

HILI VENTURES LIMITED

Annual Report and Financial Statements
31 December 2025

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Directors, officer and other information

Directors: Archibald Anderson Bethel (Chairman)
Annabel Hili
Carmelo Hili
Jesmond Mizzi

Company secretary: Adrian Mercieca

Registered office: Nineteen Twenty Three,
Valletta Road,
Marsa, MRS 3000
Malta

Company registration
number: C 57902

Auditor: Grant Thornton Malta,
Fort Business Centre, Level 2,
Triq L-Intornjatur, Zone 1
Central Business District
Birkirkara, CBD 1050
Malta

Principal banker: HSBC Bank Malta p.l.c.,
HSBC Hub, Mill Street
Qormi, QRM 3101
Malta

Bank of Valletta p.l.c.,
58, Triq San Zakkarija
Il-Belt Valletta VLT 1130
Malta

Directors' report

The Directors present their report and the audited financial statements of Hili Ventures Limited (the "Company") for the year ended 31 December 2025.

Principal activities

The Company principally acts as the investment holding company of an international, diversified group (comprised of the Company and its subsidiaries, the "Group") to which it provides management and consultancy services.

Performance review

During the year under review the Company registered an operating loss of EUR 4,074,209 (2024: EUR 2,979,095). After accounting for net investment income and finance costs, the Company registered a pre-tax profit of EUR 42,956,310 (2024: EUR 49,857,317).

Results and dividends

The results for the year ended 31 December 2025 are shown in the statement of profit or loss and other comprehensive income on page 5. The Company's profit for the year after taxation was EUR 43,251,706 (2024: EUR 48,526,926). During the year, the Directors declared a dividend of EUR 25,000,000 to the shareholders (2024: EUR 25,000,000).

Events after the reporting date

In February 2026, Hili Finance p.l.c. issued unsecured bonds amounting to EUR 60,000,000 of a nominal value of EUR 100 per bond and carrying an interest rate of 5% per annum. The bonds are redeemable at their nominal value on 6 February 2033.

As at 07 April 2026, the Company successfully acquired, during 2026, a further 29,928,893 shares in its real estate subsidiary, Hili Properties p.l.c., representing just under 7.47% of Hili Properties p.l.c.'s issued share capital, raising the Company's total shareholding to 390,570,372 ordinary shares, reflecting just over 97.43% of the issued share capital of Hili Properties p.l.c..

No other adjusting or significant non-adjusting events have occurred between the reporting date of authorisation.

Ongoing conflicts and economic uncertainties

The ongoing war in the Middle East is being closely monitored by the Directors. The Group's direct investment exposure in the region is insignificant and, as at the date of approval of these financial statements, the Group has no plans to expand its operations or investments in that region. Nevertheless, the Group remains vigilant, as a prolongation of the war is likely to have indirect effects, including potential disruptions to global supply chains and upward pressure on costs arising from inflationary factors.

Future business outlook

The Company's outlook for 2026 remains positive, bar any extraordinary events. With performance gaining momentum across all operations, the Group projects further growth through the development of its existing businesses and by acquisition.

Directors' report (continued)

Future business outlook (continued)

The Directors consider that the year-end financial position of the Company was satisfactory and that the Company is well placed to sustain the present level of activity in the foreseeable future and meet its obligations as they fall due.

Going concern

After reviewing the Group and Company's budgets for the next financial year, and other longer-term plans, the Directors are satisfied that, at the time of approving the financial statements, it is appropriate to adopt the going concern basis in preparing these financial statements.

Directors

The Directors who served during the period were:

Archibald Anderson Bethel (Chairman)
Annabel Hili
Carmelo Hili
Jesmond Mizzi

In accordance with the Company's Memorandum of Articles of Association, all the Directors are to remain in office.

Disclosure of information to auditors

At the date of making this report, the Directors confirm the following:

- As far as each Director is aware, there is no relevant information needed by the independent auditor in connection with preparing the audit report of which the independent auditor is unaware, and
- Each Director has taken all steps that they ought to have taken as Directors in order to make themselves aware of any relevant information needed by the independent auditor in connection with preparing the audit report and to establish that the independent auditor is aware of that information.

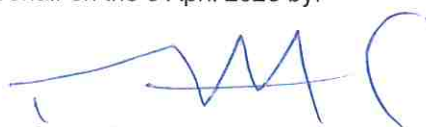
Auditors

Grant Thornton have indicated their willingness to continue in office and a resolution proposing its re-appointment will be put to the Annual General Meeting.

Approved by the Board of Directors and signed on its behalf on the 8 April 2026 by:



Archibald Anderson Bethel
Chairman



Carmelo Hili
Director

Statement of Directors' responsibilities

The Directors are required by the Maltese Companies Act, (Cap. 386) to prepare financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) which give a true and fair view of the state of affairs of the Company at the end of each financial period and of its profit or loss of the Company for the year then ended. In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on a going concern basis, unless it is inappropriate to presume that the Company will continue in business as a going concern;
- account for income and charges relating to the accounting period on the accrual basis;
- value separately the components of asset and liability items; and
- report comparative figures corresponding to those in the preceding accounting period.

The Directors are responsible for ensuring that proper accounting records are kept which disclose with reasonable accuracy at any time the financial position of the Company which enable the Directors to ensure that the financial statements comply with the Maltese Companies Act, (Cap. 386). This responsibility includes designing, implementing and maintaining such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Directors are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of profit or loss and other comprehensive income

	Notes	2025 EUR	2024 EUR
Continuing operations			
Revenue	6	2,896,208	2,696,500
Other operating income	7	645	11,329
Selling expenses		(58,626)	(51,490)
Administrative expenses		(6,912,436)	(5,635,434)
Operating loss		(4,074,209)	(2,979,095)
Investment income	8	62,375,011	65,618,000
Finance costs	9	(15,344,492)	(12,781,588)
Profit before tax	10	42,956,310	49,857,317
Income tax credit/(expense)	13	295,396	(1,330,391)
Profit for the year		43,251,706	48,526,926
Other comprehensive income/(expense) items that may be reclassified subsequently to profit or loss:			
Increase/(decrease) in fair value of debt instruments at fair value through other comprehensive income	19	266,786	(18,499)
Recycling of cumulative fair value changes on debt instruments at fair value through other comprehensive income		(242,074)	(257,157)
Items that may not be reclassified subsequently to profit or loss:			
(Decrease)/increase in fair value of equity instruments at fair value through other comprehensive income	19	(786,683)	233,828
Total other comprehensive expense		(761,971)	(41,828)
Total comprehensive income for the year		42,489,735	48,485,098

