

Date of Announcement: 25 June 2026

Reference: 5/2026



The following is a company announcement issued by HH Finance plc (the "Company"), bearing company registration number C-84461, pursuant to Chapter 5 of the Capital Markets Rules issued by the MFSA.

Publication of Financial Analysis Summary

QUOTE

The Board of Directors of the Company hereby announces that the Financial Analysis Summary dated 25th June 2026 and prepared by Calamatta Cuschieri Investment Services Limited, is available for viewing hereunder, and shall be available on the Company's website, <https://hhfinance.com.mt/>.

UNQUOTE

By order of the Board.

Dr Emma Grech
Company Secretary

25 June 2026

The Directors

HH Finance p.l.c.

2, St. Georges Court A,

St. Augustine Street,

San Giljan,

Malta

25 June 2026

Dear Board Members,

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

The purpose of the financial analysis is that of summarising key financial data appertaining to the Issuer and the Issuer Group. The data is derived from various sources or is based on our own computations as follows:

- a) Historical financial data for the three years ending 31 December 2023, 2024 and 2025 has been extracted from the audited financial statements of the Issuer as a stand-alone and for the year ending 31 December 2025 from the audited financial statements of the Issuer Group’s following the restructuring mentioned in Section 1.1.1.
- b) The forecast data for the financial year ending 31 December 2026 has been provided by management.
- c) Our commentary on the Issuer’s results and financial position is based on the explanations provided by management.
- d) The ratios quoted in this Analysis have been computed by us applying the definitions set out in section 4 of the Analysis.
- e) Relevant financial data in respect of competitors has been extracted from public sources such as the websites of the companies concerned or financial statements filed with the Registrar of Companies.

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

Yours sincerely,



Patrick Mangion

Head of Capital Markets

FINANCIAL ANALYSIS SUMMARY 2026

HH Finance p.l.c.

25 June 2026

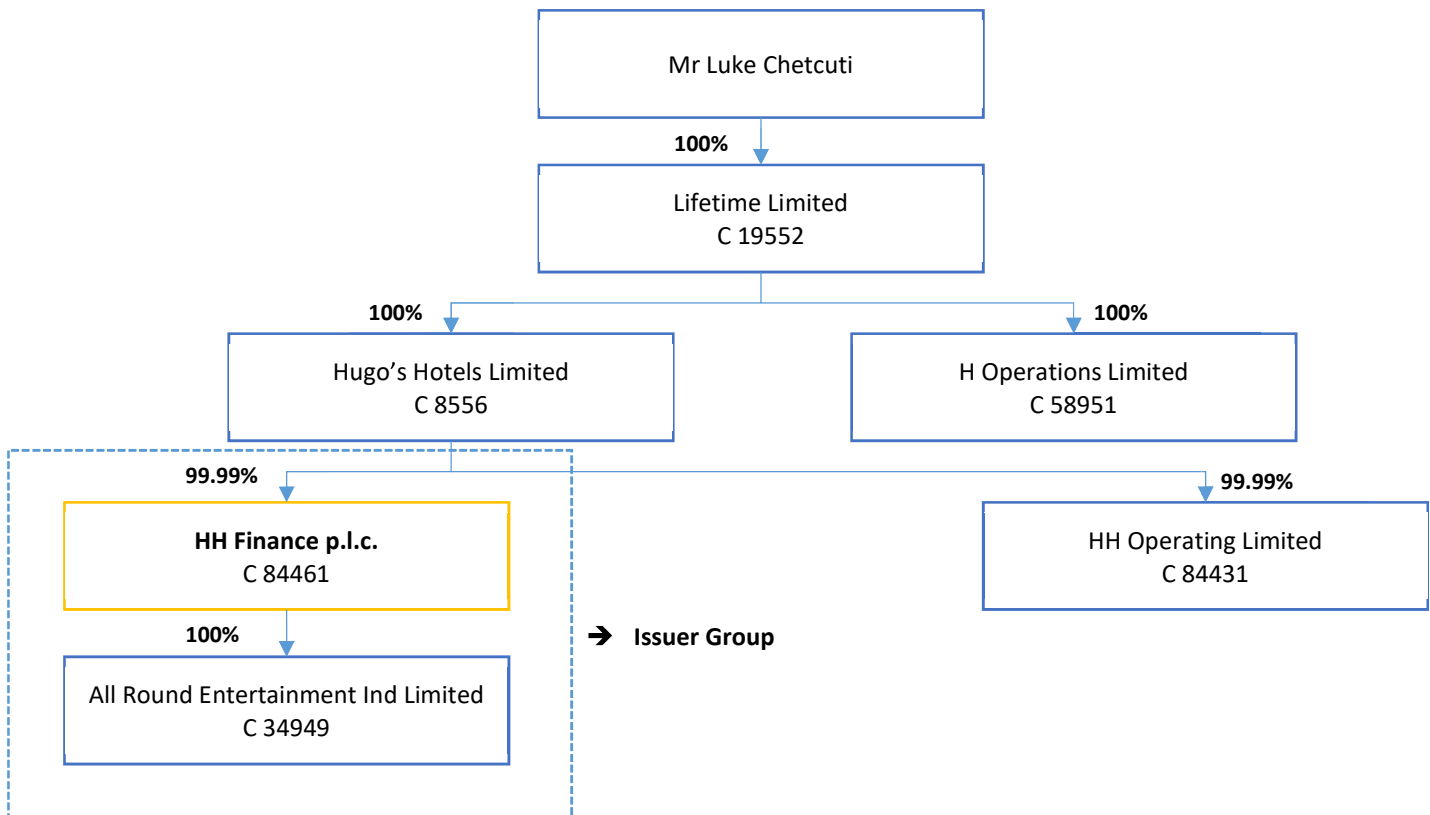
**Prepared by
Calamatta Cuschieri Investment Services Limited**

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Part 1 Information about the Group

1.1 Group's Key Activities and Structure



HH Finance p.l.c. (the “**Issuer**”) was established on 17 January 2018 as a public limited liability company under the laws of Malta. The Issuer is ultimately controlled by Mr Luke Chetcuti (the “**Ultimate Beneficial Owner**” or “**UBO**”), who directly holds one Ordinary ‘B’ share. The remaining 99.99% of the Issuer’s share capital is held by Hugo’s Hotel Limited, the Issuer’s immediate parent company.

The Issuer forms part of a broader corporate structure referred to as (the “**Issuer Group**”), which comprises the following entities:

HH Finance p.l.c.

Serving as the parent and holding company of the Issuer Group. The Issuer is responsible for central financing activities, holds direct ownership of the H Hotel, and owns 100% of the shares in its principal asset-holding subsidiary, All Round Entertainment Ind. Ltd.

All Round Entertainment Ind. Ltd.

A wholly owned subsidiary of the Issuer, which holds the majority of the group’s real estate portfolio and intellectual property assets (the “**Group IP Assets**”). The only exception

is the H Hotel, which remains under the direct ownership of the Issuer.

