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COMPANY ANNOUNCEMENT

Publication of Financial Analysis Summary 2025

Date of Announcement	25 June, 2025
Reference	JDC 95/2025

The following is a Company Announcement issued by JD Capital p.l.c. (the "**Company**") pursuant to the Capital Markets Rules.

QUOTE

The Board of Directors of the Company hereby announces that the Financial Analysis Summary dated 25 June 2025, compiled by Calamatta Cuschieri Investment Services Limited, has been approved for publication (the "**FAS**"). A copy may be accessed and downloaded from the Company's website at https://jsdgroup.mt/.

UNQUOTE

By order of the Board of Directors of the Company

Dr. Malcolm Falzon
Company Secretary

Calamatta Cuschieri

The Directors
JD Capital p.l.c.
HHF303, Industrial Estate, Hal Far,
Birzebbugia BBG 3000,
Malta

25 June 2025

Dear Board Members,

In accordance with your instructions, and in line with the requirements of the MFSA Listing Policies, we have compiled the Financial Analysis Summary (the "**Analysis**") set out on the following pages and which is being forwarded to you together with this letter.

The purpose of the financial analysis is that of summarising key financial data appertaining to the Issuer (standalone) and the Group (consolidated).

The data is derived from various sources or is based on our own computations as follows:

a) Historical financial data for the three years ending 31 December 2022, 2023 and 2024 has been extracted from the audited financial statements of the Issuer and the Group.

b) The forecast data for the financial year 2025 has been provided by management.

c) Our commentary on the Issuer's and Group's results and financial position has been based on the explanations provided by management.

d) The ratios quoted in this Analysis have been computed by us applying the definitions set out in section 4 of the Analysis.

e) Relevant financial data in respect of competitors has been extracted from public sources such as the websites of the companies concerned or financial statements filed with the Registrar of Companies.

The Analysis is meant to assist investors in the Issuer's securities and potential investors by summarising the more important financial data of the Issuer. The Analysis does not contain all data that is relevant to investors or potential investors. The Analysis does not constitute an endorsement by our firm of any securities of the Issuer and should not be interpreted as a recommendation to invest in any of the Issuer's securities. We shall not accept any liability for any loss or damage arising out of the use of the Analysis. As with all investments, potential investors are encouraged to seek professional advice before investing in the Issuer's securities.

Yours sincerely,

P. Man

Patrick Mangion
Head of Capital Markets

FINANCIAL ANALYSIS SUMMARY 2025

JD Capital p.l.c.

25 June 2025

Prepared by
Calamatta Cuschieri Investment Services Limited

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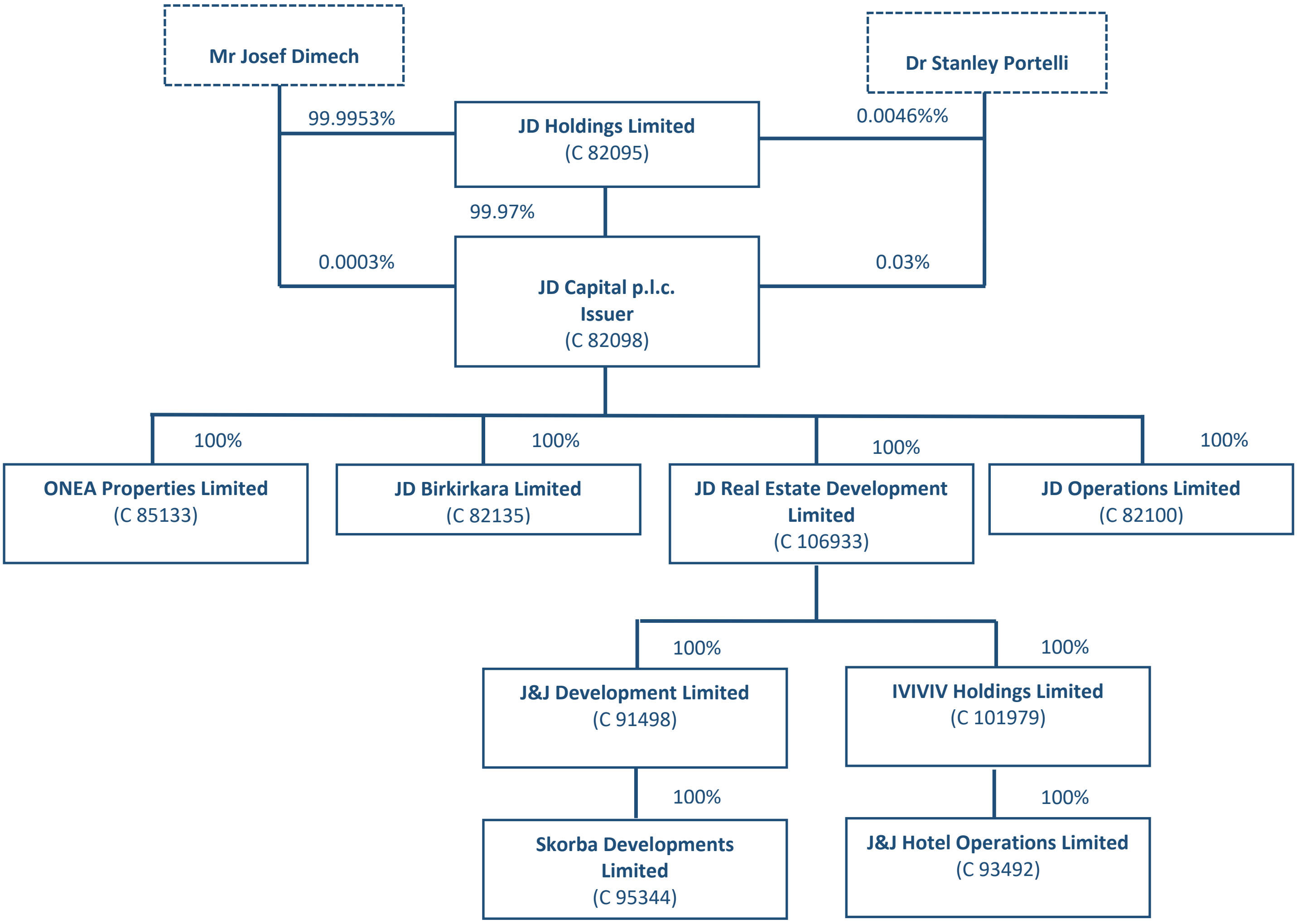
Part 1 Information about the Group

1.1 Issuer's Key Activities and Structure

The Group structure is as follows:



In 2024 the Group underwent a restructuring exercise with the objective of integrating the real estate business interests and experience which Mr Josef Dimech had cultivated over the years through various special purpose vehicles, most of which jointly with third party partners, into the Group. Furthermore, in a company announcement dated 29 November 2024, it was announced that the Group would invest and operate in the third-party logistics (3PL) sector.

Hereunder is a description of all group companies following the reorganisation:

JD Capital p.l.c

The Issuer was incorporated on 9 August 2017 and has, at the date of this Analysis, an authorised share capital of €17,546,700 divided into 17,543,621 Ordinary Shares of €1 each and 3,079 Ordinary A shares of €1 each.

The Issuer along with its 8 subsidiaries constitute the "**Group**". The Issuer acts as both the holding company and financing arm to its subsidiaries. JD Capital p.l.c. is a fully owned subsidiary company of JD Holdings Limited, except for 3,079 ordinary A shares held by Dr Stanley Portelli ("**SP**") and 31 ordinary shares held by Mr Josef Dimech ("**JD**").

JD Holdings Limited

JD Holdings Limited ("**JDH**") was incorporated on 9 August 2017. The authorised share capital of JDH consists of 10,010,000 ordinary shares made up of 10,009,900 ordinary shares and 100 ordinary A shares, all of nominal value of €1. As at the date of this Analysis, the issued share capital of JDH was €2,139,441.

JD Real Estate Development Ltd

JD Real Estate Development Ltd. ("**JDR**") was incorporated on 20 November 2023 and has an authorised share capital of 10,001,200 shares with a nominal value of €1 per share owned by the Issuer. JDR's principal activity is to act as a property investment company.

