail Investments Limited amounting to €4,545,000 to investment property to bring it back to its original fair value. This also represents the amortisation of the property management rights still lodged in the retained earnings of Orion Retain Investments Limited.

At group level, the immovable properties and the value of the property management rights are reclassified from 'Investment property' and 'Intangible assets' respectively to 'Property, plant and equipment' with the exception of one immovable property, carried at € 16,492 which is not used by the group and is therefore retained as 'Investment property'.

The parent company has pledged its property to secure banking facilities granted to subsidiaries.

## 16 Investment in subsidiaries

| | 2024 € | 2023 € |
|---|---|---|
| At 1 January | 9,871,552 | 9,871,552 |
| Reclassification | (4,545,000) | - |
| At 31 December | **5,326,552** | **9,871,552** |

The company has unquoted investments in the following subsidiaries:

| Name of company | Description of shares held | % Holding | 2024 € | 2023 € | Nature of business |
|---|---|---|---|---|---|
| C. Camilleri and Sons Limited | 10,000 ordinary shares of € 2.329373 each | 99.99 | 23,291 | 23,291 | Importation, distribution and retailing of chocolate, confectionary biscuits and ancillary products |
| C. Camilleri & Sons (Catering) Ltd | 262,580 (2019: 5,000) ordinary shares of € 2.329373 each | 99.98 | 611,645 | 611,645 | Manufacture of food and hiring of exclusive wedding venue rentals |
| Camilleri Establishment Limited | 10,000 ordinary shares of € 2.329373 each | 99.99 | 23,291 | 23,291 | Department store selling Matalan products |
| Camilleri Trading Limited | 5,000 ordinary shares of € 2.329373 each | 99.98 | 11,645 | 11,645 | Sales of mother and baby products |
| Camilleri Investment Limited | 10,000 ordinary shares of € 1 each | 100 | 10,000 | 10,000 | Sales of wearing Apparel |
| Camilleri Import & Export Limited | 5,000 ordinary shares of € 1 each | 100 | 5,000 | 5,000 | Non-trading |
| Camilleri Trends Ltd | 10,000 ordinary shares of € 1 each | 100 | 10,000 | 10,000 | Non-trading |
| Orion Retail Investments Limited | 3,014,764 ordinary shares of € 2 each | 100 | 1,484,528 | 6,029,528 | Leasing |
| Cyka Limited | 250,000 ordinary shares of € 1 each | 100 | 3,147,152 | 3,147,152 | Importation of fashion wear |
| | | | **5,326,552** | **9,871,552** | |

The company has an indirect investment in the below mentioned company through its investment in Orion Retail Investments Limited as follows:

| Name of company | Description of shares held | % Holding | 2024 € | 2023 € | Nature of business |
|---|---|---|---|---|---|
| Camilleri Finance p.l.c. (formerly Orion Finance p.l.c.) | 49,999 ordinary 'A' shares of €1 each and 1 ordinary 'B' share of €1 each | 100 | 49,999 | 49,999 | Financing company |

The registered office of C. Camilleri & Sons Limited, C. Camilleri & Sons (Catering) Ltd and Camilleri Trading Limited is situated at 63 St. Dominic Street, Valletta, VLT 1602.

The registered office of Camilleri Investments Limited, Camilleri Import & Export Limited and Camilleri Trends Ltd is situated at 13-20, Manuel Borg Gauci Street, Qormi QRM 4000.

The registered office of Camilleri Establishments Limited is situated at 196, Merchants Street, Valletta.

The registered office of Orion Retail Investments and Camilleri Finance p.l.c. (formerly Orion Finance p.l.c.) is situated at 14, Manuel Borg Gauci Street, Qormi QRM 4000. During the year, the carrying amount of the investment amounting to € 4,545,000 were transferred to investment property (see note 15).

The registered office of Cyka Limited is situated at 218, Merchants' Street, Valletta VLT 1170.

## 17 Investment in associates

| | Group | | Company | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | € | € | € | € |
| At 1 January/ 31 December | **28,232** | **28,232** | **28,232** | **28,232** |

The group and company have the following interest in associates:

| Name of company | Description of shares held | % Holding | 2024 € | 2023 € | Nature of business |
|---|---|---|---|---|---|
| Re-Store Limited | 6,000 ordinary shares of € 2.329373 each | 50 | 13,976 | 13,976 | Sub-leasing of properties |
| Treat & Taste Limited | 6,120 ordinary shares of € 2.329373 each | 51 | 14,256 | 14,256 | Non-trading |
| | | | **28,232** | **28,232** | |

The registered office of Re-Store Limited is Demajo House, 103 Archbishop Street, Valletta.

The registered office of Treat & Taste Limited is 13-20, Manuel Borg Gauci Street, Qormi QRM 4000.

The group and company's interests in associates are unquoted investments and hence their fair value cannot be determined.

### Significant judgements and assumptions

The company holds 50% and 51% of the ordinary shares of Re-Store Limited and Treat & Taste Limited, respectively. The remaining shareholdings are held by other investors.

