

Date of Announcement: 29 April 2025

Reference: 5/2025



The following is a company announcement issued by HH Finance plc (the “Company”), bearing company registration number C-84461, pursuant to the Prospects MTF Rules.

Approval of Financial Sustainability Forecasts

QUOTE

At its meeting held earlier today, the Board of Directors of the Company approved for publication the Financial Sustainability Forecasts for the financial year ending 31 December 2025 (the “FSFs”), a copy of which is being attached herewith. The FSFs are also available for viewing at the registered office of the Company and in the Investor Relations section on the Company’s website, <http://www.hhfinance.com.mt/>.

The Company hereby informs the market that the FSFs are being published on the basis of management’s prudent expectations that the actuals for the financial year ending 2025 are not expected to vary materially from the financials published in the audited financial statements for the financial year ended 31 December 2024 insofar as topline revenue, administrative expenses and profitability are concerned.

Whilst the balance sheet value is not expected to change in any material way from that recorded at year-end 2024, non-current assets consisting in loans receivable from intra-group companies are expected to increase in line with duly sanctioned intra-group loan facilities.

The Company invites investors to account for the fact that the FSFs are prudently elaborated projections that are forward-looking in nature and thus amenable to unknown and possibly aleatory circumstances yet to take place and that may therefore impact the Company’s performance in disparate and currently unforeseen ways.

UNQUOTE

By order of the Board.



Dr Emma Grech

Company Secretary

29 April 2025

HH Finance plc – C 84461**Projected Income Statement for year ending 31 December 2025**

| | 2025 € |
|---|-----------------------------|
| Revenue | |
| Rent from H Hotel | <u>2,070,905</u> |
| Administrative expenses | |
| Audit fees | (8,429) |
| Bank charges | (450) |
| Directors' fees | (51,037) |
| Professional fees | (24,000) |
| Registration fees | (9,000) |
| | <u>(92,916)</u> |
| Operating Profit | <u>1,977,989</u> |
| Interest expense | |
| Effective interest amortisation on related party borrowings | (354,417) |
| Interest on related party borrowings | (679,000) |
| Interest on bonds | (250,000) |
| | <u>(1,283,417)</u> |
| Interest Income | |
| Interest on related party loans | 504,716 |
| Profit before tax | 1,199,288 |
| Tax charge for the year | (419,751) |
| Profit after tax | 779,537 |

| |
|---|
| Operating expenses as % of revenue |
| EBITDA margin (%) |

5%**95%**

HH Finance plc – C 84461**Projected Statement of Financial Position for year ending 31 December 2025**

| | 2025 € |
|--|-------------------------------|
| Assets | |
| Non-current assets | |
| Investment Property | 42,700,000 |
| Loans receivable | 12,357,531 |
| Other receivables | 2,041,832 |
| | <hr/> 57,099,363 |
| Current assets | |
| Other receivables | 574,384 |
| Cash and cash equivalent | 12,665 |
| | <hr/> 587,049 |
| Total Assets | <hr/> 57,686,412 |
| Equity and Liabilities | |
| Capital and reserves | |
| Share capital | 150,000 |
| Retained earnings | 16,434,160 |
| | <hr/> 16,584,160 |
| Provision for liabilities and charges | |
| Deferred tax liability | <hr/> 4,353,616 |
| Non-current liabilities | |
| Amounts owed to parent company | 26,176,216 |
| €5,000,000 bonds 5% 2023-2028 | 5,000,000 |
| Other payables | 4,696,417 |
| | <hr/> 35,872,633 |
| Current Liabilities | |
| Trade and other payables | 247,429 |
| Current Tax payable | 628,574 |
| | <hr/> 876,003 |
| Total Liabilities | <hr/> 36,748,636 |
| Total Equity and Liabilities | <hr/> 57,686,412 <hr/> |

HH Finance plc – C 84461**Projected Statement of cashflows for year ending 31 December 2025**

| | 2025 € |
|--|-------------------------|
| Profit before tax | 1,199,288 |
| Adjustment for: | |
| Interest expense | 1,283,417 |
| Interest income | (504,716) |
| | <hr/> |
| Profit from operations | 1,977,989 |
| Cashflows from operating activities | |
| Increase in trade receivables | (239,589) |
| Increase in trade payables | 111,014 |
| | <hr/> |
| Cashflows from operating activities | 1,849,414 |
| | <hr/> |
| Cashflows from investing activities | |
| Advances to fellow subsidiary | (1,599,414) |
| Cashflows from financing activities | |
| Payment of interest | (250,000) |
| Net increase in cash and cash equivalents | 4,113 |
| Cash and cash equivalents at beginning of year | 8,552 |
| | <hr/> |
| Cash and cash equivalents at end of year | 12,665 |
| | <hr/> |