Financial Analysis Summary

27 June 2025

Issuer

Gap Group p.l.c.

(C 75875)

Prepared by:

MZ INVESTMENTS

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The Board of Directors
Gap Group p.l.c.
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Malta

27 June 2025

Dear Board Members,

Financial Analysis Summary

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

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

(a) Historical information for the most recent three financial years ended 31 December 2022, 31 December 2023, and 31 December 2024 has been extracted from the respective audited consolidated annual financial statements.

(b) The forecast information for the financial year ending 31 December 2025 has been provided by the Group.

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

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

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

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

Yours faithfully,

Evan Mohnani
Head of Corporate Broking

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PART 1 – INFORMATION ABOUT THE GROUP

1. KEY ACTIVITIES

Gap Group was incorporated in June 2016 as a public limited liability company under the Companies Act (Chapter 386 of the laws of Malta) with an authorised, issued, and full paid-up share capital of €2.50 million.

The Issuer is the holding company of a number of subsidiaries which are engaged in the acquisition, development, and sale of real estate. As a result, Gap Group is mainly dependent on the performance and prospects of its operating subsidiaries.

Since incorporation, the Group completed and sold various real estate projects situated in different localities across Malta including Birkirkara, Għargħur, Luqa, Marsascala, Mellieħa, Qawra, and San Pawl tat-Tarġa. In aggregate, these projects comprised circa 700 residential units and over 800 garages/car parking spaces.

On the other hand, Gap Group holds a stock of approximately 200 garages and car parking spaces pertaining to four projects whose residential units have all been either sold or are subject to promise of sale agreements ("**POSA**") – namely, Mulberry Park, Seaberry Park, and Sunflower Living, all located in Qawra, and The Pantheon, located in Mosta. Furthermore, the Group is currently in the process of launching on the market its latest real estate development – Pier Points – situated in Marsascala. A more detailed description of each of these projects is provided in Section 4 – Real Estate Projects.

Each project pursued by the Group is undertaken through a special purpose vehicle ("**SPV**") and each SPV is managed through its own Board of Directors which would have common members with the Board of Directors of the Issuer. Furthermore, Gap Group engages the services of one of its subsidiaries – Gap Group Contracting Limited ("**GGCL**") – as the contractor responsible for all development works. Other than the foregoing, the Issuer is not dependent on other entities within or outside the Group with respect to the management of its real estate development projects.

Several projects undertaken by the Group were/are funded through the issuance of secured bonds listed on the Regulated Main Market (Official List) of the Malta Stock Exchange. At present, Gap Group only has one bond in issue, namely the 4.75% secured bonds 2025-2027 (the "**2022 Bonds**"). These bonds are guaranteed by Gap Żonqor Limited ("**GŻL**" or "**2022 Guarantor**"), with the total amount in issue standing at €22.20 million as at 20 June 2025. The 2022 Bonds were issued in December 2022 to finance the acquisition of a site in Marsascala on which Pier Points is being constructed ("**Żonqor Site**"). The proceeds from the 2022 Bonds were also earmarked to partly fund the development costs of this project.

On 11 April 2024, the Issuer redeemed in full the remaining balance of the 3.70% secured and guaranteed bonds 2023-2025 (the "**2020 Bonds**"), amounting to €5.79 million. These bonds were issued in November 2020, principally to finance the acquisition of two sites for development in Mosta and Qawra. Furthermore, on 30 December 2024, Gap Group redeemed in full the remaining balance of the 3.90% secured and guaranteed bonds 2024-2026 (the "**2021 Bonds**"), amounting to €15.47 million. These bonds were issued in December 2021 to finance the continuation of The Pantheon project in Mosta, and Mulberry Park in Qawra, as well as for the acquisition of a site in Qawra on which Seaberry Park was constructed. The proceeds were also used to partly finance the development of Seaberry Park.

2. DIRECTORS AND MANAGEMENT STRUCTURE

2.1 DIRECTORS OF THE ISSUER

The Board of Directors of Gap Group comprises the following six individuals who are responsible for the overall development, strategic direction, and risk management of the Group:

Paul Attard	Executive Director and Company Secretary
Adrian Muscat	Executive Director
Justin Cutajar	Non-Executive Director
Francis X. Gouder	Independent Non-Executive Director
Mark Castillo	Independent Non-Executive Director
Chris Cilia	Independent Non-Executive Director

2.2 DIRECTORS OF THE 2022 GUARANTOR

The Board of Directors of GŻL comprises the following three individuals who are responsible for the overall development, strategic direction, and risk management of the 2022 Guarantor:

Paul Attard	Executive Director
Adrian Muscat	Executive Director
Justin Cutajar	Non-Executive Director

2.3 MANAGEMENT STRUCTURE

The Issuer has no employees and is directed by its Board of Directors. However, each subsidiary of the Group would have its own personnel responsible for managing the real estate development projects entrusted to it.

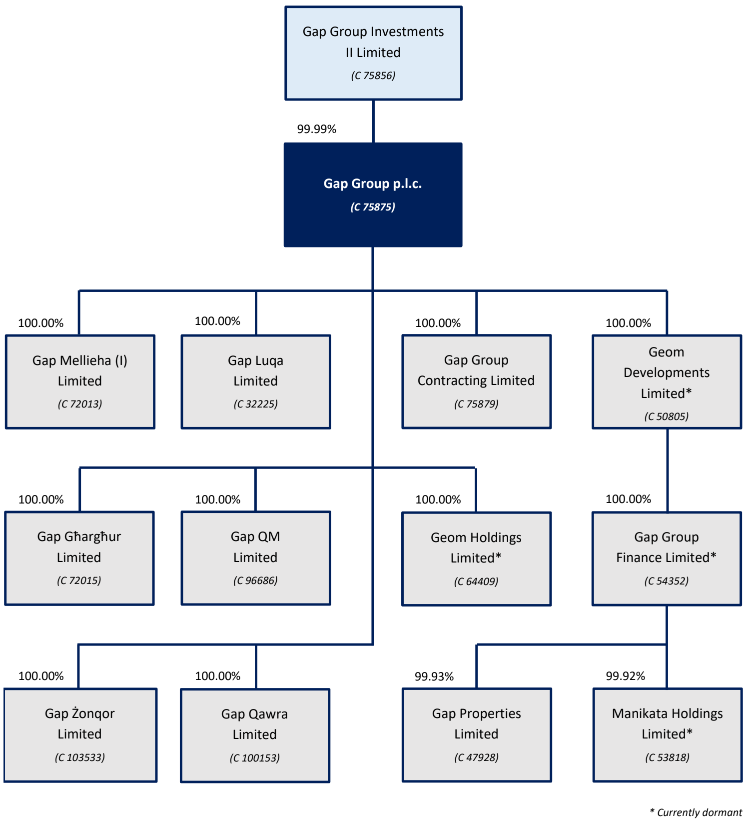
As such, Gap Group adopts a centralised management structure whereby senior management personnel are deployed to perform duties in different parts of the Group depending on the requirements of each of the Group's subsidiaries. These services are then re-charged to the Group company where they are from time to time deployed.

The senior management team of Gap Group is engaged by GGCL which, in turn, is managed by the following individuals:

Paul Attard	Director of Sales and Marketing
Adrian Muscat	Director of Sites
Keith Fenech	Chief Financial Officer
Raymond Grixti	Project Manager
Chris Gauci	Sales Manager
Elton Deguara	Sales Manager

3. ORGANISATIONAL STRUCTURE

The chart below illustrates the organisational structure of the Group. The principal activity of all the subsidiaries, except for GGCL, is the acquisition of property for development and resale. The activity of GGCL is to provide services to the entities within the Group related to their trading activity.



4. REAL ESTATE PROJECTS

4.1 MULBERRY PARK, QAWRA

In Q4 2020, the Group acquired a site with a superficial area of approximately 1,924 sqm located in Triq in-Nakkri, Qawra, for a consideration of €4.6 million. Thereafter, Gap Group constructed two blocks consisting of a total of 93 residential units and 151 lock-up garages. The overall cost of development stood at around €8 million. Construction works commenced in Q1 2021 and were completed in Q1 2022, whilst finishing works were mostly concluded by the end of 2022.