Management has reassessed its involvement in both companies in accordance with IFRS 10's revised control definition and guidance. It has concluded that it has significant influence but not outright control. In making its judgement, management considered its voting rights and its involvement in the management and administration of the company.

Financial information on the associates could not be obtained. Investments in associates are not considered to be material to the group.

## 18 Deferred tax assets (liabilities)

Deferred taxes arising from temporary differences and unused tax losses and capital allowances can be summarised as follows:

**Group**

| | 1 January 2024 € | Recognised in profit or loss € | 31 December 2024 € |
|---|---|---|---|
| **Non-current assets** | | | |
| Property, plant and equipment | (880,245) | 14,121 | (866,124) |
| Right-of-use assets | 439,923 | (34,153) | 405,770 |
| **Noncurrent liabilities** | | | |
| Unrealised exchange differences | (17,158) | - | (17,158) |
| **Current assets** | | | |
| Trade receivables | 641,223 | 10 | 641,233 |
| **Unused capital allowances** | 1,161,747 | 83,959 | 1,245,706 |
| **Unused tax losses** | 637,654 | 871,000 | 1,508,654 |
| **Total** | **1,983,144** | **934,937** | **2,918,081** |
| **Recognised as:** | | | |
| - **Deferred tax assets** | **3,007,873** | | **3,919,037** |
| - **Deferred tax liabilities** | **(1,024,729)** | | **(1,000,956)** |

\-

Deferred taxes for comparative period can be summarised as follows:

**Group**

| | 1 January 2023 € | Recognised in profit or loss € | 31 December 2023 € |
|---|---|---|---|
| **Non-current assets** | | | |
| Property, plant and equipment | (895,520) | 15,275 | (880,245) |
| Right-of-use assets | 420,041 | 19,882 | 439,923 |
| **Noncurrent liabilities** | | | |
| Unrealised exchange differences | (17,158) | - | (17,158) |
| **Current assets** | | | |
| Trade receivables | 641,223 | - | 641,223 |
| **Unused capital allowances** | 1,069,207 | 92,540 | 1,161,747 |
| **Unused tax losses** | 339,526 | 298,128 | 637,654 |
| **Total** | **1,557,319** | **425,825** | **1,983,144** |
| **Recognised as:** | | | |
| - **Deferred tax assets** | **2,566,344** | | **3,007,873** |
| - **Deferred tax liabilities** | **(1,009,025)** | | **(1,024,729)** |

**Company**

| | 1 January 2024 € | Recognised in profit or loss € | 31 December 2024 € |
|---|---|---|---|
| **Non-current assets** | | | |
| Investment property | (992,407) | - | (992,407) |
| Property, plant and equipment | (9,482) | 1,674 | (7,808) |
| Right-of-use assets | 58,168 | (21,909) | 36,259 |
| **Unused capital allowances** | 467,495 | 14,662 | 482,157 |
| **Unused tax losses** | 148,989 | 230,470 | 379,459 |
| **Total** | **(327,237)** | **224,897** | **(102,340)** |
| **Recognised as:** | | | |
| - **Deferred tax asset** | **674,652** | | **897,875** |
| - **Deferred tax liabilities** | **(1,001,889)** | | **(1,000,215)** |

Deferred taxes for comparative period can be summarised as follows:

| | 1 January 2023 € | Recognised in profit or loss € | 31 December 2023 € |
|---|---|---|---|
| **Non-current assets** | | | |
| Investment property | (992,407) | - | (992,407) |
| Property, plant and equipment | (10,430) | 948 | (9,482) |
| Right-of-use assets | 57,688 | 480 | 58,168 |
| **Unused capital allowances** | 447,842 | 19,653 | 467,495 |
| **Unused tax losses** | 7,954 | 141,035 | 148,989 |
| **Total** | **(489,353)** | **162,116** | **(327,237)** |
| **Recognised as:** | | | |
| - **Deferred tax asset** | **513,484** | | **674,652** |
| - **Deferred tax liabilities** | **(1,002,837)** | | **(1,001,889)** |

See note 9 for information on the group and company's tax income (expense).

## 19 Inventories

| | Group | | Company | |
|---|---|---|---|---|
| | **2024 €** | **2023 €** | **2024 €** | **2023 €** |
| Goods held for resale | **5,190,840** | **4,612,459** | **-** | **-** |

In 2024, a total of € 9,955,572 (2023: € 10,598,872) of inventories was included in the consolidated profit and loss as cost of goods sold.