JD Real Estate Development grew its portfolio through direct acquisitions as well as a result of a reorganisation exercise which consolidated the asset-owning companies previously owned by Mr Josef Dimech personally, into the Group. The Group acquired the shares of the entities with underlying real estate assets from Mr Josef Dimech through share for share exchange.

JD Operations Limited

JD Operations Limited ("**JDO**") was incorporated on 9 August 2017 and has an authorised and issued share capital of 3,501,200 shares with a nominal value of €1 each, which are fully paid up and owned by the Issuer. JDO's principal activity is to manufacture, assemble and install aluminium, steel, wrought iron, large-scale glass formats and stainless-steel works.

JD Birkirkara Limited

JD Birkirkara Limited ("**JDB**") was incorporated on 11 August 2017 and has an authorised and issued share capital of 200,000 shares with a nominal value of €1 per share, which are fully paid up and owned by the Issuer. JDB's principal activity is to act as a property investment company.

ONEA Properties Limited

ONEA Properties Limited ("**ONEA**") was incorporated on 28 February 2018 and has an authorised and issued share capital of 1,200 shares with a nominal value of €1 each, which are fully paid up and owned by the Issuer.
ONEA's principal activity is to act as property development company.

J&J Development Limited

J&J Development Limited ("**J&J DEV**") was incorporated on 18 April 2019 and has an authorised and issued share capital of 1,601,200 shares with a nominal value of €1 each, which are fully paid up and owned by JD Real Estate Development Ltd. J&J DEV's principal activity is to act as Real Estate Investments Company.

IVIVIV Holdings Limited

IVIVIV Holdings Limited ("**IVIVIV**") was incorporated on 6 April 2022 and has an authorised and issued share capital of 2,400 shares with a nominal value of €1 each, which are fully paid up and owned by JD Real Estate Development Ltd.
IVIVIV is the Holding company of J&J HOTEL Operations Limited.

Skorba Developments Limited

Skorba Developments Limited ("**SKORBA**") was incorporated on 7 May 2020 and has an authorised and issued share capital of 1,200 shares with a nominal value of €1 each, which are fully paid up and owned by J&J Development Limited. SKORBA's principal activity is to act as property Development Company.

J&J Hotel Operations Limited

J&J Hotel Operations Limited ("**J&J HOTEL**") was incorporated on 24 October 2019 and has an authorised and issued share capital of 2,400 shares with a nominal value of €1 each, which are fully paid up and owned by IVIVIV.
J&J HOTEL's principal activity is to act as a Hotel ownership and management company.

1.2 Directors and Key Employees

Board of Directors - Issuer

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

NAME	OFFICE DESIGNATION
Mr Josef Dimech	Executive Director
Dr Jesmond Manicaro	Independent Non-executive Director
Mr Stephen Muscat	Chairman and Independent Non-executive Director
Mr Franco Azzopardi	Executive Director
Dr Stanley Portelli	Independent Non-executive Director

The business address of all of the directors is the registered office of the Issuer.

Dr Malcolm Falzon is the company secretary of the Issuer.

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

The senior management team of the Group consists of:

NAME	DESIGNATION
Mr Josef Dimech	Executive Director Business Development
Mr Franco Azzopardi	Executive Director & Group CEO
Mr Clint Agius	Chief Operating Officer
Mr Steve Camilleri Bowman	Chief Digital Officer
Mr Robert Zammit Lucas	Chief Financial Officer

1.3 Major Assets owned by the Group

1.3.1 Hal Far Site

The Group holds a temporary emphyteusis contract with INDIS Malta Ltd (“**INDIS**”) for the Hal Far Industrial Estate, signed in 2018 for a duration of 65 years. This agreement grants the Group control over a total built area of 21,534 sqm, complemented by 5,477 sqm of external facilities. The industrial built area spans 19,495 sqm, with an additional external area of 4,512 sqm, distributed as follows: an 8,939 sqm industrial facility, 2,314 sqm of external industrial storage, a 7,124 sqm warehouse with a height of 17m, a 1,837 sqm storage area at 6.5m, 2,198 sqm designated for external storage and circulation, and a 1,595 sqm office space. This strategic site supports industrial operations with a well-structured mix of facilities tailored for manufacturing, storage, and administrative functions.

➔ The Hal Far Site was last valued at €31.5 million according to valuation report by Perit Peter Zammit dated 14 March 2025.

1.3.2 Birkirkara Site

The site in Birkirkara is situated in Triq Dun Karm, corner with Triq Kanonku Karm Pirotta, with a total area of 1,437m2 (the “**Birkirkara Site**”) This site was originally purchased by JSD on 12 May 2015. It was then transferred to JDB on 1 December 2017 for €4.0m. JD Birkirkara Limited submitted a development permit application for the development of the Birkirkara Site into a commercial office block, comprised of circa 4,000m2 of office space over six overlying floors, together with 127-car spaces over six underlying floors, for a total built up space of 10,000m2.

➔ The Birkirkara Site was last valued at €5.5 million according to valuation Report by Perit Peter Zammit dated 27 January 2025.

1.3.3 Ta’ Monita Residence

JDR acquired its first asset on 7 February 2024, consisting of a site with a total area of 4,863m2 at the Ta’ Monita Residence, which site includes: (i) seven apartments forming part of the same block of apartments, the air space overlying two other blocks of apartments, a garage, and surrounding open spaces, gardens, passages and pathways; and (ii) the pool area measuring approximately 1,000m2 (the “**Ta’ Monita Properties**”).

➔ Ta’Monita was last valued at €11.5 million according to valuation report by Perit Melanie Spiteri dated 10 March 2025.

1.3.4 Ta’ Borżi – Żebbiegħ

On 2 July 2024, JDR acquired its second property, a piece of land having a superficial area of circa 527m2, accessible and situated in Triq Sir Temi Zammit, corner with Triq l-Iskorba, Mġarr, Malta including its relative airspace and subsoil (the “**Ta’ Borżi Site**”).

➔ Ta’Borzi site was last valued at €3.8 million according to valuation report by Perit Melanie Spiteri dated 10 March 2025.

1.3.5 Ħal Għaxaq Site

On 3 October 2024, JDR acquired its third site, 3 portions of land portion A: 1404sqm, portion B: 199sqm, portion C: 275sqm having a total superficial area of circa 1878m2, accessible and situated at Triq iz-Zejtun, corner with Wesgha ta’ Bir id-Deheb, Ghaxaq, Malta including its relative airspace and subsoil (the “Ħal Għaxaq Site”).

➔ Ħal Għaxaq Site was last valued at €9.2 million according to valuation report by Perit Melanie Spiteri dated 10 March 2025.

1.3.6 Skorba Mansions

J&J Development is the parent company and sole shareholder of Skorba Developments, which owns the 89 underground garages and 5 parking spaces set on four basement levels, including a substation, 2 maisonettes and 42 apartments set on four floors, 9 penthouses over one receded floor and roof pools, constructed in shell form on the divided portion of land having a superficial area of circa 2,197m2 including its relative subsoil and airspace having its facades on and is accessible from Triq Ras il-Gebel and another unnamed road which abuts unto Triq il-Fuhhar l-Ahmar in Zebbiegh, limits of Mgarr, Malta (the "**Skorba Mansions**"). The total residential built up area is of circa 8,301m2 and underlying garages and parking spaces of circa 4,634m2.

- ➔ Skorba Mansions was last valued at € 19million according to valuation report by Perit Melanie Spiteri dated 10 March 2025.

1.3.7 Msida Hotel

As of 28th November 2024, JDR indirectly acquired ownership of the site at no. 53, 54, 55, 56, and 57, Xatt tal-Imsida / Triq Clarence, Msida, presently consisting of the already constructed ground floor and first floor level, being developed into a class 3B Hotel with 11 floors comprising 107 rooms pursuant to permits PA852/18 and PA393/22 (the "**Msida Hotel**"), which asset is owned by J&J Hotel Operations, a wholly owned subsidiary of IVIVIV Holdings.

- ➔ Msida Hotel was last valued at € 10million according to valuation report by Perit Melanie Spiteri dated 10 March 2025.