The Issuer’s parent, Hugo’s Hotel Limited, is itself wholly owned by Lifetime Limited, which acts as the ultimate parent company of the Issuer, the Issuer Group, and the wider corporate group (the “**Lifetime Group**” or the “**Group**”). As the sole shareholder of Lifetime Limited, Mr Luke Chetcuti exercises effective control over the entire group structure, including both the asset-holding and operational segments.

The Lifetime Group traces its origins to the hospitality and entertainment business founded in the 1990s in Paceville, St. Julian’s by the late Mr Hugo Chetcuti. Under the stewardship of his son, Mr Luke Chetcuti, the group has expanded its footprint, with a strategic focus on the hospitality, food and beverage, and nightlife sectors. Today, the group owns and leases a diversified portfolio of high-profile properties located in the heart of Paceville, St. Julian’s—Malta’s primary entertainment district—to both related and third-party operators.

The Issuer Group represents the asset ownership division within the Lifetime Group. In parallel, the operational segment of the Lifetime Group (the “**Operational Companies**”) undertakes hospitality and entertainment operations across properties owned by the Issuer Group.

The Operational Companies currently include:

H Operations Limited.

A wholly owned subsidiary of Lifetime Limited, which operates several of the properties owned by All Round Entertainment Ind. Ltd., including Hugo’s Boutique Hotel located on St. George’s Street, St. Julian’s. H Operations Ltd. holds a non-exclusive licence to utilise the Group IP Assets in connection with its operational activities

HH Operating Limited

HH Operating Limited is 99.99% owned by Hugo’s Hotel Limited, with the remaining Ordinary ‘B’ share held by the UBO. This company is responsible for operating a number of properties owned by All Round Entertainment Ind. Ltd., as well as the H Hotel, which is directly owned by the Issuer. HH Operating Limited also holds a non-exclusive licence to use the Group IP Assets in the management and promotion of these properties.

1.1.1 Recent Restructuring

The Issuer Group, in its current form, was recently established as part of a broader corporate restructuring initiative undertaken within the wider Lifetime Group.

Before the restructuring, All Round Entertainment Ind. Ltd., which already held the majority of the Lifetime Group’s immovable property portfolio, was wholly owned by Lifetime Limited. Additionally, a number of the Group’s immovable assets, including various restaurant and bar establishments located in St. Julian’s, remained under the direct ownership of other Group entities. The Group’s intellectual property assets, meanwhile, were held by the Operational Companies.

Between late 2024 and early 2025, the Lifetime Group embarked on a strategic reorganisation aimed principally at delineating and isolating its hospitality, food and beverage, and entertainment operations from the ownership and control of its real estate and intellectual property holdings. This restructuring resulted in the formation of the Issuer Group as a distinct asset-holding entity, which now

consolidates all material immovable property and intellectual property assets previously dispersed across the Lifetime Group. Gain from revaluation of investment property amounted to €64.8m following the revaluation of the Issuer’s properties and all properties owned by its subsidiary. The Operational Companies continue to function independently as the Group’s operating arm.

This corporate reorganisation principally comprised the following key transactions:

The Operational Companies entered into an intellectual property assignment agreement with All Round Entertainment Ind. Ltd., through which they transferred all rights, title, and interest in the Group IP Assets;

- All Round Entertainment Ind. Ltd. acquired the restaurant and bar operations located in St. Julian’s; namely Middle East Muse, Hugo’s Burger, Bacco by Hugo’s, Hugo’s Pub, and Hugo’s Pizza & Pasta, from Hugo’s Hotel;
- Lifetime Limited executed a share transfer agreement with the Issuer, pursuant to which it transferred the entirety of the issued share capital of All Round Entertainment Ind. Ltd. to the Issuer for a consideration of €67.2 million.

1.2 Directors and Key Employees

Board of Directors - Issuer

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

NAME	OFFICE DESIGNATION
Kari Pisani	Chairperson and independent, non-executive Director
Luke Chetcuti	Executive Director
Tonio Depasquale	Independent non-executive Director
David Tabone	Independent non-executive Director

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

The board of the Issuer is composed of four directors who are entrusted with its overall direction and management.

The executive directors are in charge of the decision-making and the day-to-day management of the Issuer, whereas the non-executive directors, all of whom are independent of the Issuer, monitor the executive activity of the Issuer and contribute to the development of its corporate strategy, by providing objective and impartial scrutiny.

1.3 Major Assets of the Issuer Group

In addition to its primary function as the financing vehicle of the Lifetime Group, HH Finance p.l.c., together with its wholly owned subsidiary All Round Entertainment Ind. Ltd. collectively, the Issuer Group, is engaged in the strategic ownership, management, and licensing of a diversified portfolio of immovable property and intellectual property assets. The Issuer Group's activities are concentrated in two core areas:

- Ownership and Leasing of Immovable Property – encompassing a broad array of hospitality, food and beverage, entertainment, and retail outlets located in Paceville, St. Julian's, held for long-term investment purposes and leased to both related and third-party tenants;
- Ownership and Commercialisation of Intellectual Property – including the development, protection, and licensing of the Group's proprietary hospitality brands to the operational entities within the wider Lifetime Group under long-term, royalty-based licensing arrangements.

The Issuer Group's strategic objective is to manage its asset portfolio to manage the portfolio for long-term income generation and stability, while providing critical support to the continued growth and operational success of the Lifetime Group.

1.3.1 Immovable Properties

The Issuer Group holds a substantial portfolio of immovable properties, all situated in Malta's principal hospitality and entertainment district of Paceville, St. Julian's. These assets include hotels, restaurants, bars, nightclubs, and retail premises. While the H Hotel is owned directly by the Issuer, the remainder of the portfolio is held by All Round Entertainment Ind. Ltd. The vast majority of these properties are leased on a long-term basis either to the Group's

operational affiliates or to third-party tenants, including related entities.

1.3.1.1 The H Hotel

The H Hotel is a 4-star hospitality asset located on Saint Augustine Street, Paceville, St. Julian's. The property spans 12 levels, including one basement and eleven above-ground floors, plus a rooftop terrace. It comprises 160 guest rooms and a range of guest amenities, including an indoor swimming pool, spa facilities, lounge, rooftop pool deck, bar, reception area, conference space, and multifunction rooms.

1.3.1.2 The All Round Properties

All Round Entertainment Ind. Ltd. owns and manages a large and diversified portfolio of commercial properties throughout Paceville. These include food and beverage outlets, nightclubs, retail spaces, and boutique hospitality venues. Nearly all of these properties are currently leased out under commercial rental agreements. A list and brief description of the more notable assets can be found in the Prospectus dated 19 September 2025.

1.3.2 Intellectual Property Assets

The Issuer Group, through All Round Entertainment Ind. Ltd., owns the full suite of intellectual property rights associated with the Hugo's brand and related trademarks. These assets were acquired pursuant to an intellectual property assignment agreement dated 15 December 2024, whereby the Operational Companies transferred to All Round Entertainment Ind. Ltd. full and sole ownership of the trademarks, trade names, and brand goodwill associated with the following:

- Hugo's Boutique Hotel
- Hugo's Terrace
- H Hotel
- Hugo's Pub
- Hugo's Pizza & Pasta
- Hugo's Burger Bar
- Bacco by Hugo's
- Infinity by Hugo's

Concurrently, All Round Entertainment Ind. Ltd. entered into long-term intellectual property licensing agreements with each of the Operational Companies:

- H Operations Ltd. was granted a non-exclusive, worldwide licence to use the “Hugo’s Boutique Hotel” and “Hugo’s Terrace” brand elements for a term of 15 years, subject to early termination under defined circumstances;
- HH Operating Limited was similarly granted a non-exclusive, worldwide licence covering all remaining

Group IP Rights for a period of 15 years, subject to early termination clauses.