## 20 Trade and other receivables

| | Group | | Company | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | € | € | € | € |
| Trade receivables, gross | 2,608,040 | 2,489,926 | 354 | 354 |
| Provision for impairment | (1,832,061) | (1,832,061) | - | - |
| **Trade receivables, net** | **775,979** | **657,865** | **354** | **354** |
| Amounts owed by related companies | 608,606 | 660,324 | 7,895,490 | 7,458,652 |
| Amounts owed by shareholders | 49,454 | 49,454 | 49,454 | 49,454 |
| Amount owed by a third party | 41,066 | 63,726 | 40,000 | 40,000 |
| Other receivables | 249,156 | 112,186 | 144,733 | 109,046 |
| **Financial assets** | **1,724,261** | **1,543,555** | **8,130,031** | **7,657,506** |
| Other receivables | 71,220 | 108,182 | 29,104 | 2,372 |
| Prepayments | 163,267 | 256,780 | 111,059 | 79,923 |
| **Trade and other receivables** | **1,958,748** | **1,908,517** | **8,270,194** | **7,739,801** |

The amounts owed by related companies and the amounts owed by shareholders are unsecured, interest free and repayable on demand.

The amount owed by a third party is unsecured, interest free and repayable on demand.

The carrying value of loans and receivables is considered a reasonable approximation of fair value.

In determining the recoverability of trade receivables, the group and the company considers any change in the credit quality of each trade receivable from the date credit was initially granted up to the reporting date. The concentration of credit risk is limited due to the customer base being large and unrelated.

## 21 Cash and cash equivalents

Cash and cash equivalents include the following components:

| | Group | | Company | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | € | € | € | € |
| Cash and bank balances | 3,593,764 | 3,004,691 | 31,537 | 41,131 |
| **Cash and cash equivalents in the statement of financial position** | **3,593,764** | **3,004,691** | **31,537** | **41,131** |
| Bank overdrafts | (2,734,435) | (4,984,713) | (2,446,978) | (3,561,064) |
| **Cash and cash equivalents in the statement of cash flows** | **859,329** | **(1,980,022)** | **(2,415,441)** | **(3,519,933)** |

The company did not have restrictions on cash on hand and at bank at year-end.

## 22 Share capital

The share capital of Camilleri Holdings Limited consists of fully paid ordinary 'A' shares, 'B' shares and 'C' shares with a par value of € 2 each. Ordinary 'A' shares are entitled to receive dividends before all other shareholders. Ordinary 'B' shares have one vote for each share held during general meetings at the Company. Ordinary 'C' shares are then entitled to dividends, if any, is still available after distributing to ordinary 'A' shares.

| | 2024 | 2023 |
|---|---|---|
| | € | € |
| **Shares issued and fully paid at 31 December** | | |
| 12,576 ordinary 'A' shares of € 2 each | 25,152 | 25,152 |
| 12,576 ordinary 'B' shares of € 2 each | 25,152 | 25,152 |
| 12,576 ordinary 'C' shares of € 2 each | 25,152 | 25,152 |
| | **75,456** | **75,456** |
| **Shares authorised at 31 December** | | |
| 12,576 ordinary 'A' shares of € 2 each | 25,152 | 25,152 |
| 12,576 ordinary 'B' shares of € 2 each | 25,152 | 25,152 |
| 12,576 ordinary 'C' shares of € 2 each | 25,152 | 25,152 |
| | **75,456** | **75,456** |

## 23 Bonds payable

| | 2024 | 2023 |
|---|---|---|
| **The group** | € | € |
| **Non-current** | | |
| 5,000,000 4.75% Unsecured bonds 2027 | **-** | **4,121,304** |
| 15,000,000 6.25% Unsecured bonds 2034 | **14,654,533** | **-** |

The amortised cost and closing carrying amount is analysed as follows:

| | 2024 | 2023 |
|---|---|---|
| Bonds outstanding (face value) - 5,000,000 4.75% Unsecured bonds 2027 | **4,150,000** | **4,450,000** |
| Bonds outstanding (face value) - 15,000,000 6.25% Unsecured bonds 2034 | **15,000,000** | **-** |
| Gross amount of bond issue costs - 5,000,000 4.75% Unsecured bonds 2027 | (81,991) | (81,991) |
| Gross amount of bond issue costs - 15,000,000 6.25% Unsecured bonds 2034 | (387,783) | - |
| **Amortisation of gross amount of bond issue costs:** | | |
| Amortised bond issue costs brought forward | 53,295 | 45,096 |
| Amortisation charge for the year - 5,000,000 4.75% Unsecured bonds 2027 | 1,367 | 8,199 |
| Amortisation charge for the year - 15,000,000 6.25% Unsecured bonds 2034 | 32,315 | - |
| Loss on redemption on bonds - 5,000,000 4.75% Unsecured bonds 2027 | 37,330 | - |
| | **(345,467)** | **(28,696)** |
| Redemption of bonds | **(4,150,000)** | **(300,000)** |
| **Amortised cost and closing carrying amount** | **14,654,533** | **4,121,304** |

The bonds were issued by Orion Finance P.L.C. (issuer) and constitute the general direct, unconditional and unsecured obligation of the issuer guaranteed by the Orion Retail Investments Limited (guarantor), and shall at all times rank pari passu, without any priority or preference among themselves and with other outstanding and unsecured debt of the issuer and the guarantor, present and future. In addition, the bonds will rank after any further debts which may be secured by a cause of preference such as a privilege and/or a hypothec.