Statement of financial position

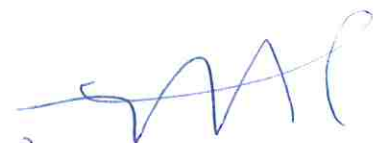
	Notes	2025 EUR	2024 EUR
ASSETS AND LIABILITIES			
Non-current assets			
Intangible assets	15	18,205	47,311
Property, plant and equipment	16	187,672	194,236
Right-of-use assets	17	956,506	1,278,778
Investments in subsidiaries	19	320,659,743	305,490,346
Financial asset investments	19	70,074,019	16,289,723
Loans and receivables	19	71,712,586	78,313,958
Deferred tax assets	24	616,110	417,330
Total non-current assets		464,224,841	402,031,682
Current assets			
Loans and receivables	19	11,680,294	17,065,122
Trade and other receivables	20	643,019	355,372
Cash and cash equivalents	26	37,137	1,419,825
Current tax assets		3,087,034	3,302,458
Total current assets		15,447,484	22,142,777
Total assets		479,672,325	424,174,459
Non-current liabilities			
Lease liability	18	799,129	1,167,060
Other financial liabilities	23	270,201,440	268,062,981
Bank loans	22	5,500,000	17,500,000
Total non-current liabilities		276,500,569	286,730,041
Current liabilities			
Lease liability	18	364,788	343,925
Trade and other payables	21	1,927,561	1,679,658
Other financial liabilities	23	15,359,159	9,646,661
Bank loans and overdrafts	22	48,256,339	6,000,000
Total current liabilities		65,907,847	17,670,244
Total liabilities		342,408,416	304,400,285
Net assets		137,263,909	119,774,174
Equity			
Share capital	25	69,400,000	69,400,000
Investment revaluation reserve		(735,894)	320,732
Retained earnings		68,599,803	50,053,442
Total equity		137,263,909	119,774,174

These financial statements were approved by the Board of Directors, authorised for issue on the 8 April 2026 and signed on its behalf by:

Archibald Anderson Bethel
Chairman



Carmelo Hili
Director



Statement of changes in equity

	Share capital EUR	Investment revaluation reserve EUR	Retained earnings EUR	Total equity EUR
Balance at 1 January 2024	69,400,000	624,658	26,264,418	96,289,076
Dividends (Note 14)	-	-	(25,000,000)	(25,000,000)
Profit for the year	-	-	48,526,926	48,526,926
Other comprehensive loss for the year	-	(41,828)	-	(41,828)
Total comprehensive income for the year	-	(41,828)	48,526,926	48,485,098
Reclassification of cumulative fair value changes on disposal of equity instruments at fair value through other comprehensive income	-	(262,098)	262,098	-
Balance at 31 December 2024	69,400,000	320,732	50,053,442	119,774,174
Balance at 1 January 2025	69,400,000	320,732	50,053,442	119,774,174
Dividends (Note 14)	-	-	(25,000,000)	(25,000,000)
Profit for the year	-	-	43,251,706	43,251,706
Other comprehensive expense for the year	-	(761,971)	-	(761,971)
Total comprehensive income for the year	-	(761,971)	43,251,706	42,489,735
Reclassification of cumulative fair value changes on disposal of equity instruments at fair value through other comprehensive income	-	(294,655)	294,655	-
Balance at 31 December 2025	69,400,000	(735,894)	68,599,803	137,263,909

Statement of cash flows

	2025 EUR	2024 EUR
Cash flows from operating activities		
Profit before tax	42,956,310	49,857,317
<i>Adjustments for:</i>		
Depreciation and amortisation	103,032	97,057
Depreciation on right-of-use asset	318,846	319,278
Bond amortisation costs	574,997	445,346
Interest payable	14,502,551	12,270,034
Interest payable on leasing arrangements	53,089	66,208
Other interest receivable	(718,507)	(530,363)
Interest income on amounts due from related parties	(3,499,414)	(2,264,276)
Dividends from equity instruments	(49,534,130)	(61,367,501)
Dividends from other financial instruments	(2,951,084)	(345,441)
Loss on termination of right of use assets	(646)	-
Gain on disposal of financial asset investments	(5,671,876)	(489,847)
Net cash flows used in operating activities	(3,866,832)	(1,942,188)
Movement in trade and other receivables	(540,547)	(74,698)
Movement in trade and other payables	(25,919)	167,968
Cash flows used in operations	(4,433,298)	(1,848,918)
Interest paid	(318,994)	(36,300)
Taxation refunded	1,972,834	247,663
<i>Net cash flows used in operating activities</i>	(2,779,458)	(1,637,555)
Cash flows from investing activities		
Investments in subsidiaries	(14,950,397)	-
Payments to acquire property, plant and equipment	(67,991)	(70,063)
Payments to acquire financial asset investments	(56,056,302)	(1,104,236)
Payments to acquire intangible assets	(1,500)	(14,955)
Proceeds from sale of property, plant and equipment	2,129	-
Proceeds from sale of financial asset investments	8,111,150	-
Net payments advanced to group undertakings	-	(67,030,160)
Proceeds from group undertakings	3,130,154	-
Interest received	2,404,685	1,411,172
Dividends from group undertakings	48,600,004	58,240,000
Dividends from financial asset investments	1,991,916	297,396
<i>Net cash flows used in investing activities</i>	(6,836,152)	(8,270,846)

Statement of cash flows (continued)

	2025	2024
	EUR	EUR
Cash flow from financing activities		
Proceeds from group undertakings	7,182,157	41,884,330
Proceeds from bank loans	40,250,000	6,000,000
Repayment of bank loans	(25,520,313)	(10,574,503)
Interest paid on loans to related parties	(13,128,133)	(8,970,240)
Interest paid on bank loans	(911,043)	(891,647)
Interest paid on leasing arrangements with related party	(53,089)	(66,208)
Payments for lease obligations with related party	(342,996)	(322,723)
Dividends paid	(15,000,000)	(15,000,000)
<i>Net cash flows used in / generated from financing activities</i>	(7,523,417)	12,059,009
 Net movement in cash and cash equivalents	 (17,139,027)	 2,150,608
 Cash and cash equivalents at the beginning of the year	 1,419,825	 (730,783)
 Cash and cash equivalents at the end of the year (note 26)	(15,719,202)	1,419,825

Notes to the financial statements

1. Company information and basis of preparation

Hili Ventures Limited ("the Company") is a company incorporated in Malta with registration number C 57902. The registered address is Nineteen Twenty Three, Valletta Road, Marsa, MRS 3000, Malta.

