G3 FINANCE PLC

The following is a Company Announcement issued by G3 FINANCE P.L.C., a company registered under the laws of Malta with company registration number C 94829 (hereinafter the "Company"), pursuant to the Capital Markets Rules issued by the Malta Financial Services Authority in accordance with the provisions of the Financial Markets Act (Chapter 345 of the laws of Malta), as amended from time to time.

Quote

Publication of Financial Analysis Summary

The Company hereby announces that the updated Financial Analysis Summary dated 27th June 2025 is available for viewing below as an attachment to this announcement and at the Company's registered office, and is also available for download from the following link on the G3 Group's website: https://www.g3.com.mt/investors/financial-statements/.

Unquote

By order of the Board

Dr Luca Vella
Company Secretary

27th June 2025

Company Announcement: G334

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The Board of Directors
G3 Finance p.l.c.
'The Pergola',
Adenau Street,
Mellieħa MLH 2014,

27 June 2025

Dear Sirs,

G3 Finance p.l.c. – Financial Analysis Summary (the "**Update FAS**")

In accordance with your instructions and in line with the requirements of the Malta Financial Services Authority Listing Policies, we have compiled the Update FAS set out on the following pages and which is being forwarded to you together with this letter.

The purpose of the Analysis is that of summarising key information pertaining to G3 Finance p.l.c. (the "**Company**" or "**Issuer**") and G3 Holdings Limited (the "**Guarantor**"). The data is derived from various sources or is based on our own computations and analysis of the following:

(a) historic financial data for the three years ended 31 December 2022 to 2024 has been extracted from the Issuer's and Guarantor's audited statutory financial statements;
(b) the forecast data for the financial year ending 31 December 2025 has been provided by management and approved by the Directors of the Company and Guarantor;
(c) our commentary on the results of the Issuer and Guarantor and on the respective financial position is based on the explanations provided by management;
(d) the ratios quoted in the Financial Analysis Summary have been computed by us applying the definitions as set out and defined within the Update FAS; and
(e) relevant financial data in respect of the comparative set as analysed in Part D has been extracted from public sources such as the web sites of the companies concerned or financial statements filed with the Malta Business Registry or other published documents such as Financial Analysis Summaries.

The Update FAS is meant to assist potential investors by summarising the more important financial data of the Issuer and Guarantor. The Update FAS does not contain all data that is relevant to potential investors and is intended to complement, and not replace, financial and/or investment advice. The Update FAS does not constitute an endorsement by our firm of the securities of the Issuer and should not be interpreted as a recommendation to invest. We shall not accept any liability for any loss or damage arising out of the use of the Update FAS and no representation or warranty is provided in respect of the reliability of the information contained in this report. As with all investments, potential investors are encouraged to seek professional advice before investing.

Yours sincerely,

Christopher Mallia
Corporate Advisory Executive

FINANCIAL ANALYSIS SUMMARY

2025 UPDATE

G3 FINANCE PLC

Prepared by Rizzo, Farrugia & Co (Stockbrokers) Ltd, in compliance with the Listing Policies issued by the Malta Financial Services Authority, dated 5 March 2013, as revised on 13 August 2021.

27 June 2025

RIZZO FARRUGIA
YOUR INVESTMENT CONSULTANTS

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IMPORTANT INFORMATION

Purpose of the Document

G3 Finance p.l.c. (the "**Company**", "**G3 Finance**" or the "**Issuer**") issued €12.5 million 4.5% Secured and Guaranteed Bonds 2032 pursuant to a prospectus dated 21 March 2022 (the "**Bond Issue**"). This Update FAS has been prepared in line with the requirements of the Listing Policies as last updated by the MFSA on 13 August 2021. The purpose of this report is to provide a summary on the financial performance and position of the Company and G3 Holdings Limited, as guarantor to the Bond Issue (the "**Guarantor**").

Sources of Information

The information that is presented has been collated from a number of sources, including the audited financial statements for the years ended 31 December 2022, 2023, and 2024, forecasts for the financial year ending 31 December 2025 for both the Company and the Guarantor.

Forecasts that are included in this document have been prepared by management and approved for publication by the directors of the Company and Guarantor, who undertake full responsibility for the assumptions on which these forecasts are based.

Wherever used, FYXXXX refers to financial year covering the period 1 January to 31 December. The financial information is being presented in thousands of euro, unless otherwise stated, and has been rounded to the nearest thousand.

Previous FAS Issued

The Company has published the following FAS which is available on its website:

21 March 2022 (FAS appended to the Prospectus)

27 June 2023

18 June 2024

PART A BUSINESS AND MARKET OVERVIEW

1. INTRODUCTION

G3 Finance p.l.c. (the **"Company"**, "**G3 Finance**" or the "**Issuer**") is a public limited liability company incorporated in Malta on 11 February 2020, bearing company registration number C 94829, to act as the financing vehicle of G3 Holdings Limited (the "**Guarantor**"), bearing company registration number C 94828 and its subsidiary, namely the Issuer's sister company, G3 Hospitality Limited (C 26935), collectively hereinafter, the "**G3 Group**" or the "**Group**".

The Guarantor was set up as the holding company of the G3 Group on 11 February 2020 and is ultimately owned by Mr John Grima as well as other members of his immediate family.

BUSINESS ACTIVITIES OF THE G3 GROUP

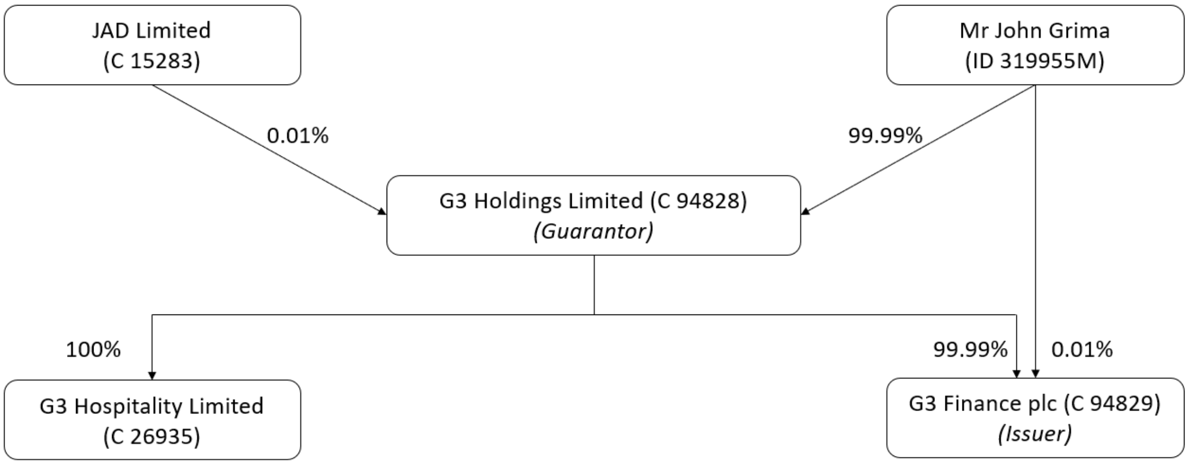
The G3 Group operates exclusively in the hospitality industry. It owns and operates two 4-star hotels in Mellieħa – the Solana Hotel & Spa (the "**Solana**") and the Pergola Hotel & Spa (the "**Pergola**") as well as ancillary facilities such as bars, restaurants and wellness centres in the North of Malta.