The combined gross floor space of the residential units and garages consist of an area of 16,810 sqm. The residential units were sold in a finished state and mainly comprised a mix of one and two bedroomed units measuring approximately 90 sqm to 120 sqm largely targeted towards first-time buyers and buy-to-let investors. The two blocks have separate entrances served with passenger lifts accessing both the residential units and the underlying garage levels. Furthermore, the topmost floor of each block consists of penthouses having full ownership of the respective roof and airspace.

As at the end of April 2025, all residential units and 103 garages (out of a total of 151) were either sold or subject to a POSA. As a result, 48 garages were available for sale as at 30 April 2025. Total revenues to be generated from Mulberry Park are expected to amount to well over €20 million (net of sales commissions).

4.2 SEABERRY PARK, QAWRA

On 25 January 2022, the Group acquired the temporary utile dominium of a site in Qawra for the remaining period of 107 years (out of the original grant of 150 years granted on 6 July 1978) for a consideration of €7.5 million. The site is situated in Triq it-Tamar and has a superficial area of circa 2,375 sqm.

Following a review of the original plans, the project entailed the construction of 113 residential units and 185 lock-up garages. The project was entirely completed and finished in 2023 for a total cost of €9.1 million.

Each residential block has separate entrances served with passenger lifts accessing both the residential units and the underlying garage levels. Furthermore, the topmost floor of each block consists of penthouses having full ownership of the respective roof and airspace. The residential units have been sold in a finished state, including all common areas, and comprises a mix of two and three bedroomed units, measuring between 180 sqm and 210 sqm, and were priced to mainly target first-time buyers and buy-to-let investors.

As at the end of April 2025, all residential units and 104 garages (out of a total of 185) were either sold or subject to a POSA. As a result, 81 garages were available for sale as at 30 April 2025. Total revenues to be generated from Seaberry Park are expected to amount to over €30 million (net of sales commissions).

4.3 SUNFLOWER LIVING, QAWRA

On 4 April 2023, Gap Mellieħa (I) Limited concluded the acquisition of a site in Qawra measuring approximately 957 sqm for a consideration of €4.1 million. The site is situated on three streets, namely Triq il-Pruwa, Triq Garcia de Toledo, and Triq San Timotju. The project comprises 59 residential units and 59 lock-up garages, sold in a finished state (excluding internal doors), including all common areas. The residential units comprise a mix of one, two, and three bedroomed units, each measuring approximately between 85 sqm to 200 sqm, and were priced to target primarily first-time buyers and second-time buyers. The combined gross floor area of the residential units and garages constitutes an area of approximately 7,800 sqm.

Each block has separate entrances served with passenger lifts accessing both the residential units and the underlying garage levels. Furthermore, the topmost floor of each block consists of penthouses having full ownership of the respective roof and airspace.

The project was virtually finished in early 2025 for an overall cost of around €5.5 million. Total revenues are estimated at over €15 million (net of sales commissions). As at the end of April 2025, all residential units and 35 garages (out of a total of 59) were either sold or subject to a POSA. As a result, 24 garages were available for sale as at 30 April 2025.

4.4 THE PANTHEON, MOSTA

In Q4 2020, the Group acquired a site with a superficial area of *circa* 5,895 sqm located in Triq id-Difiża Ċivili and Triq tal-Qares, Mosta, for a consideration of €10.1 million. The project comprises 110 residential units, 4 garages, and 154 car spaces spread over 12 blocks.

The combined gross floor space of the residential units and car parking spaces consists of an area of 20,208 sqm. The residential units were sold in a finished state, including all common areas. Each block has separate entrances served with passenger lifts accessing both the residential units and the underlying car parking levels. Furthermore, the topmost floors of each block consist of penthouses having full ownership of the respective roof and airspace.

The Pantheon is located on the outskirts of Mosta in a quieter area of the village. It targeted two different segments of prospective buyers. The majority of the development (68%) was targeted at the medium segment of the market. This component of the development consisted of two to three bedroomed residential units which have an approximate square meterage of between 120 sqm and 165 sqm per unit. The remaining part of the development (32%) was targeted at the medium-to-high end segment of the market as these units were larger properties having a square meterage of around 200 sqm per unit whilst each residential unit enjoys unobstructed valley and distant views.

The project was finished during 2024 for an overall cost of development of around €12 million. Total revenues are estimated at well over €40 million (net of sales commissions). As at the end of April 2025, all residential units and 112 garages (out of a total of 158) were either sold or subject to a POSA. As a result, 46 garages were available for sale as at 30 April 2025.

4.5 PIER POINTS, MARSASCALA

On 9 January 2023, GŻL concluded the acquisition of the Żonqor Site for a consideration of just under €14.9 million. The Żonqor Site is situated in the Żonqor area of Marsascala and has a total footprint of circa 3,817 sqm.

Following a review of the original plans, the project will comprise 153 residential units, 185 lock-up garages, and 3 small Class 4B shop, spread across ten blocks to be sold in a finished state (excluding internal doors), including all common areas. The residential units will comprise a mix of one, two and three bedroomed units, each measuring approximately 55 sqm to 210 sqm, and will be priced to target primarily first-time buyers and second-time buyers as well as foreign investors seeking a summer residence in Malta. The combined gross floor area of the residential units and garages will constitute an area of 31,560 sqm. Each block will have separate entrances served with passenger lifts accessing both the residential units and the underlying garage levels. Furthermore, the topmost floor of each block will consist of penthouses having full ownership of the respective roof and airspace.

The project is expected to cost around €20 million to develop whilst total revenues are estimated at around €55 million (net of sales commissions). Phase 1 of the project will be completed in Q3 2025, and units of Phase 1 will be placed on the market during the same quarter. On the other hand, construction and finishes of Phase 2 will be completed during Q2 2026.

5. SINKING FUNDS

All sales of real estate forming part of the Hypothecated Property[1] is made on condition that the properties are released of all hypothecary rights and privileges encumbering them. For this purpose, the Security Trustee[2] is empowered to release individual units of the Hypothecated Property from the security interest encumbering such property upon receipt from the Issuer or from a prospective purchaser a fixed amount of the purchase price attributed to each property forming part of the Hypothecated Property.

All amounts received by the Trustee from the sales of real estate forming part of the Hypothecated Property is credited to the respective sinking fund and these are retained for the purpose of buying back and cancelling and, or redeeming the respective secured bonds upon maturity.

In the absence of unforeseen circumstances, and subject to there being no material adverse changes in circumstances, the Directors of the Issuer are of the view that the percentages available for cash flows that will be credited to the 2022 Bonds sinking fund will be sufficient to cover the redemption of the outstanding 2022 Bonds upon maturity. The table below outlines the actual and expected sinking fund balances for the financial years 2022 to 2025:

[1] Refers to: (i) the sites in Qawra and Mosta on which Mulberry Park, Seaberry Park, and The Pantheon have been constructed, together with all construction developed thereon; and (ii) the Żonqor Site, together with all construction developed thereon.
[2] The Security Trustee is Equinox International Limited, a private limited liability company duly authorised to act as trustee or co-trustee in terms of article 43(3) of the Trusts and Trustees Act (Chapter 331 of the laws of Malta).

Gap Group p.l.c. Sinking Funds as at 31 December	2022 Actual €'000	2023 Actual €'000	2024 Actual €'000	2025 Forecast €'000
4.25% secured and guaranteed bonds 2023	8,815	-	-	-
3.70% secured and guaranteed bonds 2023-2025	653	3,632	-	-
3.90% secured and guaranteed bonds 2024-2026	-	1,031	-	-
4.75% secured and guaranteed bonds 2025-2027	-	-	50	50
	9,468	**4,663**	**50**	**50**

The 4.25% secured and guaranteed bonds 2023, the 3.70% secured and guaranteed bonds 2023-2025, and the 3.90% secured and guaranteed bonds 2024-2026 were fully redeemed in October 2023, April 2024, and December 2024 respectively. As at the end of FY2024, the Security Trustee held €0.05 million for the purpose of buying back and cancelling and, or redeeming the 2022 Bonds. This amount is expected to remain the same by the end of FY2025.

6. TREND INFORMATION

6.1 ECONOMIC UPDATE[3]

In 2024, the Maltese economy expanded by 6%, exceeding expectations by circa 100 basis points. This robust performance was underpinned by strong domestic demand dynamics, including a 5.7% increase in private consumption and a notable 7.3% growth in government consumption. The positive contribution of net exports further reinforced GDP growth, driven predominantly by the sustained expansion in tourism, professional services, and other service-oriented sectors.