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU), and in accordance with the Maltese Companies Act, (Cap. 386). The material accounting policies adopted are set out below and in the succeeding pages.

The financial statements are presented in Euro (EUR), which is also the functional currency of the Company. The amounts presented have been rounded to the nearest Euro.

2. Going concern

The financial statements of the Company have been prepared under the assumption that the Company operates on a going concern basis, which assumes that the Company will be able to discharge its liabilities as they fall due.

As at the reporting date, the Company is in a net current liability position. The Directors have reviewed cash flow projections that have been prepared for the next 12 months. The Company's budgets and cash flow forecasts show that the Company will continue to operate within its current credit limits afforded by third party creditors and banks for at least the next 12 months. Based on continued operating profitability of the Company, the Directors are confident that the Company will have no difficulty to continue to meet its commitments when they fall due.

In addition to the above, it is important to note that during the year, the Company continued to invest in its portfolio of highly liquid listed security instruments which at balance sheet date had a carrying amount of EUR 70,074,019 (2024: EUR 16,289,723).

3. Material accounting policies

An entity should disclose its material accounting policies. Accounting policies are material and must be disclosed if they can be reasonably expected to influence the decisions of users of the financial statements.

Management has concluded that the disclosure of the Company's material accounting policies below are appropriate.

Investments in subsidiaries

A subsidiary is an entity that is controlled by the Company. The Company controls an investee when the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Investments in subsidiaries in the Company's financial statements are stated on the basis of the direct equity interest and is stated at cost less any accumulated impairment losses. Dividends from the investments are recognised in profit or loss.

3. Material accounting policies (continued)

Property, plant and equipment

The Company's property, plant and equipment consists of furniture, fittings and other equipment and computer equipment.

Property, plant and equipment is initially measured at cost. Subsequent costs are included in the asset's carrying amount when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Expenditure on repairs and maintenance of property, plant and equipment is recognised as an expense when incurred.

Property, plant and equipment is stated at cost less any accumulated depreciation and impairment losses.

Property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from their use or disposal.

Gains or losses arising from derecognition represent the difference between the net disposal proceeds, if any, and the carrying amount, and are included in profit or loss in the period of derecognition.

Depreciation

Depreciation commences when the depreciable assets are available for use and is charged to profit or loss so as to write off the cost, less any estimated residual value, over its estimated useful life using the straight-line method on the following bases:

Furniture, fittings and other equipment	10% - 33%
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The depreciation method applied, the residual value and the useful life are reviewed, and adjusted if appropriate, at the end of each reporting period.

Intangible assets

An intangible asset is recognised if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably.

Intangible assets are initially measured at cost, being the fair value at the acquisition date for intangible assets acquired in a business combination. Expenditure on an intangible asset is recognised as an expense in the period when it is incurred unless it forms part of the cost of the asset that meets the recognition criteria or the item is acquired in a business combination and cannot be recognised as an intangible asset, in which case it forms part of goodwill at the acquisition date.

The useful life of intangible assets is assessed to determine whether it is finite or indefinite. Intangible assets with a finite useful life are amortised. Amortisation is charged to profit or loss so as to write off the cost of intangible assets less any estimated residual value, over their estimated useful lives. The amortisation method applied, the residual value and the useful life are reviewed, and adjusted if appropriate, at the end of each reporting period.

3. Material accounting policies (continued)

Intangible assets (continued)

Intangible assets are derecognised on disposal or when no future economic benefits are expected from their use or disposal. Gains or losses arising from derecognition represent the difference between the net disposal proceeds, if any, and the carrying amount, and are included in profit or loss in the period of derecognition.

- Computer software

In determining the classification of an asset that incorporates both intangible and tangible elements, judgement is used in assessing which element is more significant. Computer software which is an integral part of the related hardware is classified as property, plant and equipment and accounted for in accordance with the Company's accounting policy on property, plant and equipment.

Where the software is not an integral part of the related hardware, this is classified as an intangible asset and carried at cost less any accumulated amortisation and any accumulated impairment losses. Computer software classified as an intangible asset is amortised on a straight-line basis over three to five years.

Other financial instruments

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially recognised at their fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through the profit and loss) are added to or deducted from the fair value of financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through the profit and loss are recognised immediately in the profit and loss.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets. Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- amortised cost;
- fair value through profit and loss; and
- fair value through other comprehensive income.

The classification is determined by both:

- the Company's business model for managing the financial asset; and
- the contractual cash flow characteristics of the financial asset.

All income and expenses relating to financial assets that are recognised in the profit or loss are presented within finance costs and finance income, except for impairment of trade receivables which is presented within other expenses.

3. Material accounting policies (continued)

Other financial instruments (continued)

The financial assets held by the Company are measured at amortised cost, provided the following conditions are met:

- these financial assets are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows; and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, financial assets are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents, trade receivables and most other receivables fall into this category of financial instruments.

Financial assets at fair value through other comprehensive income ("FVOCI")

The Company accounts for financial assets at FVOCI if the assets meet the following conditions:

- (i) they are held under a business model whose objective is to "hold to collect" the associated cash flows and sell; and
- (ii) the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Any gains or losses recognised in other comprehensive income ("OCI") will be recycled upon derecognition of the asset.

Financial assets and financial liabilities are offset, and the net amount is presented in the statement of financial position when the Company has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when the contractual rights to the cash flows from the financial assets expire or when the entity transfers the financial asset and the transfer qualifies for derecognition.

Financial liabilities are derecognised when they are extinguished. This occurs when the obligation specified in the contract is discharged, cancelled, or expired.

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

(i) Trade and other receivables

The Company makes use of a simplified approach in accounting for trade and other receivables and records the loss allowance as lifetime expected credit loss ("ECL"). These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating, the Company uses its historical experience, external indicators, and forward-looking information to calculate the ECL using a provision matrix.

3. Material accounting policies (continued)

Other financial instruments (continued)

(ii) Investments

The Company's investments consist of loans and receivables. The classification depends on the purpose for which the investments were acquired.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market other than those that are held for trading or are designated upon initial recognition as at fair value through profit or loss or as available-for-sale financial assets or those for which the Company may not recover substantially all of its initial investment other than because of credit deterioration.

After initial recognition, loans and receivables are recognised at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the financial asset is derecognised, or impaired, or through the amortisation process.