The Pergola hotel currently comprises of 105 rooms, including a number of self-catering apartments whilst the Solana hotel has a total room stock of 241 rooms.

The Group is also the operator of the Square Gastro Bar, Palm Beach Lido in Armier, Malta (as from June 2023), as well as the VITA Hotel & Rooftop (as from May 2025) and the DOMS Boutique Living (as from October 2023). The Group is also the lessee of the DOMS Brasserie (as from October 2023) which was sub-let as from June 2025, as detailed further in section 5 of this report.

2. Group Structure

The structure of the G3 Group is depicted in the below chart.



G3 Finance p.l.c.

The Issuer acts as a financing vehicle, raising finance for the use and benefit of the other G3 Group companies. During 2022, the Company issued a €12.5 million 4.5% secured and guaranteed bond with a 10-year term (the "**Bond Issue**").

G3 Holdings Limited

The Guarantor was incorporated on 11 February 2020 as the parent holding company of the G3 Group as well as acting as Guarantor for the Bond Issue. The Guarantor principally acts as the parent holding company of the Group.

G3 Hospitality Limited ('G3 Hospitality')

G3 Hospitality is a wholly owned subsidiary of the Guarantor. G3 Hospitality owns the Solana and Pergola hotel properties. Furthermore, G3 Hospitality is also the principal operating company of the G3 Group and is responsible for the operations of both the Solana and the Pergola hotels. Likewise, G3 Hospitality is also the owner and operator of the Square Gastro Bar, the Palm Beach lido and the operator of the DOMS, an 8-room Boutique Hotel in the Parish Square of Mellieħa and the recently opened VITA Hotel & Rooftop in St. Julian's. Furthermore, G3 Hospitality is the lessee of the DOMS Brasserie, which has recently been sub-let as detailed further in section 5 of this report.

JAD Limited ('JAD')

JAD is ultimately owned by the Grima family, i.e. Mr John Grima, his spouse and their children, Jonathan, Daniel and Alexander Grima (who are also directors of the Issuer – see section 3 below). JAD serves as the holding company for various investments held by the Grima family.

3. Corporate Governance and Management

Board of Directors of the Issuer

The Issuer's board of directors as at the date of this document comprises the following:

John Grima	Executive Director and Chairman
Daniel Grima	Executive Director
Jonathan Grima	Executive Director
Alexander Grima	Non-executive Director
Albert Grech	Non-executive Director
Juanita Bencini	Independent and non-executive Director
Michael Lewis Macelli	Independent and non-executive Director

The Company Secretary of the Issuer is Dr Luca Vella.

Board of Directors of the Guarantor

The Guarantor's board of directors as at the date of this document comprises the following:

John Grima	Executive Director and Chairman
Daniel Grima	Executive Director
Jonathan Grima	Executive Director
Alexander Grima	Non-executive Director

Group Senior Management

The following are the respective key members of the Group's senior management team:

Ann Abela	Group Financial Controller
Malcolm Grima	Chief Commercial Officer
Pierre Agius	Rooms Division Manager
Jean Paul Cauchi	Head Chef
Egon Johannes M. Basharat	Front Office Manager
Maria-Alessia Abela Micallef	Human Resources Manager
Oliver Grech	Food & Beverage Manager
Andrea Vella	Sales Manager

4. Major Assets

The Group's major assets comprise its two hotels.

Solana Hotel & Spa

The Solana Hotel & Spa is located in Mellieħa's main thoroughfare leading to Għadira Bay comprising 241 hotel rooms. As part of its facilities, the Solana has its own spa and wellness centre (*Nataraya Day Spa*), outdoor pool and a sundeck on the hotel's terrace, heated indoor pool and fitness centre. Additionally, the hotel has four food and beverage ("**F&B**") outlets including, *The Prickly Pear, Trattoria Tosca* and *Bellini Restaurant*. Furthermore, during the summer months, Solana's rooftop bar, *TopDeck*, is also opened to serve poolside guests.

The Solana Hotel & Spa was revalued by an independent architect in December 2024 for a value of €29.25 million.

Pergola Hotel & Spa

The Pergola Hotel & Spa is a corner site, located in Mellieħa and in close proximity to the Solana. The hotel consists of 105 guest rooms / apartments and is equipped with its own spa and wellness centre (*Nataraya Day Spa*), two outdoor pools, as well as a heated indoor pool and fitness centre. The hotel has four F&B outlets comprising: *Cave Bar* (also serving as the hotel's pool bar), *Da Ciccio Cucina*, *Bonaventura Restaurant* and *Haus of P*.

The Pergola Hotel & Spa was revalued by an independent architect in December 2024 for a value of €15.4 million.

5. Recent and Upcoming Developments

Extension to the Solana Hotel & Spa

The extension to the Solana Hotel was completed in March 2024 with the hotel reopening thereafter although full capacity was only reached in June 2024 as the additional 55-rooms were launched gradually. Moreover, the project also comprised a further pool which is connected to the present pool deck, an extension to the *Bellini Restaurant* and crucially, an extension to the hotel's parking which is now be able to take a further 35 vehicles. The expansion enabled the Group to achieve further economies of scale in its operations.

Square Gastro Bar

In December 2024, the Group entered into a final deed of sale with respect to the Square Gastro Bar (along with ancillary properties forming part of the same block where the bar is situated) for a consideration of €1.45 million less the rental payments already made to date of final deed. This transaction was partly financed through a bank loan.

Palm Beach Lido

In March 2025, the G3 Group concluded the acquisition of the Palm Beach Lido located at Armier Bay in Mellieħa for a total consideration of €2.15 million (partly financed through a bank loan of €1.3 million). In 2023, the G3 Group started operating the lido as from June until early October whilst in 2024, the lido opened its doors from April 2024 and remained open till the end of the year. In 2025, the lido is scheduled to be operative between April and October.