1.3.8 Villa Delfini

As at 13 May 2025, the Group, through JDR and utilising part of the proceeds from the €40 million bond issue, completed the acquisition of Villa Delfini located in Swieqi (the "**Villa Delfini**") for a total consideration of €2.8 million. In FY2024, the Group secured a full development permit (PA 3675/23) for the site, allowing for the construction of two upscale villas intended for sale. The approved development will feature contemporary architectural design, premium finishes, and modern amenities, targeting discerning buyers seeking luxury residential property in a highly sought-after location. Demolition works are scheduled to commence during FY25, with an estimated project timeline of approximately 12 months.

1.3.9 Zejtun

As at 26 May 2025, the Group acquired a development site in Żejtun (the "**Zejtun**") for a total consideration of €5.6 million, financed through the proceeds of a bank loan. The approved project, for which the Group secured development permits in FY2024 (PA 581/24 and PA 582/24), comprises 67 residential units across six blocks. The unit mix includes one-bedroom apartments through to three-bedroom penthouses, supported by 73 underlying garages ranging from single-car to five-car capacity. The development also includes five Class B commercial outlets. Upon completion, the site is expected to generate an open market value (OMV) of approximately €23.3 million.

1.4 Operational Developments

1.4.1 Hal Far Site

A development permit (DN/00886/21) was obtained in FY21, granting the necessary approvals for planned projects.
From a financial perspective, the site serves as collateral for the Series 1 and Series 2 Bonds, with JDO granting a first-ranking special hypothec over Hal Far, covering all existing and future constructions.

In the event of default, creditor recourse to the Hal Far site is subject to the difference between the outstanding bond value and the sum of the Collateral Account, recoveries from the Birkirkara Property, and other relevant amounts (The other relevant amounts refer to the retained Birkirkara earning at Security Trustee (Euro 2million)).

Strategically, the Group aims to transform the Hal Far site into a third-party logistics (3PL) hub, facilitating inventory storage and management solutions for external clients. The development of the warehouse facility is anticipated to be 50% completed by FY25 with full completion taking place in Q4 of FY26 and with operations expected to commence in Q1 FY26, aligning with management's broader growth objectives.

1.4.2 Birkirkara Site

The Birkirkara project, branded as '**Ta' Gannara**,' represents a pivotal real estate initiative for the Group, strategically positioned to enhance its revenue streams and drive growth. The development, backed by a permit secured in FY21

(PA/04369/19), is being transformed into a multi-level commercial hub. As part of its financial structuring, the site was initially encumbered by a first-ranking hypothec of €2.5 million in favor of Bank of Valletta, which has since been reduced to €1.9 million and replaced by a first-ranking special hypothec. Additionally, a second-ranking special hypothec has been granted to secure bondholders under one of the existing bond issuance.

1.4.3 Ta' Monita Residence

In FY24, the Group successfully finalized the acquisition of a 4,863 sqm real estate asset within Ta' Monita, Marsascala, a prime property located in a Special Designated Area (SDA). While the site falls within a designated development scheme, the Group is currently in the process of securing the necessary permits for its planned transformation. The development blueprint for Ta' Monita envisions the construction of 6,600 sqm of premium residential apartments, strategically designed to cater to the rising demand for high-quality living spaces in Marsascala. Complementing the residential component, the project will also feature 2,100 sqm of basement garages, ensuring seamless parking solutions for future residents while enhancing the site's overall accessibility and functionality.

1.4.4 Skorba Property

Project Skorba represents a significant residential development, comprising a meticulously planned block of 53 units, including one to three-bedroom penthouses, alongside 89 underlying garages and 5 car spaces spanning four levels, with capacities ranging from single to three-car garages. The Group has secured a development permit under PA/7437/17, with an additional approved permit (PA/7356/23).Designed to harmonize with the surrounding landscape and capitalize on the scenic country views, the residential units feature modern open-plan layouts, ensuring both functionality and aesthetic appeal. Management anticipates that the sale of units within the development will be completed by the end of FY26F, marking a key milestone in the Group's real estate portfolio expansion.

1.4.5 Msida Hotel

The Msida Hotel project represents a strategic hospitality development under the ownership of J&J Hotel Operations Ltd, a related entity controlled by IVIVIV Ltd. The initiative encompasses the transformation of the property into a Class 3B hotel, which is set to be leased to an experienced third-party operator, ensuring professional management and operational efficiency. The Group has successfully secured development permits under PA/0852/18 and PA/0393/22, paving the way for construction and commercialization.

A franchise agreement has been secured with a reputable international chain, enhancing the hotel's market positioning and brand appeal within the central region of the island. The completion of the development and commencement of operations are projected for FY27F, marking a significant milestone in the Group's expansion within the hospitality sector.

1.4.6 Ghaxaq

The Ghaxaq property redevelopment project is set to transform the site into a mixed-use development comprising 10 maisonettes, and one apartment at ground floor level, 20 apartments on first floor level, 19 duplex apartments and one apartment and a washroom over second and receded floor level, including construction of pools on receded floor level spread across 6 blocks. The project will feature a range of one to three-bedroom duplex penthouses, along with 68 garages and 9 Class B shops, catering for both residential and commercial needs. The Group has successfully obtained a development permit for the project in FY24 under permit number PA 1864/23, ensuring compliance with local planning regulations. To finance the development, the Group has obtained a €9.3 million loan from a local financial institution, secured by a first special hypothec over the property. The residential units, garages, and commercial spaces are expected to meet growing demand in the area, with construction scheduled to commence in FY25F. Management anticipates the project will contribute significantly to the Group's real estate portfolio, offering a blend of modern living and retail opportunities in the heart of Ghaxaq.

1.4.7 Zejtun

The Zejtun property redevelopment project is set to transform an existing site into a contemporary residential and commercial complex. The development will comprise 67 units across 6 blocks, offering a range of one-bedroom apartments to three-bedroom penthouses, along with 73 garages from one to five-car capacities. Additionally, the project will include 5 Class B shops, enhancing the area's commercial appeal. The Group has secured approval for the necessary development permits in FY25, under permit numbers PA 581/24 and 582/24 for which the executable permit from the Planning Authority was approved and given for both permits in Feb 25. To finance the project, a first special hypothec has been established for €3.3 million, secured over the Zejtun property, including its airspace and subterrain, excluding certain undeveloped units such as specific commercial spaces and garages. The redevelopment will involve the demolition of existing structures, followed by the construction of modern, high-standard properties.

1.4.8 Borzi

The Borzi property development project is designed to deliver a modern residential complex featuring a basement garage with 12 car spaces, two apartments and a maisonette at ground floor level, three apartments per floor at first, second, and third floor levels, and two apartments at receded floor level with a total residential build up area of circa 1,840m2 and underlying garages of circa 464m2.

The Group secured the necessary development permit in FY23 under permit number PA 3741/22. To facilitate the financing of the project, the Group has obtained a €2.4 million loan from a local financial institution, secured by a first special hypothec over the property. The proposed development aims to create a high-quality living environment with a mix of residential units, including spacious apartments and penthouses, complemented by essential parking facilities. Construction is slated to begin in FY25F, marking the commencement of an exciting new addition to the local property market.

1.4.9 Villa Delfini

The project involves the development of two expansive villas for sale, designed to offer modern amenities and luxurious finishes, catering to buyers seeking upscale living in a highly desirable location. The Group has obtained the necessary development permit in FY24 under permit number PA 3675/23. With no collateral required for the project, the focus is on delivering a premium residential product. Demolition works are expected to commence in FY25F, with a construction timeline of approximately one year, ensuring that these high-end villas will be completed in a timely manner for prospective buyers.

1.4.10 Bond Issues

JD Capital p.l.c. issued its first bond on the main market of the Malta Stock Exchange on 25 November 2022. These bonds were issued as part of a bond issuance programme pursuant to the Base Prospectus and Final Terms dated 3 October 2022 (the "**Series 1 Bonds**"). The net proceeds of the Series 1 Bonds were used for an exchange offer on the Issuer's previous bond on the Prospects MTF, and to part-finance the redevelopment of the Hal Far Site by way of a loan from the Issuer to JDO, as well as a portion for general corporate funding purposes.