(iii) Bank borrowings

Subsequent to initial recognition, interest-bearing bank loans are measured at amortised cost using the effective interest method. Bank loans are carried at face value due to their market rate of interest. Subsequent to initial recognition, interest-bearing bank overdrafts are carried at face value in view of their short-term maturities.

(iv) Other borrowings

Subsequent to initial recognition, other borrowings are measured at amortised cost using the effective interest method unless the effect of discounting is material.

(v) Trade and other payables

Trade and other payables are classified under current liabilities and are stated at their nominal value unless the effect of discounting is material, in which case trade payables are measured at amortised cost using the effective interest method.

(vi) Shares issued by the Company

Preference shares issued by the Company are classified as equity instruments. Redemptions or refinancing of equity instruments are recognised as changes in equity.

Impairment

At the end of each reporting period, the carrying amount of assets, including cash-generating units and investments in subsidiaries, is reviewed to determine whether there is any indication or objective evidence of impairment, as appropriate, and if any such indication or objective evidence exists, the recoverable amount of the asset is estimated.

In the case of financial assets that are carried at amortised cost objective, evidence of impairment includes observable data about the following loss events – significant financial difficulty of the issuer (or counterparty) or a breach of contract or it becoming probable that the borrower will enter bankruptcy or other financial reorganisation of the Company, for economic or legal reasons relating to the borrower's financial difficulty, granting to the borrower a concession that the Company would not otherwise consider.

3. Material accounting policies (continued)

Impairment (continued)

In addition to the above loss events, objective evidence of impairment for an investment in an equity instrument includes information about significant changes with an adverse effect that have taken place in the market, economic or legal environment in which the issuer operates, and indicates that the cost of the investment in the equity instrument may not be recovered.

An impairment loss is the amount by which the carrying amount of an asset exceeds its recoverable amount.

For investment in subsidiaries, the Company reviews the carrying amount of its investment to determine whether there is any indication of impairment and, if any such indication exists, the recoverable amount of the investment is estimated.

For loans and receivables, if there is objective evidence that an impairment loss has been incurred, the loss is measured as the difference between the assets' carrying amount and the present value of estimated future cash flows discounted at the original effective interest rate. The carrying amount of the asset is reduced directly.

For trade receivables, the Company makes use of a simplified approach in accounting for trade and other receivables and records the loss allowance as lifetime ECL. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating, the Company uses its historical experience, external indicators, and forward-looking information to calculate the ECL using a provision matrix.

The Company assesses impairment of trade receivables on a collective basis as they possess shared credit risk characteristics that have been grouped based on the days past due.

In the case of other assets tested for impairment, the recoverable amount is the higher of fair value (which is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date) less costs of disposal and value in use (which is the present value of the future cash flows expected to be derived, discounted using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset). Where the recoverable amount is less than the carrying amount, the carrying amount of the asset is reduced to its recoverable amount, as calculated.

Where it is not possible to estimate the recoverable amount of an individual asset, then the recoverable amount of the cash-generating unit to which the asset belongs is determined. For cash-generating units, where the recoverable amount is less than the carrying amount, the carrying amount of the assets of the unit is reduced first to reduce the carrying amount of any goodwill allocated, and then to the other assets of the unit pro rata on the basis of the carrying amount of each asset in the unit.

For loans and receivables, if in a subsequent period the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed directly.

In the case of other assets tested for impairment, an impairment loss recognised in a prior year is reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised.

3. Material accounting policies (continued)

Impairment (continued)

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years.

Impairment losses are recognised immediately in profit or loss.

Revenue recognition

Revenue for the Company arises mainly from management fees and dividend income. The Company did not generate revenue from other trading operations during the current and previous accounting periods. To determine whether to recognise revenue, the Company follows a 5-step process:

1. Identifying the contract with a customer;
2. Identifying the performance obligations;
3. Determining the transaction price;
4. Allocating the transaction price to the performance obligations; and
5. Recognising revenue as performance obligations are satisfied.

The Company entered into transactions with related parties for the provision of management services to Group companies. Management fees are established through a contract with the respective Group company and considered fixed in nature. It is not expected that future reversals to management fee income will occur. The Company recognises income from management fees gradually as the services are provided. The performance obligation is identified for the services provided to the Group companies and is satisfied upon rendering and completion of the service. The price is agreed with the Group companies in a written agreement and is allocated to the performance obligation accordingly. Prices are based on established prices for the management services being provided.

Revenue is recognised either at a point in time or over time, as the Company satisfies its performance obligations by transferring the promised goods or services to its customers.

Provision of services

Revenue from the provision of services is recognised in the period in which the services are rendered. For practical purposes, when services are performed by an indeterminate number of acts over a specified period of time, revenue is recognised on a straight-line basis over the specified period unless there is evidence that some other method better represents the stage of completion.

Interest income

Interest income is accrued on a timely basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to the asset's net carrying amount.

Dividend income

Dividend income is recognised when the shareholder's right to receive payment is established.

3. Material accounting policies (continued)

Borrowing costs

Borrowing costs include the costs incurred in obtaining external financing.

Borrowing costs directly attributable to the acquisition, construction, or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised from the time that expenditure for these assets and borrowing costs are being incurred and activities that are necessary to prepare these assets for their intended use or sale are in progress. Borrowing costs are capitalised until such time as the assets are substantially ready for their intended use or sale. Borrowing costs are suspended during extended periods in which active development is interrupted. All other borrowing costs are recognised as an expense in profit or loss in the period in which they are incurred.

Right-of-use assets

In the case of right-of-use assets, expected useful lives are determined by reference to the comparable owned assets or the lease term, if shorter. Material residual value estimates and estimates of useful life are updated as required, but at least annually. For leases on buildings, the right-of-use assets are being amortised over the lease term.

Leases

The Company assesses whether a contract is or contains a lease at inception of the contract. A lease conveys the right to direct the use and obtain substantially all of the economic benefits of an identified asset for a period of time in exchange for consideration.

Measurement and recognition of leases

At lease commencement date, the Company recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease, if that rate is readily available, or the Company's incremental borrowing rate.

The incremental borrowing rate is the estimated rate that the Company would have to pay to borrow the same amount over a similar term, and with similar security to obtain an asset of equivalent value. This rate is adjusted should the lessee entity have a different risk profile to that of the Company.

Lease payments included in the measurement of the lease liability are made up of fixed payments.

3. Material accounting policies (continued)

Leases (continued)

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments.