1.4 Events after the Reporting Period

The Group was involved in historical legal proceedings for which a provision of €555,292 was recognised at year-end 2025. The Board noted that these amounts have been fully and finally settled in early 2026, completely extinguishing the liability from the Group’s books.

Part 2 Historical Performance and Forecasts

The Issuer's historical financial information for the three years ending 31 December 2023, 2024 and 2025 and the projected performance for the period ending 31 December 2026 may be found in sub-sections 2.1. To 2.3. of this Analysis. The sub-sections 2.4 to 2.6 also include the historical financial information for the year ending 31 December 2025 and the projected performance for the period ending 31 December 2026 of the Issuer Group (**post-restructuring**).

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

2.1 Issuer's Standalone Income Statement

Income Statement	2023A	2024A	2025A	2026F
	€000s	€000s	€000s	€000s
Revenue	2,071	2,071	1,770	2,020
Administrative expenses	(99)	(92)	(123)	(214)
Operating Profit	1,972	1,979	1,647	1,806
Interest Income	348	424	50	286
Interest Expense	(1,257)	(1,270)	(460)	(1,255)
Write-off of accrued rental income	-	-	(1,804)	-
Increase in fair value of investment property	3,700	-	2,300	-
Profit before tax	4,763	1,133	1,733	837
Taxation	(692)	(422)	97	-274
Profit for the financial year	4,071	711	1,830	563

Ratio Analysis	2023A	2024A	2025A	2026F
Profitability				
Operating Profit Margin (Operating Profit / Revenue)	95.2%	95.6%	93.1%	89.4%
Net Margin (Profit for the year / Revenue)	196.6%	34.3%	103.4%	27.9%
Return on Common Equity (Net Income / Total Equity)	27.0%	4.5%	10.3%	3.1%
Return on Assets (Net Income / Total Assets)	7.6%	1.3%	1.4%	0.4%

As mentioned in Section 1.1.1, during FY25, the Issuer, as part of a wider comprehensive corporate restructuring, acquired 100% of the issued share capital of All Round Entertainment Ind. Ltd. This led to the successful consolidation the Group's real estate portfolio directly under HH Finance p.l.c. Pre-restructuring, the Issuer was principally engaged in the leasing of the H Hotel to a related party. The Issuer derived its revenue entirely from rental income generated from this property, which remained fixed at €2.1m annually throughout FY23 and FY24.

Following the restructuring, the operating lease arrangement transitioned from a traditional fixed annual rent model to a dynamic, variable rent model equivalent to 10% of the lessee's monthly revenue. This realignment ensures that the Company directly participates in the robust performance and upward trajectory of the underlying hotel

and hospitality operations. This led to revenue of €1.8m in FY25, which is expected to increase to €2.0m in FY26, made up of €920k in rental income and €1.1m in dividend income from All Round Entertainment Ind. Ltd.

Historically, administrative expenses incurred by the Issuer were limited in scope and nature, averaging under €100k per annum. These expenses primarily reflected director remuneration, professional and advisory fees, and Malta Stock Exchange listing-related charges. This increased slightly to €123k in FY25 and is expected to increase further to €214k in FY26. This led to consistently high operating profitability, with operating profit margin above 90% in all historical years. Going forward this is forecast to come in at 89.4%.

The Issuer also reported interest income from loan advances to related parties, which came in at 424k in FY24 and came down to €50k in FY25 before being forecast to increase to 286k in FY26. Pre-restructuring, interest expenses were linked to the servicing of the Issuer's outstanding debt instruments, namely the Prospects MTF bond in issue, and to interest-bearing liabilities due to the parent company with these costs remaining broadly stable at approximately €1.3m annually.

In FY25 the sole interest expense is related to the interest due on the Bond issue which stood at €460k. Going forward these are projected to increase sharply to €1.3m mainly due to a full year of interest charged on the outstanding Bond issue. Following the restructuring the Issuer recognised €2.3m in fair value gains related to investment property. In

FY25, as a direct accounting consequence of the change from a fixed to variable operating lease agreement, straight-line recognition of rental income is no longer applicable under IFRS 16.

Therefore, previously recognised non-cash accrued rental income was reversed resulting in a one-off accounting loss on accrued rental income of €1.8m. This reversal is purely a non-cash accounting adjustment reflecting the new IFRS 16 treatment of variable leases, and it does not negatively impact the Group's underlying liquidity, asset yields, or operational cash flows. This led to profit before tax of €1.7m in FY25. Profit after tax stood at €1.8m in FY25 following tax adjustments related to the fair value movements and is expected to normalise to €563k in FY26.

2.2 Issuer's Standalone Statement of Financial Position

Balance Sheet	2023A	2024A	2025A	2026F
	€000s	€000s	€000s	€000s
Assets				
Non-current assets				
Investment property	42,700	42,700	45,000	45,000
Loans receivable	8,775	10,737	15,823	20,823
Investment in subsidiary	-	-	67,153	67,153
Other receivables	1,777	1,804	-	-
Total non-current assets	53,252	55,241	127,976	132,976
Current assets				
Other receivables	295	572	1,107	1,104
Cash and cash equivalents	41	9	5,468	375
Total current assets	336	581	6,575	1,479
Total assets	53,588	55,822	134,551	134,456
Equity and liabilities				
Equity				
Share capital	150	150	250	250
Retained earnings	14,943	15,655	17,485	18,049
Total equity	15,093	15,805	17,735	18,299
Liabilities				
Provisions for liabilities and charges				
Deferred tax liabilities	4,140	4,247	3,800	3,800
Total provisions	4,140	4,247	3,800	3,800
Non-current liabilities				
Borrowings	30,495	30,836	23,521	23,583
Subordinated loans	-	-	88,459	88,459
Other payables	3,338	4,017	-	-
Total non-current liabilities	33,833	34,853	111,980	112,042
Current liabilities				
Trade and other payables	237	358	568	313
Current tax payable	285	559	468	2
Total current liabilities	522	917	1,036	315
Total liabilities	38,495	40,017	116,816	116,157
Total equity and liabilities	53,588	55,822	134,551	134,456

Ratio Analysis	2023A	2024A	2025A	2026F
Financial Strength				
Gearing 1 (Net Debt / Net Debt and Total Equity)	66.9%	66.1%	50.4%	55.9%
Gearing 2 (Total Liabilities / Total Assets)	71.8%	71.7%	86.8%	86.4%
Gearing 3 (Net Debt / Total Equity)	201.8%	195.0%	101.8%	126.8%
Net Debt / Operating Profit	15.4x	15.6x	11.0x	12.8x
Interest Coverage (Operating Profit / Finance costs)	1.6x	1.6x	3.6x	1.4x

As at 31 December 2025, the Issuer reported total assets amounting to €134.6m. This significant expansion in the asset base was driven primarily by the recognition of a €67.2m investment in subsidiary, reflecting the acquisition of 100% of the issued share capital of All Round Entertainment Ind. Ltd. The H Hotel remains the Issuer's primary revenue-generating asset, with the investment property carried at a fair value of €45.0m following a further €2.3m uplift recognised during the year. For FY26, total assets are projected to remain stable at €134.5m.