The Issuer then issued the second series of the above-mentioned bond issuance programme on 20 July 2023, pursuant to the Base Prospectus and Final Terms dated 16 June 2023 (the "**Series 2 Bonds**"). The net proceeds of the Series 2 Bonds were used to part-finance the redevelopment of the Hal Far Site by way of a loan from the Issuer to JDO, and to develop an office complex in Birkirkara by way of a loan from the Issuer to JDB.

During 2025, JD Capital p.l.c. successfully issued a €40 million bond (the "**2025 Bonds**") through a listed offer to the public. The net proceeds from this bond issue were strategically allocated across the Group's operations, as follows:

- Up to €5.0 million was utilised to acquire the Maturing Note from the existing Maturing Noteholder for subsequent redemption and cancellation;

- Up to €8.5 million was on-lent to ONEA Properties Ltd for the refinancing of the outstanding principal and interest obligations under the FIMBank Facility;

- Up to €3.46 million was on-lent to Skorba Developments Ltd to finance the rescission of a promise of sale entered into with a third-party company for 10 apartments and four penthouses forming part of the Skorba Mansions project. This amount also includes interest due to the third party up to the anticipated rescission date;

- Up to €2.54 million was on-lent to JD Real Estate Development Ltd to fund the acquisition of Villa Delfini, for which a development permit was secured in FY24;

- Up to €7.0 million is to be on-lent to JD Operations Ltd to finance the procurement and installation of infrastructure and equipment necessary for the Group's 3PL operations. To date, of this amount, €2.0 million has been on-lent;

- The remaining balance of approximately €12.7 million were utilised by the Issuer for the Group's overall funding requirements.

Collectively will hereinafter be referred to as the "**Issuer's Bonds**".

1.5 List of Issuer's Bonds

JD Capital p.l.c. has the following outstanding debt securities:

BOND	SECURITY NAME	AMOUNT
Series 1 Bonds	4.85% JD Capital Plc 2032	€14,000,000
Series 2 Bonds	6% JD Capital Plc 2033	€11,000,000
2025 Bonds	5.6% JD Capital Plc 2035	€40,000,000

Part 2 Historical Performance and Forecasts

The Issuer's historical financial information for the three (3) years ending 31 December 2022, 2023 and 2024 as set out in the audited financial statements of the Issuer may be found in sub-sections 2.1. To 2.3. Of this Analysis. These sub-sections also include the projected performance of the Issuer for the period ending 31 December 2025.

Moreover, the Group's historical financial information for the three years ending 31 December 2022, 2023 and 2024 together with the projected performance for the period ending 31 December 2025 are set out in sub-sections 2.4. To section 2.7.

The projected financial statements detailed below relate to events in the future and are based on assumptions which the Company believes to be reasonable. Consequently, the actual outcome may be adversely affected by unforeseen situations and the variation between forecast and actual results may be material.

Specifically with respect to the FY2025F contained in the financial analysis summary dated 11 April 2025 forming part of the prospectus of even date, post-bond issue, management undertook a reforecasting exercise for financial year 2025 based on available updated information. The revised projections reflect two primary developments: (i) a temporary reduction in revenue streams from property sales (unsold property is being held as stock in trade); (ii) rescheduling of project completion timelines. Whilst these developments will impact revenue and equity in financial year 2025, management anticipates an improvement in both sales performance and equity position beyond 2025

2.1 Issuer's Income Statement

INCOME STATEMENT	**2022A**	**2023A**	**2024A**	**2025F**
	€000s	**€000s**	**€000s**	**€000s**
Administrative expenditure	(275)	(302)	(482)	(622)
Other income	-	-	-	-
EBITDA	**(275)**	**(302)**	**(482)**	**(622)**
Interest income	342	1,073	2,381	4,803
Finance cost	(293)	(977)	(1,683)	(3,481)
Movement in expected credit loss provision	(11)	(43)	(16)	-
Loss before tax	**(237)**	**(250)**	**200**	**700**
Taxation charge	0	-	(162)	(429)
Loss for the year	**(237)**	**(250)**	**38**	**271**

The Issuer's principal activities consist of raising finance through bond issuance and subsequently lending the proceeds to other entities within the Group. Accordingly, the income statement is dominated by two key components: interest income derived from intra-group financing arrangements and interest expenses associated with the bonds in issue.

Administrative expenses increased in FY2023, primarily due to higher directors' and professional fees, which had not been previously forecast. These expenses continued to rise in FY2024, reaching €482k, and are projected to increase further to €622k in FY2025 attributable to the new bond issue as well as the premium on redemption of the callable notes.

In FY2024, the Issuer generated €2.4 million in interest income and incurred €1.7 million in finance costs, resulting in a modest pre-tax profit of €200k. After accounting for a taxation charge of €162k, the Issuer reported a net profit of €38k for the year.

A notable increase in both interest income and finance costs is projected to occur in FY2025, following the issuance of the €40 million bond in the first quarter of FY2025. The proceeds from this bond are expected to be on-lent to group entities, resulting in a projected rise in interest income to €4.8 million and finance costs to €3.5 million, leading to an anticipated net profit of €271k. These results reflect the Issuer's policy of matching its interest income and expenses to maintain a near break-even position while covering administrative overheads.

2.2 Issuer's Statement of Financial Position

BALANCE SHEET	2022A	2023A	2024A	2025F
	€000s	€000s	€000s	€000s
Assets				
Non-current assets				
Investment in subsidiaries	7,004	10,704	14,438	15,628
Financial asset at amortised cost	7,547	22,299	42,002	77,034
Total non-current assets	**14,551**	**33,003**	**56,440**	**92,662**
Current assets				
Trade and other receivables	6,650	2,550	4,296	6,130
Cash and cash equivalents	10	-	-	82
Total current assets	**6,660**	**2,550**	**4,296**	**6,212**
Total assets	**21,212**	**35,553**	**60,736**	**98,874**
Equity and liabilities				
Equity				
Share capital	7,547	7,547	9,681	9,681
Other reserves	-	3,200	4,800	5,990
Retained earnings	(288)	(538)	(499)	(228)
Total equity	**7,259**	**10,209**	**13,982**	**15,443**
Liabilities				
Non-current liabilities				
Debt securities in issue	13,625	24,471	29,425	63,202
Other financial liabilities	238	447	14,689	18,491
Total non-current liabilities	**13,863**	**24,918**	**44,114**	**81,693**
Current liabilities				
Trade and other payables	90	426	2,509	1,310
Bank borrowings	-	-	131	-
Bond borrowings	-	-	-	-
Tax liabilities	-	-	-	428
Total current liabilities	**90**	**426**	**2,640**	**1,737**
Total liabilities	**13,954**	**25,344**	**46,754**	**83,431**
Total equity and liabilities	**21,212**	**35,553**	**60,736**	**98,874**

The Issuer's non-current assets primarily consist of financial assets measured at amortised cost and investments in subsidiaries. Reflecting its role as the Group's holding and financing arm, financial assets constitute the majority of its asset base.

The asset base has expanded markedly, increasing from €35.6 million in FY2023 to €60.7 million in FY2024. Non-current assets are projected to continue this upward trajectory, rising from €56.4 million in FY2024 to €92.7 million in FY2025. This growth reflects the Issuer's holdings in Group subsidiaries and long-term receivables, which are largely financed through bond issuances.

Current assets have also shown an increase, rising from €2.6 million in FY2023 to €4.3 million in FY2024. Trade and other receivables are forecasted to reach approximately €6.1 million in FY2025, comprising mainly €2 million held by the security trustee and accrued interest receivable, primarily from the parent company.

Equity has increased, with share capital rising to €9.7 million as a result of the Group's reorganisation involving the transfer of new Group companies from JDH to JDC via share allotments. Share capital is forecast to remain stable in FY2025. Other reserves include a receivable agreement with JD Holdings Limited amounting to €4.8 million assigned by way of a gratuitous capital contribution. In line with IAS 32, such amounts fall under the definition of equity and are therefore classified in these financial statements as a component of equity

Debt securities in issue represent the largest component of non-current liabilities, increasing from €24.5 million in FY2023 to €29.4 million in FY2024 and expected to reach €63.2 million in FY2025 following the €40 million secured bond issued in the first half of FY2025. Intra-group payables of €14.7 million in FY2024 are projected to increase to €18.5 million in FY2025.

