DIZZ

FINANCE P.L.C

C 71189

Publication of Financial Analysis Summary

Date of Announcement	21 June 2024

The following is a company announcement issued by Dizz Finance p.l.c. (C 71189), hereinafter the "Company", pursuant to the Capital Market Rules issued by the Malta Financial Services Authority:

QUOTE

The Board of Directors of the Company hereby announces that the Financial Analysis Summary dated 21st June 2024 that has been compiled by MZ Investment Services Ltd., has been approved for publication.

A copy of the signed Financial Analysis Summary is being hereby attached and is also available for viewing on the Company's website https://dizz.com.mt/dizz-finance-plc/

UNQUOTE

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Mr. Kenneth Abela
Company Secretary
DZF93

Financial Analysis Summary

21 June 2024

Issuer

Dizz Finance p.l.c.

(C 71189)

Guarantor

Dizz Group of Companies Limited

(C 64435)

Prepared by:

MZ INVESTMENTS

MZ INVESTMENTS

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The Board of Directors
Dizz Finance p.l.c.
Dizz Buildings
Triq il-Ħarruba
Santa Venera
Malta

21 June 2024

Dear Board Members,

Financial Analysis Summary

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 this Analysis is that of summarising key financial information appertaining to Dizz Finance p.l.c. (the "**Issuer**" or "**Company**") and Dizz Group of Companies Limited (the "**Guarantor**", "**Group**" or "**Dizz Group**"). The data is derived from various sources or is based on our own computations as follows:

(a) Historical information for the most recent three financial years ended 31 December 2021, 31 December 2022, and 31 December 2023 has been extracted from the respective audited consolidated annual financial statements.

(b) The forecast information of the Issuer and the Guarantor for the financial year ending 31 December 2024 has been provided by the Group.

(c) Our commentary on the financial performance, cash flows, and financial position of the Issuer and the Guarantor is based on explanations provided by the Group.

(d) The ratios quoted in this Analysis have been computed by applying the definitions set out in Part 4 – Explanatory Definitions of this report.

(e) Relevant financial data in respect of the companies included in Part 3 – Comparative Analysis of this Analysis has been extracted from public sources such as websites of the companies concerned, financial statements filed with the Malta Business Registry, as well as other sources providing financial information.

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This Analysis is meant to assist existing and potential investors in the Issuer's securities by summarising the more important financial information of the Group. This Analysis does not contain all data that is relevant to investors. This 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 or not invest in any of the Issuer's securities. We will not accept any liability for any loss or damage arising out of the use of this Analysis. As with all investments, existing and potential investors are encouraged to seek professional advice before investing in the Issuer's securities.

Yours faithfully,

Evan Mohnani
Head Corporate Broking

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PART 1 – INFORMATION ABOUT THE ISSUER AND THE GROUP

1. KEY ACTIVITIES OF THE ISSUER

Dizz Finance p.l.c. (the "**Issuer**" or "**Company**") was established on 24 June 2015 and is a wholly owned subsidiary of Dizz Group of Companies Limited (the "**Guarantor**", "**Group**" or "**Dizz Group**").

The Issuer acts as a finance company and is principally involved in raising funds and lending same to Dizz Group companies. Furthermore, the Issuer owns and manages a portfolio of properties in Malta either for use by the Dizz Group or for rental to third parties. The Issuer's property portfolio includes both residential properties mainly situated in upmarket localities and retail properties.

2. KEY ACTIVITIES OF THE GROUP

The Guarantor was incorporated as a private limited liability company on 28 March 2014 and is the holding company of the Group. The Dizz Group is principally involved in the sale of fashion-related items and food & beverages in Malta and operates the following key brands: Elisabetta Franchi, Liu Jo, Boggi, Guess, Paul & Shark, Harmont & Blaine, Terranova, Calliope, KIKO, Nespresso, Caffe' Pascucci, Salad Box and TheCorner.com.

The average number of employees directly engaged with the companies forming part of the Dizz Group during FY2023 amounted to 199 persons (FY2022: 234).

The Group is also involved in acquiring and/or leasing property and sub-leasing such property to companies within the Group or to third parties.

Dizz Group has three subsidiaries whose primary objective is to raise finance for the Group, namely the Issuer, D Shopping Malls Finance p.l.c. and D Foods Finance p.l.c. The Issuer issued €8 million 5% Unsecured Bonds on 28 September 2016, repayable at par on 7 October 2026, whilst D Shopping Malls Finance p.l.c. issued €7.5 million 5.35% Unsecured Bonds on 1 October 2018 on Prospects MTF, repayable at par on 28 October 2028. D Foods Finance p.l.c. issued €3 million 3% Secured Convertible Notes 2030 on 3 August 2020. The secured notes form part of a €10 million notes programme in terms of a base prospectus dated 21 July 2020 and are listed on the Institutional Financial Securities Market (IFSM).

During 2023, the Group repurchased and cancelled €624,900 5.35% D Shopping Malls Finance p.l.c. Unsecured Bonds 2028.

3. DIRECTORS & MANAGEMENT STRUCTURE

3.1 DIRECTORS OF THE ISSUER

The Issuer is managed by a Board consisting of six directors entrusted with the overall direction and management of the Company.

Diane Izzo	Chairperson and Executive Director
Karl Izzo	Executive Director
Edwin Pisani	Executive Director
Nigel Scerri	Independent Non-Executive Director
Adrian Sciberras	Independent Non-Executive Director
Joseph C. Schembri	Independent Non-Executive Director
Kenneth Abela	Company Secretary

The Executive Directors of the Issuer are entrusted with the company's day-to-day management and are also directors of other companies within the Group. The Executive Directors are supported in this role by several consultants and benefit from the know-how gained by members and officers of the Dizz Group.

3.2 DIRECTORS OF THE GUARANTOR

The Guarantor is managed by a Board of Directors entrusted with its overall direction and management, and is composed as follows:

Diane Izzo	Group Chairperson and CEO
Karl Izzo	Executive Director

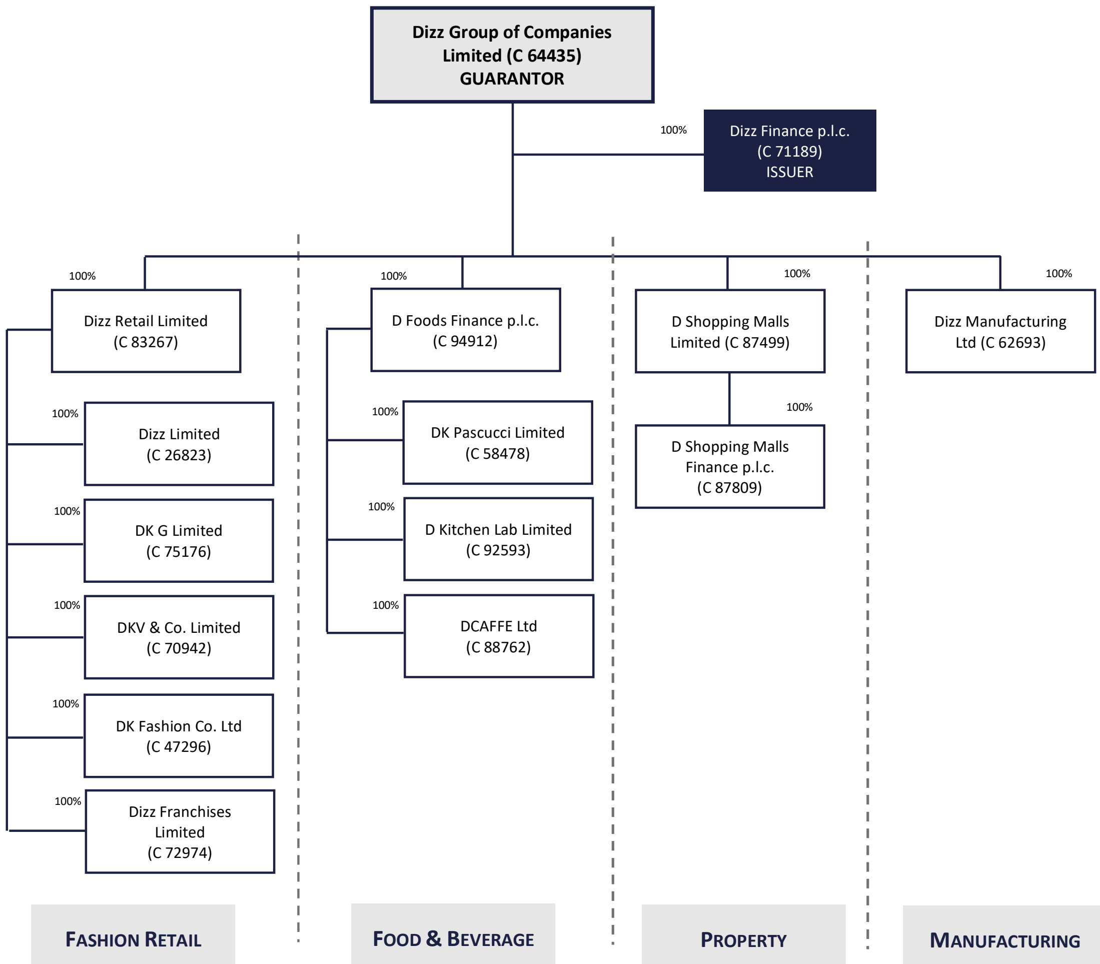
3.3 MANAGEMENT STRUCTURE

In the day-to-day operations of the Group, the Executive Directors are supported by the senior management team composed of the following individuals:

Kenneth Abela	Group Chief Financial Officer
Denise Bonello	Chief Operations Manager
Edwin Pisani	General Manager
Philip George Galea	Marketing and Development Manager

4. ORGANISATIONAL STRUCTURE

The issued share capital of Dizz Group amounts to €8,934,562 and is composed of 8,934,562 ordinary shares of a nominal value of €1 per share, fully paid up (FY2022: €8,934,562). The shares are owned equally by Diane Izzo and Karl Izzo. The diagram hereunder illustrates the latest organisational structure of the Group:



DK G Limited is currently owned by the Guarantor. The process has commenced to transfer DK G Limited from the Guarantor to Dizz Retail Limited. In this regard, the above organigram reflects the position after the said transfer is finalised.

5. MAJOR ASSETS

The Dizz Group is the owner of a number of properties which are included in the consolidated statement of financial position under the headings: 'property, plant & equipment' and 'investment property'. The following is a list of major assets owned by the Dizz Group.

Dizz Group of Companies Limited **Group Assets**	**Ownership**	**Lessee**	**FY2021**	**FY2022**	**FY2023**
			€'000	**€'000**	**€'000**
Store in Carob Street, St Venera	Issuer	Dizz Group companies	254	255	
Terranova Outlet, Kap. Mifsud Str., St Venera	Issuer	Dizz Group companies	650	650	**650**
Head Office in Carob Street, St Venera	Issuer	Dizz Group companies	275	275	**275**
Apartment Compass Rose, Pieta	Issuer	Third parties	231	231	
Apt 2, Church Street, St Julians	Issuer	Third parties	450	450	**450**
Apt in Savoy Gardens, Gzira	Issuer	Third parties	260	260	**260**
Aquarius', maisonette & garage in Swieqi	Issuer	Third parties	375	375	
Apt 3, Platinum Mansions, Triq Nazju Ellul, Msida	Issuer	Third parties		281	
Caffe Pascucci, Gzira Road, Gzira	Issuer	Dizz Group companies	890	890	**890**
Apartment Portomaso, St Julians	Issuer	Third parties	396		
Apt 13, Waterside Apts, Ix-Xatt ta' Qui Si Sana	D Shopping Malls Ltd	Third parties	1,304	1,304	**1,324**
Laguna Apartment, Portomaso, St Julians	D Shopping Malls Ltd	Third parties	2,200		
Apt 6, Byron Court, Ix-Xatt ta' Qui Si Sana	D Shopping Malls Ltd	Third parties	946	946	**946**
The Hub-Land, Mriehel (under development)	Dizz Manufacturing Ltd	n/a	6,272	16,142	**16,694**
			14,503	**22,059**	**21,489**

Source: Consolidated audited financial statements of Dizz Group of Companies Limited.

In FY2023, the Group sold a store in St Venera and 3 residential properties in Pieta, Msida and Swieqi, having an aggregate carrying value of €1.1 million.

6. OVERVIEW OF OUTLETS

In 2023, the Group closed three fashion retail stores and opened three outlets at Mercury Towers (Caffe Pascucci, Guess and KIKO). At year end, the Group operated 41 fashion retail stores and food & beverage outlets (FY2022: 41).

In 2024, the Group opened six outlets at Shoreline Complex (Caffe Pascucci, Nespresso, Guess, KIKO, Caliope and Terranova).

7. SEGMENT INFORMATION

The Group is principally involved in fashion retail, food and beverage and property. A divisional analysis of the Group's business is provided below:

Dizz Group Divisional Analysis	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Forecast
Turnover (€'000)	**18,894**	**21,408**	**22,536**	**26,448**
Fashion retail	14,114	15,776	17,430	20,100
Food & beverage	4,063	4,871	4,357	5,399
Rental income	717	761	749	949
Fashion retail	*74.70%*	*73.69%*	*77.34%*	*76.00%*
Food & beverage	*21.50%*	*22.75%*	*19.33%*	*20.41%*
Rental income	*3.79%*	*3.56%*	*3.32%*	*3.59%*
Gross Operating Profit (€'000)	**8,406**	**9,982**	**11,150**	**13,151**
Gross Operating Profit Margin (%)	**44.49%**	**46.62%**	**49.48%**	**49.72%**

Source: Management information.

Revenue generated by the Group in FY2023 amounted to €22.5 million, an increase of €1.1 million (+5%) compared to the prior year (FY2022: €21.4 million). In FY2023, the Group closed 3 underperforming outlets and opened 3 outlets at Mercury Towers.

Fashion retail revenue improved by 10% year-on-year to €17.4 million, mainly on account of the afore-mentioned new openings which commenced operations in the second half of the year. In contrast. revenue from food & beverage operations decreased y-o-y by 11% from €4.9 million in FY2022 to €4.4 million in FY2023 following the closure of an underperforming F&B outlet in late 2022.

Rental income in FY2023 amounted to €0.75 million compared to €0.76 million in the prior year. In the last financial year, *circa* 79% of rental income was derived from leases of retail space at Center Parc and D Mall (FY2022: 78%).

Gross operating profit generated by the Group in FY2023 amounted to €11.2 million, an increase of €1.2 million (+12%) from the previous financial year. The increase in operating profit is reflective of the Group's strategy to improve gross operating profit margin, which improved from 47% in FY2022 to 49% in FY2023.

Revenue in the projected year **FY2024** is expected to amount to €26.4 million, an increase of €3.9 million (+17%) from FY2023. The fashion retail segment of the Group is expected to deliver €2.7 million (or 69%) of said increase, while an increment of €1.0 million is expected from the food & beverage segment. The year-on-year increase in fashion retail and food & beverage is reflective of a full year's operation of the new openings at Mercury Towers and ten months of Shoreline Mall

Rental income is projected to increase from €749,000 in FY2023 to €949,000 in FY2024, on account of lease income generated by the Hub as from the second half of 2024.

In the forecast year, the Group is expecting a stable gross operating profit margin at almost 50%. As such, the gross operating profit for FY2024 is estimated to amount to €13.2 million compared to €11.2 million in the previous year (+€2.0 million or +18% year-on-year).

8. THE HUB

The Group is finalising the development of a site having a footprint of *circa* 1,245m^2 with frontage on Triq L-Industrija, Mrieħel (referred to as the "Hub" or the "Hub Project"). The Hub Project consists of five floors of commercial and office space and two basement levels of underground parking. Towards the end of 2023, the Group signed an agreement for the rental of part of the Hub, which tenancy will commence around mid-2024.

9. D MALL

D Shopping Malls Limited leases from Sliema Wanderers Football Club an area measuring 2,861m^2 situated in the Sliema Wanderers Sports Complex, Tigne Complex, Sliema, on which D Malls, a commercial centre, was developed.

The property is being leased for a 15-year period as from date of official opening, of which the first 7 years are *di fermo*, whilst the remaining 8 years are *di rispetto* at the option of the lessee. The lease period can be extended further for three consecutive 15-year periods at the exclusive discretion of the lessee. The project was inaugurated on 21 November 2020 and is currently fully leased, except for space on level -1 which is used by the Group as storage.