The lease liability is reassessed when there is a change in the lease payments. Changes in lease payments arising from a change in the lease term or a change in the assessment of an option to purchase a leased asset. The revised lease payments are discounted using the Company's incremental borrowing rate at the date of reassessment when the rate implicit in the lease cannot be readily determined. The amount of the remeasurement of the lease liability is reflected as an adjustment to the carrying amount of the right-of-use asset. The exception being when the carrying amount of the right-of-use asset has been reduced to zero then any excess is recognised in profit or loss.

Payments under leases can also change when there is either a change in the amounts expected to be paid under residual value guarantees or when future payments change through an index or a rate used to determine those payments, including changes in market rental rates following a market rent review. The lease liability is remeasured only when the adjustment to lease payments takes effect and the revised contractual payments for the remainder of the lease term are discounted using an unchanged discount rate. Except for where the change in lease payments results from a change in floating interest rates, in which case the discount rate is amended to reflect the change in interest rates.

The Company has elected to account for short-term leases using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

On the statement of financial position, the Company has opted to disclose right-of-use assets and lease liabilities as separate financial statement line items.

Taxation

Current and deferred tax is recognised in profit or loss, except when it relates to items recognised in other comprehensive income or directly in equity, in which case the deferred tax is also dealt with in other comprehensive income or in equity, as appropriate.

Current tax is based on the taxable result for the period. The taxable result for the period differs from the result as reported in profit or loss because it excludes items which are non-assessable or disallowed and it further excludes items that are taxable or deductible in other periods. It is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets, are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

3. Material accounting policies (continued)

Taxation (continued)

Deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill. Deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither accounting profit nor taxable profit.

Deferred tax liabilities are not recognised for taxable temporary differences arising on investments in subsidiaries, associates or interests in joint arrangements where the Company is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets are recognised for deductible temporary differences arising on investments in subsidiaries, associates or interests in joint arrangements where it is probable that taxable profit will be available against which the temporary difference can be utilised, and it is probable that the temporary difference will reverse in the foreseeable future.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted by the end of the reporting period.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be utilised.

Current tax assets and liabilities are offset when the Company has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax assets and liabilities are offset when the Company has a legally enforceable right to set off its current tax assets and liabilities and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Employee benefits

The Company contributes towards the state pension in accordance with local legislation. The only obligation of the Company is to make the required contributions. Costs are expensed in the period in which they are incurred.

3. Material accounting policies (continued)

Currency translation

The financial statements of the Company are presented in the Company's functional currency, the Euro ("EUR"), being the currency of the primary economic environment in which the Company operates. Transactions denominated in currencies other than the functional currency are translated at the exchange rates ruling on the date of transaction. Monetary assets and liabilities denominated in currencies other than the functional currency are re-translated to the functional currency at the exchange rate ruling at period-end. Exchange differences arising on the settlement and on the re-translation of monetary items are included within profit or loss. Non-monetary assets and liabilities denominated in currencies other than the functional currency that are measured at fair value are re-translated using the exchange rate ruling on the date the fair value was determined. Non-monetary assets and liabilities denominated in currencies other than the functional currency that are measured in terms of historical cost are not re-translated. Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the period, except for differences arising on the re-translation of non-monetary items in respect of which gains and losses are recognised in other comprehensive income. For such non-monetary items, any exchange component of that gain or loss is also recognised in other comprehensive income.

Foreign exchange gains and losses are classified with other operating income or other operating expenses as appropriate, except in the case of significant exchange differences arising on investing or financing activities, which are classified within investment income, investment losses or finance costs as appropriate.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows and are presented in current liabilities on the statement of financial position.

Dividends

Dividends to holders of equity instruments are recognised as liabilities in the period in which they are declared. Dividends to holders of equity instruments are recognised directly in equity.

Equity, reserves, and dividend payments

Share capital represents the nominal (par) value of shares that have been issued.

Dividend distributions payable to equity shareholders are included with short-term financial liabilities, where dividends are approved at the general meeting prior to the end of the reporting period. Dividends to the holder of equity instruments are recognised directly in equity.

Retained earnings include all current and prior period retained profits. All transactions with owners of the parent are recorded separately within equity.

Dividends relating to a financial liability, or to a component that is a financial liability, are recognised as an expense in profit or loss and are presented in the statement of profit or loss and other comprehensive income with finance costs.

4. Judgements in applying accounting policies and key sources of estimation uncertainty

Other than as disclosed below, in the process of applying the Company's accounting policies, management has made no judgements which can significantly affect the amounts recognised in the financial statements and, at the end of the reporting period, there were no key assumptions concerning the future, or any other key sources of estimation uncertainty, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Management reviews investments in subsidiaries, property, plant and equipment, intangible assets and loans and receivables, including trade receivables, to evaluate whether events or changes in circumstances indicate that the carrying amounts may not be recoverable.

5. Initial application of International Financial Reporting Standards and International Reporting Standards in issue but not yet effective

New standards adopted as at 1 January 2025

An accounting pronouncement which has become effective from 1 January 2025 and has therefore been adopted is:

- Lack of Exchangeability (Amendments to IAS 21)

This amendment does not have a significant impact on these financial statements and therefore no disclosures have been made.

Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Company

At the date of authorisation of these financial statements, there are several new, but not yet effective, standards and amendments to existing standards, and interpretations published by the IASB or IFRIC, including:

- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and 7);
- Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7);
- Annual Improvements to IFRS Accounting Standards - Volume 11;
- IFRS 18 'Presentation and Disclosure in Financial Statements';
- IFRS 19 'Subsidiaries without Public Accountability: Disclosures'; and
- Amendments to IFRS 19 'Subsidiaries without Public Accountability: Disclosures'.

None of these standards or amendments to existing standards have been adopted early by the Company. Management anticipates that all relevant pronouncements will be adopted for the first period beginning on or after the effective date of the pronouncement.

These Standards and amendments are not expected to have a significant impact on the financial statements in the period of initial application and therefore no disclosures have been made.

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 'Presentation of Financial Statements'. The adoption of IFRS 18 'Presentation and Disclosure in financial statements', effective for periods commencing on or after 1 January 2027, is expected to have a material impact on the presentation of the financial statements, and therefore relevant disclosures are included below.

5. Initial application of International Financial Reporting Standards and International Reporting Standards in issue but not yet effective (continued)

New standards adopted as at 1 January 2025 (continued)

Although IFRS 18 includes many of the requirements of IAS 1, it introduces new requirements to better structure financial statements and to provide more detailed and useful information to investors, including:

- two new subtotals defined in the statement of profit or loss, namely (1) operating profit and (2) profit or loss before financing and income taxes;
- the classification of all income and expenses within the statement of profit or loss in one of five categories;
- a new requirement to disclose performance measures defined by management; and
- an improvement in the principles related to the aggregation and disaggregation of information in the financial statements and accompanying notes.