DOMS Boutique Hotel & Brasserie

In October 2023, the G3 Group also entered into a 15-year agreement to manage and operate a property comprising an 8-room boutique hotel known as DOMS and a brasserie, in the Parish Square of Mellieħa. In 2024, G3 Hospitality Limited acquired 20% stake of the property, free and unencumbered, for a consideration of €250,000 that was entirely financed from internal cash resources. As from 1 June 2025, the DOMS Brasserie was sub-leased to a third-party and hence the G3 Group from this date is in receipt of rental income.

VITA Hotel & Rooftop, St. Julian's - Property Lease

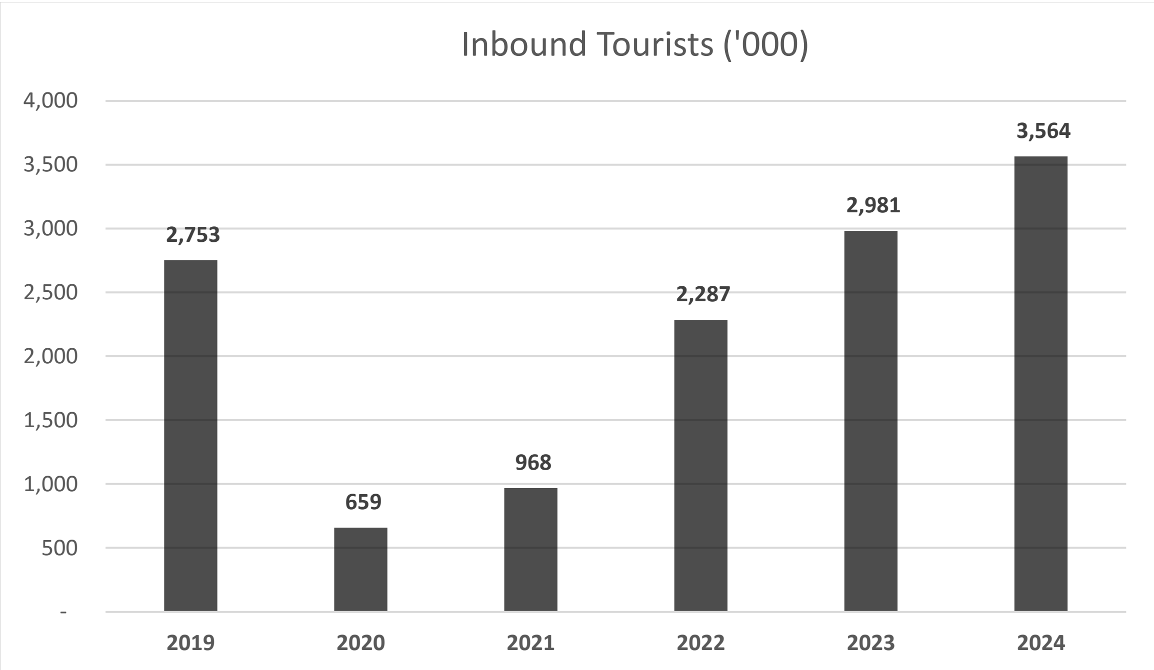
In April 2024, the Group announced that it has entered into an agreement with a third party which will allow G3 Hospitality Limited to take on the finishing of a premises situated in St Julian's from which it intends to manage and operate an 88-rooom 3-star hotel, which includes a rooftop swimming pool complemented by a F&B outlet and a fitness centre, for a period of 20 years under the name VITA Hotel & Rooftop. The finishing works, amounting to *circa* €4 million, were partly financed through bank funding with the hotel opening its doors in May 2025. The Directors of the Group noted that this addition continues "to strengthen the Group's offering in hospitality and food and beverage by diversifying the Group's operations beyond the Mellieha area."[1] The hotel has one F&B outlet, namely the VITA Rooftop.

[1] G3 Holdings Limited (2024). Directors' Report. In Annual Report and Consolidated Financial Statements for the year ended 31 December 2024. https://www.g3.com.mt/media/1471/g3-holdings-limited-signed-fs-31122024.pdf

6. The Tourism Industry

Tourism is one of the major pillars of the Maltese economy and its importance in recent years has increased as tourism numbers significantly grew year after year. Although the pandemic had a marked negative impact on the tourism sector, it has now not only recovered but also reaching new record highs cementing its position as one of the major contributors to the Maltese economy due to its material direct and indirect contributions to the country's gross domestic product.

The number of inbound tourists started to recover in 2021 and continued to gain momentum thereafter to reach fresh record highs in 2024 of more 3.5 million inbound tourists[2]. Such trend extended into the first few months of 2025[3], where more than 1 million tourists are estimated to have travelled to Malta between January and April, representing a 17.4% increase over the 0.9 million inbound tourists recorded during the same period of 2024.



Source: National Statistics Office, Malta

Looking ahead, the outlook for the rest of the year for the local the accommodation and leisure industry remains positive as tourism is expected to remain one of the key drivers of economic growth in Malta[4].

[2] National Statistics Office, 2025, Inbound Tourism – December 2024, https://nso.gov.mt/tourism/inbound-tourism-december-2024/ [Accessed 05 June 2025]

[3] National Statistics Office, 2025, Inbound Tourism: April 2025, https://nso.gov.mt/tourism/inbound-tourism-april-2025/ [Accessed 05 June 2025]

[4] European Commission, 2025, European Economic Forecast – Spring 2025, https://economy-finance.ec.europa.eu/document/download/e9de23c8-b161-40d0-9ad7-e04a25500023_en?filename=ip318_en.pdf#page=130 [Accessed 05 June 2025]

Part B Financial Analysis

Financial Information Presented in the Analysis

The Issuer was incorporated in February 2020 and converted to a public limited liability company on 11 March 2022. Prior to the Bond Issue, the Issuer did not engage in any trading activity and as such does not have any historical financial track record of its own.

To note, the historic financial information also includes the financial performance of G3 Properties Ltd, which as explained in section 2 of this analysis, was merged into G3 Hospitality Ltd during 2022.

The financial information that is presented in this section, as such, includes the following:

- historical financial information about the Guarantor and Issuer for the financial years ending 31 December 2022, 2023 and 2024; and
- projected financial information for the Guarantor and the Issuer for the financial year ending 31 December 2025.

