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COMPANY ANNOUNCEMENT

MM Star Malta Finance p.l.c.

Approval of interim financial statements

Date of Announcement:	19 August 2025
Reference No:	2/2025
Capital Markets Rule:	5.16.20

QUOTE

The Board of Directors of MM Star Malta Finance p.l.c. (the “Company”) hereby announces the approval of the unaudited interim financial statements of the Company for the financial period ended 30 June 2025, a copy of which is attached herewith and is also available for viewing on the Company’s website: <https://www.mmfinancemalta.com/mmstarmaltafinanceplc>.

UNQUOTE

By order of the Board.

Dr. Malcolm Falzon
Company Secretary

MM Star Malta Finance P.L.C.
Interim Financial Statements (Unaudited)
For the period 27 February to 30 June 2025

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Directors' Report - for the period 27 February 2025 to 30 June 2025

The director's present their first report in these Interim financial statements in line with Chapter 5 of the Capital Markets Rules issued by the Listing Authority - Malta Financial Services Authority. The interim financial information included in this report has been extracted from the Company's unaudited accounts for the period from Inception on 27 February 2025 to 30 June 2025, and have been prepared in accordance with International Financial Reporting Standards adopted for use in the EU for interim financial statements (International Accounting Standard 34, 'Interim Financial Reporting'). This half-yearly report has not been audited or reviewed by the Company's auditors.

Principal Activities

MM Star Malta finance P.L.C. ("the Company") is a public limited liability company and was registered in Malta on 27 February 2025. The Company is a subsidiary of MM Star Holdco Limited, a Company registered in England and Wales. Its principal activity is to raise capital on the Malta Stock exchange for use in the MM Star Holdco group ("the Group")

Review of the business

In the period under review, the Company has issued bonds on the Malta Stock Exchange. The Company issued €35,000,000 secured callable bonds with a 5.35% coupon rate, maturing between 2029 and 2031 ("the bond"). The bond has been fully subscribed.

Following the successful issuance, a loan of €34,517,766 was extended to MM Star Holdco. Interest income of the loan was €23,075. The Company has no other sources of recurring income. The loan attracted an arrangement fee of €517,766 which has been capitalised and netted against the loan receivable on the Interim Statement of Financial Position.

The bond coupon has been accrued to the period end, equating to €20,521 of interest in the Interim Statement of Comprehensive Income. Costs directly associated with the bond issuance, such as brokerage and advisory fees, totalled €663,765 have been capitalised and netted against the liability in the period under review. Both the arrangement fee of the loan receivable and the bond issuance costs will be amortised over the life of the bond.

Other Professional fees expensed in the period totalled €103,589. Foreign exchange costs totalled €35,401. There were no taxes in the period.

The resulting loss for the period to 30 June 2025 was €138,023.

Principal risks and uncertainties

The key risk that the directors have considered is the Company's ability to service the bond coupon on an annual basis.

The underlying cashflows of the Group are generated from a hotel known as Yotel Edinburgh, located in Edinburgh, United Kingdom. The interest on the loan to MM Star Holdco Limited is serviced by the free cash flows of the hotel. There is an inherent risk that the Net Operating Income of the hotel falls below the level required to service the intercompany debt.

Interim director's report - continued

Further, given the underlying cashflows are in GBP and the Company's interest income and bond coupon is paid in EUR, the Company is subject to FX risk. If the GBP weakens against the EUR, servicing the debt becomes more expensive for the Group in its base currency.

This risk is monitored by the directors and is mitigated through active management of the hotel, ensuring that performance is monitored closely against internal and external KPIs, and ensuring that management are positioned to react swiftly to changes in the market.

FX risk is actively managed by the Group by utilising hedging strategies that are aligned with the Group's risk management strategy.

The Interest coverage ratio ("ICR") for the Group is sufficient to service the intercompany debt and subsequently the bond coupon on an annual basis. The Company is well positioned from an ICR perspective and the directors are comfortable that if there were adverse movements in FX or market conditions that the Company would continue to be able to settle its debts as they fall due.

The directors are comfortable with the key risks and mitigation strategies. The directors do not expect any material changes to the business activities or risks for the Company. These financial statements have been prepared on a going concern basis.