In addition to the investment property and subsidiary holding, the Issuer reported a €15.8m loan receivable due from HH Operating Ltd. This loan previously bore an interest rate of 5% per annum but is now interest free as from 01 January 2025 following the Group's restructuring. Non-current other receivables related to accrued income were fully settled during the period, while current receivables increased to €1.1m. Cash and cash equivalents saw a substantial increase to €5.5m in FY25. Projections for FY26 indicate that intercompany lending will reach €20.8m following a portion of the bond proceeds which were lent on to All Round Entertainment Ind. Ltd. with this new loan

bearing an interest rate of 5.2% per annum. Cash levels are expected to come back down to €375k in FY26.

On the liabilities side, the Issuer's total obligations as at 31 December 2025 stood at €116.8m. The funding structure underwent a major transformation with the introduction of €88.5m in subordinated loans, which now represent the largest single liability. Borrowings decreased to €23.5m, reflecting repayments made during the year. For the FY26 forecast period, total liabilities are expected to sit at €116.2m, with borrowings projected to be €23.6m.

Deferred tax liabilities decreased slightly to €3.8m, while other non-current payables related to accrued interest were cleared. Equity attributable to the Issuer's shareholders grew to €17.7m as at 31 December 2025, comprising €250k in issued share capital (following a €100k injection) and €17.5m in retained earnings. This growth continues to reflect the accumulation of operational profits and property value appreciation. In 2026, equity is projected to increase to €18.3m, underpinned by higher retained earnings in line with the profit expected for the year.

2.3 Issuer's Standalone Statement of Cash Flows

Statement of Cash Flows	2023A	2024A	2025A	2026F
	€000s	€000s	€000s	€000s
Cash flows from operating activities				
Profit before Tax	4,763	1,133	1,733	837
Interest expense	1,257	1,270	460	1,255
Interest income	(348)	(424)	(50)	(286)
Amortisation of bond issue costs	-	-	11	62
Dividend income	-	-	-	(1,100)
Increase in fair value of investment property	(3,700)	-	(2,300)	-
Write-off of accrued rental income	-	-	1,804	-
Profit from operations	1,972	1,979	1,658	768
Change In working capital				
Change in trade and other receivables	(1,926)	(1,841)	275	718
Change in trade and other payables	23	130	(42)	(255)
Cash from operating activities	69	268	1,891	1,231
Tax paid	-	(50)	(442)	(355)
Interest paid	-	-	(33)	-
Net cash flows generated from operating activities	69	218	1,416	876
Cash flows from investing activities				
Net movement of loans to related parties	-	-	(5,037)	(5,000)
Interest received on loans to related parties	-	-	-	286
Payment to acquire investment in subsidiary	-	-	(67,153)	-
Net cash generated from investing activities	-	-	(72,190)	(4,714)
Cash flows from financing activities				
Proceeds from additional share capital	-	-	100	-
Proceeds from issue of bond, net of issue costs and settlement on redemption	-	-	18,542	-
Movement in loans from related parties			57,798	-
Interest paid	(250)	(250)	(207)	(1,255)
Net cash used in financing activities	(250)	(250)	76,233	(1,255)
Movement in cash and cash equivalents	(181)	(32)	5,459	(5,093)
Cash and cash equivalents at start of year	222	41	9	5,468
Cash and cash equivalents at end of year	41	9	5,468	375

Net cash flows generated from operating activities saw a marked improvement in FY25, reaching €1.4m compared to €218k in FY24. This was driven by the higher profit before tax registered for the year, a reversal in working capital trends along with the €1.8m adjustment in accrued rental income. For FY26, net operating cash flow is projected to come in at €876k.

The Issuer's investing activities were highly significant in FY25, characterized by a net cash outflow of €72.2m. This was entirely attributable to the €67.2m payment to acquire the share capital of All Round Entertainment Ind. Ltd and a €5.0m net movement in loans to related parties. In the FY26 forecast period, investing cash flows are expected to amount to €4.7m, reflecting a further outflow of loans to related

parties of €5.0m and €286k in interest received on loans to related parties.

Financing activities generated a net inflow of €76.2m in FY25. This was underpinned by €57.8m in new loans from related parties and €18.5m in net proceeds from a new bond issue. Additionally, a capital injection of €100k was recorded. Cash interest paid during the year amounted to €207k, covering both bond and bank obligations. For FY26, financing

cash outflows are projected at €1.3m, mainly due to interest payments.

As a result of these activities, the Issuer's cash and cash equivalents increased significantly to €5.5m at the end of 2025, a departure from the minimal liquidity levels maintained in previous years. This year-end balance provides a more robust liquidity cushion heading into the next financial year. By the end of FY26, the cash position is forecast to come down to €375k.

2.4 Issuer Group's Income Statement

Income Statement	2025A	2026F
	€000s	€000s
Revenue	3,476	5,051
Administrative expenses	(299)	(291)
Other operating income	31	78
Loss on deferred income	(1,804)	-
Increase in fair value of investment property	64,801	-
EBITDA	66,205	4,838
Depreciation and amortisation	(375)	(820)
EBIT	65,830	4,018
Interest expense	(468)	(1,314)
Amortisation of bond issue costs	(11)	(62)
Profit before tax	65,351	2,642
Tax charge	(7,774)	(585)
Profit after tax	57,577	2,057

Ratio Analysis	2025A	2026F
Profitability		
Growth in Revenue (YoY Revenue Growth)	N/A	45.3%
EBITDA Margin (EBITDA / Revenue)	1904.6%	95.8%
Net Margin (Profit for the year / Revenue)	1656.4%	40.7%
Return on Common Equity (Net Income / Adjusted Equity)	49.0%	1.7%
Return on Assets (Net Income / Total Assets)	36.9%	1.3%
Return on capital employed (EBITDA/ Total Assets - Current Liabilities)	43.5%	3.1%

As part of this restructuring, HH Finance p.l.c. acquired All Round Entertainment Ind. Ltd., the company that owns the Group's portfolio of immovable property, with the exception of the H Hotel, which is held directly by the Issuer. This acquisition resulted in the consolidation of the Group's real estate assets under HH Finance p.l.c.

The financial performance for FY25 and the forecast for FY26 reflect the restructured organisational model and its associated revenue streams, comprising rental income and royalty income generated through the licensing of the Hugo's brand. Total revenue came in at €3.5m in FY25 and is expected to increase to €5.1m, representing a 45.3% year-on-year increase.