10. CENTER PARC

On 1 September 2017, Dizz Limited and Center Parc Holdings Limited, entered into an agreement to lease *circa* 2,581m^2 of commercial space situated at third level (ground floor) of Center Parc Retail Hub, Triq it-Tigrija, Qormi, Malta. The property is leased for a period of 15 years of which the first 4 years are *di fermo*, whilst the remaining 11 years are *di rispetto* at the option of the lessee, subject to a six-month notification period. If the lessee fails to inform the lessor twelve months prior to the expiration of the *di fermo* period, the lease is automatically extended for the next 11 years. Dizz Limited assigned the lease agreement to D Shopping Malls Limited.

The property was leased in shell form, with all other works and improvements carried out by the lessee and completed in October 2019. D Shopping Malls Limited has sub-leased 1,486m^2 (equivalent to 50% of the total retail space within Center Parc) to Dizz Limited to operate a Terranova outlet as well as a Calliope outlet situated opposite the main entrance of the shopping mall. In addition, four outlets have been sub-leased to related parties, while three other outlets have been sub-leased to third parties (9 outlets in aggregate).

11. MARKET OVERVIEW

11.1 ECONOMIC UPDATE[1]

The Maltese economy continues to grow robustly driven by strong exports and domestic demand. Tourism flows bounced back to well above pre-pandemic levels and the strong inflow of workers is boosting domestic demand. After reaching 5.60% GDP growth in 2023, the Maltese economy is expected to achieve a growth rate of 4.60% in 2024 and 4.30% in 2025. The government deficit stood at 4.90% of GDP in 2023, and it is expected to only gradually decrease in 2024 and 2025. Thanks to robust nominal GDP growth, the public debt-to-GDP ratio is forecast to increase only slightly despite the still high primary deficit.

In 2023, real GDP growth reached 5.60%, 1.6 percentage points higher than projected in autumn. Both private consumption and exports came much stronger than expected, resulting from significantly higher immigration and tourism flows. Besides exceptionally strong immigration, Malta's economy continues to benefit from a low pass-through of monetary policy to retail interest rates and from government measures that have kept energy prices stable at 2020 levels.

Tourism reached pre-pandemic levels in 2023. The number of tourist arrivals increased by more than 26% in the first two months of 2024, although tourism expenditure grew at a slightly slower pace. Strong growth is also forecast in exports of electronics and entertainment, professional and financial services.

Construction investment is expected to stabilise and recover moderately after a sharp fall in 2023, growing at 2.50% in 2024 and 3.90% in 2025. The increase of private consumption and activity in the service sector is expected to lead to higher imports of goods and services. Overall, the forecast for GDP growth was revised upward to 4.60% in 2024 and 4.30% in 2025.

With employment growth at 6.50% in 2023, Malta's labour market exceeded expectations. Employment growth is set to remain strong at 40% also in 2024 and 2025 as the country continues to attract foreign workers. Labour and skills shortages are still mentioned as the main limiting factors for the Maltese economy.

The unemployment rate was revised upwards from 2.90% to 3.50% in 2022 due to an updated demographic survey. In 2023, the unemployment rate fell to 3.10% and it is expected to drop marginally to 3% and 2.90% in 2024 and 2025. Nominal wages were, however, still growing at relatively weak rates in 2023 as employment expanded in the low wage sectors, resulting in negative real wage growth per head.

HICP inflation in 2023 reached 5.60% despite the government intervention to keep energy prices at 2020 levels. The Maltese authorities confirmed their commitment to limiting energy inflation in 2024 and 2025. Inflation in Malta slowed down in the first quarter of 2024 mainly due to lower services

[1] **Source:** European Commission, '*European Economic Forecast Spring 2024*', 15 May 2024.

inflation. Headline inflation is forecast at 2.80% in 2024 and 2.30% in 2025, with food prices set to remain the fastest growing component.

In 2023, the debt-to-GDP ratio fell by 1.2 percentage points to 50.40% due to strong nominal growth and despite the high primary deficit. A positive stock-flow adjustment related to the equity injection in the national airline is expected to drive the increase of the public debt to 52% of GDP in 2024. For 2025, a smaller primary deficit and a favourable interest growth differential will lead to a smaller increase of public debt to 52.60% of GDP.

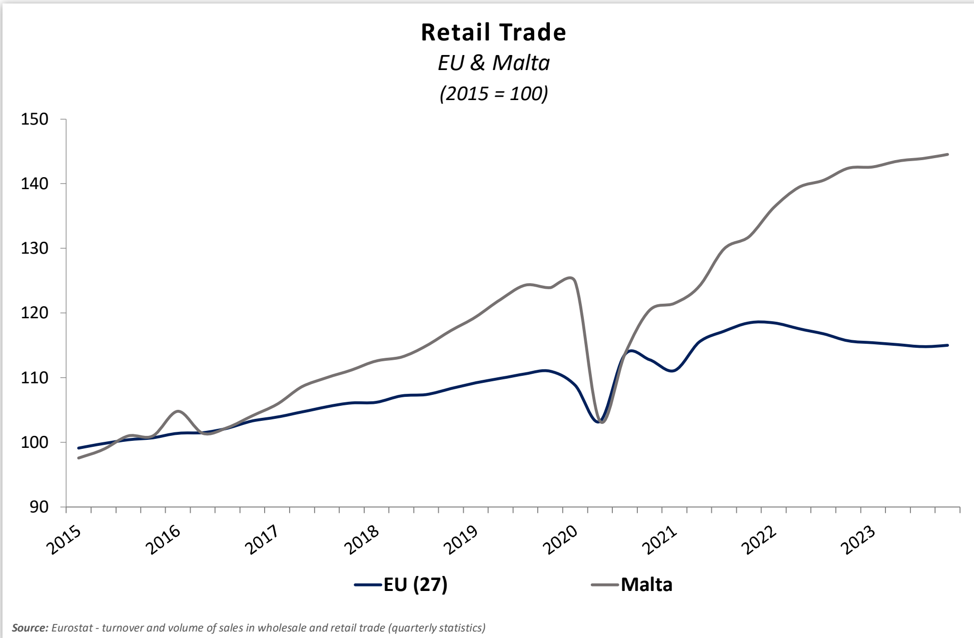
Key Economic Indicators [1]	**2021 Actual**	**2022 Actual**	**2023 Forecast**	**2024 Forecast**	**2025 Projection**
Malta					
Real GDP growth *(%, year-on-year)*	12.50	8.10	5.60	4.60	4.30
Real GDP growth per capita *(%, year-on-year)*	11.90	5.30	2.40	1.90	1.70
Inflation *(%, year-on-year)* [2]	0.70	6.10	5.60	2.80	2.30
Unemployment (%)	3.80	3.50	3.10	3.00	2.90
Primary balance *(% of GDP)*	(6.50)	(4.60)	(3.80)	(3.10)	(2.60)
General balance *(% of GDP)*	(7.60)	(5.50)	(4.90)	(4.30)	(3.90)
Gross public debt *(% of GDP)*	53.90	51.60	50.40	52.00	52.60
Current account balance *(% of GDP)*	5.70	0.60	4.20	3.40	3.60
Euro area (20)					
Real GDP growth *(%, year-on-year)*	5.90	3.40	0.40	0.80	1.40
Real GDP growth per capita *(%, year-on-year)*	5.90	2.90	(0.20)	0.50	1.10
Inflation *(%, year-on-year)* [2]	2.60	8.40	5.40	2.50	2.10
Unemployment (%)	7.80	6.80	6.60	6.60	6.50
Primary balance *(% of GDP)*	(3.80)	(2.00)	(1.90)	(1.10)	(0.90)
General balance *(% of GDP)*	(5.20)	(3.70)	(3.60)	(3.00)	(2.80)
Gross public debt *(% of GDP)*	96.60	92.40	90.00	90.00	90.40
Current account balance *(% of GDP)*	3.70	1.00	2.90	3.20	3.20
EU					
Real GDP growth *(%, year-on-year)*	6.00	3.50	0.40	1.00	1.60
Real GDP growth per capita *(%, year-on-year)*	6.10	3.30	0.00	0.80	1.50
Inflation *(%, year-on-year)* [2]	2.90	9.20	6.40	2.70	2.20
Unemployment (%)	7.10	6.20	6.10	6.10	6.00
Primary balance *(% of GDP)*	(3.40)	(1.80)	(1.80)	(1.20)	(0.90)
General balance *(% of GDP)*	(4.70)	(3.40)	(3.50)	(3.00)	(2.90)
Gross public debt *(% of GDP)*	89.00	84.80	82.90	82.90	83.40
Current account balance *(% of GDP)*	3.30	0.90	2.90	3.10	3.10

[1] **Source:** *European Commission, 'European Economic Forecast Spring 2024, 15 May 2024.*

[2] *Harmonised Indices of Consumer Prices ("HICP")*

11.2 RETAIL TRADE SECTOR[2]

The chart below provides an indication of the trend in performance of the overall retail sector in Malta as compared to the European Union (2015 being the base year = 100).