IFRS 18 will be applied retrospectively with specific transitional provisions.

The Company is currently working to identify all of the impacts that IFRS 18 will have on the primary financial statements and notes to the financial statements.

Other new standards, amendments and Interpretations not adopted in the current year have not been disclosed as they are not expected to have a material.

6. Revenue

Revenue represents the amount receivable for management services rendered during the period, net of any indirect taxes as follows:

	2025	2024
	EUR	EUR
Management fees	2,896,208	2,696,500

7. Other operating income

	2025	2024
	EUR	EUR
Other income	645	11,329

8. Investment income

	2025	2024
	EUR	EUR
Interest income on financial assets	718,507	530,363
Interest from other related companies	3,499,414	2,264,276
Total interest income	4,217,921	2,794,639
Dividends from financial asset investments	2,951,084	345,441
Dividends from equity instruments	49,534,130	61,367,501
Gain on disposal of investments	5,671,876	1,110,419
	62,375,011	65,618,000

9. Finance costs

	2025	2024
	EUR	EUR
Interest on bank overdrafts and loans	1,277,603	1,070,005
Processing fees and other interest	213,855	-
Other interest payable	3,012	5,261
Interest on amounts payable to related undertakings	13,221,936	11,194,768
Amortisation of bond issue expenses	574,997	445,346
Interest on leased assets	53,089	66,208
	15,344,492	12,781,588

10. Profit before tax

The profit before tax is stated after charging:

	2025	2024
	EUR	EUR
Depreciation and amortisation costs	103,032	97,057
Depreciation on right-of-use assets	318,846	319,278

Total remuneration payable to the Company's auditors for the audit of the Company's financial statements amounted to EUR 4,200 (2024: EUR 3,800). Other fees payable to the Company's auditors for non-audit services, other than other assurance services, and tax advisory services amounted to EUR 26,500 (2024: EUR 28,200).

11. Key management personnel compensation

	2025	2024
	EUR	EUR
Directors' compensation:	540,134	529,658
Other key management compensation:	337,996	91,236
Total Directors' fees and other key management personnel compensation	878,130	620,894

12. Staff costs and employee information

	2025	2024
	EUR	EUR
<i>Staff costs:</i>		
Wages and salaries	3,436,589	2,708,575
Social security costs	131,956	110,949
	3,568,545	2,819,524

The average number of persons employed during the period, including executive Directors, was made up as follows:

	2025	2024
	Number	Number
Administration	57	46

13. Income tax credit/(expense)

	2025	2024
	EUR	EUR
Current tax credit/(expense)	96,616	(1,361,364)
Deferred tax credit (Note 24)	198,780	30,973
	295,396	(1,330,391)

Tax applying the statutory domestic income tax rate and the income tax credit/(expense) for the period are reconciled as follows:

	2025	2024
	EUR	EUR
Profit before tax	42,956,310	49,857,317
Expected tax expense at the applicable rate of 35%	(15,034,709)	(17,450,061)
<i>Tax effect of:</i>		
Non-deductable disallowed expenses	(3,079,909)	(2,690,316)
Accrued interest income	66,320	106,126
Depreciation on ineligible assets	(608)	(608)
Untaxed dividend	16,052,819	18,788,837
FTA dividend	350,000	42,299
Exempt gain on disposal of investments	2,113,092	388,647
Foreign tax	(35,725)	(43,498)
FRFTC nullifying tax charge on FIA income	(135,884)	(529,648)
Effect of FRFTC	-	57,831
Income tax credit/(expense)	295,396	(1,330,391)

14. Dividends

In respect of the current year, dividends of EUR 20,348,800 were declared to ordinary shareholders (2024: EUR 20,348,800); EUR 20.35 per ordinary share (2024: EUR 20.35).

Preference dividends of EUR 4,651,200 were declared during the year (2024: EUR 4,651,200); EUR 0.07 per preference share (2024: EUR 0.07).

15. Intangible assets

	Computer software EUR
Cost	
At 1 January 2024	360,385
Additions	14,955
At 1 January 2025	375,340
Additions	1,500
At 31 December 2025	376,840
Amortisation	
At 1 January 2024	297,802
Provision for the year	30,227
At 1 January 2025	328,029
Provision for the year	30,606
At 31 December 2025	358,635
Carrying amount	
At 31 December 2024	47,311
At 31 December 2025	18,205

16. Property, plant and equipment

	Furniture, fittings and other equipment EUR
Cost	
At 1 January 2024	774,375
Additions	70,063
Disposals	(1,648)
At 1 January 2025	842,790
Additions	67,991
Disposals	(5,420)
At 31 December 2025	905,361
Accumulated Depreciation	
At 1 January 2024	583,372
Provision for the period	66,830
Disposals	(1,648)
At 1 January 2025	648,554
Provision for the period	72,426
Disposal	(3,291)
At 31 December 2025	717,689
Carrying amount	
At 31 December 2024	194,236
At 31 December 2025	187,672

17. Right-of-use assets

The following assets have been recognised as right-of-use assets of the Company:

	EUR
Cost	
At 1 January 2024	3,165,133
Additions	4,600
At 1 January 2025	3,169,733
Termination	(8,568)
At 31 December 2025	3,161,165
 Depreciation	
At 1 January 2024	1,571,677
Provision for the year	319,278
At 1 January 2025	1,890,955
Provision for the year	318,846
Termination	(5,142)
At 31 December 2025	2,204,659
 Carrying amount	
At 31 December 2024	1,278,778
 At 31 December 2025	956,506

The depreciation charge on right-of-use assets is included in administrative expenses.

The Company has elected to disclose right-of-use assets separately in these financial statements. The information pertaining to the gross carrying amount, depreciation recognised during the year and other movements in right-of-use assets is included in the above table. Information pertaining to lease liabilities and their corresponding maturities are disclosed separately in Note 18. The respective accounting policy for the measurement and recognition of leases is in Note 3.

The weighted average incremental borrowing rate applied to lease liabilities recognised under IFRS 16 was 3.93% for both 2025 and 2024. The incremental borrowing rate will be reassessed every time a new lease is entered into by the Company and the corresponding right-of-use asset is recognised. New leases are assessed on a case-by-case basis.