7 Guarantor Consolidated Historic and Projected Financial Information

7.1. The Income Statement

for the year ended 31 December	2022 (A)	2023 (A)	2024 (A)	2025 (F)
	€ '000	*€ '000*	*€ '000*	*€ '000*
Revenue	**10,783**	**12,257**	**15,088**	**19,015**
Direct operational costs	(5,616)	(6,872)	(8,767)	(10,312)
Gross profit	**5,167**	**5,385**	**6,320**	**8,703**
Selling, general and administrative expenses	(1,622)	(1,895)	(2,667)	(3,009)
EBITDA	**3,545**	**3,490**	**3,653**	**5,694**
Financial income / (expenses)	(591)	(734)	(866)	(1,532)
Other income / (expenses)	(43)	99	75	136
Depreciation	(1,108)	(1,263)	(1,729)	(2,108)
Profit before Taxation	**1,803**	**1,592**	**1,132**	**2,190**
Taxation	(186)	(115)	(396)	412
Profit after tax	**1,617**	**1,478**	**736**	**2,601**

Source: Combined and Consolidated Historic Financial Information and Management Information

G3 Group Revenue Analysis

The Group's main revenue contributors are:

- the Solana Hotel & Spa (the "**Solana**");
- the Pergola Hotel & Spa (the "**Pergola**");
- the VITA Hotel & Rooftop, St. Julian's Hotel & Spa (the "**VITA**"); and
- F&B outlets.

Revenue Analysis	2022 (A)	2023 (A)	2024 (A)	2025 (F)
Accommodation Income *(€ '000)*	6,515	7,680	9,035	11,713
F&B Income *(€ '000)*	3,688	3,879	5,328	6,592
Other Income *(€ '000)*	580	699	724	710
Total Revenue *(€ '000)*	**10,783**	**12,257**	**15,088**	**19,015**

Solana Hotel & Spa

The below table depicts key figures related to the historical performance of the Solana during the three-year period ending 31 December 2024. This table also includes financial projections for the year ending 31 December 2025.

	SOLANA			
	2022 (A)	2023 (A)	2024 (A)	2025 (F)
Accommodation Revenue *(€ '000)*	4,286	4,722	5,720	7,126
Accommodation Contribution *(€ '000)*	2,905	3,354	4,068	4,887
Average Occupancy	94.81%	88.00%	95.93%	94.73%
RevPAR *(€)*	64.25	77.23	88.54	85.05
Accommodation Contribution Margin	67.77%	71.04%	71.11%	68.58%

Source: Management Information

In FY2024, the Solana started reaping the benefits of the latest expansion project which was completed in March 2024 with overall revenue increasing by a further 21.2% to €5.7 million from €4.7 million in the prior year. This growth reflects an improved occupancy rate of almost 96% (FY2023: 88%) and better room rates as reflected in the improved revenue per available room (RevPAR) of €88.54 compared to €77.23 in the prior year. This result was achieved notwithstanding the fact that the hotel was effectively closed for the first three months of the year as work related to the expansion was underway. Furthermore, the expanded room stock only led to a proportionate increase in operating expenses. As a result, the total accommodation contribution increased to €4.1 million compared to €3.4 million in the prior year and correspondingly led to an unchanged contribution margin of 71.1% (FY2023: 71.0%).

Further growth is being envisaged for this hotel property during the current financial year with overall accommodation revenue expected to increase by a further 24.5% to €7.1 million (FY2024: €5.7 million) notwithstanding a slight easing in the property's average occupancy to 94.7% (FY2024: €95.9%) as well as well as the RevPAR to €85.05 (FY2024: €88.54). Moreover, the Solana is also anticipated to register improvements in total accommodation contribution amounting to €4.9 million from €4.1 million in FY2024. However, it is expected that there will be a slightly weaker contribution margin of 68.6% in FY2025 (FY2024: 71.1%) largely reflecting the cost pressures especially in relation to salaries.

Pergola Hotel & Spa

The below table depicts key figures related to the historical performance of the Pergola during the three-year period ending 31 December 2024. These figures also include financial projections for the year ending 31 December 2025. The Pergola hotel is not open for business for the whole year. In fact, in FY2023 the Pergola hotel was open between February and December, in FY2024 it was open between January and November 2024 whilst in FY2025 it will be open from early February to November.

	PERGOLA			
	2022(A)	**2023 (A)**	**2024 (A)**	**2025 (F)**
Accommodation Revenue *(€ '000)*	2,181	2,878	2,964	2,907
Accommodation Contribution *(€ '000)*	1,437	1,898	1,932	1,953
Average Occupancy	77.00%	96.00%	94.55%	94.17%
RevPAR *(€)*	60.52	84.56	84.55	85.88
Accommodation Contribution Margin	65.88%	65.96%	65.18%	67.20%

Source: Management Information

The Pergola also registered an improvement in overall accommodation revenue albeit at a more marginal 3% increase to just below €3 million (FY2023: €2.9 million). This was achieved on the back of an unchanged RevPAR of €84.55 and a slightly lower occupancy of 94.6% compared to 96% in the previous year. Meanwhile, operating expenses increased at a slightly faster pace, reflecting inflationary cost pressures, leading to a practically unchanged accommodation contribution of €1.9 million and a corresponding marginal decline in the contribution margin to 65.2% compared to just under 66% in FY2023.

Looking ahead, management notes that accommodation revenue should remain relatively stable at €2.9 million notwithstanding the expectation of a relatively stable occupancy at above 94% and a projected improvement in RevPar to €85.88 (FY2024: €84.55). During the current financial year, the Pergola is expected to incur less operating expenses as the hotel will be open for 10 months as opposed to 11 months in FY2024, hence leading to an anticipated improvement in accommodation contribution to almost €2 million (FY2024: €1.9 million) coupled with an expected corresponding improvement in the contribution margin to 67.2% (FY2024: 65.2%).

VITA Hotel & Rooftop

The below table depicts key figures related to the financial projections for the year ending 31 December 2025. No historical financial information is available as the operations commenced in May 2025.

	VITA
	FY2025 (F)
Accommodation Revenue *(€ '000)*	1,390
Accommodation Contribution *(€ '000)*	1,010
Average Occupancy	81%
RevPAR *(€)*	90.60
Accommodation Contribution Margin	73%

Source: Management Information

During its first year of operations, the VITA is expected to generate €1.4 million in overall accommodation revenue on the back of a healthy average occupancy of 81% and a RevPar of €90.60

which compares well to similarly rated hotels in the area. After accounting for operating expenses of around €0.4 million, the accommodation contribution from this new property should amount to just above €1 million representing a contribution margin of 73%.

F&B Outlets

Revenue from F&B operations grew by a further 37.3% to €5.3 million reflecting the increased footfall at the hotels' food and beverage outlets largely in connection with the completion of the Solana hotel expansion as well as the Palm Beach Lido being open for a longer period in FY2024.

Looking ahead, F&B revenue is expected to increase further during FY2025, mainly due to the Solana Hotel being open with its entire room stock for the whole year as well as the initial contribution from the VITA Hotel following its opening in May 2025.

G3 Group – Consolidated FY2024 Performance

On a consolidated basis, the Guarantor's total revenue rose to €15.1 million in FY2024 from €12.3 million in FY2023. As indicated above, this mainly reflects the growth at the Solana following the completion of the latest extension project as well as the increased business activity in the food and beverage operations of the Group (part of which were also a result of the expanded room stock at the Solana and the enhancements undertaken in the food and beverage outlets at the same hotel as part of the expansion project).