According to the EU trend line above, retail trade increased at a constant rate of growth from Q1 2015 to Q2 2020. Following the COVID-19 pandemic outbreak in March 2020, retail activity declined 7.8 percentage points in Q2 2020 compared to Q4 2019 but fully recovered by Q3 2020. Between Q3 2020 and Q4 2023, retail activity in the EU increased marginally with a declining trend line as from Q1 2022.

Retail activity in Malta outperformed the EU average in 2018 and 2019 on account of: (i) the robust overall growth of the Maltese economy and a strong labour market which has outpaced the EU average; and (ii) the increase in population of the expat community in Malta.

In Q2 2020, the fashion retail sector in Malta decreased by 20.6 percentage points from Q4 2019 as a result of the pandemic. From Q3 2020 to Q4 2023, the fashion retail sector in Malta grew strongly by 30.9 percentage points compared to an increase of 2.2 percentage points registered by the EU.

[2] **Source:** Eurostat.

PART 2 – PERFORMANCE REVIEW

12. FINANCIAL INFORMATION RELATING TO THE ISSUER

The following financial information is extracted from the audited financial statements of the Issuer for the three years ended 31 December 2021 to 31 December 2023. The financial information for the year ending 31 December 2024 has been provided by Group management.

The projected financial statements detailed below relate to events in the future and are based on assumptions which the Group 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.

Dizz Finance p.l.c. Income Statement for the financial year 31 December	2021 Actual €'000	2022 Actual €'000	2023 Actual €'000	2024 Forecast €'000
Rental income	207	239	192	192
Finance income	659	666	662	662
Finance costs	(433)	(430)	(435)	(435)
Gross profit	**433**	**476**	**419**	**419**
Profit on disposal of investment property and PPE	32	92	401	-
Other income	20	21	14	-
Adminstrative expenses	(121)	(175)	(113)	(107)
Fair value movement on property	(32)	-	(274)	-
Depreciation	(10)	(9)	4	(5)
Profit before tax	**322**	**405**	**451**	**307**
Taxation	(212)	(81)	1	(107)
Profit for the year	**110**	**324**	**452**	**200**

INCOME STATEMENT

The Issuer is a fully owned subsidiary of the Guarantor and is principally engaged to act as a finance and property holding company. Most of the Issuer's revenue is generated from interest receivable on funds on-lent to Group companies. Accordingly, the Issuer's operating performance and future prospects are dependent on the Guarantor and other Group entities.

In FY2023, rental income generated by the Issuer amounted to €192,000 compared to €239,000 in FY2022 (-20%), in consequence of the sale of four properties during the year. The properties owned by the Issuer, of which the majority are leased to Group companies and third parties, are listed in section 4 of this report. Rental income for FY2024 is projected to remain stable at €192,000.

Net interest income reflects the net difference between interest receivable from advances to Group companies and interest payable on bonds in issue. In FY2023, net interest income amounted to €227,000 compared to €236,000 in the prior year. In the project year (FY2024), net interest receivable is expected to remain unchanged at €227,000.

During FY2023, the Issuer disposed of four properties and generated a gain on disposal amounting to €401,000 (FY2022: €92,000). In connection with these sales, the Issuer reversed uplifts to investment property recorded in prior years amounting to €274,000 (FY2022: nil).

Net profit in FY2023 amounted to €452,000 compared to €324,000 a year earlier. In the projected year (FY2024), net profit is projected to amount to €200,000.

Dizz Finance p.l.c. **Cash Flow Statement** **for the financial year 31 December**	**2021** **Actual** **€'000**	**2022** **Actual** **€'000**	**2023** **Actual** **€'000**	**2024** **Forecast** **€'000**
Net cash from / (used in) operating activities	626	952	607	519
Net cash from / (used in) investing activities	8	207	1,346	-
Net cash from / (used in) financing activities	(665)	(1,132)	(1,947)	(400)
Net movement in cash and cash equivalents	**(31)**	**27**	**6**	**119**
Cash and cash equivalents at beginning of year	(5)	(35)	(8)	(2)
Cash and cash equivalents at end of year	**(35)**	**(8)**	**(2)**	**117**

STATEMENT OF CASH FLOWS

Net cash from operating activities amounted to €607,000 in FY2023 compared to €952,000 in the prior year. It is estimated that net operating cash inflows in FY2024 will amount to €519,000.

During FY2023, the Issuer generated €1.36 million from the disposal of four investment properties (FY2022: €189,600) and a net cash positive movement in property, plant and equipment of €86,372 (FY2022: €17,255). For the purposes of the forecast financial year, no investing activities have been assumed.

Cash flows from financing activities primarily include movements in amounts due/from related parties and bond interest payable. In the last financial year, net cash outflows amounted to €1.95 million, compared to €1.13 million in FY2022, and principally comprised net payments to group companies of €1.56 million (FY2022: €750,783) and bond interest of €400,000 (FY2022: €400,000). It is assumed that financing activities in FY2024 will represent bond interest payable amounting to €400,000.

Dizz Finance p.l.c. Statement of Financial Position as at 31 December	2021 Actual €'000	2022 Actual €'000	2023 Actual €'000	2024 Forecast €'000
ASSETS				
Non-current assets				
Property, plant & equipment	66	57	19	15
Investment property	3,983	3,868	2,683	2,683
Loans owed by related companies	6,159	6,159	6,159	6,159
Loans owed by third parties	69	50	46	46
Deferred tax asset	64	-	-	-
	10,341	**10,135**	**8,907**	**8,903**
Current assets				
Trade and other receivables	5,595	6,459	6,792	6,792
Cash and cash equivalents	-	-	-	117
	5,595	**6,459**	**6,792**	**6,909**
Total assets	**15,936**	**16,594**	**15,699**	**15,812**
EQUITY				
Share capital	1,910	1,910	1,910	1,910
Retained earnings	3,261	3,585	4,037	4,237
	5,171	**5,495**	**5,947**	**6,147**
LIABILITIES				
Non-current liabilities				
Debt securities - 5% Bonds 2026	7,887	7,913	7,941	7,969
Deferred tax liabilities	286	280	201	201
	8,173	**8,193**	**8,142**	**8,170**
Current liabilities				
Bank balance overdrawn	35	8	2	-
Trade & other payables	2,384	2,711	1,388	1,388
Current tax liabilities	173	186	220	107
	2,592	**2,906**	**1,610**	**1,495**
Total liabilities	**10,765**	**11,099**	**9,752**	**9,665**
Total equity and liabilities	**15,936**	**16,594**	**15,699**	**15,812**

STATEMENT OF FINANCIAL POSITION

The assets of the Issuer principally include investment property (listed in section 4 of this report) having a carrying value at 31 December 2023 of €2.68 million (FY2022: €3.87 million), loans owed by related companies amounting to €6.16 million (FY2022: €6.16 million), and trade and other receivables of €6.79 million (FY2022: €6.46 million) which mainly comprise amounts due from Group companies. As mentioned above, the y-o-y decrease in investment property was due to the disposal of four properties.

The liabilities of the Issuer mainly include debt securities listed on the Official List of the Malta Stock Exchange of €8 million (FY2022: €8 million) and amounts due to Group companies amounting to €1.11 million which are included in "trade and other payables" (FY2022: €2.28 million).

No material movements in assets and liabilities have been projected for FY2024 compared to FY2023.

13. FINANCIAL INFORMATION RELATING TO THE GROUP

The historical financial information included hereinafter is extracted from the audited consolidated financial statements of the Guarantor for the three financial years ended 31 December 2021 to 31 December 2023. The financial information for the year ending 31 December 2024 has been provided by management.

The projected financial statements detailed below relate to events in the future and are based on assumptions which the Group 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.