The Company has financed most of its obligations internally and has therefore not been subject to market fluctuations in the interest rate from its borrowings with third parties. The Company does not expect this rate to vary significantly in the foreseeable future.

18. Lease liability

	2025 EUR	2024 EUR
Current		
Lease liability	364,788	343,925
Non-Current		
Lease liability	799,129	1,167,060
	1,163,917	1,510,985

The Company has leases for its office buildings, garage and car park spaces and motor vehicles. Each lease is included in the statement of financial position as a right-of-use asset and a lease liability. The Company does not have any other short-term leases (leases with an effected term of 12 months or less), and variable lease payments which do not depend on an index or a rate (such as lease payments based on a percentage of Company sales). Leases of low-value underlying assets are being classified as administrative expenses.

Each lease generally imposes a restriction that, unless there is a contractual right for the Company to sublet the asset to another party, the right-of-use asset can only be used by the Company. Leases are either non-cancellable or may only be cancelled by incurring a substantial termination fee. The Company is prohibited from selling or pledging the underlying leased assets as security. For leases over office buildings, the Company must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease. Furthermore, the Company must insure items under lease and incur maintenance fees on such items in accordance with the lease contracts.

The remaining lease term of the buildings, garages and car park spaces is 3 years.

The lease liabilities are secured by the related underlying assets. The future minimum lease payments at 31 December 2025 and 2024 were as follows:

Minimum Lease Payments

	Within 1 year	Between 1 and 5 years	Over 5 years	Total
	EUR	EUR	EUR	EUR
31 December 2024				
Lease payments	397,156	1,239,760	-	1,636,916
Finance charges	(53,231)	(72,700)	-	(125,931)
Net present values	343,925	1,167,060	-	1,510,985
31 December 2025				
Lease payments	404,006	832,415	-	1,236,421
Finance charges	(39,218)	(33,286)	-	(72,504)
Net present values	364,788	799,129	-	1,163,917

19. Financial assets

(a) Investments in subsidiaries

Details of the Company's subsidiaries as at 31 December 2025 and 2024 are as follows:

Carrying amount	EUR
At 1 January 2024	265,600,545
Additions	1
Reclassification from loan receivables	39,889,800
At 31 December 2024	<u>305,490,346</u>
Additions	14,950,397
Reclassification from loans receivable	219,000
At 31 December 2025	<u>320,659,743</u>

In 2025, additions for the year include investments of EUR 14,700,397 in Hili Properties p.l.c. and EUR 250,000 in HV Hospitality Limited. In addition, EUR 219,000 due from Battery Street Limited was capitalised and reclassified from loans and receivables to investments in subsidiaries, resulting in a corresponding increase in the carrying amount of said subsidiary.

In 2024, additions for the year include an investment of EUR 1 in Tigné Mall Limited (formerly Tigné Mall p.l.c.). In addition, EUR 39,889,800 was reclassified from loans and receivables to investments in subsidiaries, representing the following capitalisations: EUR 29,998,800 made to Marsamxett Properties Limited, EUR 331,000 made to Battery Street Limited and EUR 9,560,000 made to HV Hospitality Limited, resulting in a corresponding increase in the carrying amounts of said subsidiaries.

19. Financial assets (continued)

(a) Investments in subsidiaries (continued)

Subsidiaries

Name of subsidiary	Place of incorporation and ownership	Proportion of ownership interest	Holding	Portion of voting power held	Principal activity
		2025/2024		2025/2024	
1923 Investments Limited	Malta	99.99 (99.99)	Direct	99.99 (99.99)	Holding Company
Harvest Technology p.l.c.	Malta	62.95 (62.95)	Indirect	62.95 (62.95)	Holding Company
PTL Limited	Malta	62.95 (62.95)	Indirect	62.95 (62.95)	Providing end-to-end IT services
APCO Limited	Malta	62.95 (62.95)	Indirect	62.95 (62.95)	Sale of IT solutions and security systems
APCOPAY Limited	Malta	62.95 (62.95)	Indirect	62.95 (62.95)	Payment orchestrator and gateway provider
Ipsyon Limited	Malta	62.95 (62.95)	Indirect	62.95 (62.95)	Holding of intellectual property
iSpot Premium Romania	Romania	100 (100)	Indirect	100 (100)	Sale of retail and IT solutions
PTLtech (Mauritius) Limited	Mauritius	62.95 (62.95)	Indirect	62.95 (62.95)	Sale of IT solutions
iSpot Poland SP. Z O.O.	Poland	100 (100)	Indirect	100 (100)	Sale of retail and IT solutions
SAD SP. Z O.O.	Poland	100 (100)	Indirect	100 (100)	Sale of retail and IT solutions
iCenter Hungary kft	Hungary	50 (50)	Indirect	50 (50)	Apple Premium Reseller and Authorised Service Provider

19. Financial assets (continued)

(a) Investments in subsidiaries (continued)

Subsidiaries (continued)

Name of subsidiary	Place of incorporation and ownership	Proportion of ownership interest	Holding	Portion of voting power held	Principal activity
		2025/2024		2025/2024	
Breakwater Investments Limited	Malta	100 (100)	Direct	100 (100)	Holding Company
Carmelo Caruana Company Limited	Malta	100 (100)	Indirect	100 (100)	Shipping agent
Motherwell Bridge Industries Limited	Malta	80 (80)	Indirect	80 (80)	Erection refurbishment of container handling equipment
Allcom SP. Z O.O.	Poland	100 (100)	Indirect	100 (100)	Shipping and freight forwarding
Motherwell Bridge Offsite Services, Unipessoal LDA	Portugal	100 (100)	Indirect	100 (100)	Specialised installation of machinery in an industrial complex
STS Marine Solutions UK Limited	UK	100 (100)	Indirect	100 (100)	Energy transfer and marine terminal support services.
Cobalt Leasing Limited	UK	100 (100)	Indirect	100 (100)	Container Leasing
STS Marine Solutions (Bermuda) Limited	Bermuda	100 (100)	Indirect	100 (100)	Ship-to-ship operations
SPT Marine Transfer Services Limited	Bermuda	100 (100)	Indirect	100 (100)	Terminal management
Guardian L.L.C.	Marshall Islands	100 (100)	Indirect	100 (100)	Operation of vessel
Techniplus S.A.	Morocco	80 (80)	Indirect	80 (80)	Crane and port services

19. Financial assets (continued)

(a) Investments in subsidiaries (continued)

Subsidiaries (continued)