Current liabilities increased from €426k in FY2023 to €2.6 million in FY2024, primarily due to higher trade and other payables, which are expected to decline by approximately €1 million to €1.7 million in FY2025.

Overall, total liabilities grew from €25.3 million in FY2023 to €46.8 million in FY2024 and are projected to reach €83 million in FY2025. This growth is predominantly driven by the increased issuance of long-term debt financing.

2.3 Issuer's Statement of Cash Flows

STATEMENT OF CASH FLOWS	2022A	2023A	2024A	2025F
	€000s	€000s	€000s	€000s
Cash flows from operating activities				
Profit before tax	(237)	(250)	201	700
Adjustments for:				
Net Finance and Bond issue costs	390	739	(599)	(1,019)
Movement in working capital				
Trade and other working capital changes	(6,442)	6,453	56	(3,033)
Cash flows from operations	**(6,289)**	**6,942**	(342)	(3,352)
Taxation paid	(48)	-	(162)	-
Net cash flows generated from / (used in) operating activities	**(6,337)**	**6,942**	**(504)**	**(3,352)**
Cash flows from investing activities				
Movement in amounts due from subsidiary and related parties	(2,131)	(15,292)	(4,734)	(35,032)
Net cash flows generated from / (used in) investing activities	**(2,131)**	**(15,292)**	**(4,734)**	**(35,032)**
Cash flows from financing activities				
Net proceeds from bonds issue	8,623	8,811	4,871	34,551
Interest paid	(379)	(679)	(1,686)	245
Movement in amounts due to subsidiary	234	208	1,920	3,802
Net cash flows generated from / (used in) financing activities	**8,478**	**8,340**	**5,105**	**38,598**
Movement in cash and cash equivalents	**10**	**(10)**	**(133)**	**214**
Cash and cash equivalents at start of year	-	10	0	(133)
Cash and cash equivalents at end of year	**10**	**-**	**(133)**	**81**

Net cash flows from operating activities have experienced significant variation, shifting from a negative €6.3 million in FY2022 to a positive €6.9 million in FY2023. In FY2024, the Issuer registered an outflow from operations of €342k. After tax payments the net cash flow used in operations amounts to €504k. In FY2025, the Issuer is forecasting an outflow from operations of €3.4m, mainly due to negative movements in working capital.

Movements in amounts due from subsidiaries and related parties have been a key driver of investing cash outflows. Notably €15.3 million in FY2023 and €4.7 million in FY2024, reflecting substantial intercompany financing extended to Group companies in line with the Issuers operations. In FY2025, cash outflows to subsidiaries are projected to increase markedly to €35.0 million, as the Issuer passes on the proceeds from the €40 million bond.

The Issuers main driver in financing activities are the net proceeds received from the various bond issues which amounted to €4.9 million in FY2024 and €8.8 million in FY2023. In FY2025 the Issuer expects to receive another €34.6 million from bond issues with movements in amounts due to subsidiary increasing to €3.8 million form €1.9 million in FY2024.

In FY2024 the Issuers cash position decreased by €133k resulting in a bank overdraft of €133k. Going forward in FY2025, the Issuer expects this to turn positive after an upward movement in cash and cash equivalents of €214k.

2.4 Group's Income Statement

INCOME STATEMENT	2022A	2023A	2024A	2025F
	€000s	€000s	€000s	€000s
Revenue	11,832	12,965	16,334	23,247
Cost of sales	(9,756)	(10,003)	(12,331)	(17,719)
Gross profit	**2,076**	**2,962**	**4,003**	**5,528**
Administrative expenses	(1,148)	(1,187)	(1,574)	(1,983)
Other income	213	239	182	210
EBITDA	**1,141**	**2,014**	**2,611**	**3,755**
Depreciation and amortisation	(955)	(653)	(662)	(1,570)
EBIT	**186**	**1,361**	**1,949**	**2,185**
Fair value movement of investment property	971	-	7,982	994
Finance income	42	51	303	1077
Finance costs	(724)	(1,189)	(1,874)	(4,949)
Other losses	(2)	-	2	-
Gain on bargain purchase	-	-	459	-
Movement in expected credit loss provision	(56)	36	(132)	-
Profit before tax	**417**	**259**	**8,687**	**(693)**
Taxation charge	(199)	(228)	(2,072)	(625)
Profit for the year	**218**	**31**	**6,615**	**(1,318)**

RATIO ANALYSIS	2022A	2023A	2024A	2025F
Profitability				
Growth in Revenue (YoY Revenue Growth)	(27.3%)	9.6%	26.0%	42.3%
Gross Profit Margin (Gross Profit/ Revenue)	17.5%	22.9%	24.5%	23.8%
EBITDA Margin (EBITDA / Revenue)	9.6%	15.5%	16.0%	16.2%
Operating (EBIT) Margin (EBIT / Revenue)	1.6%	10.5%	11.9%	9.4%
Net Margin (Profit for the year / Revenue)	1.9%	0.2%	40.5%	(5.7%)
Return on Common Equity (Net Income / Average Equity)	1.3%	0.2%	24.3%	(3.8%)
Return on Assets (Net Income / Average Assets)	0.4%	0.1%	6.5%	(1.0%)
Return on capital employed (EBITDA/ Total Assets - Current Liabilities)	2.7%	3.5%	2.7%	2.9%

Historically, the Group's operations were centred solely on its legacy business, Manufacturing, which is operated entirely through JDO and specializes in the production and installation of wrought iron, apertures, steel railings, curtain walling, structural glazing, steel structures, composite cladding, large glass, and various door systems.

Going forward, the Group is embarking on a diversification strategy, expanding beyond its legacy manufacturing business into two new segments: Property Development and Third-Party Logistics (3PL). The Property Development segment includes both the development of properties for resale and the acquisition of properties held as long-term investments. Additionally, the Group is strengthening its portfolio with the launch of its 3PL business in FY26. This new segment, operating alongside the manufacturing division from the Hal Far site, is designed to capitalize on the growing demand for efficient supply chain solutions. With the confirmed approval from Malta Enterprise, JDO will provide outsourced logistics services, including procurement and fulfilment activities, as well as warehousing and goods management. This strategic shift marks a significant evolution for the Group, positioning it for enhanced revenue diversification and long-term growth.

The Group's revenue increased from €11.8 million in FY2022 to €13.0 million in FY2023, a growth of approximately 9.6%, supported by the completion of significant contracts initiated in prior years, the start of a major new project in FY2023, and ongoing smaller projects.

Revenue continued to grow strongly in FY2024, increasing by 26% to €16.3 million, driven by stable manufacturing operations. For FY2025, revenue is forecast to increase further to €23.2 million, reflecting continued growth across these segments. Cost of sales mirrored revenue trends, declining slightly in FY2022 but increasing steadily in FY2023 and FY2024.

Gross profit margin improved from 17.5% in FY2022 to 22.9% in FY2023, and further to 24.5% in FY2024, demonstrating enhanced operational efficiency and profitability. The margin is expected to stabilize around 23.8% in FY2025, supported by growing contributions from the 3PL and property development businesses.

EBITDA rose significantly from €1.1 million in FY2022 to €2.0 million in FY2023, and to €2.6 million in FY2024, reflecting operational improvements. EBITDA is forecast to grow to €3.8 million in FY2025.

Finance costs increased in FY2023 due to higher interest expenses following the issuance of Series 2 Bonds and Unlisted Bonds, with further increases expected in FY2025 following the issuance of a €40 million bond.

Fair value adjustments to Investment Property contributed materially to FY2024 results, amounting to €8.0 million from key properties including those in Birkirkara, Ta' Monita, and the Msida Hotel. A smaller gain of €1.0 million is forecast for FY2025.

The net profit margin increased sharply to 40.5% in FY2024, primarily due to the fair value movements and higher revenues, but is forecast to decline to -5.7% in FY2025 due to lower realisation of projected property sales and increased finance costs related to the new bond issuance.

Return on capital employed decreased slightly from 3.5% in FY2023 to 2.7% in FY2024, with a forecasted increase to 2.9% in FY2025, reflecting moderate capital utilization amid rising financial leverage as the Group expands.