Administrative expenses stood at 299k in FY25 and are projected slightly lower at €291k in FY26, including directors' remuneration, professional and legal fees, insurance, licensing, utilities, and regulatory costs. Following the acquisition of All Round Entertainment Ind. Ltd., the Group

recognised €64.8m in fair value gains related to investment property. This led to an EBITDA of €66.2m in FY25 which is projected to come down to €4.8m in FY26. The corresponds to an EBITDA margin of 1904.6% (heavily influenced by the large revaluation gain) in FY25 before being expected to moderate to 95.8% in FY26.

Depreciation and amortisation charges came in at 375k in FY25 mainly related to amortisation on intangible assets of €333k. This line item is expected to increase to €820k in FY26 resulting in an EBIT of 65.8m in FY25 and a forecasted EBIT of €4.0m in FY26. Interest expense stood at €468k in FY25, mainly made up of €426k in interest due on debt securities in issue and is projected to increase to €1.3m as a full years' worth of interest is expected to be charged. Despite this increase, earnings before interest are projected to remain sufficient to cover financing costs.

Net profit in FY25 came in at €57.6m mainly due to large revaluation gain during the year and is projected to

normalise to €2.1m in FY26. This is after charging 7.8m in taxes for FY25 and a forecasted charge of €585k in FY26

Following the restructuring, the Issuer Group holds the immovable property portfolio and intellectual property rights, and its financial profile reflects the income generated from these asset classes.

2.4.1 Variance Analysis

Income Statement	2025F	2025A	Variance
	€000s	€000s	€000s
Revenue	5,572	3,476	(2,096)
Administrative expenses	(423)	(299)	124
Other operating income	-	31	31
Loss on deferred income	(1,804)	(1,804)	-
Increase in fair value of investment property	-	64,801	64,801
EBITDA	5,149	66,205	61,056
Amortisation of IP	(900)	(375)	525
EBIT	4,249	65,830	61,581
Interest expense	(1,096)	(468)	628
Amortisation of bond issue costs	(41)	(11)	30
Profit before tax	1,308	65,351	64,043
Tax charge	(686)	(7,774)	(7,088)
Profit after tax	622	57,577	56,955

For the financial year 2025, the Group reported a profit after Tax of €57.6m against a forecast of €622k, resulting in a favourable variance of €56.96m. While core operational revenues and administrative expenses were lower than forecast due to a structural timing difference in asset acquisition, the overall financial performance was heavily driven by a substantial, non-cash upward revaluation of the Group's consolidated investment property portfolio.

Total revenue experienced an unfavourable variance of €2.1m (€3.5m Actual vs. €5.6m Forecast) due to a structural timing mismatch. As noted in the Prospectus, the FY25 projections were prepared on a pro-forma basis assuming the Group operated all assets throughout the entire financial year, whereas the consolidated asset structure through the acquisition of All Round Entertainment Ltd was only actualised in July 2025. Because All Round was acquired at the end of July 2025, the actual consolidated financial statements only included revenue generated after the acquisition, specifically from August 2025 until December 2025, which directly explains the deficit across revenue.

This operational window also caused a favourable €124k variance in administrative expenses (€299k Actual vs. €423k Forecast), as the actual figures only include consolidated expenses from August 2025 onward, with prior months excluded from the consolidation. Additionally, the Group recognized a minor unforecasted flow of €31k in other operating income.

The Group's EBITDA was significantly boosted by a favourable variance of €61.1m (€66.2m Actual vs. €5.2m Forecast). This massive variance was primarily driven by an unforecasted €64.8m increase in the fair value of investment property, reflecting the recognition of fair value movement on the consolidated investment property portfolio.

Moving below the operating line, EBIT and pre-tax profits were further impacted by favourable variances in non-operating expenses. Amortisation of IP showed a favourable variance of €525k (€375k Actual vs. €900k Forecast) because the intellectual property is now being amortised over 9 years instead of the originally planned 8 years (at a rate of €800k per year), with the remaining variance driven by the fact that All Round was acquired at the end of July 2025.

Interest expense was €628k lower than forecast (€468k Actual vs. €1.1m Forecast) because actual interest expenses relate to bond interest calculated on a pro-rata basis. Similarly, the amortisation of bond issue costs generated a minor €30k favourable variance because the amortisation costs were calculated pro-rata based on the specific timing of when the bond was issued.

Finally, profit before tax reached €65.4m against a forecast of €1.3m, yielding a favourable variance of €64.0m. This high pre-tax profit led to an unfavourable tax charge variance of €7.1m (€7.8m Actual vs. €686k Forecast), which management notes includes deferred tax on the revaluation of property that was not originally forecasted. Ultimately,

the substantial property revaluation outweighed the shortened operational timeline and higher tax burden,

leaving the Group with a final favourable Profit After Tax variance of €57.0m.

2.5 Issuer Group's Statement of Financial Position

Statement of Financial Position	2025A	2026F
	€000s	€000s
Assets		
Non-current assets		
Investment property	135,800	138,702
PPE	47	118
Intangible assets	6,400	5,600
Total non-current assets	142,247	144,419
Current assets		
Trade and other receivables	6,614	7,366
Cash and equivalents	7,345	4,135
Total current assets	13,959	11,501
Total assets	156,206	155,920
Equity and liabilities		
Equity		
Share capital	250	250
Retained earnings	28,792	30,849
Total equity	29,042	31,099
Liabilities		
Non-current liabilities		
Trade and other payables	114	121
Debt securities in issue	23,521	23,583
Deferred tax liability	11,064	11,064
Subordinated loan due to parent	88,459	88,459
Total non-current liabilities	123,158	123,227
Current liabilities		
Trade & other payables	1,139	286
Accrued interest	555	220
Current tax liability	2,312	1,089
Total current liabilities	4,006	1,594
Total liabilities	127,164	124,822
Total equity and liabilities	156,206	155,920

Ratio Analysis	2025A	2026F
Financial Strength		
Gearing 1 (Net Debt / Net Debt and Adjusted Equity)	12.1%	14.0%
Gearing 2 (Total Adjusted Liabilities / Total Assets)	24.8%	23.3%
Gearing 3 (Net Debt / Adjusted Equity)	13.8%	16.3%
Net Debt / EBITDA	0.2x	4.0x
Interest Coverage (EBIT adjusted for non-cash items / Finance costs)	6.1x	3.1x

The Issuer Group's statement of financial position as at FY25 and FY26F reflects a stably structured balance sheet, underpinned by income-generating assets and prudent financial gearing. Total assets are expected to remain stable, shifting from an actual €156.2m in FY25 to a forecasted €155.9m in FY26. The group's non-current asset base is heavily dominated by investment property, which stood at €135.8m in FY25 and is projected to expand to €138.7m in FY26, representing the real estate assets acquired through the restructuring exercise.

These assets form the cornerstone of the group's rental income stream and provide a stable collateral base for future financing. Intangible assets, primarily representing the capitalised value of the Hugo brand, are projected to decline from €6.4m to €5.6m, reflecting scheduled amortisation. Conversely, current assets are expected to contract from €14.0m to €11.5m, driven principally by a reduction in cash and cash equivalents, which are forecast to decrease from an actual €7.3m in FY25 to €4.1m by end-FY26, while trade and other receivables are expected to rise from €6.6m to €7.4m.