Dizz Group of Companies Limited Consolidated Income Statement for the financial year 31 December	**2021 Actual €'000**	**2022 Actual €'000**	**2023 Actual €'000**	**2024 Forecast €'000**
Revenue	18,894	21,415	22,539	26,448
Cost of sales	(10,488)	(11,434)	(11,389)	(13,297)
Gross operating profit	**8,406**	**9,982**	**11,150**	**13,151**
Administration expenses	(6,561)	(7,884)	(6,912)	(7,743)
Marketing expenses	(781)	(749)	(575)	(116)
Management fees and other income / (costs)	3,188	3,261	2,042	35
EBITDA	**4,252**	**4,609**	**5,705**	**5,327**
Depreciation and amortisation	(3,819)	(3,872)	(4,190)	(4,731)
Operating profit	**433**	**738**	**1,515**	**596**
Gain on disposal of PPE and investment property	32	1,120	274	340
Changes in fair value of investment property	(32)	(979)	(100)	-
Net finance costs	(2,364)	(2,418)	(2,517)	(2,560)
Loss before tax	**(1,931)**	**(1,539)**	**(828)**	**(1,624)**
Taxation	(75)	(298)	82	664
Loss after tax	**(2,006)**	**(1,837)**	**(746)**	**(960)**
Other comprehensive income				
Gain (loss) on property revaluation	-	8,247	(173)	-
	-	**8,247**	**(173)**	**-**
Total comprehensive income / (loss)	**(2,006)**	**6,410**	**(919)**	**(960)**

Key Financial Ratios	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Forecast
EBITDA margin (%) *(EBITDA / revenue)*	22.50	21.52	25.31	20.14
Operating profit margin (%) *(Operating profit / revenue)*	2.29	3.44	6.72	2.25
Net profit margin (%) *(Profit after tax / revenue)*	(10.62)	(8.58)	(3.31)	(3.63)
Return on equity (%) *(Profit after tax / average equity)*	(34.79)	(21.42)	(6.25)	(8.39)
Return on assets (%) *(Profit after tax / average assets)*	(3.01)	(2.34)	(0.89)	(1.15)
Return on invested capital (%) *(Operating profit / average equity and net debt)*	0.86	1.27	2.52	0.97
Interest cover (times) *(EBITDA / net finance costs)*	1.80	1.91	2.27	2.08

INCOME STATEMENT

In **FY2021**, the Group reported an increase in revenue amounting to €5.4 million (+40%) from €13.5 million in FY2020 to €18.9 million on account of a limited recovery in the retail and food & beverage segments which took place mainly in the second half of said financial year. The increase in operational activities is also partly due to the full-year contribution of the Pastrocchio, Salad Box and Nespresso brands, the full-year contribution of the outlets operated by the Group in D Mall and the re-opening of the refurbished outlets in BayStreet.

Administrative and marketing expenses were lower on a comparable basis by €1.1 million and amounted to €7.3 million. The year-on-year decrease was mainly due to a cost savings exercise undertaken by the Group. Management fees and other income amounted to €3.2 million in FY2021 (FY2020: €3.3 million) which included COVID-19 related supplements of €1.0 million.

EBITDA in FY2021 amounted to €4.3 million compared to a negative EBITDA of €0.5 million in FY2020. As a result, the Group achieved an EBITDA margin of 23% in the last financial year compared to -3% in FY2020.

Depreciation and amortisation decreased year-on-year by €0.4 million, while net finance costs increased year-on-year by €0.5 million. Both movements are primarily in consequence of the revised lease agreement relating to commercial space at D Mall. The lease term has been extended by a further 15 years and as such, the increase in the number of years to expiration has resulted in a lower annual amortisation charge on the right-of-use asset. As part of the same deal, the parties have agreed to increase the lease obligations yearly until FY2024 for a 50% reduction in rent thereafter. This increase between FY2021 and FY2024 is reflected in an increase in finance costs charged to the income statement.

Interest cover for the reviewed year was 1.80 times compared to -0.25 times in FY2020.

Overall, the Group reported total comprehensive loss of €2.0 million in FY2021 compared to €3.3 million (expense) in FY2020. In view of the loss incurred by the Group, the results of accounting ratios such as net profit margin, return on equity and return on assets are negative.

Revenue in **FY2022** amounted to €21.42 million, an increase of €2.53 million (+13%) from FY2021. The fashion retail and food & beverage segments of the Group performed better compared to the prior year as the economy continued to recover from the pandemic. In addition, the outlets opened at the end of 2021, such as Calliope at D Mall, operated for the first full year and the inclusion of 5 KIKO stores/stands as of 1 July 2022 also contributed to the growth in revenue. On the other hand, inflationary pressures and the local general election had an adverse impact on the Group's performance.

In consequence of the increase in revenue, the Group's gross operating profit increased by €1.57 million from €8.41 million in FY2021 to €9.98 million in FY2022. Management fees and other income amounted to €3.3 million in FY2022 (FY2021: €3.2 million).

After accounting for administration, marketing expenses and other income, the Group's EBITDA amounted to €4.61 million compared to €4.25 million in the prior year. The interest cover improved marginally from 1.80 times in FY2021 to 1.91 times in FY2022.

Depreciation & amortisation and net finance costs did not vary materially on a comparable basis.

During the reviewed financial year, the Group sold two apartments in St Julians and registered a gain of €141,000 (being the aggregate of 'gain on disposal of PPE and investment property' and 'changes in fair value of investment property'.

Despite the positive EBITDA, the Group incurred a loss before tax of €1.54 million compared to a loss of €1.93 million reported in the previous year.

The development of The Hub is at an advanced stage and as such, the Group recognised a net uplift in the carrying value of the said property of €8.25 million.

Following the above, the Group reported a total comprehensive income of €6.41 million compared to a total comprehensive loss of €2.01 million in the prior year.

In **FY2023**, the Group generated €22.54 million in total revenue compared to €21.42 million in FY2022 (+5%). As explained in section 6, the positive performance by the Group's fashion retail stores was dampened by an 11% y-o-y decrease from the food & beverage outlets. During the year, the Group closed three fashion retail stores and opened three others at Mercury Towers (Caffe Pascucci, Guess and KIKO).

Administrative and marketing expenses, net of management fees and other income, remained relatively stable on a comparable basis and amounted to €5.45 million (FY2022: €5.37 million). In consequence of the increase at gross operating profit level, EBITDA in FY2023 increased by €1.10 million (+24%) to €5.71 million compared to €4.61 million in FY2022. As such, the Group's EBITDA margin improved from 22% to 25%, while interest cover strengthened from 1.91 times a year earlier to 2.27 times.

Pursuant to the sale of four properties during the year, the Group registered a net gain on disposals of €0.17 million (FY2022: €0.14 million).

Overall, the Group reported total comprehensive loss of €0.92 million in FY2023 compared to total comprehensive income of €6.41 million in FY2022. As explained above, the FY2022 financials included a property revaluation gain of €8.25 million.

In the forecast year **FY2024**, the Group expects revenue to increase by €3.91 million to €26.45 million primarily on account of a full year's results from the new openings at Mercury Towers, ten months of results from the new openings at Shoreline Mall and a limited improvement in operational performance from the remaining outlets.

Administrative and marketing expenses are expected to be higher on a comparable basis by €0.37 million, estimated at €7.86 million. The Group is not projecting any material management fees and, or other income, which will therefore result in an adverse movement of €2.01 million.

In consequence, FY2024 EBITDA is projected to be lower from the prior year by €0.38 million and expected to amount to €5.33 million (FY2023: €5.71 million). As such, the Group's EBITDA margin is expected to decline from 25% (FY2023) to 20%.

Depreciation and amortisation is expected to increase from €4.19 million in the previous year to €4.73 million (+13%) mainly on account of higher lease obligations due to an increase in outlets.

Interest cover for the projected year is estimated to amount to 2.08 times compared to 2.27 times in FY2023. During the year, the Group expects to realise a gain of €0.34 million on disposal of investment property (FY2023: €0.27 million).

Overall, the Group is expected to register a total comprehensive loss of €0.96 million in FY2024 compared to €0.92 million (loss) in FY2023. In view of the loss incurred by the Group, the results of accounting ratios such as net profit margin, return on equity and return on assets are negative.