**Sinking fund**

The Company Admission Document provides that as from financial year end 31 December 2019, the Group is to set up a sinking fund to be administered independently to cover 100% of the value of the issued bonds until redemption date. The contributions to the sinking fund as at 31 December 2024 amounted to €850,000. As at 31 December 2024, €850,000 of the sinking fund were utilised to buy back the Company's bonds in accordance with the Company's Treasury Management Policy. In 2023, the Company did not transfer funds to the sinking fund given that in December 2024, MFSA approved the issuance of €15,000,000 6.25% Unsecured Bonds 2034 and in line with the Company's Prospectus dated 19 December 2023, part of the proceeds are to be used to redeem the remaining bonds. Given that the subscription of the new bonds took place in the first quarter of the year 2023, and was subject to bondholder approval, whereby a bondholders meeting was held on 12 January 2024, as at 31 December 2023, the Company still maintained a minimum cash reserve of €500,000 (as per Company's Treasury Management Policy for the year 2024) subject to bondholder approval and receipt of funds.

**Issuance of 15,000,000 6.25% Unsecured bonds 2034**

In 16 February 2024, Camilleri Finance p.l.c., issued € 15,000,000 6.25% unsecured bonds to the Official List of the Malta Stock Exchange, which are guaranteed by the parent company. The bonds shall be due for redemption in 2034 and shall bear interest annually at a fixed interest rate of 6.25% per annum, payable annually. The proceeds from the bond issue, which net of bond issue costs are expected to amount to € 14,612,217, will be used by Camilleri Finance p.l.c. for the purposes, in the amounts and order of priority, set below:

- The amount of approximately € 4,200,000 will be used to repurchase all outstanding 2017 Orion Prospects Bonds and pay any interest thereon;
- The amount of approximately € 3,200,000 will be used to make the group facilities repayment;
- The amount of approximately € 2,150,000 will be used for the refurbishment expenses; and
- The amount of approximately € 4,950,000 will be used for general corporate funding.

## 24 Borrowings

| | Group | | Company | |
|---|---|---|---|---|
| | 2024 € | 2023 € | 2024 € | 2023 € |
| Bank overdrafts | 2,734,435 | 4,984,713 | 2,446,978 | 3,561,064 |
| Bank borrowings | - | 4,396,954 | - | 3,675,449 |
| **Financial liabilities** | **2,734,435** | **9,381,667** | **2,446,978** | **7,236,513** |
| **Comprising:** | | | | |
| **Non-current** | | | | |
| Loans due between two and five years | - | 3,034,704 | - | 2,852,029 |
| Loans due after more than five years | - | 3,738 | - | 3,738 |
| | **-** | **3,038,442** | **-** | **2,855,767** |
| **Current** | | | | |
| Bank overdrafts | 2,734,435 | 4,984,713 | 2,446,978 | 3,561,064 |
| Loans due within one year | - | 1,358,512 | - | 819,682 |
| | **2,734,435** | **6,343,225** | **2,446,978** | **4,380,746** |

The group's banking facilities comprise of overdraft facilities of € 3,347,700 (2023: € 3,347,700), bank loan facilities of nil (2023: € 4,432,837) and letters of credit facility of € 200,000 (2023: € 200,000).

In 2023, the group's bank borrowings are secured by general hypothecs over the group's assets and by hypothecary guarantees given by the parent and subsidiary companies and related parties. The interest varies between 3.5% and 4.75% per annum. In 2024, the group and the company paid all its existing bank loans.

The company's banking facilities comprise of a general banking facility of € 4,200,000 split into overdraft facility and a guarantee issuing facility with the overdraft limit being capped at a maximum of € 2,297,700 (overdraft limit 2023: € 2,497,700) and a bank loan facility of nil (2023: € 3,711,333).

In 2023, the company's bank borrowings are secured over the company's assets and by guarantees given by subsidiaries and shareholders. The current interest rates vary between 4.65% and 4.75% per annum.

The carrying amounts of borrowings are considered a reasonable approximation of fair value.

## 25 Long term financial liabilities

| | Group | | Company | |
|---|---|---|---|---|
| | **2024** | **2023** | **2024** | **2023** |
| | **€** | **€** | **€** | **€** |
| Loan due to subsidiary company | - | - | 14,919,500 | - |
| **Financial liabilities** | **-** | **-** | **14,919,500** | **-** |

The loan due to subsidiary shall be repayable in full by 16 February 2034. Interest rate is set at 8% based on the outstanding balance payable yearly on 15 February.

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

## 26 Lease liabilities

Lease Liabilities are included in the statement of financial position as follows:

| | Group | | Company | |
|---|---|---|---|---|
| | **2024** | **2023** | **2024** | **2023** |
| | **€** | **€** | **€** | **€** |
| Current | 985,047 | 730,112 | 111,692 | 196,765 |
| Non-current | 5,054,670 | 4,352,389 | 408,497 | 778,515 |
| | **6,039,717** | **5,082,501** | **520,189** | **975,280** |

The group and the company have leases for its leased property. Each lease is included as a right-of-use asset in plant and equipment in the statement of financial position, with the exception of short-term leases (leases with an effected term of 12 months or less) and leases of low-value underlying assets. Variable lease payments which do not depend on an index or a rate (such as lease payments based on a percentage of group sales) are excluded from the initial measurement of the lease liability and asset.