The tourism sector stood out as a key growth driver, with total tourist expenditure rising by just over 23% over the previous year, a period which had already exceeded pre-pandemic benchmarks. Other high-performing segments included financial, IT, and recreational services, all of which benefited from resilient global demand and Malta's competitive positioning. Moreover, Malta's limited exposure to goods trade and its ability to shield itself from external commodity price shocks allowed the economy to remain insulated from international volatility. Investment, having contracted in 2023, returned to growth in 2024, rising by 2.4%, albeit remaining subdued by historical standards.

Looking ahead, real GDP is forecast to expand by 4.1% in 2025 and 4% in 2026, reflecting a normalisation from the exceptional pace recorded in 2023 and 2024. Private consumption is set to remain the dominant engine of growth, with projected increases of 4.1% in 2025 and 3.9% in 2026. Net exports are anticipated to retain a positive contribution, while investment is expected to maintain

[3] **Source:** European Commission, '*Spring 2025 Economic Forecast: Moderate Growth Amid Global Economic Uncertainty*', 19 May 2025.

a modest upward trajectory, growing by 2.5% in 2025 and by 2.1% in 2026. Nonetheless, these investment growth rates remain below Malta's long-term average and reflect a more cautious forward-looking investment sentiment.

The labour market remained very dynamic in 2024, with employment rising by 5.1%, buoyed by continued immigration to address persistent labour shortages. However, employment growth is expected to ease gradually to 3.1% in 2025 and 2.8% in 2026, in line with a return to more typical post-pandemic trends. The unemployment rate is forecast to stabilise at a historically low level of 3.1% in both 2025 and 2026. Nominal wage growth per employee is projected to remain ahead of inflation, with expected increases of 4.1% in 2025 and 3.5% in 2026, highlighting continued pressure on wages amid a tight labour market.

Key Economic Indicators	**2022 Actual**	**2023 Actual**	**2024 Actual**	**2025 Forecast**	**2026 Projection**
Malta					
Real GDP growth *(%, year-on-year)*	4.30	6.80	6.00	4.10	4.00
Inflation - HICP *(%, year-on-year)*	6.10	5.60	2.40	2.20	2.10
Unemployment (%)	3.50	3.50	3.10	3.10	3.10
Current account balance *(% of GDP)*	(1.80)	4.60	3.60	3.70	3.40
General fiscal balance *(% of GDP)*	(5.20)	(4.70)	(3.70)	(3.20)	(2.80)
Gross public debt *(% of GDP)*	49.50	47.90	47.40	47.60	47.30
Euro area					
Real GDP growth *(%, year-on-year)*	3.50	0.40	0.90	0.90	1.40
Inflation *(%, year-on-year)*	8.40	5.40	2.40	2.10	1.70
Unemployment (%)	6.80	6.60	6.40	6.30	6.10
Current account balance *(% of GDP)*	1.00	2.60	3.30	3.00	3.00
General fiscal balance *(% of GDP)*	(3.50)	(3.50)	(3.10)	(3.20)	(3.30)
Gross public debt *(% of GDP)*	91.20	88.90	88.90	89.90	91.00
EU					
Real GDP growth *(%, year-on-year)*	3.50	0.50	1.00	1.10	1.50
Inflation *(%, year-on-year)*	9.20	6.40	2.60	2.30	1.90
Unemployment (%)	6.20	6.10	5.90	5.90	5.70
Current account balance *(% of GDP)*	0.80	2.60	3.20	3.00	3.00
General fiscal balance *(% of GDP)*	(3.20)	(3.50)	(3.20)	(3.30)	(3.40)
Gross public debt *(% of GDP)*	83.90	82.10	82.20	83.20	84.50

Source: European Commission, *'Spring 2025 Economic Forecast: Moderate Growth Amid Global Economic Uncertainty'*, 19 May 2025.

Inflation fell to 2.4% in 2024, compared to 5.6% in 2023 and 6.1% in 2022, and is projected to decline further to 2.2% in 2025 and 2.1% in 2026. While food and services prices are expected to remain the main inflationary drivers, energy prices are anticipated to remain unchanged in nominal terms as government policy continues to maintain administered prices at 2020 levels.

On the fiscal front, the general government deficit narrowed to 3.7% of GDP in 2024, down from 4.7% in 2023. This improvement was primarily supported by higher revenue from income and wealth taxation, particularly driven by one-off transactions and enhanced tax collection efforts. These gains were partially offset by increased current and capital expenditures, including support measures related to the national airline.

In 2025, the deficit is expected to decline further to 3.2% of GDP, largely reflecting the cessation of airline-related capital spending and a continued drop in subsidies as a share of GDP. Although social spending and energy-related support measures are set to remain unchanged in nominal terms, their GDP share will fall due to nominal GDP growth. However, the reform of personal income tax brackets is expected to weigh on revenue collection. By 2026, the deficit is forecast to fall further to 2.8% of GDP, primarily driven by lower subsidy levels and the stronger growth of overall revenues relative to nominal GDP. Overall, the general government debt ratio is projected to remain broadly stable to 2026, staying below the 48% of GDP threshold, underscoring Malta's comparatively sound fiscal position within the European context.

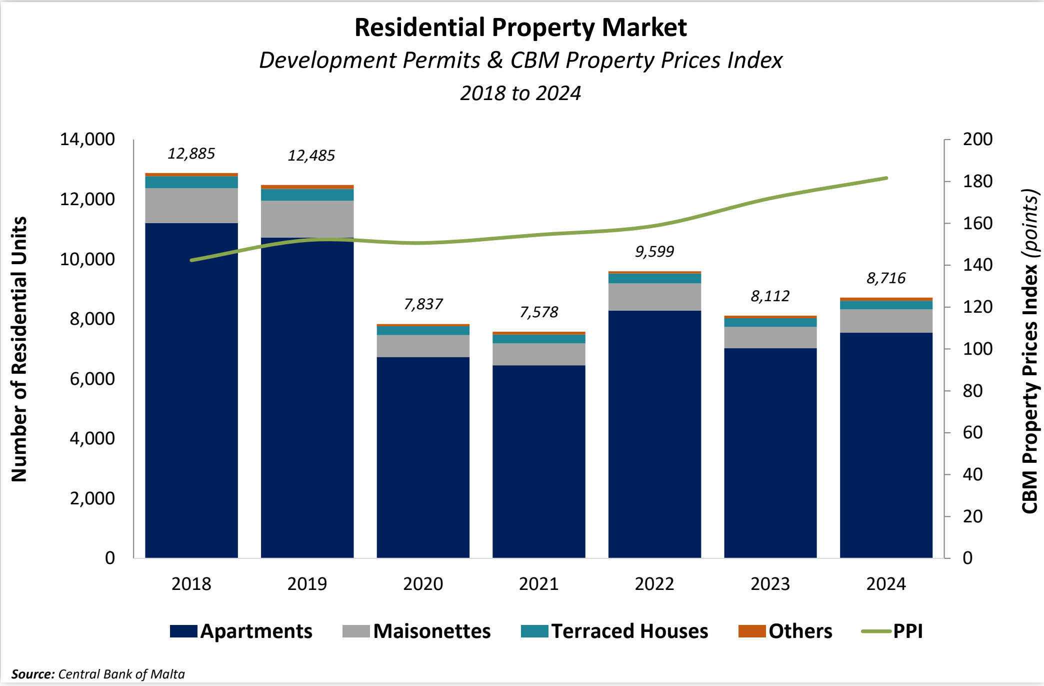
6.2 PROPERTY MARKET [4]

DEVELOPMENT PERMITS FOR DWELLINGS

Data provided by the Central Bank of Malta ("**CBM**") and the National Statistics Office ("**NSO**") shows that in 2024, the total number of permits for the construction of new dwellings eased by 3.22% to 1,535 permits compared to 1,586 permits issued in 2023. However, the total number of approved new residential units increased by 7.45% year-on-year to 8,716 units (2023: 8,112 units), mostly comprising apartments which totalled 7,543 units (2023: 7,026 apartments) representing 86.54% of the total number of approved new units in 2024. The sharpest year-on-year percentage increase in the number of approved residential units was for the construction of other type of dwellings including villas, bungalows, and farmhouses, which increased by 30.49% to 107 units (2023: 82 units). These were followed by maisonettes (+9.97% to 783 units compared to 712 units in 2023), and apartments (+7.36%). On the other hand, the total number of approved terraced houses declined by 3.08% in 2024 to 283 units compared to 292 units in 2023.