2.5 Variance Analysis

Income Statement for the year ended 31 December	**2024F**	**2024A**	**Variance**
	€000s	€000s	€000s
Revenue	16,335	16,334	(1)
Cost of sales	(12,331)	(12,331)	-
Gross profit	**4,004**	**4,003**	**(1)**
Selling and distribution	-	(155)	(155)
Administrative expenditure	(1,574)	(1,419)	155
Other income	639	182	(457)
EBITDA	**3,069**	**2,611**	**(458)**
Depreciation and amortisation	(662)	(662)	-
EBIT	**2,407**	**1,949**	**(458)**
Fair value movement of investment property	7,967	7,982	15
Finance cost	(1,868)	(1,874)	(6)
Finance income	303	303	-
Other losses	2	-	(2)
Gain on bargain purchase	-	459	459
Impairment of financial assets	(132)	(132)	-
Profit before income tax	**8,679**	**8,687**	**8**
Taxation charge	(2,114)	(2,072)	42
Profit for the year	**6,565**	**6,615**	**50**

The audited results for FY2024 were broadly in line with projections at the top-line level, with revenue and cost of sales effectively matching the forecast set out. €458k worth of other income was initially forecast above the EBIT line item.

In the audited financials this was later classified under Gain on bargain purchase, which is below the EBIT line item. This was the sole contributor to the lower EBIT figure compared to forecasts which was then fully recovered at the profit before income tax level. Tax charges were also more or less in line with forecasts, resulting in a profit for the year of €6.6m.

2.6 Group's Statement of Financial Position

STATEMENT OF FINANCIAL POSITION	2022A	2023A	2024A	2025F
	€000s	€000s	€000s	€000s
Assets				
Non-current assets				
Property, plant and equipment	22,812	28,008	34,328	47,101
Investment property	5,494	5,734	27,442	29,634
Intangible assets	224	224	224	224
Financial assets at amortised cost	3,977	1,714	11,578	19,078
Total non-current assets	**32,507**	**35,681**	**73,572**	**96,037**
Current assets				
Financial assets at amortised cost	5,394	9,225	6,699	4,213
Inventory	1,364	1,563	1,989	1,989
Property held for resale	-	-	20,574	28,616
Contract assets	6,517	11,141	6,954	6,954
Trade and other receivables	10,813	18,332	16,410	11,761
Cash and cash equivalents	891	384	687	835
Total current assets	**24,979**	**40,645**	**53,313**	**54,368**
Total assets	**57,486**	**76,326**	**126,885**	**150,405**
Equity and liabilities				
Equity				
Share capital	7,547	7,547	9,681	9,681
Revaluation reserve	7,857	8,166	11,517	13,620
Other reserves	-	3,200	4,800	5,990
Retained earnings	1,402	1,431	8,045	6,726
Total equity	**16,805**	**20,344**	**34,043**	**36,017**
Liabilities				
Non-current liabilities				
Borrowings	17,050	28,851	49,698	81,503
Lease liabilities	3,447	3,396	3,342	3,289
Trade and other payables	3,564	1,685	3,066	3,066
Deferred tax liabilities	1,638	2,644	4,854	4,933
Non-current tax liabilities	459	243	959	0
Total non-current liabilities	**26,158**	**36,818**	**61,919**	**92,791**
Current liabilities				
Borrowings	3,086	2,809	6,111	4,270
Lease liabilities	45	51	53	53
Contract liabilities	2,890	4,185	3,436	3,436
Current tax liabilities	1,072	952	566	959
Trade and other payables	7,430	11,166	20,757	12,879
Total current liabilities	**14,523**	**19,164**	**30,923**	**21,597**
Total liabilities	**40,681**	**55,982**	**92,842**	**114,388**
Total equity and liabilities	**57,486**	**76,326**	**126,885**	**150,405**

RATIO ANALYSIS	2022A	2023A	2024A	2025F
Financial Strength				
Gearing 1 (Net Debt / Net Debt and Total Equity)	58%	63%	63%	71%
Gearing 2 (Total Liabilities / Total Assets)	71%	73%	73%	76%
Gearing 3 (Net Debt / Total Equity)	135%	171%	172%	245%
Net Debt / EBITDA	19.93x	17.24x	22.41x	23.51x
Current Ratio (Current Assets / Current Liabilities)	1.72x	2.12x	1.72x	2.52x
Quick Ratio (Current Assets - Inventory / Current Liabilities)	1.63x	2.04x	0.99x	1.10x
Interest Coverage (EBIT / Finance costs)	0.26x	1.14x	1.04x	0.44x

The Group's Total Assets increased markedly, from €76.3 million in FY2023 to €126.9 million in FY2024 and are projected to reach €150.4 million by FY2025, driven primarily by expansion in non-current assets. These rose from €35.7 million in FY2023 to €73.6 million in FY2024 and are expected to further increase to €96.0 million in FY2025.

This growth reflects the Group's transformation from a predominantly manufacturing-focused business into a diversified structure comprising Manufacturing, Property Development, and the 3PL (third-party logistics) segment. This strategic shift has not only reinforced the Group's asset base but has also diversified and strengthened its long-term revenue generation potential.

Property, Plant and Equipment (PPE) stood at €28.0 million at the end of FY2023, increasing by €5.2 million year-on-year due to ongoing investment in the Hal Far site during the first phase of development. Following a revaluation in FY2024 and continued construction, PPE rose to €34.3 million and is projected to reach €47.1 million by FY2025, reflecting the expansion of the logistics infrastructure and related assets.

Investment property increased significantly in FY2024, from €5.7 million in FY2023 to €27.4 million in FY2024, primarily due to the inclusion of additional properties such as Ta' Monita Residence, and Msida Hotel. A modest further increase is expected in FY2025, reaching €29.6 million.

Current assets rose from €40.6 million in FY2023 to €53.3 million in FY2024, largely driven by the recognition of €20.6 million in property held for resale. Other significant current assets include trade and other receivables of €16.4 million and financial assets at amortised cost of €6.7 million.

Correspondingly, Total Liabilities rose from €56.0 million in FY2023 to €92.8 million in FY2024, and are projected to reach €114.4 million in FY2025, driven largely by increased borrowings. Non-current liabilities surged to €61.9 million in FY2024 and are expected to reach €92.8 million in FY2025, following the issuance of a €40 million bond and continued project financing.

The Group's equity base strengthened over the period, growing from €20.3 million in FY2023 to €34.0 million in FY2024, primarily due to a €6.6 million increase in retained earnings following the fair value uplift of investment property. Equity is forecast to reach €36.0 million in FY2025.

In terms of debt servicing capacity, the Net Debt / EBITDA ratio increased from 17.2x in FY2023 to 22.4x in FY2024, reflecting the significant increase in net debt to support investment property and infrastructure expansion. This ratio is forecast to climb further in FY2025, reaching 23.5x mainly because the new operations will not have ramped up to full potential to increase the EBITDA.

2.7 Group's Statement of Cash Flows

STATEMENT OF CASH FLOWS	2022A	2023A	2024A	2025F
	€000s	€000s	€000s	€000s
Cash flows from operating activities				
Profit before tax	418	259	8,687	(693)
Adjustments for:				
Depreciation and amortisation	1,041	688	746	1,692
Fair value movement in investment property	(971)	0	(7,982)	(994)
Net Finance costs / (income)	675	1,138	1,571	3,644
Impairment of financial assets	(50)	(36)	(132)	-
Loss / (profit) on disposal of motor vehicles	2	-	(2)	-
Bargain purchase on acquisition subsidiary and other income	-	-	(594)	-
Movement in working capital				
Trade and other working capital changes	(8,387)	(4,767)	(6,548)	(15,649)
Cash flows from operations	**(7,272)**	**(2,718)**	**(4,254)**	**(12,000)**
Taxation paid	(220)	(430)	(121)	(566)
Net cash flows generated from / (used in) operating activities	**(7,492)**	**(3,148)**	**(4,375)**	**(12,566)**
Cash flows from investing activities				
Cash inflow (outflow) from PPE	(142)	(4,669)	(1,108)	(11,181)
Net cashflow from investing activities (excl. PPE)	(45)	(871)	(13,725)	(1,198)
Net cash flows generated from / (used in) investing activities	**(187)**	**(5,540)**	**(14,833)**	**(12,379)**
Cash flows from financing activities				
Bond issue	8,622	8,811	4,871	34,551
Bond issue expenses	-	-	0	0
Redemption of bonds	-	-	0	0
Movement in other financial liabilities	(28)	76	(2,942)	(2,745)
Bank loan and bond interest payments	(805)	(1,263)	(1,692)	(2,902)
Advance / (repayment of bank loans)	(2,856)	-	0	0
Net proceeds from borrowings	3,767	500	19,194	(3,664)
Net cash flows generated from / (used in) financing activities	**8,700**	**8,124**	**19,431**	**25,240**
Movement in cash and cash equivalents	**1,021**	**(564)**	**223**	**295**
Cash and cash equivalents at start of year	(140)	881	317	540
Cash and cash equivalents at end of year	**881**	**317**	**540**	**835**