Each lease generally imposes a restriction that, unless there is a contractual right for the group and company to sublet the asset to another party, the right-of-use asset can only be used by the group and the company. Leases are either non-cancellable or may only be cancelled by incurring a substantive termination fee. Some leases contain an option to extend the lease for a further term. The group and the company are prohibited from lending or transferring the underlying leased assets. Upon termination, the right-of-use assets shall be returned to the lender in as good a condition as when received by the group and the company, except for reasonable wear and tear. The group and the company shall ensure that these assets are at all times kept in a good state of repair and return the properties in their original condition at the end of the lease. Further, the group and the company must insure items of property, plant and equipment and incur maintenance fees on such items in accordance with the lease contract.

During the year, a lease of the company with its subsidiary, Orion Retail Investments Limited, were extinguished due to the termination of the property management rights agreement. The company recognised a gain of €52,366 from the derecognition of the right-of-use asset and the related lease liability.

**Group**

| Right-of-use assets | No of right-of-use assets leased | Range of remaining term | Average remaining lease term | No of leases with extension options | No of leases with termination options |
|---|---|---|---|---|---|
| Leased property | 30 | 1 - 18 years | 9 years | 4 | 16 |

**Company**

| Right-of-use assets | No of right-of-use assets leased | Range of remaining term | Average remaining lease term | No of leases with extension options | No of leases with termination options |
|---|---|---|---|---|---|
| Leased property | 2 | 4 - 5 years | 4.5 years | 2 | 2 |

The lease liabilities are secured by the related underlying assets. Future minimum lease payments at 31 December 2024 for the group and company were as follows:

**Group**

| | Minimum lease payments | | | |
|---|---|---|---|---|
| | Not later than one year<br>€ | Later than one year but not later than five years<br>€ | Later than five years<br>€ | Total<br>€ |
| **31 December 2024** | | | | |
| Lease payments | 1,256,852 | 4,136,316 | 1,879,474 | 7,272,642 |
| Finance charges | (271,805) | (655,179) | (305,941) | (1,232,925) |
| **Net present values** | **985,047** | **3,481,137** | **1,573,533** | **6,039,717** |
| **31 December 2023** | | | | |
| Lease payments | 962,762 | 3,258,917 | 2,021,065 | 6,242,744 |
| Finance charges | (232,650) | (593,046) | (334,547) | (1,160,243) |
| **Net present values** | **730,112** | **2,665,871** | **1,686,518** | **5,082,501** |

**Company**

| | Minimum lease payments | | | |
|---|---|---|---|---|
| | Not later than one year<br>€ | Later than one year but not later than five years<br>€ | Later than five years<br>€ | Total<br>€ |
| **31 December 2024** | | | | |
| Lease payments | 135,100 | 445,800 | - | 580,900 |
| Finance charges | (23,408) | (37,303) | - | (60,711) |
| **Net present values** | **111,692** | **408,497** | **-** | **520,189** |
| **31 December 2023** | | | | |
| Lease payments | 240,652 | 859,341 | - | 1,099,993 |
| Finance charges | (43,887) | (80,826) | - | (124,713) |
| **Net present values** | **196,765** | **778,515** | **-** | **975,280** |

**Lease payments not recognised as a liability**

The group and the company have elected not to recognise a lease liability for short term leases (leases with and expected lease term of 12 months or less) or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis. The expense related to payments for short term leases not included in the measurement of lease liability amounted to € 519,329 and € 24,544 (2023: € 376,675 and € 24,544) for the group and the company, respectively. These are included in the 'administrative expenses' in the statement of comprehensive income.

Total cash outflow for leases for the year ended 31 December 2024 was € 935,957 (2023: € 902,564) and € 240,653 (2023: € 185,161) for the group and company, respectively.

## 27 Trade and other payables

Trade and other payables recognised in the statements of financial position can be analysed as follows:

| | Group | | Company | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | € | € | € | € |
| Trade payables | 4,198,845 | 4,880,793 | 196,729 | 267,211 |
| Capital creditors | 20,000 | 20,000 | 20,000 | 20,000 |
| Amounts due to related companies | - | 197,010 | 6,071,088 | 4,086,912 |
| Accrued expenses | 1,194,738 | 403,700 | 12,632 | 14,820 |
| **Financial liabilities** | **5,413,583** | **5,501,503** | **6,300,449** | **4,388,943** |
| Amounts due to CIR | 1,337,689 | 1,775,100 | 541,135 | 577,825 |
| VAT payable | 1,587,388 | 2,141,455 | 273,601 | 392,758 |
| Advance deposit | 135,397 | 61,204 | - | - |
| Unredeemed gift vouchers | 34,911 | 79,382 | - | - |
| **Total trade and other payables** | **8,508,968** | **9,558,644** | **7,115,185** | **5,359,526** |
| **Comprising:** | | | | |
| Current | 7,509,615 | 8,803,155 | 6,791,136 | 5,077,165 |
| Non-current | 999,353 | 755,489 | 324,049 | 282,361 |
| | **8,508,968** | **9,558,644** | **7,115,185** | **5,359,526** |

Short term financial liabilities are carried at their nominal value which is considered a reasonable approximation of fair value.