On the funding side, total equity stood at €29.0m in FY25 and is projected to rise further to €31.1m over the forecast period, reflecting retained earnings generated from operations increasing from €28.8m to €30.8m. Additionally, the balance sheet includes a subordinated loan due to the parent company of €88.5m, which sits under non-current liabilities but forms part of the group's adjusted equity when calculating gearing ratios. It is treated as quasi-equity given

its subordinated ranking and long-term nature. This results in an actual adjusted equity base of €117.5m in FY25, which is projected to strengthen further to €119.6m by FY26, providing a solid buffer against external liabilities.

Total liabilities are projected to decrease from an actual €127.2m in FY25 to €124.8m in FY26. The group's principal financial indebtedness comprises the loan due to parent mentioned previously and debt securities in issue, which stood at €23.5m in FY25 and are projected to remain stable at €23.6m in FY26. Deferred tax liabilities remain flat at €11.1m across both years, reflecting timing differences associated with the group's investment properties and intangible assets. Current liabilities are forecast to decline significantly from €4.0m to €1.6m, primarily driven by reductions in current tax liabilities from €2.3m to €1.1m, and trade and other payables from €1.1m to €286k, alongside a decrease in accrued bond interest from €555k down to €220k.

Key financial strength indicators reinforce the group's solid capital structure. Gearing 1, measured as net debt / net debt and total adjusted equity, stood at 12.1% in FY25 and is projected to move to 14.0% in FY26. Total adjusted liabilities to total assets remain stable, decreasing slightly from 24.8% to 23.3%. The adjustment relates to the inclusion of the subordinated loan due to parent as part of equity due to it being subordinated, interest free and with no fixed repayment date. The interest coverage ratio adjusts from a strong 6.1x in FY25 to a still comfortable 3.1x over the FY26 forecast horizon.

2.6 Issuer Group's Statement of Cash Flows

Statement of Cash Flows	2025A	2026F
	€000s	€000s
Cash flows from operating activities		
Profit before tax	65,351	2,642
Adjustments		
Depreciation and amortisation	386	882
Movement in provisions	110	0
Interest expense	479	1,314
Increase in fair value of investment property	(64,801)	-
Loss on accrued income	1,804	-
	(62,022)	2,196
Movement in net working capital		
Trade and other receivables	174	(21)
Trade and other payables	1,430	(1,182)
Net movement in net working capital	1,604	(1,202)
Interest paid	(109)	(59)
Tax Paid	(403)	(1,808)
Net cash generated from operating activities	4,421	1,769
Cash flows from investing activities		
Acquisition of PPE	(7,174)	(2,992)
Movement in amounts receivable from ultimate beneficial owner	102	-
Net movement of loans to related parties	2,063	(732)
Payment to acquire investment in subsidiary	(67,153)	-
Net cash used in investing activities	(72,162)	(3,724)
Cash flows from financing activities		
Proceeds from additional share capital	100	-
Proceeds from issue of bond, net of issue costs and settlement on redemption	18,542	-
Movement in loans from related parties	56,643	-
Interest paid	(207)	(1,255)
Net cash flows generated from / (used in) financing activities	75,078	(1,255)
Movement in cash and cash equivalents	7,337	(3,210)
Cash and cash equivalents at start of year	8	7,345
Cash and cash equivalents at end of year	7,345	4,135

The statement of cash flows for the Group over FY25 and FY26 reflects a transitioning liquidity profile as the entity moves from its initial restructuring period into a normalized operational cycle. In FY25, the Group generated €4.4m in net cash from operating activities, which is projected to decrease to €1.8m in FY26. This drop is primarily driven by a

substantial reduction in profit before tax from €65.4m down to a forecasted €2.6m, alongside shifting working capital dynamics. In FY25, operating cash flow was heavily adjusted for a non-cash fair value property appreciation of €64.8m and a loss on accrued income of €1.8m, while benefiting from a favourable €1.6m net movement in working capital

due to a €1.4m increase in trade and other payables. Conversely, FY26 faces a negative working capital swing of €1.2m, driven by a €1.2m reduction in trade and other payables, while actual tax paid is forecast to increase from €403k in FY25 to a €1.8m in FY26.

Investing activities represent a significant deployment of capital during FY25 before being projected to contract in the forecast horizon. Net cash used in investing activities totalled €72.2m in FY25, dominated by a €67.2m payment to acquire All Round Entertainment Ind. Ltd. and €7.2m dedicated to the acquisition of PPE, which were partially offset by a €2.1m net movement of loans from related parties. For FY26, investing outflows are projected to shrink dramatically to €3.7m, consisting entirely of €3.0m in ongoing PPE acquisitions and a €732k outbound net movement of loans to related parties.

Net cash flows generated from financing activities reached €75.1m in FY25, driven by a €56.6m inbound movement in loans from related parties and €18.5m in proceeds from the issuance of a bond (net of issue costs and settlement on redemption), alongside a minor €100k share capital contribution. In FY26, financing cash flows turn to a negative €1.3m due to the absence of new financing inflows and the ramp-up of interest servicing, with actual interest paid rising from €207k in FY25 to a forecasted €1.3m in FY26.

As a result of these consolidated movements, net cash and cash equivalents increased by €7.3m in FY25, expanding the cash balance from a virtually nil balance to an end-of-year position of €7.4m. For FY26, the expected net cash draw of €3.2m will see cash and cash equivalents come down to a projected closing balance of €4.1m, representing a leaner but functional liquidity pocket to support the Group's ongoing debt service and operational commitments.

Part 3 Key Market and Competitor Data

3.1 General Market Conditions

At the time of publication of this Analysis, management considers that generally, it shall be subject to the normal business risks associated with the industries in which the companies are involved and operate and, barring unforeseen circumstances, does not anticipate any trends, uncertainties, demands, commitments or events outside the ordinary course of business that could be deemed likely to have a material effect on the upcoming prospects of the companies and their respective businesses, at least with respect to the financial year 2026. However, investors are strongly advised to carefully read the risk factors disclosed in the Prospectus.

3.2 Malta Economic Update¹

Economic activity in Malta has moderated somewhat. The Bank's Business Conditions Index indicates that in April, annual growth in business activity moderated towards its long-term average. Meanwhile, industrial production contracted in March, while year-on-year growth in retail trade moderated. Services output rose in February following declines in the preceding three months. On the other hand, tourism activity in March grew more moderately than in previous months.

Despite remaining above its long-term average, economic sentiment weakened as confidence in the industry and the services sectors declined. On balance, according to the European Commission's Economic Uncertainty Indicator, there was less economic certainty surrounding decisions made by respondents in April. Supply and demand conditions in the property market remain strong. In April, residential permits were higher on a year earlier, but commercial permits were lower.

Meanwhile, both the number of residential promise-of-sale agreements and the number of final deeds of sale increased on a year earlier. The labour market shows some signs of easing. In April, the European Commission's Employment Expectations Indicator, fell below its historical average. The unemployment rate in March remained unchanged at 3.5% for the third consecutive month, though it was higher than the rate recorded in the same month a year earlier. Malta's

inflation rate rose in April but stood well below that in the euro area. The annual inflation rate based on the Harmonised Index of Consumer Prices (HICP) edged up to 2.5% in April, while HICP inflation excluding food and energy remained unchanged at 2.4%.