Nonetheless, gross profit only increased by 17.4% to €6.3 million from €5.3 million in FY2023 reflecting the sharp increase in direct costs to €8.8 million (FY2023: €6.9 million). The increase in costs reflects inflationary cost pressures particularly related to foodstuffs and wages. The latter increased on the back of higher salaries as well as additions to the staff complement as business activity increased.

Similarly, sharp increases were registered in selling, general and administrative expenses, rising by 40.8% to €2.7 million (FY023: €1.9 million) mainly reflecting the professional and legal fees incurred in connection with the Group's projects.

As a result, the growth in revenue was mostly offset by the increases in costs leading to a marginal 4.7% increase in EBITDA to €3.7 million (FY2023: €3.5 million).

As a result of the Group's continued investment in its own fixed assets as well as the inclusion of the lease agreement in relation to the new VITA hotel in St. Julian's, the Group's depreciation and amortization charges increased by 37% to €1.7 million. Similarly, net finance costs increased by 18.1% to €0.9 million largely reflecting the additional bank borrowings drawdown to part finance the Group's investments as well as the higher interest element of lease liabilities following the undertaking of the VITA lease.

Given the abovementioned increase in operational costs as well as the Group's upcoming projects, the benefits of which will be derived from this financial year and beyond, the pre-tax profit of the G3 Group contracted by almost 29% to €1.1 million (FY2023: €1.6 million). After accounting for tax (which amounted to €0.4 million compared to €0.1 million in FY2023 due to a higher level of deferred tax charges), the Group's net profit in FY2024 amounted to €0.7 million compared to €1.5 million in FY2023.

G3 Group – Consolidated FY2025 Forecasted Performance

Looking ahead, the Group's revenue in FY2025 is expected to improve by a further 26% to just over €19 million (FY2023: €15.1 million) largely reflecting the fact that the Solana will be operational with its expanded room stock for the whole year, the initial contribution from the VITA following its opening in May 2025 and the additional contributions from these two properties to the Group's food and beverage operations. The forecasted revenue growth also reflects further increases in the room rates expected to be achieved across the Group's properties at relatively stable occupancy rates.

Given the anticipated growth in business activity, direct costs are expected to increase albeit at a slower pace than revenue given that inflationary pressures are anticipated to ease throughout 2025 particularly on payroll costs. In fact, management are projecting a 17.6% in direct costs to €10.3 million (FY2024: €8.8 million). As a result, gross profit is forecast to improve by 37.7% to €8.7 million with the gross profit margin consequently rising to 45.8% (FY2024: 41.9%).

Likewise, the Group is expecting increases across its selling, general and administrative expenses which are projected to increase by 12.8% to €3.0 million. The increase reflects the envisaged growth in business activity partially offset by the non-recurrence of certain professional and legal fees incurred in FY2024 largely in connection with the VITA hotel project.

Therefore, EBITDA is expected to reach a new high of €5.7 million in FY2025 compared to €3.7 million in FY2024.

Depreciation and amortisation charges are also expected to increase by 21.9% to €2.1 million mainly reflecting the anticipated increase in the amortization charge on the lease of the VITA hotel as well as the initial depreciation charge on the same property's fixed assets given that the hotel has now become operational.

Similarly, finance costs are expected to increase to €1.5 million in FY2025 compared to €0.9 million in FY2024 on the back of the additional bank borrowing drawn down to part-finance the Group's investments including the completion of the finishing works at the VITA as well as the incremental interest cost element to be incurred on the lease of the VITA.

Overall, the Group is expected to register a record pre-tax profit of €2.2 million in FY2025 compared to €1.1 million in FY2024. After accounting for a tax credit of €0.4 million (reflecting the utilization of tax credits by Malta Enterprise to one of the Group's subsidiaries), the net profit for FY2025 is expected to amount to a new high for the Group of €2.6 million compared to €0.7 million in FY2024.

7.2. Variance Analysis

G3 Group - Income Statement for the year ended 31 December	2024 (F)	2024 (A)	Variance
Revenue	**14,011**	**15,088**	7.7%
Direct operational costs	(8,139)	(8,767)	7.7%
Gross profit	**5,872**	**6,320**	7.6%
Selling, general and administrative expenses	(2,476)	(2,667)	7.7%
EBITDA	**3,395**	**3,653**	7.6%
Financial income / (expenses)	(851)	(866)	1.8%
Other income / (expenses)	80	75	-6.9%
Depreciation	(1,395)	(1,729)	24.0%
Profit before Taxation	**1,230**	**1,132**	-8.0%
Taxation	(231)	(396)	71.8%
Net Profit after tax	**1,000**	**736**	-26.4%

Actual revenue for FY2024 was higher than expected as the Group managed to attract room rates which were better than forecast, particularly at the Solana as occupancy remained strong notwithstanding the expanded room stock.

Similarly, direct costs also came in higher than expected in view of unexpected inflationary pressures, particularly on wages, as well as in view of higher commissions incurred given the better-than-expected levels of business activity. Moreover, the Group's selling, general and administrative expenses were also higher than anticipated given the professional and legal fees incurred in connection with the VITA project as well as in relation to tax credits and grants and architect fees in connection with the valuation exercise of the Solana and Pergola. Furthermore, the Group reported an unexpected increase in credit loss allowance following the insolvency of one of the main tour operators whose services were used by the Group.

Overall, EBITDA was 7.6% higher at €3.7 million compared to the forecasted figure of €3.4 million.

Nonetheless, the net profit after tax for FY2024 came in 26.4% below expectations as the positive variance in EBITDA was offset by higher-than-expected charges for depreciation and amortization as well as taxation. Amortisation was higher than expected due to the amortization on the lease of the VITA which was not yet concluded at the time the forecasts were being drawn up. Taxation came in high due to a deferred tax charge which was uncertain.