Dizz Group of Companies Limited Cash Flow Statement for the financial year 31 December	2021 Actual €'000	2022 Actual €'000	2023 Actual €'000	2024 Forecast €'000
Net cash from / (used in) operating activities	5,497	7,088	9,248	6,269
Net cash from / (used in) investing activities	(2,211)	(497)	(1,742)	1,006
Net cash from / (used in) financing activities	(5,480)	(6,996)	(7,690)	(9,713)
Net movement in cash and cash equivalents	**(2,194)**	**(405)**	**(184)**	**(2,438)**
Cash and cash equivalents at beginning of year	(781)	(2,974)	(3,368)	(3,552)
Adj. for cash balances of subsidiaries acquired by the Group	-	11	-	-
Cash and cash equivalents at end of year	**(2,974)**	**(3,368)**	**(3,552)**	**(5,990)**

STATEMENT OF CASH FLOWS

Net cash flows from operating activities principally reflect movements of cash flows from the Group's operations. In FY2023, net cash from operating activities amounted to €9.2 million compared to €7.1 million in FY2022. The positive movement is mainly on account of an increase in operating profit and favourable working capital changes. In FY2024, net cash inflows are projected to decrease y-o-y by €2.9 million mainly due to lower operating profit and adverse movements in working capital changes.

Net cash used in investing activities reflects the acquisition and disposal of investment property and property, plant & equipment, and capital expenditure on the Group's outlets and property development works. During FY2023, the Group utilised €3.1 million for the refurbishment of outlets and development works in relation to The Hub (FY2022: €3.2 million). Cash inflows during the year amounted to €1.4 million and related to net proceeds from sale and acquisition of investment property (FY2022: €2.7 million).

In FY2024, the Group is projected to generate a net balance of €1.0 million from investing activities. Cash outflows for the purposes of completing The Hub and refitting of stores is expected to amount to €1.2 million. In terms of cash inflows, the Group is projecting to generate €2.2 million from the sale of investment property.

Net cash used in financing activities in FY2023 amounted to €7.7 million and comprised advances to related parties (€2.3 million), interest payments (€1.2 million), payment of finance leases (€3.2 million), repurchase of bonds (€0.6 million) and repayment of bank loans of €0.4 million (FY2022: outflows of €7.0 million).

In FY2024, lease obligations are projected to amount to €3.9 million and interest payments are expected to amount to €1.1 million. Furthermore, the Group expects to effect repayment of bank borrowings, repurchase of bonds and settlement of privileged creditors of €4.7 million. Overall, net cash outflows relating to financing activities is expected to amount to €9.7 million.

Dizz Group of Companies Limited Statement of Financial Position As at 31 December	2021 Actual €'000	2022 Actual €'000	2023 Actual €'000	2024 Forecast €'000
ASSETS				
Non-current assets				
Property, plant & equipment	17,808	28,683	29,521	27,757
Investment property	6,162	3,847	2,980	980
Right of use assets	27,142	26,326	24,623	27,852
Intangible assets	5,155	7,778	7,707	7,646
Deferred tax assets & other non-current assets	2,187	2,545	2,668	3,332
	58,454	**69,179**	**67,499**	**67,567**
Current assets				
Inventories	4,023	3,939	4,989	4,007
Trade & other receivables	9,426	11,252	10,317	10,317
Cash and cash equivalents	209	269	564	-
	13,658	**15,460**	**15,870**	**14,324**
Total assets	**72,112**	**84,639**	**83,369**	**81,891**
EQUITY				
Share capital	7,719	8,935	8,935	8,935
Other reserves	4,204	12,451	12,277	12,277
Retained earnings	(7,160)	(8,997)	(9,743)	(10,703)
	4,763	**12,388**	**11,469**	**10,509**
LIABILITIES				
Non-current liabilities				
5% unsecured bonds 2026 (listed on the Regulated Market)	7,887	7,913	7,941	7,969
5.35% unsecured bonds 2028 (listed on Prospects MTF)	7,444	7,452	6,835	5,431
Secured convertible notes (listed on IFSM)	2,948	2,955	2,962	2,969
Bank borrowings	1,808	1,919	1,391	1,148
Lease liabilities	23,965	23,201	21,551	23,673
Trade & other payables	3,758	9,373	8,216	8,215
Deferred tax liabilities	842	1,996	1,962	1,802
	48,652	**54,808**	**50,858**	**51,207**
Current liabilities				
Bank overdraft	3,183	3,637	4,116	5,990
Bank borrowings	439	433	626	500
Lease liabilities	2,342	2,090	2,169	3,379
Trade & other payables	12,146	10,694	13,497	10,306
Current tax liabilities	587	590	634	-
	18,697	**17,443**	**21,042**	**20,175**
Total liabilities	**67,349**	**72,251**	**71,900**	**71,382**
Total equity and liabilities	**72,112**	**84,639**	**83,369**	**81,891**
Total debt	*50,016*	*49,599*	*47,591*	*51,059*
Net debt	*49,807*	*49,329*	*47,027*	*51,059*
Invested capital (total equity plus net debt)	*54,570*	*61,718*	*58,496*	*61,568*

Key Accounting Ratios	**FY2021 Actual**	**FY2022 Actual**	**FY2023 Actual**	**FY2024 Forecast**
Net debt-to-EBITDA (times) *(Net debt / EBITDA)*	11.71	10.70	8.24	9.58
Net debt-to-equity (times) *(Net debt / total equity)*	10.46	3.98	4.10	4.86
Net gearing (%) *(Net debt / net debt and total equity)*	91.27	79.93	80.39	82.93
Debt-to-asset (times) *(Total debt / total assets)*	0.69	0.59	0.57	0.62
Leverage (times) *(Total assets / total equity)*	15.14	6.83	7.27	7.79
Current ratio (times) *(Current assets / current liabilities)*	0.73	0.89	0.75	0.71

STATEMENT OF FINANCIAL POSITION

The Group's total assets as at 31 December **2023** amounted to €83.4 million, a year-on-year decrease of €1.2 million (FY2022: €84.6 million). On a comparable basis, property plant and equipment increased by €0.8 million, principally on account of the ongoing development of The Hub, refitting of stores and the sale of one commercial property. Investment property decreased by €0.8 million following the sale of three properties.

As at year end, inventories increased by €1.05 million due to the new openings. On the other hand, right of use assets and trade & other receivables decreased year-on-year by €1.7 million and €1.0 million respectively.

Total liabilities decreased by €0.4 million and amounted to €71.9 million (FY2022: €72.3 million). Total debt decreased y-o-y by €2.0 million, but trade & other payables registered a yearly increase of €1.6 million. In consequence, the current ratio weakened from 0.89 times in FY2022 to 0.75 times in FY2023.

Due to the comprehensive loss for the year, total equity of the Group declined by €0.9 million to €11.5 million. The gearing ratio of the Group remained relatively stable at 80%.

As at 31 December **2024**, the Group's total assets are expected to amount to €81.9 million compared to €83.4 million in FY2023 (-€1.5 million). The principal year-on-year changes are described below:

- Property, plant & equipment is expected to decrease by €1.7 million on account of the annual depreciation, partly offset by capital expenditure relating to the completion of The Hub and refitting of stores.

- Investment property is projected to decrease year-on-year by €2.0 million reflecting the disposal of properties expected to materialise in FY2024.

Total liabilities are projected to amount to €71.4 million, a decrease of €0.5 million from the prior year (FY2023: €71.9 million). During the year, total debt is expected to increase by €3.5 million, while trade & other payables are projected to decrease by €3.2 million to €18.5 million.

Due to a projected decrease in equity, the gearing ratio of the Group is expected to increase from 80% in FY2023 to 83% in FY2024. From a net debt-to-EBITDA perspective, the leverage position is expected to weaken from 8.2 times in FY2023 to 9.6 times in FY2024.

14. VARIANCE ANALYSIS

The following financial information relates to the variance analysis between the forecasted financial information of the Group for the year ended 31 December 2023 included in the prior year's Financial Analysis Summary dated 28 June 2023 and the audited consolidated financial statements of the Group for the year ended 31 December 2023.