Directors

The directors of the company who held office during the period were:

Demeter Peter Kovacs - Executive Director– appointed on 27th of February 2025

Winston J. Zahra - Executive Director– appointed on 27th of February 2025

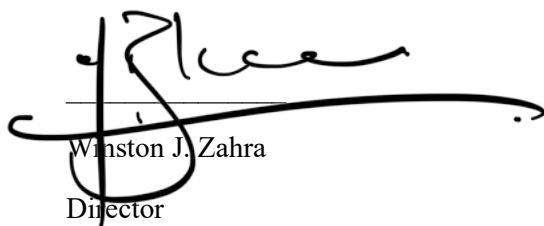
Albert Frendo - Independent Non-Executive Director– appointed on 27th of February 2025

Kenneth Abela - Independent Non-Executive Director– appointed on 27th of February 2025

Steven Coleiro - Independent Non-Executive Director– appointed on 22nd of April 2025

In accordance with the Company's Articles of Association, the present Directors remain in office.

Signed on behalf of the Board of Directors on 19 August 2025 by:



Winston J. Zahra
Director



Demeter Peter Kovacs
Director

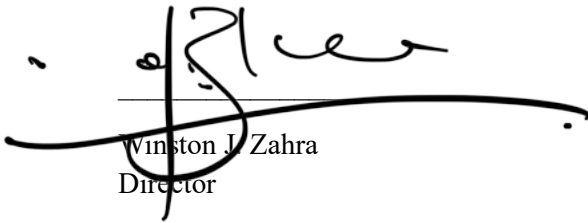
Registered Office:
Level 3 Valletta Buildings
Triq Nofs in-Nhar
Valletta, VLT1103
Malta

Statement pursuant to Capital Markets rule 5.57.3

We hereby confirm that to the best of our knowledge:


- The interim financial statements give a true and fair view of the financial position of the Company as at 30 June 2025, as well as of the financial performance and cash flows for the said period, in accordance with International Financial Reporting Standards as adopted by the EU applicable to interim financial reporting (IAS34: 'Interim Financial Reporting'); and
- The Interim Directors' Report includes a fair review of the information required in terms of Capital Markets Rule 5.81.

On behalf of the board



Winston J. Zahra
Director

19 August 2025



Demeter Peter Kovacs
Director

Interim Statement of Comprehensive Income

		Period from 27 February to 30 June 2025 (Unaudited) €
Interest income		23,075
Other Income		959
Total Revenue	9	24,034
Administrative expenses		(361)
Professional and Consulting Fees		(90,783)
Amortisation of intangible asset		(1,212)
Directors Fees		(12,805)
Finance costs		
- Realised exchange difference		(35,401)
- Interest expense and similar charges		(21,495)
Total expenses		(162,057)
Tax expense	5	-
Loss for the period		(138,023)

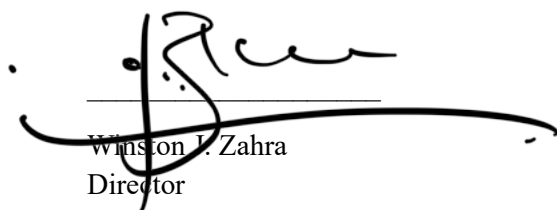
The notes on pages 8 to 10 are an integral part of these interim financial statements.


Interim Statement of Financial Position

		As at 30 June 2025 (Unaudited) €
Assets		
Non-Current Assets		
Loan receivable from shareholder	6	34,000,958
		<u>34,000,958</u>
Current Assets		
Cash and Cash Equivalents		16,030,736
Other receivables		256,379
		<u>16,287,115</u>
Total Assets		<u>50,288,073</u>
Equity and Liabilities		
Equity		
Issued capital		250,000
Accumulated Losses		(138,023)
Total Equity		<u>111,977</u>
Liabilities		
Non-Current Liabilities		
Interest Bearing Bonds	7	34,337,447
		<u>34,337,447</u>
Current Liabilities		
Trade and other payables		288,617
Amounts payable to shareholder	9	15,550,032
		<u>15,838,649</u>
Total Liabilities		<u>50,176,095</u>
Total Equity and Liabilities		<u>50,288,073</u>

The notes on pages 8 to 10 are an integral part of these interim financial statements.

The interim financial statements on pages 4 to 10 were authorised for issue by the board on 19 August 2025 and were signed on its behalf by:


Winston J. Zahra
Director


Demeter Peter Kovacs
Director

Interim Statement of Changes in Equity

	Share Capital	Retained Earnings	Total
	€	€	€
Balance as at 27 February 2025	-	-	-
Issued share capital	250,000	-	250,000
Loss for the period	-	(138,023)	(138,023)
Balance at 30 June 2025	250,000	(138,023)	111,977

The notes on pages 8 to 10 are an integral part of these interim financial statements.