In the first quarter of 2025, the total number of approved new dwellings declined by 17.42% to 2,143 units when compared to 2,595 units in the corresponding quarter of 2024. The contraction was broad-based across all dwelling types. Apartments remained the predominant residential type, accounting for 1,550 units, but registered a 17.20% drop from 1,872 units in Q1 2024. Penthouses experienced a similar decline, decreasing by 19.11% to 326 units from 403 units in the prior year's comparable period. The number of approved maisonettes declined by 17.89% to 179 units (Q1 2024: 218 units), while terraced houses fell by 15.58% to 65 units from 77 a year earlier. Other type of dwellings decreased by 8% to 23 units, down from 25 in Q1 2024.

[4] **Sources:** Central Bank of Bank and National Statistics Office.



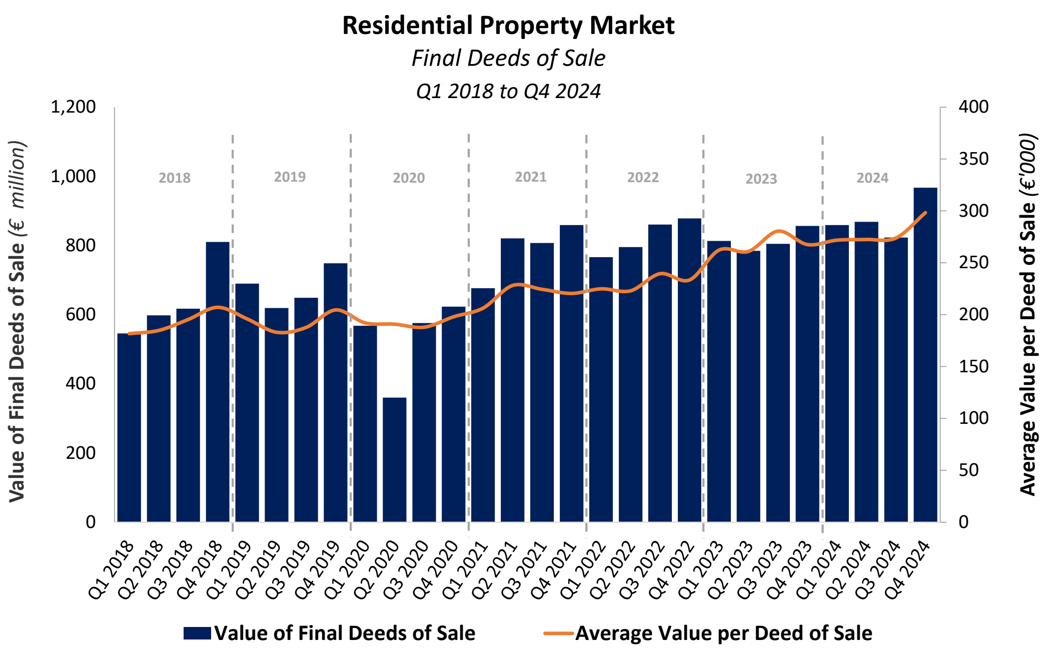
The highest number of approved new residential units in a single year since Malta adopted the euro was recorded in 2018, with 2,363 permits issued for the construction of a total of 12,885 residential units. In 2019, although the number of permits had increased by 6.69% to 2,521 permits, these were for the construction of 12,485 units which represented a year-on-year decline of 3.10%. Between 2018 and 2021, the total number of approved new residential units trended lower each year, reaching a five-year low of 7,578 units in 2021 before rebounding strongly by 26.67% to 9,599 new units in 2022.

PROPERTY PRICES & TRANSACTIONS

In nominal terms, the CBM Property Prices Index – which is based on the advertised sale prices of apartments, maisonettes, terraced houses, and other types of dwellings – increased by 5.62% in 2024 to 181.68 points compared to 172.01 points for 2023. The sharpest year-on-year percentage increase took place in the prices of 'other property', comprising townhouses, houses of character, and villas, which advanced by 9.45%. The advertised prices of terraced houses and apartments increased by over 8%, whilst maisonettes saw their advertised prices increase by 7.49%.

In Q1 2025, the CBM Property Prices Index rose further to 187.50 points, representing a year-on-year increase of 2.22%. Although this marks a deceleration compared to the average growth observed throughout 2024, price momentum remained positive across all categories. Maisonettes registered the strongest growth, increasing by 7.70% year-on-year. Terraced houses and 'other property' followed, with annual increases of 5.75% and 5.78% respectively. In contrast, apartments recorded marginal year-on-year growth of just 0.35% following the very strong year-on-year growth of 12.90% registered in the final quarter of 2024.

The NSO Property Price Index – which is based on actual transactions involving apartments, maisonettes, and terraced houses – reached an all-time high of 163.31 points in 2024 – representing a year-on-year increase of 6.44% in nominal terms. Apartment prices rose by 6.32%, while the year-on-year increase in maisonette prices stood at 6.10%.



Source: National Statistics Office

A total of 12,597 final deeds of sale relating to residential property were registered in 2024 compared to 12,180 deeds in 2023 and 14,331 deeds in 2022. The total value of final deeds of sale increased by 7.98% in 2024 to a new record of €3.52 billion compared to €3.26 billion in 2023 and €3.30 billion in 2022. Furthermore, the average value per deed of sale increased to €279,162 compared to €267,504 in 2023 and €230,242 million in 2022. Meanwhile, the total number of promise of sale agreements for residential property in 2024 increased by 3.03% year-on-year to 13,585 compared to 13,185 in 2023.

During the first quarter of 2025, 3,143 final deeds of sale were registered, slightly lower than the 3,161 deeds recorded in the corresponding quarter of 2024. However, the total value of final deeds of sale rose to €897.80 million compared to €858.80 million in Q1 2024, marking an increase of 4.54% on a quarter-on-quarter basis. This led to a 5.14% increase in the average value per deed, which climbed to €285,651 in Q1 2025 from €271,686 a year earlier, reflecting continued resilience in transaction values despite a stable volume of concluded deals. Meanwhile, the number of POSA in Q1 2025 amounted to 3,468, slightly below the 3,496 agreements recorded in Q1 2024.

PART 2 – FINANCIAL REVIEW

7. FINANCIAL ANALYSIS

The historical information is extracted from the audited consolidated annual financial statements of Gap Group for the years ended 31 December 2022, 31 December 2023, and 31 December 2024.

The forecast information has been provided by the Issuer and is based on future events and assumptions which the Group believes to be reasonable. Accordingly, actual outcomes may be adversely affected by unforeseen circumstances, and the variation between forecasts and actual results could be material.

Gap Group p.l.c. Income Statement For the financial year 31 December	**2022 Actual €'000**	**2023 Actual €'000**	**2024 Actual €'000**	**2025 Forecast €'000**
Revenue	29,496	42,764	48,181	25,200
Cost of sales	(20,706)	(27,561)	(27,986)	(14,616)
Administrative expenses	(1,836)	(2,436)	(2,494)	(1,260)
EBITDA	**6,954**	**12,767**	**17,701**	**9,324**
Depreciation	(18)	(19)	-	-
Operating profit	**6,936**	**12,748**	**17,701**	**9,324**
Net finance (costs) / income	(210)	250	382	357
Other income	-	-	43	-
Profit before tax	**6,726**	**12,998**	**18,126**	**9,681**
Taxation	(1,658)	(3,303)	(3,780)	(2,069)
Profit after tax	**5,068**	**9,695**	**14,346**	**7,612**
Other comprehensive income				
Movement in fair value of financial assets	(359)	135	253	(213)
Total comprehensive income for the year	**4,709**	**9,830**	**14,599**	**7,399**

Gap Group p.l.c. Key Financial Ratios	FY2022 Actual	FY2023 Actual	FY2024 Actual	FY2025 Forecast
EBITDA margin (%) *(EBITDA / revenue)*	23.58	29.85	36.74	37.00
Operating profit margin (%) *(Operating profit / revenue)*	23.52	29.81	36.74	37.00
Net profit margin (%) *(Profit after tax / revenue)*	17.18	22.67	29.78	30.21
Return on equity (%) *(Profit after tax / average equity)*	21.18	31.07	33.04	13.99
Return on assets (%) *(Profit after tax / average assets)*	4.56	9.30	15.62	9.84
Return on invested capital (%) *(Operating profit / average equity and net debt)*	9.79	15.20	23.68	14.46
Interest cover (times) *(EBITDA / net finance costs)*	33.11	n/a	n/a	n/a

INCOME STATEMENT

In **FY2022**, revenues declined to €29.50 million amid a lower level of stock of property available for sale. Most of the income emanated from Fairwinds in Luqa and Waterbank in Marsascala while other projects (namely The Hazel in Birkirkara, Southridge in Mellieħa, Mulberry Park in Qawra, and Dumont in San Pawl tat-Tarġa) also contributed to the Group's revenues albeit on a much lower level.