Across the euro area, HICP inflation was higher than that in Malta due to an increase in energy inflation. However, when excluding energy and food prices, HICP inflation in Malta was higher. According to the Retail Price Index (RPI), inflation in April edged up to 2.8%. In March, the Consolidated Fund registered a larger deficit compared with that recorded a year earlier, due to higher expenditure coupled with a decline in revenue, brought about by lower tax receipts. The annual rate of change of Maltese residents' deposits rose, while credit grew at an unchanged annual rate in March, compared with February.

3.3 Malta Economic Outlook ²

According to the Bank's latest forecasts, Malta's real GDP growth is projected at 3.7%, 3.6% and 3.8% over the period 2026-2028. Compared to the Bank's previous projections, the outlook for GDP growth has been revised down by 0.1 p.p. in 2027 and upwards by 0.1 p.p. in 2028. Against an uncertain global backdrop due to the Middle East conflict, the Maltese economy is expected to present some degree of resilience to these effects in 2026, though a marginal delayed impact on GDP and prices is envisaged to materialise in 2027.

Growth over the projection horizon is expected to be led by private consumption, which is projected to continue to grow at a brisk pace, in part supported by recent changes to income tax bands. Employment growth is expected to moderate gradually to 2.3% by 2028. The unemployment rate is forecast to edge down to 2.9% over the projection horizon. Wage growth is set to remain strong, driven by labour market tightness, but is set to ease to 3.9% in 2028 from 4.2% last year. HICP inflation is projected to be impacted by the war in the Middle East, primarily through the channel of higher imported inflation, particularly in goods and food components as continued fiscal support mitigates the propagation of the energy shock on domestic energy prices. Overall HICP inflation is thus projected to

¹ Central Bank of Malta – Economic Update 05/2026

² Central Bank of Malta – Economic projections 2026-2028 : 2

increase to 2.5% in 2026 and is set to remain at that level in 2027.

It is then expected to ease to 2.2% in 2028, driven primarily by lower services and NEIG inflation. Compared to the Bank's previous forecast publication, overall HICP inflation has been revised up by 0.2 percentage points in 2026 and 2028 and by 0.4 percentage points in 2027. The general government deficit-to-GDP ratio is projected to continue to decline over the forecast horizon, albeit in a more gradual manner. It is set to narrow to 1.9% in 2026, 1.7% in 2027 and to 1.6% by 2028. The general government debt-to-GDP ratio is expected to decline further from 46.4% in 2025 to 46.0% in 2026 and subsequently to 44.1% by 2028. Risks to growth are tilted to the downside.

These risks largely emanate from the uncertainty surrounding the duration and intensity of the conflict in the Middle East which may lead to a weaker external environment and hence a more subdued trajectory in foreign demand. Disruptions to transport through the Strait of Hormuz have also raised concerns on fuel shortages in trading partner countries which may negatively impact tourism, aviation and the shipping industry. However, this downside risk to tourism could be mitigated potentially by the redirection of tourists towards safer destinations like central and western Mediterranean. Risks to inflation are tilted to the upside over the projection horizon. Upside risks to inflation primarily reflect stronger disruptions to energy markets than assumed in the technical assumptions.

Although the direct impact on domestic energy prices continues to be mitigated by the Government's commitment to its fixed energy price policy, higher than envisaged global energy prices could generate stronger imported inflation, with potential further amplification via indirect effects on wages and profit margins. Inflation could also be higher than expected if supply disruptions were to spread to non-energy markets, although alternative supplies from other regions could mitigate this effect. On the fiscal side, risks are assessed to be tilted to the downside (deficit-increasing). These predominantly stem from the possibility of slippages in current expenditure, notably higher-than-expected spending on energy support measures should commodity prices exceed assumptions. These risks are partly mitigated by the likelihood of higher-than-forecast increases in tax revenue, brought about by additional improvements in tax administration.

3.4 Tourism

In April 2026, Malta experienced a strong surge in tourism, welcoming an estimated 409,403 inbound tourists, which marks a 16.6% increase compared to April 2025. The vast majority of these visitors arrived for holiday purposes (383,664), while 20,724 traveled for business. The tourist demographic was primarily driven by individuals aged 25 to 44 (35.0%) and 45 to 64 (34.1%), with residents from the UK, Italy, and Poland collectively accounting for nearly half of the total market at 45.9%. Total nights spent also saw a 6.1% rise to reach 2.1 million nights, with an average length of stay of 5.2 nights and a heavy reliance on rented accommodations, which hosted 89.2% of the guest nights. This influx generated €335.0 million in total tourist expenditure—a 13.1% increase over the previous year—reflecting an average spend of €157.2 per night. Additionally, Gozo and Comino proved to be highly popular destinations during the month, drawing 227,162 same-day and overnight visitors, or 55.5% of all tourists.

This positive trend is mirrored in the cumulative data for the first four months of 2026, where total inbound tourists reached 1,215,966, representing a 16.4% growth over the same period in 2025. Between January and April, total nights spent expanded by 10.0% to 6.6 million nights, and total tourist expenditure climbed 14.3% to €919.7 million. Despite the overall jump in revenue, the average expenditure per capita experienced a slight decline, dropping to €756 from €770 in 2025. For the year-to-date period, Gozo and Comino continued to capture a significant share of the market, attracting 577,358 total visitors, which represents 47.5% of the overall tourist volume.

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3.5 Comparative Analysis

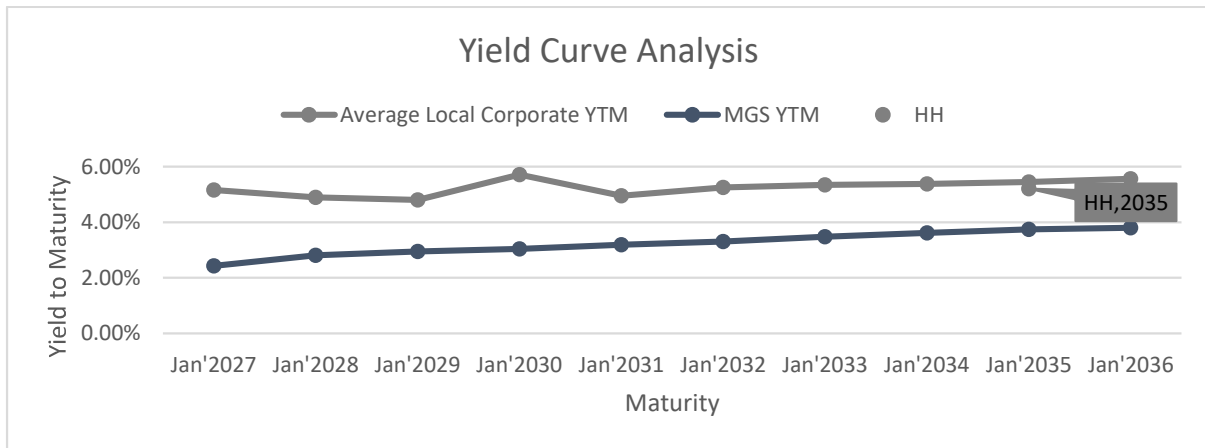
This section provides a comparative analysis between the Issuer and other entities whose debt securities are listed on the Official List of the Malta Stock Exchange. The aim is to highlight key aspects of the Issuer's debt profile relative to other market participants, providing a clearer understanding of its position within the broader debt market in Malta.