7.3. STATEMENT OF FINANCIAL POSITION

Statement of Financial Position as at 31 December	2022 (A)	2023 (A)	2024 (A)	2025 (F)
Non-current Assets				
Property, Plant & Equipment	36,698	39,953	47,683	52,648
Right of Use Assets	213	985	11,015	10,352
Trade & Other Receivables	1,186	907	179	-
Total Non-Current Assets	**38,097**	**41,845**	**58,878**	**63,001**
Current Assets				
Inventories	155	156	249	289
Trade & Other Receivables	850	1,485	2,197	2,649
Cash at Bank & in Hand	3,008	1,401	46	513
Total Current Assets	**4,013**	**3,042**	**2,493**	**3,450**
Total Assets	**42,110**	**44,887**	**61,370**	**66,451**
Equity				
Share Capital	799	799	799	799
Revaluation & Fair Value Reserves	12,074	12,074	12,074	12,074
Retained Earnings	7,238	8,715	9,452	12,053
Total Equity	**20,111**	**21,588**	**22,324**	**24,926**
Non-Current Liabilities				
Bank Borrowings	1,151	829	2,209	5,195
Lease Liabilities	-	1,038	11,000	10,876
Bond Issue	12,225	12,254	12,284	12,313
Trade & Other Payables	1,786	1,426	1,291	636
Deferred ERDF Grant	64	54	45	35
Deferred Taxation	3,544	3,286	3,483	3,733
Total Non-Current Liabilities	**18,770**	**18,887**	**30,311**	**32,789**
Current Liabilities				
Bank Overdraft	435	433	1,202	1,502
Lease Liabilities	29	34	179	633
Trade & Other Payables	2,548	3,440	5,371	5,619
Capital Creditors	-	-	1,299	960
Deferred ERDF Grant	26	10	10	10
Current Taxation	191	495	674	12
Total Current Liabilities	**3,229**	**4,412**	**8,735**	**8,736**
Total Equity & Liabilities	**42,110**	**44,887**	**61,370**	**66,451**

Source: Combined & Consolidated Historic Financial Information and Management Information

The Guarantor’s asset base has historically been mainly composed of property, plant and equipment (PPE) as it accounted for approximately 90% of total assets. In FY2024, PPE continued to rank as the largest component of total assets however it now represents around 78% of total assets following the inclusion of the VITA lease which lifted right of use assets to just over €11 million representing almost 18% of total assets. In FY2025, the Group's asset base is expected to have a similar composition.

Likewise, from FY2024, lease liabilities now also rank as part of the major components of the Group's liabilities which have historically been borrowings, trade & other payables and deferred taxation. Looking ahead, these line items are expected to remain the main components in FY2025. In this respect, it is noteworthy to highlight that borrowings are expected to increase by 21.1% to just over €19 million reflecting the additional bank borrowings that have already been drawn down during the first quarter of FY2025 to part finance the acquisition of the Palm Beach Lido and the finishing works at the VITA hotel.

The Group's equity base consisted primarily of revaluation and fair value reserves accumulated over the years on the Solana and Pergola, retained earnings and share capital. Following the profitable financial performance recorded by the G3 Group during FY2024, retained earnings increased to €9.5 million during the year, leading to an increase in total equity. Similarly, retained earnings are expected to increase further in FY2025 to €12.1 million reflecting the net profit forecast for the current financial year, and in turn also result in another increase in equity to almost €25 million.

7.4. STATEMENT OF CASH FLOWS

Cash Flows Statement for the year ended 31 December	2022 (A)	2023 (A)	2024 (A)	2025 (F)
Cash flows from operating activities	2,071	2,938	6,036	2,720
Cash flows used in investing activities	(5,949)	(5,263)	(9,234)	(5,539)
Free Cash Flow	**(3,878)**	**(2,325)**	**(3,198)**	**(2,819)**
Cash flows from financing activities	6,621	718	841	3,285
Net movement in cash & cash equivalents	**2,743**	**(1,607)**	**(2,357)**	**467**
Opening cash & cash equivalents	265	3,008	1,401	(956)
Closing cash & cash equivalents	**3,008**	**1,401**	**(956)**	**(489)**

Source: Combined Historic Financial Information and Management Information

Cash flows generated from operating activities during FY2024 practically doubled to just over €6 million (FY2023: €2.9 million), with such improvement being specifically attributed to favourable working capital movements. Operating cash flows are expected to amount to €2.7 million in FY2025 as the forecast improvement in the Group's operational performance is anticipated to be offset by unfavourable working capital movements as well as a higher level of interest paid given the increase in borrowings.

The Group's statement of cash flow during FY2024 has also been characterised by the Group's investments related to the expansion of the Solana hotel, the acquisition of the DOMS Boutique Hotel & Brasserie and the Square Gastro Bar as well as the commencement of works at the VITA hotel. This resulted in a net cash outflow in respect of investing activities of €9.2 million in FY2024 (FY2023: €5.3 million). In FY2025, the Group's investment plans are expected to slow down and thus will only require a further cash outflow of €5.5 million largely representing the acquisition of the Palm Beach Lido and the completion of works at the VITA hotel.

Meanwhile, cash flows from financing activities during the year under review amounted to €0.8 million, principally reflecting the additional bank funding raised which was partially offset by the payment of finance leases (mainly related to the VITA lease). In FY2025, cash flows from financing activities are expected to amount to €3.3 million largely also reflecting additional bank debt to support the Group's investment plans.

8 THE ISSUER

This section covers the historic financial information for the financial years ending 31 December 2022 to 2024 as well as the projected financial information for the Issuer for the financial year ending 31 December 2025 reflecting management's expectations.

Income Statement

Income Statement *for the year ended 31 December*	*2022 (A)*	*2023 (A)*	*2024 (A)*	*2024 (F)*
Interest on loans to fellow subsidiaries	582	702	702	702
Total Income	**582**	**702**	**702**	**702**
Finance Expenses	(413)	(563)	(563)	(563)
Directors' Fees	(41)	(43)	(43)	(46)
Listing and Related Fees	(28)	(38)	(39)	(39)
Other Costs	(11)	(35)	(36)	(38)
Profit Before Tax	**89**	**23**	**22**	**17**
Taxation	-	(11)	(8)	(6)
Profit After Tax	**89**	**12**	**14**	**11**

Source: Historic Financial Information and Management Information

Income streams primarily consist of interest income generated in connection with the advancement of the net proceeds of the Bond Issue to G3 Hospitality Limited. The Bond Issue proceeds, forwarded to G3 Hospitality Limited, are subject to a margin over the coupon of the Bond Issue. The margin is intended to cover the Issuer's expenses, which include directors' fees, amortisation of bond listing fees and other administrative expenses.

It is noteworthy to highlight that while income and expenses for FY2022 reflect approximately a nine-month period (April to December 2022), the figures for FY2023 onwards reflect a full twelve-month period. Net profit in FY2024 amounted to €14,000 and is expected to be around the same level in FY2025.