EBITDA and operating profit dropped to €6.95 million and €6.94 million respectively. Gap Group also recorded marginally lower EBITDA and operating profit margins, but these stayed above the 23% level.

After taking into account net finance costs of €0.21 million and a tax charge of €1.66 million, the Group reported a net profit of €5.07 million which translated into a return on equity ("**ROE**") of 21.18% and a return on assets ("**ROA**") of 4.56%. Despite the contraction in EBITDA, the interest cover improved markedly to 33.11 times, reflecting the lower incidence of net finance costs.

In **FY2023**, revenues amounted to €42.76 million mostly driven by the sales appertaining to Mulberry Park in Qawra and The Pantheon in Mosta. Besides, during the year the Group sold the last remaining units forming part of Fairwinds in Luqa, Waterbank in Marsascala, and Dumont in San Pawl tat-Tarġa. In addition, the Group also contracted a small number of units forming part of Seaberry Park in Qawra.

In aggregate, cost of sales and administrative increased by 33.7% to just under €30 million. However, EBITDA and operating profit surged by over 80% to €12.77 million and €12.75 million respectively. Furthermore, the EBITDA and operating profit margins trended higher close to the 30% level.

During the year, Gap Group registered net finance income of €0.25 million. After accounting for tax charges of €3.30 million, the profit for the year stood at €9.70 million which translated into a margin of 22.67% (FY2022: 17.18%). The ROE and the ROA also improved year-on-year to 31.07% and 9.30% respectively.

FY2024 was another positive year for the Group, with revenue increasing by 12.67% to €48.18 million. Construction activity progressed well and within scheduled time frames. Furthermore, Gap Group continued to sign new POSA at a steady pace and concluded numerous final deeds of sale relating to its various projects, namely The Pantheon in Mosta, and Seaberry Park, Mulberry Park, and Sunflower Living in Qawra.

Despite the strong upturn in activity, net operating expenses rose marginally to €30.48 million, thus leading to a 38.65% jump in EBITDA to €17.70 million. The EBITDA margin trended higher by 689 basis points to 36.74%.

Net finance income amounted to €0.38 million, whilst the Group also recorded other income of €0.04 million net of the losses incurred on the disposal of a fixed asset. Profit before tax stood at €18.13 million, up by 39.45% from the prior year. After accounting for a tax charge of €3.78 million, the Group reported a profit for the year of €14.35 million, representing a 47.97% increase compared to FY2023. As a result, the net profit margin advanced by 711 basis points to 29.78%. Similarly, the returns across all other key profitability metrics improved materially, with the ROE climbing by almost 200 basis points to 33.04% and the ROA expanding by 632 basis points to 15.62%.

The forecast for **FY2025** shows a significant decline in revenue to €25.20 million as the Group focuses on delivering its last remaining stock of real estate, particularly the property forming part of Pier Points in Marsascala.

Despite the expected fall in revenue, EBITDA is forecast at €9.32 million which would result in a marginally better margin of 37%. Net finance income is projected at €0.36 million, thus leading to a profit before tax of €9.68 million. The tax charge is expected to decline significantly to €2.07 million, in line with the projected contraction in pre-tax earnings. Consequently, profit after tax is projected at €7.61 million, representing a drop of 46.94% from FY2024. Nevertheless, in view of the slightly sharper decline in revenue, the net profit margin is forecast to trend marginally higher to 30.21%. Conversely, the ROE and ROA are expected to decline materially to 13.99% and 9.84% respectively.

Gap Group p.l.c. Statement of Cash Flows For the financial year 31 December	2022 Actual €'000	2023 Actual €'000	2024 Actual €'000	2025 Forecast €'000
Net cash from / (used in) operating activities	(1,426)	(3,318)	24,968	10,095
Net cash from / (used in) investing activities	2,192	5,060	296	4,058
Net cash from / (used in) financing activities	(2,759)	(24,944)	(26,873)	(17,569)
Net movement in cash and cash equivalents	**(1,993)**	**(23,202)**	**(1,609)**	**(3,416)**
Cash and cash equivalents at beginning of year	36,507	34,514	11,312	9,703
Cash and cash equivalents at end of year	**34,514**	**11,312**	**9,703**	**6,287**
Capital expenditure	42	2	1	-
Free cash flow	**(1,468)**	**(3,320)**	**24,967**	**10,095**

STATEMENT OF CASH FLOWS

In **FY2022**, the Group used €1.43 million in net cash for its operating activities largely reflecting negative movements in inventories, trade and other payables, as well as the payment of income tax. Likewise, the Issuer used €2.76 million for its financing activities, representing outflows of €1.77 million to related parties as well as a net reduction in borrowings of almost €1 million. On the other hand, Gap Group generated €2.19 million from investing activities mostly representing proceeds from the sale of investments amounting to €1.61 million.

Overall, the Group recorded a negative movement of €1.99 million in net cash and cash equivalents. As a result, it ended the 2022 financial with a cash balance of €34.51 million compared to €36.51 million as at 31 December 2021.

During **FY2023**, the Group recorded a notable drop in cash balances to €11.31 million as the net amount of €5.06 million generated from investing activities was significantly outweighed by the amounts of net cash used in operating (€3.32 million) and financing (€24.94 million) activities. The former was particularly impacted by the negative movement of €13.05 million in inventory, whilst the latter included net amounts of €4.43 million and €23.11 million which were advanced to related parties and, or parent company, and the redemption of bonds respectively.

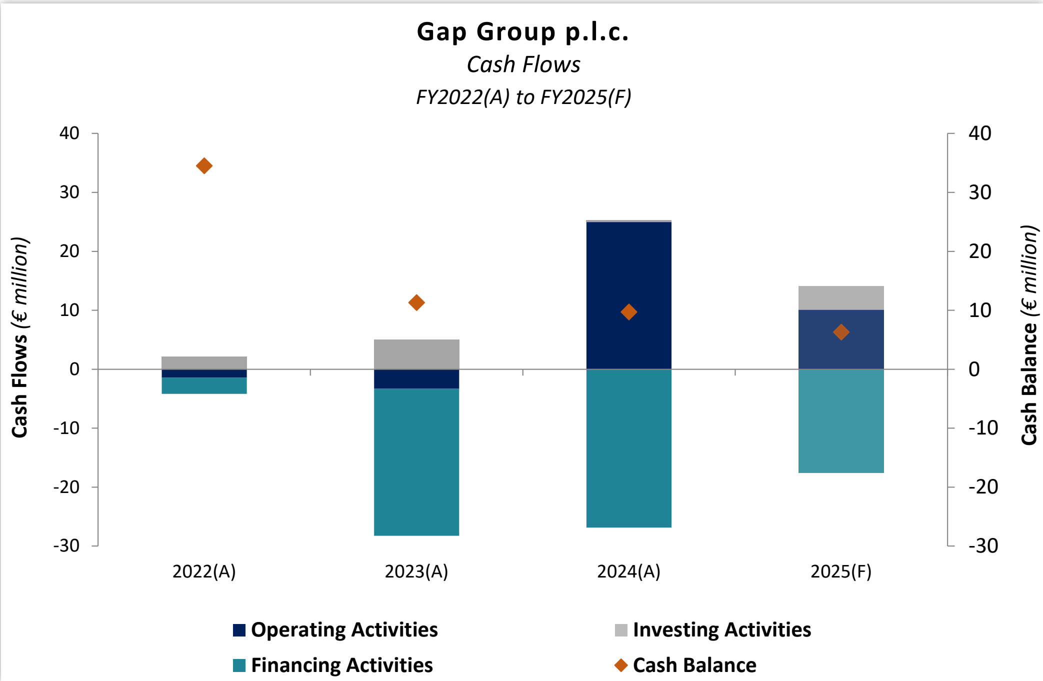
In **FY2024**, the Group recorded a substantial turnaround in operating cash flows, generating a net inflow of €24.97 million. This sharp improvement was principally driven by the significant increase in profitability, coupled with a €10.83 million positive movement in working capital amid a drastic reduction in inventory.