Interim Statement of Cash Flows

	Period from 27 February to 30 June 2025 (Unaudited) €
Loss in the period	(138,023)
Non cash adjustments	(2,301)
Change in receivables	(48,304)
Change in payables	83,097
Cashflow from operations	(105,531)
Cashflows from financing	
Share capital from Parent	250,000
Bond proceeds	35,000,000
Capitalised expenses for bond arrangement	(663,765)
Net cash from financing	34,586,235
Cashflows from investing	
Loan extended to Parent Co	(18,967,734)
Capitalised income for loan arrangement	517,766
Net cash used in investing	(18,449,968)
Cash at the start of the period	-
Cashflows	16,030,736
Cash balance at the end of period	16,030,736

The notes on pages 8 to 10 are an integral part of these interim financial statements.

Notes to the Financial Statements

1. General information

MM Star Malta Finance P.L.C. is a public limited liability company domiciled and incorporated in Malta on the 27 of February 2025, therefore this is the first iteration of Interim financial or annual financial statements. There are no comparatives shown in these financial statements.

The interim financial information was approved for issue by the Board of Directors on the 19th of August 2025.

2. Basis of preparation

The interim financial information for the period ended 30 June 2025 has been prepared in accordance with International Financial Reporting Standards as adopted by the EU applicable to interim financial reporting (International Accounting Standard 34, 'Interim Financial Reporting'.

Assessment of going concern assumption

The directors have a reasonable expectation at the time of approving the interim financial statements that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, the directors continue to adopt the going concern basis in the preparation of the interim financial statements.

3. Critical accounting estimates and judgements

Estimates and judgements are evaluated and based on factors including expectations of future events that are believed to be reasonable under the circumstances.

In the opinion of the directors, the accounting estimates and judgements made in the course of preparing these financial statements are not difficult, subjective or complex to a degree which would warrant their description as critical in terms of the requirements of IAS 1.

4. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the board of directors. The board of directors are responsible for allocating resources and assessing performance of the operating segments for decision making purposes. The board of directors considers the Company to be made up of one segment, that is raising financial resources from the capital market to finance the operations and capital projects of the holding company. All the Company's revenue and expenses are generated in Malta, interest revenue is earned from the loan given to the holding company.

Notes to the Financial Statements

5. Taxation

There is no tax charge for the period ending 30 June 2025. The tax rate applicable to the company is that of 35% on the profit.

6. Loan receivable

In the ordinary course of its business activities, the Company advances funds to its shareholder company, MM Star Holdco Limited, a company incorporated with limited liability in England and Wales. The company does not hold collateral as security on its loan's receivable.

The loan attracts an annual interest rate of 6.1% on outstanding balances. The interest is recognised as interest income in the Statement of Comprehensive income, annually in arrears.

In accordance with IFRS 9, fees directly attributable to the arranging of the loan have been capitalised and netted against the receivable on the Statement of financial position. The fees are amortised on a straight line basis over the term of the loan, which is the assumed life of the bond.

7. Interest-bearing bonds

By virtue of the prospectus dated 30 May 2025, the Company issued €35,000,000 secured callable bonds with a 5.35% interest rate, maturing between 2029 and 2031. Interest on the Bonds is payable annually in arrears, on June 27. The first interest payment is due on the 27th June 2026.

In accordance with IFRS 9, costs directly attributable to bringing the debt instrument to market have been capitalised and netted against the liability on the Statement of financial position. The fees are amortised on a straight line basis over the term of the bond.

8. Contingent liabilities

No events occurred that require disclosure of any contingent liabilities as at 30 June 2025.

9. Related party transactions

The Company has a loan with the holding company, MM Star Holdco Limited carried out on arm's length basis and for the benefit of the Company.

Notes to the Financial Statements

9. Related party transactions - *continued*

The following transactions were carried out with the related party:

	30 June 2025
	€
Income	
Interest and other related income	24,034

Non-current receivables as at 30 June 2025 include a loan advanced to the related company amounting to €34,000,958. As at 30 June 2025, the company owed the related party the balance of €15,550,032 as part of the loan agreement which was not yet transferred as at the date of these financial statements but fall due in less than one year.

The Company is also owed €185,000 from the related party, which is included in the Other receivables balance.

10. Subsequent events

There were no material events relevant to the Company which occurred subsequent to the balance sheet date.