Statement of Financial Position

Statement of Financial Position as at 31 December	*2022 (A)*	*2023 (A)*	*2024 (A)*	*2025 (F)*
Non-current Assets				
Loans & Receivables	12,124	12,124	12,124	12,124
Receivables from Related Parties	-	-	-	
Total Non-Current Assets	**12,124**	**12,124**	**12,124**	**12,124**
Current Assets				
Receivables from Related Parties	836	975	1,114	1,253
Cash at Bank & in Hand	2	37	1	1
Total Current Assets	**838**	**1,012**	**1,115**	**1,254**
Total Assets	**12,962**	**13,136**	**13,240**	**13,379**
Equity				
Share Capital	252	252	252	252
Retained Earnings	(4)	8	22	34
Total Equity	**248**	**260**	**274**	**286**
Non-Current Liabilities				
Amortised Bond Issue	12,225	12,254	12,284	12,313
Total Non-Current Liabilities	**12,225**	**12,254**	**12,284**	**12,313**
Current Liabilities				
Trade and other payables *(including bond interest accrued)*	489	614	677	775
Current Tax	-	8	5	5
Total Current Liabilities	**489**	**622**	**681**	**779**
Total Equity & Liabilities	**12,962**	**13,136**	**13,240**	**13,379**

Source: Historic Financial Information and Management Information

The structure of the Statement of Financial Position of the Issuer is reflective of its objectives as a financing arm for the Group. By the end of FY2024, the Issuer's total assets amounted to €13.2 million, largely comprising the loan to G3 Hospitality of €12.1 million and a receivable from G3 Hospitality of just over €1.0 million representing accrued interest. Total assets are expected to remain in the region of €13 million during FY2025.

Liabilities during FY2024 mainly included the amortised Bond Issue amounting to €12.3 million and accrued interest on the bond of €0.5 million. Meanwhile, equity during the year under review consisted of €0.3 million in share capital and retained earnings for the year. Total equity and liabilities are also expected to remain relatively unchanged during FY2025.

Cash Flow Statement

Cash Flows Statement for the year ended 31 December	*2022 (A)*	*2023 (A)*	*2024 (A)*	*2025 (F)*
Cash flows (used in) / from operating activities	(98)	35	(36)	-
Cash flows used in investing activities	(12,124)	-	-	-
Cash flows from financing activities	12,225	-	-	-
	2	35	**(36)**	**-**
Opening cash & cash equivalents	-	2	37	1
Closing cash & cash equivalents	**2**	37	**1**	**1**

Source: Historic Financial Information and Management Information

The Issuer solely acts as the financing arm for the G3 Group and all operational payments for G3 Finance plc are done through G3 Hospitality Ltd, no major cash movements were recorded in FY2024 and similarly no major cash movements are being projected for the current financial year.

9 Ratio Analysis

Profitability Ratios

The below is a set of ratios prepared to assist in measuring the G3 Group's earnings potential from its operations.

	FY2022 (A)	FY2023 (A)	FY2024 (A)	FY2025 (F)
Net Profit Margin *(Net Profit / Revenue)*	15.0%	12.1%	4.9%	13.7%
EBITDA Margin *(EBITDA / Revenue)*	32.9%	28.5%	24.2%	29.9%
Return on Assets *(Profit before Tax / Average Assets)*	4.2%	3.4%	1.4%	4.1%
Return on Equity *(Profit for the Period / Average Equity)*	8.6%	7.1%	3.4%	11.0%
Return on Capital Employed *(Profit for the Period / Average Capital Employed)*	5.5%	4.3%	2.0%	6.3%

Source: Calculations based on Historical Financial Information and Management Projections

Notwithstanding the growth in the Group's business activity, the increases in the cost base adversely impacted profitability in FY2024 leading to a deterioration in the profitability ratios as indicated in the above table. On the other hand, profitability is expected to rebound in FY2025 and should reach new highs for the Group as it reaps the benefits of its recent investments. Consequently, all profitability ratios listed in the above table are projected to improve in FY2025.

Liquidity Ratios

The below is a set of ratios prepared to assist in measuring the G3 Group's ability to meet its short-term obligations.

	FY2022 (A)	FY2023 (A)	FY2024 (A)	FY2025 (F)
Current Ratio *(Current Assets / Current Liabilities)*	1.24x	0.69x	0.29x	0.39x
Cash Ratio *(Cash & Equivalents / Current Liabilities)*	0.93x	0.32x	0.01x	0.06x

Source: Calculations based on Historic and Management Financial Information

The Group's liquidity tightened further in FY2024 as the available cash balances were used to partly fund the investments mentioned in this report whilst current liabilities increased (namely reflecting capital creditors, bank borrowings including a €1 million overdraft and trade payables) reflecting the projects recently undertaken by the Group as well as its growing business.

Meanwhile, in FY2025, as the Group's investment requirements subside for the time being, current liabilities are expected to remain unchanged whilst the Group is expected to start rebuilding its cash resources. As a result, the liquidity ratios are expected to improve in FY2025 albeit still remain below those reported for FY2023.

Solvency Ratios

The below is a set of ratios prepared to assist in measuring the Group's ability to meet its debt obligations.

	FY2022 (A)	FY2023 (A)	FY2024 (A)	FY2025 (F)
Net Debt / EBITDA	3.05x	3.47x	4.28x	3.25x
Gearing Ratio *(Total Borrowings / Equity + Borrowings)*	42.2%	39.3%	41.7%	44.6%
Gearing Ratio (2) *(Net Borrowings / Equity + Net Borrowings)*	0.35x	0.36x	0.41x	0.43x
Interest Cover Ratio *(EBITDA / Net Finance Cost)*	6.00x	4.76x	4.22x	3.72x

Source: Calculations based on Historic and Management Financial Information

In FY2024, the G3 Group's solvency ratios weakened given the aforementioned use of own cash resources combined with additional debt financing. Similarly, there is an anticipation of an increased leverage position as the Group taps into further bank financing to support its capital investments to continue growing its operations, which will also impact the solvency ratios.

PART C LISTED SECURITIES

The Issuer or its related parties, including the Guarantor, do not have any other securities which have been subject to an application for admissibility to listing on the Official List of the Malta Stock Exchange.

PART D COMPARATIVES

The table below compares the Issuer and its bond issue to other listed debt on the local market having broadly similar maturities. The list excludes issues by financial institutions. The comparative set includes local groups whose assets, strategy and level of operations may vary significantly from those of the Issuer and are therefore not directly comparable.