Net outflows from operating activities came in at €3.1 million in FY2023 and €4.4 million in FY2024. This was primarily attributable to substantial working capital movements—most notably trade and other receivables—as well as the impact of non-cash fair value gains on investment property. The trend is projected to continue in FY2025, with operating cash outflows expected to widen to €12.6 million, reflecting continued business expansion and increased receivables related to project activity.

Investing cash flows were dominated by capital expenditure linked to the Hal Far site. Investment in property, plant, and equipment amounted to €4.7 million in FY2023 followed by a €1.1 million investment in FY2024. In FY2024 the Group also invested €13.7 million to acquire investment property. Significant new investment is planned for FY2025, with PPE-related cash outflows projected to reach €11.2 million and investments in investment property coming in at €1.2 million.

Financing activities played a crucial role in sustaining the Group's liquidity, with bond issuances and borrowings providing strong inflows of €8.1m in FY2023, €19.4m in FY2024, and a projected €25.2m in FY2025. These movements include a mix of bond issues and bank borrowings. In FY2024 cash and cash equivalents increased slightly from €0.3 million to €0.5 million and is forecasted to increase to €0.8 million in FY2025.

Part 3 Key Market and Competitor Data

3.1. General Market Conditions

At the time of publication of this Analysis, management considers that generally, it shall be subject to the normal business risks associated with the industries in which the companies are involved and operate and, barring unforeseen circumstances, does not anticipate any trends, uncertainties, demands, commitments or events outside the ordinary course of business that could be deemed likely to have a material effect on the upcoming prospects of the companies and their respective businesses, at least with respect to the financial year 2025.

3.2. Economic Update[1]

The Central Bank of Malta's Business Conditions Index (BCI) indicates that in April 2025, annual growth in business activity increased marginally, and remained slightly above its long-term historical average as estimated since January 2000.

The European Commission confidence surveys show that sentiment in Malta decreased in April, but nevertheless remained above its long-term average, estimated since November 2002. The latest deterioration was mostly driven by the services sector.

In terms of economic uncertainty, the Central Bank of Malta's Economic Policy Uncertainty Index (EPU) continued its increase above its historical average estimated since 2004, indicating elevated levels of uncertainty. However, the European Commission's Economic Uncertainty Indicator (EUI) for Malta decreased compared with March, indicating lower uncertainty and a potential trend reversal, predominantly driven by industry.

In March, industrial production rose at an accelerating pace whilst retail trade turned positive on a year-on-year basis. In February, the services sector recorded its first year-on-year contraction in activity since 2022.

The unemployment rate remained unchanged at 2.8% in March but stood below that of 3.4% in March 2024.

Commercial and residential building permits in March were higher than a month earlier. In April, the number of residential promise-of-sale agreements rose on a year earlier, whilst the number of final deeds of sale decreased.

The annual inflation rate based on the Harmonised Index of Consumer Prices (HICP) stood at 2.6% in April, up from 2.1% in the previous month. HICP excluding energy and food in Malta clocked in at 2.5%, remaining below the euro area average. Inflation based on the Retail Price Index (RPI) increased to 2.4%, up from 2.1% in March.

3.3. Economic Outlook[2]

According to the Central Bank's latest forecasts, Malta's gross domestic product (GDP) is expected to moderate from 6.0% in 2024 to 4.0% in 2025. Growth is then projected to ease further to 3.3% by 2027. Despite the impact of potential US tariffs, the Bank's forecasts remain broadly unchanged driven by an uptick in expected government consumption and investment plans.

The abovementioned growth is expected to be driven by domestic demand predominantly in private consumption and the continued recovery in investment. Net exports are also expected to retain a positive contribution over the projection period, albeit a smaller contribution when compared to domestic demand.

Employment growth is set to moderate, albeit from a high rate of 5.1% in 2024, to 2.3% by 2026 and 2027. The unemployment rate is expected at 3.0% for 2025 and remain at this rate throughout the forecast period. In line with the decrease in inflation pressures and labour market tightness, growth in the average wage is expected to ease from 5.9% in 2024 to 4.4% in 2025, and is then expected to moderate further in the forecast years that follow.

Annual inflation based on the Harmonised Index of Consumer Prices is projected to continue its decrease from 2.4% in 2024 to 2.3% in 2025 and reaching 2.0% by 2027. Compared to previous projections, inflation has been revised up by 0.2 and 0.1 percentage points in 2025 and 2026 respectively, largely reflecting recent outcomes in services inflation.

The general government deficit-to-GDP ratio is set to decline to 3.5% in 2024, and to narrow further over the rest of the forecast horizon, to stand at 2.7% by 2027. The general government debt-to-GDP ratio is set to increase throughout the forecast horizon, stabilising at 48.6% by 2026. When compared with the previous projection round, the projected

[1] Central Bank of Malta – Economic Update 2/2025

[2] Central Bank of Malta – Economic Projections 2024– 2026

deficit ratio is higher, while the debt ratio has been revised slightly lower.

Risks to activity are broadly balanced. Downside risks largely relate to possible negative effects on foreign demand arising from geopolitical tensions, additional US tariffs, and any potential additional retaliatory measures. On the other hand, the labour market could exhibit stronger dynamics than expected, which could result in stronger than expected consumption and investment growth.

Risks to inflation are also broadly balanced over the forecast period and mainly related to external factors. Upside risks to inflation in the short term are also linked to global trade policy and potential retaliatory measures. Such risks could also be counterbalanced by the rerouting of exports from competitor countries to the EU and heightened competitive pressures in markets targeted by tariffs. On the downside, imported inflation could fall more rapidly than expected if the adverse effects of trade barriers on global demand turn out stronger than expected.

On the fiscal side, risks are mostly tilted to the downside (deficit-increasing). These mainly reflect the possibility of slippages in current expenditure. They also reflect the possibility of additional increases in pensions and wages in the outer years.