Net cash from investing activities was modest at €0.30 million, mainly comprising finance income of €0.45 million and a net outflow of €0.15 million relating to investments in fixed income securities. On the other hand, net cash used in financing activities totalled €26.87 million, primarily due to the repayment of debt securities amounting to €26.62 million. As a result, total cash and cash equivalents declined to €9.70 million by year-end, reflecting an overall net cash outflow of €1.61 million.

In FY2025, the Group is expected to maintain a solid cash generation profile, with net cash from operating activities estimated at €10.10 million, despite the forecast decline in profitability. This figure includes a positive working capital movement of €3.05 million and tax payments amounting to €2.07 million.

Net inflows from investing activities are projected to increase to €4.06 million, reflecting net divestments amounting to €3.70 million and finance income of €0.36 million. In parallel, net financing outflows are expected to decline to €17.57 million, primarily reflecting the planned buybacks of the 2022 Bonds from the secondary market amounting to €14.86 million. An outflow of €5.32 million associated with the reduction of bank borrowings is also targeted, partly offset by an inflow of €2.61 from the sale of financial assets.

Overall, the net movement in cash and cash equivalents is forecast at an outflow of €3.42 million, bringing year-end cash balances down to €6.29 million.



Gap Group p.l.c. Statement of Financial Position As at 31 December	2022 Actual €'000	2023 Actual €'000	2024 Actual €'000	2025 Forecast €'000
ASSETS				
Non-current assets				
Property, plant and equipment	43	27	-	-
Investments	-	-	3,701	-
Loans and other receivables	10,983	10,286	9,843	7,234
Sinking funds	8,064	3,600	50	50
	19,090	**13,913**	**13,594**	**7,284**
Current assets				
Inventory - development project	49,147	62,197	49,772	44,749
Trade and other receivables	7,243	11,185	11,973	11,300
Sinking funds	1,404	1,063	-	-
Cash and cash equivalents	5,717	6,181	9,703	6,287
Amounts held by the trustee	27,393	4,068	-	-
	90,904	**84,694**	**71,448**	**62,336**
Total assets	**109,994**	**98,607**	**85,042**	**69,620**
EQUITY				
Capital and reserves				
Called up share capital	2,500	2,500	2,500	2,500
Other capital	2,651	2,787	3,040	2,827
Retained earnings	21,135	30,830	45,176	52,788
	26,286	**36,117**	**50,716**	**58,115**
LIABILITIES				
Non-current liabilities				
Debt securities	43,387	22,715	7,858	-
Bank borrowings	1,960	3,726	-	-
Other financial liabilities	5	5	5	5
	45,352	**26,446**	**7,863**	**5**
Current liabilities				
Debt securities	29,199	26,760	15,000	8,000
Bank borrowings	1,750	1,879	5,320	-
Other current liabilities	7,407	7,405	6,143	3,500
	38,356	**36,044**	**26,463**	**11,500**
Total liabilities	**83,708**	**62,490**	**34,326**	**11,505**
Total equity and liabilities	**109,994**	**98,607**	**85,042**	**69,620**
Total debt	*76,301*	*55,085*	*28,183*	*8,005*
Net debt	*61,116*	*44,241*	*18,430*	*1,668*
Invested capital (total equity plus net debt)	*87,402*	*80,358*	*69,146*	*59,783*

Gap Group p.l.c. **Key Financial Ratios**	**FY2022** **Actual**	**FY2023** **Actual**	**FY2024** **Actual**	**FY2025** **Forecast**
Net debt-to-EBITDA (times) *(Net debt / EBITDA)*	8.79	3.47	1.04	0.18
Net debt-to-equity (times) *(Net debt / total equity)*	2.33	1.22	0.36	0.03
Net gearing (%) *(Net debt / net debt and total equity)*	69.93	55.05	26.65	2.79
Debt-to-assets (times) *(Total debt / total assets)*	0.69	0.56	0.33	0.11
Leverage (times) *(Total assets / total equity)*	4.18	2.73	1.68	1.20
Current ratio (times) *(Current assets / current liabilities)*	2.37	2.35	2.70	5.42

STATEMENT OF FINANCIAL POSITION

In early **FY2022**, the Group issued the 2021 Bonds and repaid in full the 3.65% secured and guaranteed bonds 2022. Furthermore, in the latter part of the year, Gap Group issued the 2022 Bonds. In aggregate, total debt stood at €76.30 million as at the end of 2022 whilst cash balances and sinking funds amounted to €15.19 million. In view of the increase in net debt to €61.12 million, the net debt-to-equity ratio and the net gearing ratio trended higher to 2.33 times and 69.93% respectively. Similarly, the net debt-to-EBITDA multiple increased to 8.79 times. In contrast, the debt-to-assets ratio and the leverage ratio eased to 0.69 times and 4.18 times respectively. Throughout the year, total assets eased slightly to just under €110 million whilst total equity expanded by 21.84% to €26.29 million.

Total assets contracted by 10.35% in **FY2023** to €98.61 million as the reduction in the amounts held by the Security Trustee (-€23.33 million to €4.07 million) and in the sinking funds (-€4.81 million to €4.66 million) outweighed the higher levels of inventory (+€13.05 million to €62.20 million), loans and other receivables (+€3.25 million to €21.47 million), and cash (+€0.46 million to €6.18 million).

The Group's equity base strengthened materially to €36.12 million largely reflecting the increase in retained earnings to €30.83 million compared to €21.14 million as at the end of FY2022. At the same time, total liabilities contracted sharply to €62.49 million (31 December 2022: €83.71 million) amid a reduction in total debt to €55.09 million. In view of this, the Group's debt ratios improved notably year-on-year as the net debt-to-equity ratio and the net gearing ratio dropped to 1.22 times and 55.05% respectively. Similarly, the net debt-to-EBITDA eased to 3.47 times. Moreover, the debt-to-assets ratio and the leverage ratio slipped to 0.56 times and 2.73 times respectively.

As at the end of **FY2024**, the Group's total assets amounted to €85.04 million, representing a year-on-year contraction of 13.76%. Current assets declined from €84.69 million as at the end of FY2023 to €71.45 million, with the main contributors being the realisation of the amounts previously held by the Security Trustee and in the sinking funds, as well as a €12.43 million decrease in development project inventory to €49.77 million from €62.20 million as at the end of FY2023. These declines were marginally offset by a €3.52 million increase in cash and cash equivalents to €9.70 million, and trade and other receivables to €11.97 million. Non-current assets stood at €13.59 million, broadly unchanged from FY2023 as the drop in sinking funds was offset by the increase in investments.

During the year, the Group continued with its deleveraging trajectory. Total liabilities declined sharply to €34.33 million from €62.49 million as at the end of FY2023, with debt securities falling by €26.62 million to €22.86 million and bank borrowings moderating to €5.32 million. As a result, total debt was reduced by 48.84% to €28.18 million. This was matched by a significant rise in equity to €50.72 million, supported by cumulative retained earnings of €45.18 million. Consequently, the net debt position improved markedly to €18.43 million, and the net debt-to-EBITDA multiple fell to just 1.04 times. The net debt-to-equity ratio and the net gearing also declined to 0.36 times and 26.65% respectively. Furthermore, the Group's current ratio increased to 2.70 times while the leverage ratio and the debt-to-assets ratio improved to 1.68 times and 0.33 times respectively.