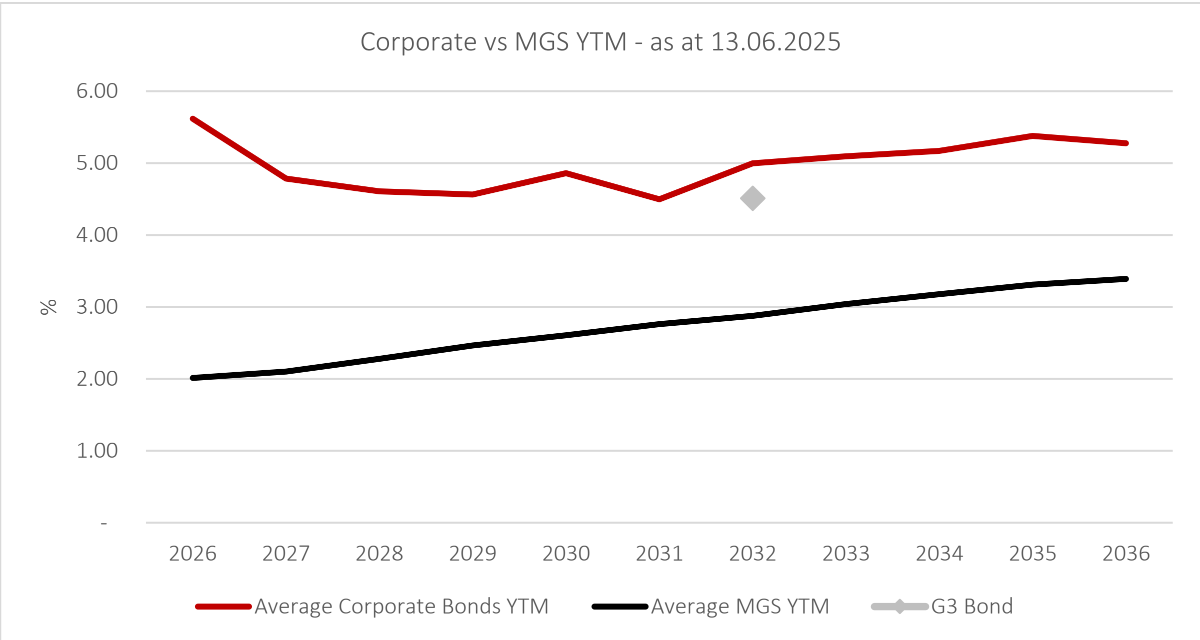
Bond Details	Outstanding Amount	Gearing Ratio*	Net Debt to EBITDA	Interest Cover**	YTM
	(€)	*(%)*	*(times)*	*(times)*	*(%)*
3.50% GO p.l.c. 25.06.2031	60,000,000	64.7%	1.7	12.9	4.1%
3.65% International Hotel Investments p.l.c. 2031	80,000,000	41.7%	8.6	1.8	4.7%
4.55% St. Anthony Co. p.l.c. 2032 (Secured)	15,500,000	57.3%	8.5	2.3	4.6%
4.50% G3 Finance plc 2032 (Secured)	**12,500,000**	**41.2%**	**4.2**	**5.0**	**4.5%**
4.00% Central Business Centres p.l.c. 2027/2033	21,000,000	54.0%	15.7	1.5	4.3%

Source: Yield to Maturity from rizzofarrugia.com, based on bond prices of 13.06.2025. Ratio workings and financial information quoted have been based on the respective issuers' unadjusted published financial data (or their guarantors, where and as applicable)

**Gearing ratio is calculated as: net debt / (net debt + equity)*

***Interest cover is calculated as EBITDA / net finance cost excluding interest expense on lease liabilities*

The chart below compares the G3 Finance plc bond to other corporate bonds listed on the Malta Stock Exchange and benchmarked against the Malta Government Stock yield curve as at 13.06.2025.



The Company's bond yield of 4.5% per annum to maturity, is approximately 49 basis points below the equivalent average yield to maturity of corporate bonds maturing in 2032 and approximately 163 basis points above the average yield to maturity of Malta Government Stocks (MGS) maturing in 2032.

PART E GLOSSARY

INCOME STATEMENT EXPLANATORY DEFINITIONS

Revenue	Total revenue generated by the company from its business activity during the financial year.
EBITDA	Earnings before interest, tax, depreciation and amortization, reflecting the company's earnings purely from operations.
Normalisation	Normalisation is the process of removing non-recurring expenses or revenue from a financial metric like EBITDA, EBIT or earnings. Once earnings have been normalised, the resulting number represents the future earnings capacity that a buyer would expect from the business.
EBIT	Earnings before interest and tax.
Depreciation and Amortization	An accounting charge to compensate for the reduction in the value of assets and the eventual cost to replace the asset when fully depreciated.
Finance Income	Interest earned on cash bank balances and from the intra-group companies on loans advanced.
Finance Costs	Interest accrued on debt obligations.
Net Profit	The profit generated in one financial year.

CASH FLOW STATEMENT EXPLANATORY DEFINITIONS

Cash Flow from Operating Activities	The cash used or generated from the company's business activities.
Cash Flow from Investing Activities	The cash used or generated from the company's investments in new entities and acquisitions, or from the disposal of fixed assets.
Cash Flow from Financing Activities	The cash used or generated from financing activities including new borrowings, interest payments, repayment of borrowings and dividend payments.

STATEMENT OF FINANCIAL POSITION EXPLANATORY DEFINITIONS

Assets	What the company owns which can be further classified in Current and Non-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.
Liabilities	What the company owes, which can be further classified in Current and Non-Current Liabilities.

Current Liabilities	Obligations which are due within one financial year.
Non-Current Liabilities	Obligations which are due after more than one financial year.
Equity	Equity is calculated as assets less liabilities, representing the capital owned by the shareholders, retained earnings, and any reserves.

Profitability Ratios

EBITDA Margin	EBITDA as a percentage of total revenue.
Operating Profit Margin	Operating profit margin is operating profit achieved during the financial year expressed as a percentage of total revenue.
Net Profit Margin	Net profit margin is profit after tax achieved during the financial year expressed as a percentage of total revenue.
Return on Equity	Return on equity (ROE) measures the rate of return on the shareholders' equity of the owners of issued share capital, computed by dividing profit after tax by shareholders' equity.
Return on Capital Employed	Return on capital employed (ROCE) indicates the efficiency and profitability of a company's capital investments, estimated by dividing profit after tax by capital employed.
Return on Assets	Return on assets (ROA) measures the rate of return on the assets of the company. This is computed by dividing profit after tax by total assets.

Liquidity Ratios

Current Ratio	The current ratio is a financial ratio that measures whether a company has enough resources to pay its debts over the next 12 months. It compares a company's current assets to its current liabilities.
Cash Ratio	Cash ratio is the ratio of cash and cash equivalents of a company to its current liabilities. It measures the ability of a business to repay its current liabilities by only using its cash and cash equivalents and nothing else.

Solvency Ratios

Interest Coverage Ratio	This is calculated by dividing a company's EBITDA of one period by the company's net finance costs of the same period.
Gearing Ratio	The gearing ratio indicates the relative proportion of shareholders' equity and debt used to finance a company's assets and is calculated by dividing a company's net debt by net debt plus shareholders' equity.

Net Debt to EBITDA	This is the measurement of leverage calculated by dividing a company's interest-bearing borrowings net of any cash or cash equivalents by its EBITDA.

OTHER DEFINITIONS

Yield to Maturity	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.