## 28 Cash flow adjustments and changes in working capital

The following cash flow adjustments and changes in working capital have been made to profit (loss) before tax to arrive at operating cash flow:

| | Group | | Company | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | € | € | € | € |
| **Adjustments:** | | | | |
| Depreciation and amortisation | 287,731 | 387,924 | 46,674 | 58,861 |
| Amortisation of bond issue cost | 33,682 | 8,199 | - | - |
| Interest payable | 236,354 | 788,591 | 434,297 | 517,244 |
| Loss on redemption of bonds | 37,330 | - | - | - |
| Amortisation on lease liability | 989,976 | 962,918 | 186,533 | 186,532 |
| Interest on lease liability | 294,579 | 249,953 | 43,888 | 52,220 |
| Gain on derecognition of lease | - | - | (52,366) | - |
| | **1,879,652** | **2,397,585** | **659,026** | **814,857** |
| **Net changes in working capital:** | | | | |
| Change in inventories | (578,381) | (513,981) | - | - |
| Change in trade and other receivables | (94,305) | (122,065) | (530,394) | (461,702) |
| Change in trade and other payables | (1,049,675) | 1,736,045 | (8,849,341) | 1,420,218 |
| | **(1,722,361)** | **1,099,999** | **(9,379,735)** | **958,516** |

## 29 Related party transactions

The company forms part of the Camilleri Group of Companies. All companies forming part of the group are considered by the directors to be related parties since these companies are ultimately commonly owned.

The group's related parties include subsidiaries, associates, companies under common control, shareholders, directors and key management personnel.

Unless otherwise stated, none of the transactions incorporate special terms and conditions and no guarantee was given or received. Transactions with related parties are generally effected on a cost plus basis. Outstanding balances are usually settled in cash.

The following transactions were carried out with related parties.

| | Company | |
|---|---|---|
| | 2024 | 2023 |
| | € | € |
| Expenditure recharged by subsidiaries | 306,843 | 297,329 |
| Expenditure recharged to subsidiaries | 1,841,782 | 2,390,048 |
| Rent charged by fellow subsidiary company | 105,587 | 102,440 |

Balances due from/to related parties are disclosed in notes 20, 25 and 27 to these consolidated financial statements.

Key management personnel compensation consisting of directors' remuneration has been disclosed in note 8.

## 30 Ultimate controlling party

Camilleri Holdings Limited is controlled by Andre' Camilleri, Anthony Camilleri, Joseph Camilleri and the heirs of Carmel Camilleri, who collectively hold all of the ordinary shares of the company. As noted in note 22 to the financial statements, holders of ordinary shares have the right to attend and vote at the company's general meetings.

## 31 Contingent liabilities

| | Group | | Company | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | € | € | € | € |
| Guarantees given to secure the banking facilities of related companies | - | 4,432,837 | - | 4,432,837 |

## 32 Financial instrument risk

### Risk management objectives and policies

The group and company are exposed to their credit risk, liquidity risk and market risk through their use of financial instruments, which result from both operating and investing activities. The group's and the company's risk management is coordinated by the directors and focuses on actively securing the group and the company's short to medium term cash flows by minimising the exposure to financial risks.

The most significant financial risks to which the group and the company are exposed are described below. See also note 32.4 for a summary of the group and the company's financial assets and liabilities by category.

### 32.1 Credit risk

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

| | Notes | Group 2024 € | Group 2023 € | Company 2024 € | Company 2023 € |
|---|---|---|---|---|---|
| **Classes of financial assets - carrying amounts** | | | | | |
| **Non-current assets** | | | | | |
| Long term financial assets | 14 | **-** | **68,219** | **-** | **-** |
| **Current assets** | | | | | |
| Trade and other receivables | 20 | 1,724,261 | 1,543,555 | 8,130,031 | 7,657,506 |
| Cash and cash equivalents | 21 | 3,593,764 | 3,004,691 | 31,537 | 41,131 |
| | | **5,318,025** | **4,548,246** | **8,161,568** | **7,698,637** |

The group and the company continuously monitor defaults of customers and other counterparties, identified either individually or by group, and incorporate this information into its credit risk controls. The group and the company's policy is to deal only with creditworthy counterparties.

None of the group and the company's financial assets are secured by collateral or other credit enhancements.

The company has issued guarantees as stated in note 31 which is the maximum exposure to credit risk if the company is called upon to pay such guarantees.

*Trade receivables*

The company applies the IFRS 9 simplified model of recognising lifetime expected credit losses for all trade receivables as these items do not have a significant financing component.

In measuring the expected credit losses, the trade receivables have been assessed on a collective basis as they possess shared credit risk characteristics. They have been grouped based on the days past due and also according to the geographical location of customers.