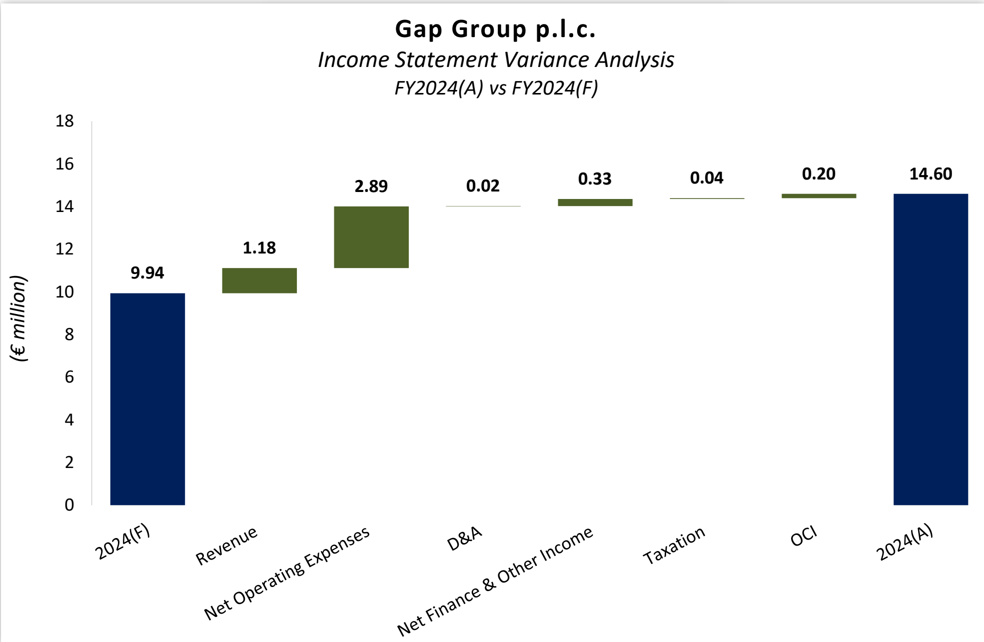
In **FY2025**, total assets are forecast to decrease by €15.42 million to €69.62 million, driven by a reduction in development inventory (-€5.02 million to €44.75 million), investments (-€3.70 million), cash and cash equivalents (-€3.42 million to €6.29 million), and loans and other receivables (€2.61 million to €7.23 million).

Total liabilities are forecast to decrease materially to €11.51 million, with debt securities expected to drop by €14.86 million to €8 million and bank borrowings fully repaid. Other current liabilities are also projected to decrease by €2.64 million to €3.50 million. As a result, total debt is forecast to drop to just €8.01 million, and net debt is expected to reach a near-zero level of €1.67 million. This translates into a net debt-to-EBITDA multiple of 0.18 times, net debt-to-equity of 0.03 times, and net gearing of only 2.79%. The current ratio is expected to increase significantly to 5.42 while the leverage ratio and the debt-to-assets ratio are expected to fall further to 1.20 times and 0.11 times respectively.

8. VARIANCE ANALYSIS

The following is an analysis of the major variances between the forecast financial information for the year ended 31 December 2024, as included in the Analysis dated 21 June 2024, and the audited annual financial statements for the same period, published on 25 April 2025.

Gap Group p.l.c. **Income Statement** **For the financial year 31 December**	**2024** **Actual** **€'000**	**2024** **Forecast** **€'000**
Revenue	48,181	47,000
Cost of sales	(27,986)	(30,550)
Administrative expenses	(2,494)	(2,820)
EBITDA	**17,701**	**13,630**
Depreciation	-	(15)
Operating profit	**17,701**	**13,615**
Net finance (costs) / income	382	95
Other income	43	-
Profit before tax	**18,126**	**13,710**
Taxation	(3,780)	(3,822)
Profit after tax	**14,346**	**9,888**
Other comprehensive income		
Movement in fair value of financial assets	253	50
Total comprehensive income for the year	**14,599**	**9,938**



INCOME STATEMENT

The Group's actual performance for FY2024 significantly outpaced forecast expectations across all income statement line items, resulting in a strong positive variance in profitability. Revenue amounted to €48.18 million, exceeding the forecast of €47 million by 2.51%. In tandem, net operating expenses of €30.48 million were lower by €2.89 million than the forecasted figure of €33.37 million. These combined effects led to EBITDA of €17.70 million outperforming the target figure of €13.63 million by €4.07 million, or +29.87%.

Net finance and other income amounted to €0.43 million, higher than the forecast of €0.10 million. Furthermore, taxation was slightly lower than forecast at €3.78 million compared to €3.82 million.

Overall, the profit for the year amounted to €14.35 million, which was €4.46 million higher than the projected figure of €9.89 million. The strong outperformance was further reinforced by a higher gain in other comprehensive income, with a fair value movement of €0.25 million versus the forecasted level of €0.05 million. As a result, total comprehensive income for FY2024 amounted to €14.60 million, surpassing the forecast of €9.94 million by €4.66 million, or 46.90%.

Gap Group p.l.c. **Statement of Cash Flows** **For the financial year 31 December**	**2024** **Actual** **€'000**	**2024** **Forecast** **€'000**
Net cash from operating activities	24,968	23,968
Net cash from investing activities	296	415
Net cash used in financing activities	(26,873)	(10,272)
Net movement in cash and cash equivalents	**(1,609)**	**14,111**
Cash and cash equivalents at beginning of year	11,312	11,312
Cash and cash equivalents at end of year	**9,703**	**25,423**

STATEMENT OF CASH FLOWS

In FY2024, Gap Group generated a stronger-than-expected cash flow performance from operating activities but reported lower-than-forecast net inflow from investing activities and a notably higher level of financing outflows, culminating in a net reduction in year-end cash balances relative to projections.

Net cash generated from operating activities amounted to €24.97 million, marginally exceeding the forecast of €23.97 million by €1 million. This positive variance was principally driven by the Group's stronger-than-expected profitability, partly offset by adverse working capital movements compared to forecast, primarily due to a higher level of inventory.

Net cash from investing activities reached €0.30 million, below the forecast of €0.42 million. More materially, net cash used in financing activities totalled €26.87 million, significantly exceeding the projected outflow of €10.27 million. This adverse variance of €16.60 million was primarily attributable to the repayment of the 3.90% secured and guaranteed bonds 2024-2026 which had not been included in the forecasts. As a result of these variances, the Group recorded an aggregate net cash outflow of €1.61 million compared to a forecasted net inflow of €14.11 million, leading to a year-end cash balance of €9.70 million, well below the projected figure of €25.42 million.

STATEMENT OF FINANCIAL POSITION

The Group had total assets of €85.04 million as at 31 December 2024, underperforming the forecasted balance of €96.48 million by €11.44 million. This shortfall was driven predominantly by lower current asset balances, which came in at €71.45 million versus the projected €82.97 million. This €11.52 million variance was mainly attributable to the use of funds for the redemption of the 2021 Bonds. Conversely, cash and cash equivalents were higher than projected at €9.70 million compared to €8.85 million. Inventory was also higher at €49.77 million versus the expected €45.65 million, while trade and other receivables remained broadly in line with projections.

The Group's equity position was significantly stronger than forecast, with total capital and reserves reaching €50.72 million compared to €46.06 million. This €4.66 million favourable variance reflects the superior profitability achieved during the year, translating into retained earnings of €45.18 million – substantially above the forecasted level of €40.72 million. Share capital remained constant at €2.50 million while other capital was marginally higher at €3.04 million.

Total liabilities contracted materially to €34.33 million, well below the forecast of €50.43 million. The €16.10 million positive variance was driven primarily by a lower level of debt securities, which stood at €22.86 million versus an expected €39.42 million, as the Group opted for the early redemption of the 2021 Bonds. As a result, total debt declined to €28.18 million, significantly lower than the forecast of €44.43 million. However, due to the much lower-than-expected cash and sinking fund balances, the reduction in net debt was more modest, standing at €18.43 million versus the forecasted figure of €19 million.