Security	Nom Value €000's	Yield to Maturity (%)	Interest coverage (EBITDA)	Total Assets (€'millions)	Total Equity (€'millions)	Total Liabilities / Total Assets (%)	Net Debt / Total Equity (%)	Net Debt / EBITDA (times)	Current Ratio (times)	Return on Common Equity (%)	Net Margin (%)	Revenue Growth (YoY) (%)
5.30% International Hotel Investments € Unsec 2035	35,000	5.26%	5.9x	116.5	64.1	44.9%	30.8%	4.7x	0.3x	4.5%	9.9%	7.3%
5.6% JD Capital plc Secured € 2035 (xd)	40,000	5.61%	1.1x	162.9	38.6	76.3%	69.3%	17.2x	2.4x	3.6%	6.3%	34.9%
5.5% Juel Group plc € Secured 2035	32,000	5.53%	2.7x	90.1	35.6	60.5%	51.8%	5.9x	1.4x	13.5%	20.0%	263.3%
5.5% QLZH Holding plc Secured Callable € 2030-2035 S1 T1	6,800	5.50%	7.0x	21.7	4.8	77.7%	56.4%	6.2x	2.8x	19.5%	18.5%	63.1%
5.5% QLZH Holding plc Secured Callable € 2030-2035 S1 T2	5,200	5.50%	7.0x	21.7	4.8	77.7%	56.4%	6.2x	2.8x	19.5%	18.5%	63.1%
5.4% AGB Finance plc Secured € Bonds 2035 S1 T1	16,300	5.40%	8.7x	35.8	18.3	49.0%	35.2%	4.4x	15.5x	10.2%	44.2%	N/A
5.2% HH Finance plc € Secured Bonds 2035	24,130	5.21%	6.1x	156.2	117.5	24.8%	12.1%	0.2x	3.5x	49.0%	1656.4%	N/A
5.70% Central Business Centre plc € Unsec 2030-2035 S1 T1	13,250	5.84%	1.7x	86.3	28.3	67.2%	60.8%	19.4x	0.5x	3.4%	37.4%	8.9%
5.35% CPHCL plc Unsecured € 2035	45,000	5.34%	1.9x	2,158.1	998.7	53.7%	42.0%	8.3x	1.0x	3.4%	9.0%	8.6%
Average*		5.50%										

Source: Latest available audited financial statements

Last price as at 17/06/2026

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



Source: Malta Stock Exchange, Central Bank of Malta and Calamatta Cuschieri Estimates

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

As at 17 June 2026, the average spread over the MGS for corporates with maturity of 8 years was 175 basis points. The HH Finance is currently trading at a YTM of 5.21%, meaning a spread of 146 basis points over the equivalent MGS, and thereafter at a discount on the market of 28 basis points.

Part 4 Glossary and Definitions

Income Statement	
Revenue	Total revenue generated by the Group/Company from its principal business activities during the financial year.
Costs	Costs are expenses incurred by the Group/Company in the production of its revenue.
EBITDA	EBITDA is an abbreviation for earnings before interest, tax, depreciation and amortisation. It reflects the Group's/Company's earnings purely from operations.
Operating Profit (EBIT)	EBIT is an abbreviation for earnings before interest and tax.
Depreciation and Amortisation	An accounting charge to compensate for the decrease in the monetary value of an asset over time and the eventual cost to replace the asset once fully depreciated.
Net Finance Costs	The interest accrued on debt obligations less any interest earned on cash bank balances and from intra-Group companies on any loan advances.
Profit After tax	The profit made by the Group/Company during the financial year net of any income taxes incurred.
Profitability Ratios	
Growth in Revenue (YoY)	This represents the growth in revenue when compared with previous financial year.
EBITDA Margin	EBITDA as a percentage of total revenue.
Net Margin	Net income expressed as a percentage of total revenue.
Return on Common Equity	Return on common equity (ROE) measures the rate of return on the shareholders' equity of the owners of issued share capital, computed by dividing the net income by the total equity.
Return on Assets	Return on assets (ROA) is computed by dividing net income by total assets.
Return on Capital Employed	Return on capital employed (ROCE) measures the relative profitability of a company after taking into account the amount of capital used during a relative financial performance.
Cash Flow Statement	
Cash Flow from Operating Activities (CFO)	Cash generated from the principal revenue producing activities of the Group/Company less any interest incurred on debt.
Cash Flow from Investing Activities	Cash generated from the activities dealing with the acquisition and disposal of long-term assets and other investments of the Group/Company.
Cash Flow from Financing Activities	Cash generated from the activities that result in change in share capital and borrowings of the Group/Company.
Capex	Represents the capital expenditure incurred by the Group/Company in a financial year.
Free Cash Flows (FCF)	The amount of cash the Group/Company has after it has met its financial obligations. It is calculated by taking Cash Flow from Operating Activities less the Capex of the same financial year.
Balance Sheet	
Total Assets	What the Group/Company owns which can be further classified into Non-Current Assets and Current Assets.
Non-Current Assets	Assets, full value of which will not be realised within the forthcoming accounting year
Current Assets	Assets which are realisable within one year from the statement of financial position date.

Cash and Cash Equivalents	Cash and cash equivalents are Group/Company assets that are either cash or can be converted into cash immediately.
Total Equity	Total Equity is calculated as total assets less liabilities, representing the capital owned by the shareholders, retained earnings, and any reserves.
Total Liabilities	What the Group/Company owes which can be further classified into Non-Current Liabilities and Current Liabilities.
Non-Current Liabilities	Obligations which are due after more than one financial year.
Total Debt	All interest-bearing debt obligations inclusive of long and short-term debt.
Net Debt	Total debt of a Group/Company less any cash and cash equivalents.
Current Liabilities	Obligations which are due within one financial year.

Financial Strength Ratios

Interest Coverage Ratio	The interest coverage ratio is calculated by dividing Adjusted EBIT of one period by finance costs of the same period.
Gearing Ratio	The gearing ratio indicates the relative proportion of shareholders' equity and debt used to finance total assets.
Gearing Ratio Level 1	Is calculated by dividing Net Debt by Net Debt and Adjusted Equity.
Gearing Ratio Level 2	Is calculated by dividing Total Liabilities by Total Assets.
Gearing Ratio Level 3	Is calculated by dividing Net Debt by Adjusted Equity.
Net Debt / EBITDA	The Net Debt / EBITDA ratio measures the ability of the Group/Company to refinance its debt by looking at the EBITDA.

Other Definitions

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

Calamatta Cuschieri Investment Services Limited

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and is licensed to conduct investment services by the Malta Financial Services Authority