The expected loss rates are based on the payment profile for sales over the past 36 months before 31 December and 1 January respectively as well as the corresponding historical credit losses during that period. The historical rates are adjusted to reflect current and forwarding looking macroeconomic factors affecting the customer's ability to settle the amount outstanding.

Trade receivables are written off (i.e. derecognised) when there is no reasonable expectation of recovery. Failure to make payments within 180 days from the invoice date and failure to engage with the company on alternative payment arrangement amongst other is considered indicators of no reasonable expectation of recovery.

The company does not have significant credit risk exposure with respect to trade receivables since the amount of receivables at year end is negligible.

On the above basis the expected credit loss for trade receivables for the group as at 31 December 2024 and 1 January 2024 was determined as follows:

| **31 December 2024** | **Current** | **More than 30 days** | **More than 60 days** | **More than 90 days** | **Total** |
|---|---|---|---|---|---|
| Expected credit loss rate (%) | 3.28 | 1.71 | 2.96 | 94.26 | |
| Gross carrying amount (€) | 231,999 | 292,535 | 137,075 | 1,946,431 | 2,608,040 |
| Lifetime expected credit loss | 7,610 | 5,002 | 4,057 | 1,834,706 | 1,851,375 |

| **31 December 2023** | **Current** | **More than 30 days** | **More than 60 days** | **More than 90 days** | **Total** |
|---|---|---|---|---|---|
| Expected credit loss rate (%) | 3.28 | 1.71 | 2.96 | 94.26 | |
| Gross carrying amount (€) | 173,546 | 188,470 | 117,154 | 2,010,756 | 2,489,926 |
| Lifetime expected credit loss | 5,696 | 3,227 | 3,468 | 1,895,359 | 1,907,750 |

*Other financial assets at amortised cost*

Other financial assets at amortised cost include related party receivables and cash and cash equivalents.

With respect to balances with related parties (as disclosed in note 20), the group and the company assess the credit quality of these related parties by taking into account financial position, performance and other factors. In measuring the expected credit losses in these balances, management determined the impairment provision independently from third party receivables and as at 31 December 2024, there was no impairment in relation to third party balances. Management take cognisance of the related party relationship with these entities and settlement arrangements in place and does not expect any losses from non-performance or default.

The group and the company bank with local institutions. At 31 December 2024, the group and the company held cash and cash equivalents amounting to € 3,593,764 and € 31,537 (2023: € 3,004,691 and € 41,131) respectively with local counterparties with credit ratings of A-1, A-2 and BBB- (2023: A-1, A-2 and BBB-) and are callable on demand. Management considers the probability of default to be close to zero as the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12 month expected credit losses as any such impairment would be insignificant to the group and company.

### 32.2 Liquidity risk

The group and the company's exposure to liquidity risk arises from its obligations to meet its financial liabilities, which comprise, bonds payable, bank borrowings, other long-term financial liabilities, lease liabilities and trade and other payables (see notes 23, 24, 25, 26 and 27). Prudent liquidity risk management includes maintaining sufficient cash and committed credit facilities to ensure the availability of an adequate amount of funding to meet the company's obligations when they become due.

The directors ensure that target inflows are received as required to enable the group and the company to meet its financial liabilities as they fall due. The group's and the company's liquidity risk is not deemed to be significant in view of the matching of cash inflows and outflows arising from expected maturities of financial instruments, as well as the group's and the company's committed borrowing facilities that it can access to meet liquidity needs.

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

| 31 December 2024 – group | Current | Non-current | |
|---|---|---|---|
| | within 1 year | 2 to 5 years | later than 5 years |
| | € | € | € |
| Bank overdraft | 2,734,435 | - | - |
| Loans | - | - | - |
| Bonds payable | 937,500 | 3,750,000 | 18,750,000 |
| Lease liabilities | 1,256,852 | 4,136,316 | 1,879,474 |
| Trade and other payables | 5,413,583 | - | - |
| | **10,342,370** | **7,886,316** | **20,629,474** |

| 31 December 2024 – company | Current | Non-current | |
|---|---|---|---|
| | within 1 year | 2 to 5 years | later than 5 years |
| | € | € | € |
| Bank overdraft | 2,446,978 | - | - |
| Lease liabilities | 135,100 | 445,800 | - |
| Trade and other payables | 6,300,449 | - | - |
| Other long-term financial liability | - | - | 14,919,500 |
| | **8,882,527** | **445,800** | **14,919,500** |

This compares to the maturity of the group and the company's financial liabilities in the previous reporting period as follows:

| 31 December 2023 – group | Current | Non-current | |
|---|---|---|---|
| | within 1 year | 2 to 5 years | later than 5 years |
| | € | € | € |
| Bank overdraft | 4,984,713 | - | - |
| Loans | 1,358,512 | 3,034,704 | 3,738 |
| Bonds payable | 237,300 | 5,712,500 | - |
| Lease liabilities | 962,762 | 3,258,917 | 2,021,065 |
| Trade and other payables | 5,501,503 | - | - |
| | **13,044,790** | **12,006,121** | **2,024,803** |

| 31 December 2023 – company | Current | Non-current | |
|---|---|---|---|
| | within 1 year | 2 to 5 years | later than 5 years |
| Bank overdraft | 3,561,064 | - | - |
| Loans | 819,682 | 2,852,029 | 3,738 |
| Lease liabilities | 240,652 | 859,341 | - |
| Trade and other payables | 4,388,943 | - | - |
| | **9,010,341** | **3,711,370** | **3,738** |

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

### 32.3 Market risk

#### Foreign currency risk

The group and the company are not exposed to foreign currency risk. Exposure to currency exchange rates mainly arises from the group's and company's purchases from foreign suppliers.