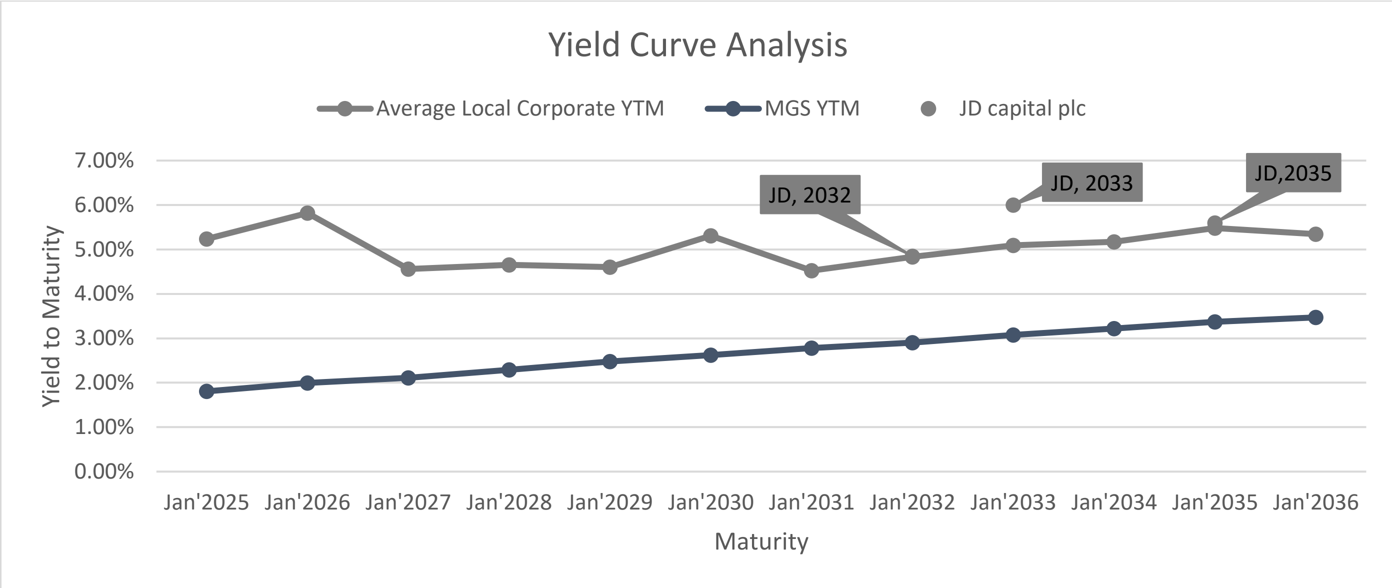
3.4. Comparative Analysis

Security	Nom Value €000's	Yield to Maturity (%)	Interest coverage (EBITDA) (times)	Total Assets (€'millions)	Total Equity (€'millions)	Total Liabilities / Total Assets (%)	Net Debt / Net Debt and Total Equity (%)	Net Debt / EBITDA (times)	Current Ratio (times)	Return on Common Equity (%)	Net Margin (%)	Revenue Growth (YoY) (%)
5.25% Bonnici Bros Properties plc Unsecured € 2033 S1 T1	12,000	4.93%	2.1x	39.8	17.9	54.9%	43.3%	10.0x	0.4x	5.1%	61.4%	26.4%
4.5% G3 Finance plc Secured € 2032	12,500	4.50%	2.2x	61.4	22.3	63.6%	54.4%	13.8x	0.3x	3.3%	4.9%	23.1%
4.85% JD Capital plc Secured € 2032 S1 T1	14,000	4.72%	5.8x	126.9	34.0	73.2%	63%	22.4x	1.7x	24.3%	40.5%	26.0%
6% JD Capital plc Secured Bonds 2033 S2 T1	11,000	5.61%	5.8x	126.9	34.0	73.2%	63%	22.4x	1.7x	24.3%	40.5%	26.0%
4% Malta Properties Company Plc Sec € 2032 S1/22 T1	25,000	4.00%	(2.6)x	99.4	57.5	42.2%	33.2%	7.2x	2.2x	4.5%	44.6%	13.5%
4.50% The Ona plc Secured € 2028-2034	16,000	4.50%	(2.3)x	38.9	8.0	79.6%	77.3%	12.8x	1.4x	-9.7%	-10.6%	110.3%
5.6% JD Capital plc Secured Bonds 2035	40,000	5.60%	5.8x	126.9	34.0	73.2%	63%	22.4x	1.7x	24.3%	40.5%	26.0%
	Average*	4.93%										

Source: Latest available audited financial statements

Last price as at 20/06/2025

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



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

The above graph illustrates the average yearly yield of all local issuers as well as the corresponding yield of Malta Government Stocks (MGSs) (Y-axis) vs the maturity of both Issuers and MGSs (X-axis), in their respective maturity bucket, to which the spread premiums can be noted. The graph illustrates on a stand-alone basis, the yield on the Issuer's bonds.

As at 20 June 2025, the average spread over the MGS for corporates with maturity range of 6-10 years was 303 basis points. Meanwhile, the 4.85% JD Capital plc 2032 bond is trading at a spread of 194 basis points over the equivalent MGSs. Moreover, as at 20 June 2025, the Bond traded at a premium of 6 basis points in comparison to the market of comparable corporate bonds.

Meanwhile, as at 20 June 2025, the 6% JD Capital plc 2033 bond was trading at a spread of 230 basis points over the equivalent MGSs which means that the Bond was trading at a premium of 42 basis points in comparison to the market of comparable corporate bonds.

The 5.6% JD Capital p.l.c. 2035 bond is issued with a coupon of 5.6% issued at par, meaning a spread of 223 basis points over the equivalent MGS, and therefore at a premium to the average on the market of 35 basis points.

Part 4 Glossary and Definitions

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

Profitability Ratios	
Growth in Revenue (YoY)	This represents the growth in revenue when compared with previous financial year.
Gross Profit Margin	Gross profit as a percentage of total revenue.
EBITDA Margin	EBITDA as a percentage of total revenue.
Operating (EBIT) Margin	Operating margin is the EBIT as a percentage of total revenue.
Net Margin	Net income expressed as a percentage of total revenue.
Return on Common Equity	Return on common equity (ROE) measures the rate of return on the shareholders' equity of the owners of issued share capital, computed by dividing the net income by the average common equity (average equity of two years financial performance).
Return on Assets	Return on assets (ROA) is computed by dividing net income by average total assets (average assets of two years financial performance).
Return on Capital Employed	Return on capital employed (ROCE) measures the relative profitability of a company after taking into account the amount of capital used during a relative financial performance.
Cash Flow Statement	
Cash Flow from Operating Activities (CFO)	Cash generated from the principal revenue producing activities of the Group/Company less any interest incurred on debt.
Cash Flow from Investing Activities	Cash generated from the activities dealing with the acquisition and disposal of long-term assets and other investments of the Group/Company.
Cash Flow from Financing Activities	Cash generated from the activities that result in change in share capital and borrowings of the Group/Company.
Capex	Represents the capital expenditure incurred by the Group/Company in a financial year.
Free Cash Flows (FCF)	The amount of cash the Group/Company has after it has met its financial obligations. It is calculated by taking Cash Flow from Operating Activities less the Capex of the same financial year.

Balance Sheet	
Total Assets	What the Group/Company owns which can de further classified into Non-Current Assets and Current Assets.
Non-Current Assets	Assets, full value of which will not be realised within the forthcoming accounting year
Current Assets	Assets which are realisable within one year from the statement of financial position date.
Inventory	Inventory is the term for the goods available for sale and raw materials used to produce goods available for sale.
Cash and Cash Equivalents	Cash and cash equivalents are Group/Company assets that are either cash or can be converted into cash immediately.

Total Equity	Total Equity is calculated as total assets less liabilities, representing the capital owned by the shareholders, retained earnings, and any reserves.
Total Liabilities	What the Group/Company owes which can de further classified into Non-Current Liabilities and Current Liabilities.
Non-Current Liabilities	Obligations which are due after more than one financial year.
Total Debt	All interest-bearing debt obligations inclusive of long and short-term debt.
Net Debt	Total debt of a Group/Company less any cash and cash equivalents.
Current Liabilities	Obligations which are due within one financial year.
Financial Strength Ratios	
Current Ratio	The Current ratio (also known as the Liquidity Ratio) is a financial ratio that measures whether or not a company has enough resources to pay its debts over the next 12 months. It compares current assets to current liabilities.
Quick Ratio (Acid Test Ratio)	The quick ratio measures a Group's/Company's ability to meet its short-term obligations with its most liquid assets. It compares current assets (less inventory) to current liabilities.
Interest Coverage Ratio	The interest coverage ratio is calculated by dividing EBIT of one period by finance costs of the same period.
Gearing Ratio	The gearing ratio indicates the relative proportion of shareholders' equity and debt used to finance total assets.
Gearing Ratio Level 1	Is calculated by dividing Net Debt by Net Debt and Total Equity.
Gearing Ratio Level 2	Is calculated by dividing Total Liabilities by Total Assets.
Gearing Ratio Level 3	Is calculated by dividing Net Debt by Total Equity.
Net Debt / EBITDA	The Net Debt / EBITDA ratio measures the ability of the Group/Company to refinance its debt by looking at the EBITDA.

Other Definitions	
FY	Financial Year.
Yield to Maturity (YTM)	YTM is the rate of return expected on a bond which is held till maturity. It is essentially the internal rate of return on a bond and it equates the present value of bond future cash flows to its current market price.

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