Dizz Group of Companies Limited Consolidated Income Statement for the financial year 31 December 2023	**Actual €'000**	**Forecast €'000**	**Variance €'000**
Revenue	22,539	25,930	(3,391)
Cost of sales	(11,389)	(12,278)	889
Gross operating profit	**11,150**	**13,652**	**(2,502)**
Administration expenses	(6,912)	(7,615)	703
Marketing expenses	(575)	(100)	(475)
Management fees and other income / (costs)	2,042	(36)	2,078
EBITDA	**5,705**	**5,901**	**(196)**
Depreciation and amortisation	(4,190)	(4,664)	474
Operating profit	**1,515**	**1,237**	**278**
Gain on disposal of PPE and investment property	274	455	(181)
Changes in fair value of investment property	(100)	-	(100)
Net finance costs	(2,517)	(2,899)	382
Loss before tax	**(828)**	**(1,207)**	**379**
Taxation	82	419	(337)
Loss after tax	**(746)**	**(788)**	**42**
Other comprehensive income			
Gain (loss) on property revaluation	(173)	-	(173)
Taxation	-	-	-
	(173)	**-**	**(173)**
Total comprehensive loss	**(919)**	**(788)**	**(131)**

Revenue generated by the Group in FY2023 was lower than projected by €3.4 million. On the other hand, other operating expenses were lower than projected by €1.1 million and management fees & other income of €2.1 million were not anticipated in the forecast figures.

Actual EBITDA and total comprehensive loss were practically in line with projections.

Dizz Group of Companies Limited **Cash Flow Statement** **for the financial year 31 December 2023**	**Actual** **€'000**	**Forecast** **€'000**	**Variance** **€'000**
Net cash from / (used in) operating activities	9,248	7,036	2,212
Net cash from / (used in) investing activities	(1,742)	1,847	(3,589)
Net cash from / (used in) financing activities	(7,690)	(8,616)	926
Net movement in cash and cash equivalents	**(184)**	**267**	**(451)**
Cash and cash equivalents at beginning of year	(3,368)	(3,368)	-
Cash and cash equivalents at end of year	**(3,552)**	**(3,101)**	**(451)**

Actual net movement in cash and cash equivalents was lower than projected by €0.45 million.

Net operating cashflow was higher by €2.2 million mainly on account of favourable working capital movements.

Net cash used in investing activities was lower than expected by €3.6 million. This adverse difference mainly arose from higher amounts spent on property, plant and equipment. Furthermore, the Group had planned to dispose of more properties which did not materialise in FY2023.

A positive variance of €0.9 million was recorded in financing activities, principally on account of lower than projected repayments of outstanding borrowings.

Dizz Group of Companies Limited
Statement of Financial Position
As at 31 December 2023

	Actual	Forecast	Variance	
	€'000	€'000	€'000	
ASSETS				
Non-current assets				
Property, plant & equipment	29,521	27,158	2,363	*(1)*
Investment property	2,980	1,106	1,874	*(2)*
Right of use assets	24,623	38,202	(13,579)	*(3)*
Intangible assets	7,707	7,706	1	
Deferred tax assets & other non-current assets	2,668	2,996	(328)	
	67,499	**77,168**	**(9,669)**	
Current assets				
Inventories	4,989	3,532	1,457	
Trade & other receivables	10,317	10,800	(483)	
Cash and cash equivalents	564	43	521	
	15,870	**14,375**	**1,495**	
Total assets	**83,369**	**91,543**	**(8,174)**	
EQUITY				
Share capital	8,935	8,935	(0)	
Other reserves	12,277	12,451	(174)	
Retained earnings	(9,743)	(9,786)	43	
	11,469	**11,600**	**(131)**	
LIABILITIES				
Non-current liabilities				
5% unsecured bonds 2026 (listed on the Regulated Market)	7,941	7,916	25	
5.35% unsecured bonds 2028 (listed on Prospects MTF)	6,835	6,825	10	
Secured convertible notes (listed on IFSM)	2,962	2,955	7	
Bank borrowings	1,391	240	1,151	
Lease liabilities	21,551	33,573	(12,022)	*(3)*
Trade & other payables	8,216	9,373	(1,157)	
Deferred tax liabilities	1,962	1,816	146	
	50,858	**62,698**	**(11,840)**	
Current liabilities				
Bank overdraft	4,116	3,144	972	
Bank borrowings	626	1,602	(976)	
Lease liabilities	2,169	3,931	(1,762)	*(3)*
Trade & other payables	13,497	8,568	4,929	*(4)*
Current tax liabilities	634	-	634	
	21,042	**17,245**	**3,797**	
Total liabilities	**71,900**	**79,943**	**(8,043)**	
Total equity and liabilities	**83,369**	**91,543**	**(8,174)**	

The material variances between the actual and forecast statement of financial position are as follows:

(1) Property, plant & equipment was higher than expected by €2.4 million, and mainly reflected higher expenditure on refitting and new store openings.

(2) In 2023, the Group expected to sell more properties, thus resulting in a positive variance of €1.9 million. Remaining investment property is expected to be sold in 2024.

(3) Right of use assets and lease liabilities were overstated in the projections, this mainly as a result of the delay in the opening of the Shoreline Mall.

(4) Trade & other payables were higher than expected by €4.9 million and principally comprised privileged creditors. Same creditors are expected to be repaid in 2024.

PART 3 – COMPARATIVE ANALYSIS

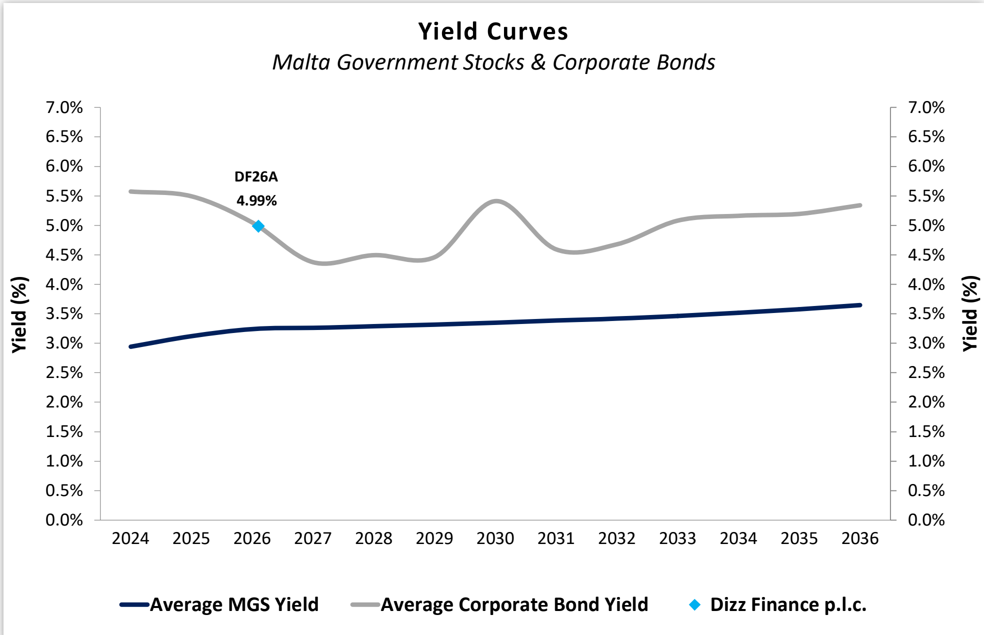
The Table below provides a comparison between the Group and its bonds with other debt issuers and their respective debt securities listed on the Regulated Main Market (Official List) of the Malta Stock Exchange. Although there are significant variances between the activities of the Group and those of other debt issuers (including different industries, principal markets, competition, capital requirements etc.), and material differences between the risks associated with the Group's business/es and those of other debt issuers, the comparative analysis illustrated in the Table below serves as an indication of the relative financial strength and creditworthiness of the Group.