Due to the fact that most foreign currency transactions are denominated in euro, the group's and company's exposure to currency fluctuations are minimal.

#### Interest rate risk

The group and the company's exposure to interest rate risk is limited to the variable interest rate of bank borrowings. Based on observation of current market conditions, management considers a change of +/- 50 basis points to be reasonably possible. The calculations are based on the company's financial instruments held at the end of each reporting period. All other variables are held constant. Consequently, the potential impact of such a shift in interest rates with effect from the beginning of the year on the net results for the reporting periods presented is considered immaterial.

### 32.4 Summary of financial assets and liabilities by category

The carrying amounts of the group and the company's financial assets and liabilities as recognised at the end of the reporting periods under review may also be categorised as follows. See note 4.17 for explanations about how the category of financial instruments affects their subsequent measurement.

| | Group | | Company | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | € | € | € | € |
| **Non-current assets** | | | | |
| Long-term financial assets | **-** | **68,219** | **-** | **-** |
| **Current assets** | | | | |
| Trade and other receivables | 1,724,261 | 1,543,555 | 8,130,031 | 7,657,506 |
| Cash and cash equivalents | 3,593,764 | 3,004,691 | 31,537 | 41,131 |
| | **5,318,025** | **4,548,246** | **8,161,568** | **7,698,637** |
| **Non-current liabilities** | | | | |
| Financial liabilities measured at amortised cost | | | | |
| - Bonds payable | 14,654,533 | 4,121,304 | - | - |
| - Bank and other borrowings | - | 3,038,442 | - | 2,855,767 |
| - Lease liabilities | 5,054,670 | 4,352,389 | 408,497 | 778,515 |
| - Other long-term financial liability | - | - | 14,919,500 | - |
| | **19,709,203** | **11,512,135** | **15,327,997** | **3,634,282** |
| **Current liabilities** | | | | |
| Financial liabilities measured at amortised cost | | | | |
| - Bank and other borrowings | 2,734,435 | 6,343,225 | 2,446,978 | 4,380,746 |
| - Lease liabilities | 985,047 | 730,112 | 111,692 | 196,765 |
| - Trade and other payables | 5,413,583 | 5,501,503 | 6,300,449 | 4,388,943 |
| | **9,133,065** | **12,574,840** | **8,859,119** | **8,966,454** |

### 32.5 Financial instruments measured at fair value

The following table presents non-financial assets measured at fair value in the statement of financial position in accordance with the fair value hierarchy. This hierarchy groups non-financial assets into three levels based on the significance of inputs used in measuring the fair value of the non-financial assets. The fair value hierarchy has the following levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: inputs for the asset that are not based on observable market data (unobservable inputs).

The level within which the non-financial asset is classified is determined based on the lowest level of significant input to the fair value measurement.

| 2024 | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| | € | € | € | € |
| Investment property | - | 9,278,927 | - | 9,278,927 |

| 2023 | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| | € | € | € | € |
| Investment property | - | 9,278,927 | - | 9,278,927 |

The appraisal for investment property was carried using a market approach that reflects observed prices for recent market transactions for similar properties in the same location.

## 33 Capital management policies and procedures

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

In order to maintain or adjust the capital structure, the group and the company may issue new shares, limit the amount of dividends paid, or sell assets to reduce debt.

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

## 34 Post-reporting date events

There were no adjusting or significant non adjusting events between the end of the reporting period and the date of authorisation.

# Independent auditor's report

To the shareholders of Camilleri Holdings Limited

## Report on the audit of the consolidated financial statements

### Opinion

We have audited the consolidated financial statements of Camilleri Holdings Limited set out on pages 4 to 43 which comprise the consolidated and the company statement of financial position as at 31 December 2024, and the consolidated and the company statement of comprehensive income, consolidated and company statement of changes in equity and consolidated and company statement of cash flows for the year then ended, and notes to the consolidated financial statements, including the material accounting policy information.

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

### Basis for opinion

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

### Other information

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

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

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

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

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

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

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

### Responsibilities of those charged with governance for the consolidated financial statements

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

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

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

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

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

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

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

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- the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

**Report on other legal and regulatory requirements**

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

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

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

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

Causon

Sharon Causon (Principal) for and on behalf of

**GRANT THORNTON**
**Certified Public Accountants**

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Malta

29 April 2025