Gap Group p.l.c. Statement of Financial Position As at 31 December	2024 Actual €'000	2024 Forecast €'000
ASSETS		
Non-current assets		
Property, plant and equipment	-	12
Investments	3,701	3,600
Loans and other receivables	9,843	9,900
Sinking funds	50	-
	13,594	**13,512**
Current assets		
Inventory - development project	49,772	45,647
Trade and other receivables	11,973	11,900
Sinking funds	-	16,572
Cash and cash equivalents	9,703	8,851
	71,448	**82,970**
Total assets	**85,042**	**96,482**
EQUITY		
Capital and reserves		
Called up share capital	2,500	2,500
Other capital	3,040	2,837
Retained earnings	45,176	40,718
	50,716	**46,055**
LIABILITIES		
Non-current liabilities		
Debt securities	7,858	22,850
Other financial liabilities	5	5
	7,863	**22,855**
Current liabilities		
Debt securities	15,000	16,572
Bank borrowings	5,320	5,000
Other current liabilities	6,143	6,000
	26,463	**27,572**
Total liabilities	**34,326**	**50,427**
Total equity and liabilities	**85,042**	**96,482**
Total debt	*28,183*	*44,427*
Net debt	*18,430*	*19,004*
Invested capital (total equity plus net debt)	*69,146*	*65,059*

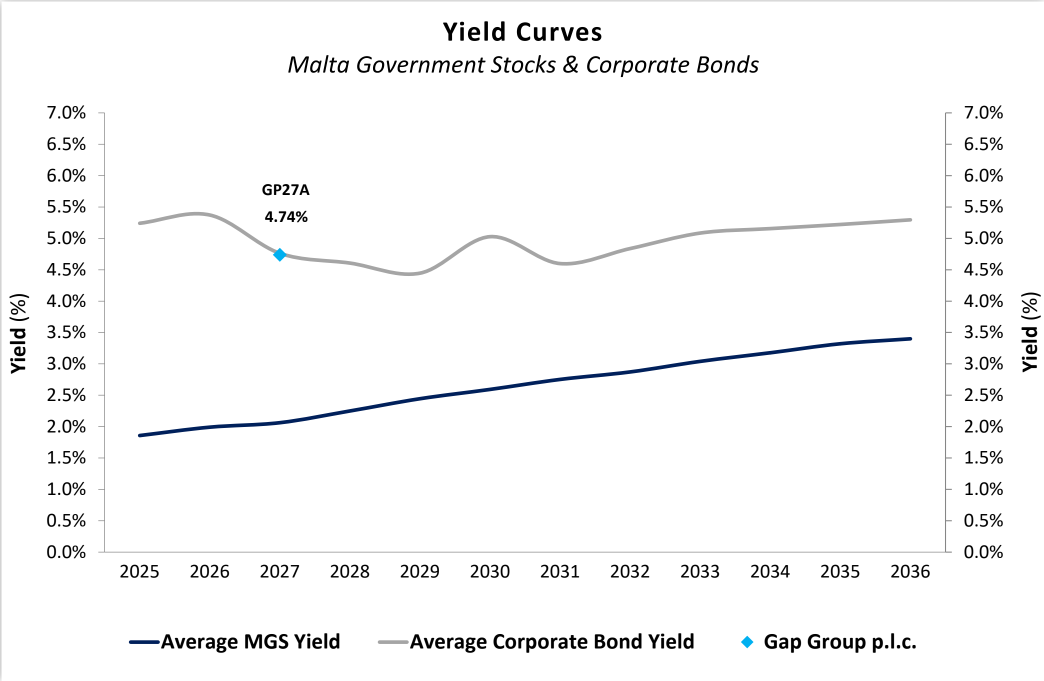
PART 3 – COMPARATIVE ANALYSIS

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

Comparative Analysis*	Amount Issued (€'000)	Yield-to-Maturity / Worst (%)	Interest Cover (times)	Net Debt-to-EBITDA (times)	Net Gearing (%)	Debt-to-Assets (times)
4.35% Hudson Malta p.l.c. Unsecured & Guaranteed 2026	12,000	4.32	4.93	4.63	73.87	0.55
4.25% CPHCL Finance p.l.c. Unsecured & Guaranteed 2026	40,000	5.44	1.35	11.96	43.62	0.40
4.00% International Hotel Investments p.l.c. Secured 2026	55,000	3.99	1.46	11.17	43.36	0.40
5.00% Dizz Finance p.l.c. Unsecured & Guaranteed 2026	8,000	6.57	1.96	9.84	84.18	0.55
3.75% Premier Capital p.l.c. Unsecured 2026	65,000	3.88	12.23	2.16	69.41	0.59
4.00% International Hotel Investments p.l.c. Unsecured 2026	60,000	4.95	1.46	11.17	43.36	0.40
3.25% AX Group p.l.c. Unsecured 2026	15,000	4.43	3.09	7.54	42.13	0.37
4.00% Hili Finance Company p.l.c. Unsecured & Guaranteed 2027	50,000	5.20	4.88	4.34	67.75	0.57
4.35% SD Finance p.l.c. Unsecured & Guaranteed 2027	65,000	4.35	5.86	2.93	30.32	0.34
4.00% Eden Finance p.l.c. Unsecured & Guaranteed 2027	40,000	4.02	4.55	6.93	28.64	0.26
5.25% Mediterranean Investments Holding p.l.c. Unsecured & Guaranteed 2027	30,000	5.24	5.81	2.45	20.10	0.19
4.00% Stivala Group Finance p.l.c. Secured & Guaranteed 2027	45,000	4.01	4.46	5.18	21.99	0.20
4.75% Best Deal Properties Holding p.l.c. Secured & Guaranteed 2025-2027	14,438	4.74	110.36	8.31	74.19	0.73
4.75% Gap Group p.l.c. Secured & Guaranteed 2025-2027	23,000	4.74	n/a	1.04	26.65	0.33
3.85% Hili Finance Company p.l.c. Unsecured & Guaranteed 2028	40,000	4.19	4.88	4.34	67.75	0.57
5.85% Mediterranean Investments Holding p.l.c. Unsecured & Guaranteed 2028	20,000	5.14	5.81	2.45	20.10	0.19
5.75% PLAN Group p.l.c. Secured & Guaranteed 2028	12,000	5.10	2.48	14.28	51.39	0.46
5.75% Best Deal Properties Holding p.l.c. Secured & Guaranteed 2027-2029	15,000	5.16	110.36	8.31	74.19	0.73
5.00% Hili Finance Company p.l.c. Unsecured & Guaranteed 2029	80,000	5.00	4.88	4.34	67.75	0.57
3.65% Stivala Group Finance p.l.c. Secured & Guaranteed 2029	15,000	4.18	4.46	5.18	21.99	0.20
3.80% Hili Finance Company p.l.c. Unsecured & Guaranteed 2029	80,000	4.59	4.88	4.34	67.75	0.57
3.75% AX Group p.l.c. Unsecured 2029	10,000	3.75	3.09	7.54	42.13	0.37
6.25% GPH Malta Finance p.l.c. Unsecured & Guaranteed 2030	18,144	5.51	1.81	6.89	96.76	0.83
3.65% International Hotel Investments p.l.c. Unsecured 2031	80,000	5.09	1.46	11.17	43.36	0.40
3.50% AX Real Estate p.l.c. Unsecured 2032	40,000	4.47	2.87	8.01	51.84	0.47
5.35% Best Deal Properties Holding p.l.c. Unsecured 2032	7,000	5.00	110.36	8.31	74.19	0.73
5.80% GPH Malta Finance plc Unsecured & Guaranteed 2032	15,000	5.39	1.81	6.89	96.76	0.83
5.00% Mariner Finance p.l.c. Unsecured 2032	36,930	4.67	4.00	5.48	45.91	0.45
5.85% AX Group p.l.c. Unsecured 2033	40,000	5.10	3.09	7.54	42.13	0.37
6.00% International Hotel Investments p.l.c. Unsecured 2033	60,000	5.32	1.46	11.17	43.36	0.40
4.50% The Ona p.l.c. Secured & Guaranteed 2028-2034	16,000	4.50	2.35	12.72	77.11	0.69
5.35% Hal Mann Vella Group p.l.c. Secured 2031-2034	23,000	5.14	2.69	7.13	47.59	0.42
5.30% International Hotel Investments p.l.c. Unsecured 2035	35,000	5.13	1.46	11.17	43.36	0.40
5.50% Juel Group p.l.c. Secured & Guaranteed 2035	32,000	5.17	15.06	23.23	58.68	0.48
5.80% Agora Estates p.l.c. Secured 2036 S1 T1	12,000	5.34	0.99	21.21	35.45	0.33
5.50% Agora Estates p.l.c. Secured 2036 S1 T2	9,000	5.26	0.99	21.21	35.45	0.33

**As at 30 May 2025*

***Sources:** Malta Stock Exchange, M.Z. Investment Services Limited, and most recent audited annual financial statements of respective Issuers and, or Guarantors.*



The closing market price as at 30 May 2025 for the **4.75% Gap Group p.l.c. secured and guaranteed bonds 2025-2027** (GP27A) was 100.00%. This translated into a yield-to-maturity ("**YTM**") of 4.74% which was 2 basis points below the average YTM of 4.76% of other local corporate bonds maturing in the same year. The premium over the corresponding average Malta Government Stock ("**MGS**") yield of equivalent maturity (2.06%) stood at 268 basis points.

PART 4 – EXPLANATORY DEFINITIONS

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

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

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

Statement of Financial Position

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

Financial Strength / Credit Ratios

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