Comparative Analysis*	Amount Issued	Yield-to-Maturity / Worst	Interest Cover	Net Debt-to-EBITDA	Net Gearing	Debt-to-Assets
	(€'000)	*(%)*	*(times)*	*(times)*	*(%)*	*(times)*
5.00% Hal Mann Vella Group p.l.c. Secured 2024	30,000	3.81	2.21	9.47	51.49	0.43
4.25% Best Deal Properties Holding p.l.c. Secured & Guaranteed 2024	1,267	4.17	57.57	9.38	69.21	0.64
5.75% International Hotel Investments p.l.c. Unsecured 2025	45,000	5.75	1.61	10.49	43.07	0.41
5.10% 6PM Holdings p.l.c. Unsecured 2025**	13,000	6.86	16.04	0.65	17.79	0.20
4.50% Hili Properties p.l.c. Unsecured & Guaranteed 2025	37,000	4.11	1.80	8.70	46.06	0.45
4.35% Hudson Malta p.l.c. Unsecured & Guaranteed 2026	12,000	4.63	5.64	6.37	77.20	0.60
4.25% CPHCL Finance p.l.c. Unsecured & Guaranteed 2026	40,000	4.25	1.45	11.49	43.52	0.41
4.00% International Hotel Investments p.l.c. Secured 2026	55,000	3.99	1.61	10.49	43.07	0.41
5.00% Dizz Finance p.l.c. Unsecured & Guaranteed 2026	8,000	4.99	2.27	8.24	80.39	0.57
3.75% Premier Capital p.l.c. Unsecured 2026	65,000	4.38	10.89	2.16	65.14	0.57
4.00% International Hotel Investments p.l.c. Unsecured 2026	60,000	5.34	1.61	10.49	43.07	0.41
3.25% AX Group p.l.c. Unsecured 2026	15,000	3.33	1.24	21.28	39.42	0.36
3.90% Gap Group p.l.c. Secured & Guaranteed 2024-2026	16,702	3.89	n/a	3.15	52.66	0.56
4.00% Hili Finance Company p.l.c. Unsecured & Guaranteed 2027	50,000	3.62	4.60	4.44	69.59	0.61
4.35% SD Finance p.l.c. Unsecured & Guaranteed 2027	65,000	4.26	4.68	1.74	22.08	0.26
4.00% Eden Finance p.l.c. Unsecured & Guaranteed 2027	40,000	4.04	5.43	4.21	26.73	0.24
5.25% Mediterranean Investments Holding p.l.c. Unsecured & Guaranteed 2027	30,000	5.24	5.42	2.67	20.40	0.19
4.00% Stivala Group Finance p.l.c. Secured & Guaranteed 2027	45,000	3.99	5.67	4.17	22.93	0.21
4.75% Best Deal Properties Holding p.l.c. Secured & Guaranteed 2025-2027	15,000	5.06	57.57	9.38	69.21	0.64
4.75% Gap Group p.l.c. Secured & Guaranteed 2025-2027	23,000	4.74	n/a	3.15	52.66	0.56
3.85% Hili Finance Company p.l.c. Unsecured & Guaranteed 2028	40,000	4.27	4.60	4.44	69.59	0.61
5.85% Mediterranean Investments Holding p.l.c. Unsecured & Guaranteed 2028	20,000	5.19	5.42	2.67	20.40	0.19
5.75% PLAN Group p.l.c. Secured & Guaranteed 2028	12,000	4.62	7.37	9.26	54.58	0.48
3.65% Stivala Group Finance p.l.c. Secured & Guaranteed 2029	15,000	3.78	5.67	4.17	22.93	0.21
3.80% Hili Finance Company p.l.c. Unsecured & Guaranteed 2029	80,000	4.87	4.60	4.44	69.59	0.61
3.75% AX Group p.l.c. Unsecured 2029	10,000	3.75	1.24	21.28	39.42	0.36
5.25% Best Deal Properties Holding p.l.c. Secured & Guaranteed 2024	15,000	4.98	57.57	9.38	69.21	0.64
6.25% GPH Malta Finance p.l.c. Unsecured & Guaranteed 2030	18,144	6.24	1.73	7.63	94.01	0.75
3.65% International Hotel Investments p.l.c. Unsecured 2031	80,000	4.69	1.61	10.49	43.07	0.41
3.50% AX Real Estate p.l.c. Unsecured 2032	40,000	5.10	2.04	12.44	49.30	0.45
5.00% Mariner Finance p.l.c. Unsecured 2032	36,930	4.85	4.89	6.08	50.77	0.50
5.85% AX Group p.l.c. Unsecured 2033	40,000	5.19	1.24	21.28	39.42	0.36
6.00% International Hotel Investments p.l.c. Unsecured 2033	60,000	5.34	1.61	10.49	43.07	0.41
4.50% The Ona p.l.c. Secured & Guaranteed 2028-2034	16,000	4.63	3.09	16.34	74.89	0.65
5.50% Juel Group p.l.c. Secured & Guaranteed 2035	32,000	5.20	3.35	11.26	55.24	0.51

As at 15 May 2024

***** The financial ratios pertain to Idox p.l.c..***

Sources: Malta Stock Exchange
M.Z. Investment Services Limited
Most recent audited annual financial statements except for Juel Group p.l.c. (FY2024 forecast, as included in the Financial Analysis Summary dated 6 June 2023).



The closing market price as at 15 March 2024 for the **5.00% Dizz Finance p.l.c. unsecured and guaranteed bonds 2026** (DF26A) was 100.00%. This translated into a yield-to-maturity ("**YTM**") of 4.99% which was 6 basis points below the average YTM of 5.05% of other local corporate bonds maturing in the same year. The premium over the corresponding average Malta Government Stock yield of equivalent maturity stood at 175 basis points.

PART 4 – EXPLANATORY DEFINITIONS

Income Statement	
Revenue	Total income generated from business activities.
EBITDA	Earnings before interest, tax, depreciation, and amortisation. It is a metric used for gauging operating performance excluding the impact of capital structure. EBITDA is usually interpreted as a loose proxy for operating cash flows.
Adjusted operating profit / (loss)	Profit (or loss) from core operations, excluding movements in the fair value of investment property, share of results of associates and joint ventures, net finance costs, and taxation.
Operating profit / (loss)	Profit (or loss) from operating activities, including movements in the fair value of investment property but excluding the share of results of associates and joint ventures, net finance costs, and taxation.
Share of results of associates and joint ventures	Share of profit (or loss) from entities in which the company does not have a majority shareholding.
Profit / (loss) after tax	Net profit (or loss) registered from all business activities.

Profitability Ratios	
EBITDA margin	EBITDA as a percentage of revenue.
Operating profit margin	Operating profit (or loss) as a percentage of total revenue.
Net profit margin	Profit (or loss) after tax as a percentage of total revenue.
Return on equity	Measures the rate of return on net assets and is computed by dividing the net profit (or loss) for the year by average equity.
Return on assets	Measures the rate of return on assets and is computed by dividing the net profit (or loss) for the year by average assets.
Return on invested capital	Measures the rate of return from operations and is computed by dividing operating profit (or loss) for the year by the average amount of equity and net debt.

Statement of Cash Flows	
Net cash from / (used in) operating activities	The amount of cash generated (or consumed) from the normal conduct of business.
Net cash from / (used in) investing activities	The amount of cash generated (or consumed) from activities related to the acquisition, disposal, and/or development of long-term assets and other investments.
Net cash from / (used in) financing activities	The amount of cash generated (or consumed) that have an impact on the capital structure, and thus result in changes to share capital and borrowings.
Free cash flow	Represents the amount of cash generated (or consumed) from operating activities after considering any amounts of capital expenditure.

Statement of Financial Position	
Non-current assets	These represent long-term investments which full value will not be realised within the next twelve months. Such assets, which typically include property, plant, equipment, and investment property, are capitalised rather than expensed, meaning that the amortisation of the cost of the asset takes place over the number of years for which the asset will be in use. This is done instead of allocating the entire cost to the accounting year in which the asset was acquired.
Current assets	All assets which could be realisable within a twelve-month period from the date of the Statement of Financial Position. Such amounts may include development stock, accounts receivable, cash and bank balances.
Non-current liabilities	These represent long-term financial obligations which are not due within the next twelve months, and typically include long-term borrowings and debt securities.
Current liabilities	Liabilities which fall due within the next twelve months from the date of the Statement of Financial Position, and typically include accounts payable and short-term debt.
Total equity	Represents the residual value of the business (assets minus liabilities) and typically includes the share capital, reserves, as well as retained earnings.

Financial Strength / Credit Ratios	
Interest cover	Measures the extent of how many times a company can sustain its net finance costs from EBITDA.
Net debt-to-EBITDA	Measures how many years it will take a company to pay off its net interest-bearing liabilities (including lease liabilities) from EBITDA, assuming that net debt and EBITDA are held constant.
Net debt-to-equity	Shows the proportion of net debt (including lease liabilities) to the amount of equity.
Net gearing	Shows the proportion of equity and net debt used to finance a company's business and is calculated by dividing net debt by the level of invested capital.
Debt-to-assets	Shows the degree to which a company's assets are funded by debt and is calculated by dividing all interest-bearing liabilities (including lease liabilities) by total assets.
Leverage	Shows how many times a company is using its equity to finance its assets.
Current ratio	Measures the extent of how much a company can sustain its short-term liabilities from its short-term assets.