Name of subsidiary	Place of incorporation and ownership	Proportion of ownership interest	Holding	Portion of voting power held	Principal activity
		2025/2024		2025/2024	
Premier Capital p.l.c.	Malta	99.99 (99.99)	Direct	99.99 (99.99)	Holding Company
Premier Restaurants Malta Limited	Malta	100 (100)	Indirect	100 (100)	Operator McDonald's restaurants in Malta
SIA Premier Restaurants	Latvia	100 (100)	Indirect	100 (100)	Operator McDonald's restaurants in Latvia
Premier Restaurants Esti OU	Estonia	100 (100)	Indirect	100 (100)	Operator McDonald's restaurants in Estonia
UAB Premier Restaurants	Lithuania	100 (100)	Indirect	100 (100)	Operator McDonald's restaurants in Lithuania
Premier Restaurants Hellas Single Member S.A.	Greece	100 (100)	Indirect	100 (100)	Operator McDonald's restaurants in Greece
Premier Restaurants Romania SRL (PRR SRL)	Romania	N/A (N/A)	Indirect	N/A (N/A)	Operator McDonald's restaurants in Romania
Hili Properties p.l.c.	Malta	89.96 (74.83)	Direct	89.96 (74.83)	Holding Company
Hili Estates Holdings Company Limited	Malta	89.96 (74.83)	Indirect	89.96 (74.83)	Holding Company
Hili Estates Limited	Malta	89.96 (74.83)	Indirect	89.96 (74.83)	Hold and rent immovable property

19. Financial assets (continued)

(a) Investments in subsidiaries (continued)

Subsidiaries (continued)

Name of subsidiary	Place of incorporation and ownership	Proportion of ownership interest	Holding	Portion of voting power held	Principal activity
		2025/2024		2025/2024	
Premier Estates Limited	Malta	89.96 (74.83)	Indirect	89.96 (74.83)	Hold and rent immovable property
Harbour (APM) Investments Ltd	Malta	89.96 (74.83)	Indirect	89.96 (74.83)	Hold and rent of immovable property
Hili Properties BV	Netherlands	89.96 (74.83)	Indirect	89.96 (74.83)	Holding Company
Premier Estates Eesti OU	Estonia	89.96 (74.83)	Indirect	89.96 (74.83)	Hold and rent immovable property
UAV Premier Estates Lietuva	Lithuania	89.96 (74.83)	Indirect	89.96 (74.83)	Hold and rent immovable property
Indev UAB	Lithuania	89.96 (74.83)	Indirect	89.96 (74.83)	Hold and rent immovable property
SIA Premier Estates Ltd SIA	Latvia	89.96 (74.83)	Indirect	89.96 (74.83)	Hold and rent immovable property
SIA Apex Investments	Latvia	89.96 (74.83)	Indirect	89.96 (74.83)	Hold and rent immovable property
SIA Tirdzniecibas centrs Dole	Latvia	89.96 (74.83)	Indirect	89.96 (74.83)	Hold and rent immovable property
SIA SC Stirnu	Latvia	89.96 (74.83)	Indirect	89.96 (74.83)	Hold and rent immovable property
Baneasa Real Estate SRL	Romania	89.96 (74.83)	Indirect	89.96 (74.83)	Hold and rent immovable property
Hili Premier Estates Romania srl	Romania	89.96 (74.83)	Indirect	89.96 (74.83)	Hold and rent immovable property
Premier Assets SRL	Romania	89.96 (74.83)	Indirect	89.96 (74.83)	Hold and rent immovable property

19. Financial assets (continued)

(a) Investments in subsidiaries (continued)

Subsidiaries (continued)

Name of subsidiary	Place of incorporation and ownership	Proportion of ownership interest	Holding	Portion of voting power held	Principal activity
		2025/2024		2025/2024	
HV Hospitality Limited	Malta	100 (100)	Direct	100 (100)	Acquisition, development, and management of hotels
Hili Finance Company p.l.c.	Malta	99.99 (99.99)	Direct	99.99 (99.99)	Holding Company
Marsamxett Properties Limited	Malta	100 (100)	Direct	100 (100)	Holding Company
Battery Street Limited	Malta	100 (100)	Direct	100 (100)	Hotel Operation
Tigné Mall Limited (formerly Tigné Mall p.l.c.)	Malta	100 (100)	Indirect	100 (100)	Management of The Point Shopping Mall
Harbour Holdings Limited	Malta	66.65 (66.65)	Direct	66.65 (66.65)	Holding Company
TBP Properties Single Member SA	Greece	100 (100)	Direct	100 (100)	Hold and rent immovable property

19. Financial assets (continued)

(a) Investments in subsidiaries (continued)

Subsidiaries (continued)

The registered addresses of the Company's indirect subsidiaries at 31 December 2025 are as follows:

Name of subsidiary	Registered Office
1923 Investments Limited	Nineteen Twenty Three, Valletta Road, Marsa MRS 3000, Malta
Harvest Technology p.l.c.	Nineteen Twenty Three, Valletta Road, Marsa MRS 3000, Malta
PTL Limited	Nineteen Twenty Three, Valletta Road, Marsa MRS 3000, Malta
APCO Limited	Nineteen Twenty Three, Valletta Road, Marsa MRS 3000, Malta
APCOPAY Limited	Nineteen Twenty Three, Valletta Road, Marsa MRS 3000, Malta
Ipsyon Limited	Nineteen Twenty Three, Valletta Road, Marsa MRS 3000, Malta
iSpot Premium Romania	Calea Floreasca Nr. 246 B, Centrul Comercial Promenada In Prezent Denumita Unitatea Nr. 1F-055, București Sectorul 1, Romania
PTLtech (Mauritius) Limited	Suite 803, 8th Floor, Hennessy Tower, Pope Hennessy Street,, Port Louis, Port Louis 11328, Mauritius
iSpot Poland SP. Z O.O.	Puławska 2, 02-566 Warsaw, Poland
SAD SP. Z O.O.	Puławska 2, 02-566 Warsaw, Poland
iCenter Hungary kft	1117 Budapest, Gabor Denes street 4. C. ep. Fsztl., Hungary
Breakwater Investments Limited	Nineteen Twenty Three, Valletta Road, Marsa MRS 3000, Malta
Carmelo Caruana Company Limited	Nineteen Twenty Three, Valletta Road, Marsa MRS 3000, Malta
Motherwell Bridge Industries Limited	Hal Far Industrial Estate, Hal Far, Birzebuga, Malta
Allcom SP. Z O.O.	No. 16, 10 Lutego Street, 81 - 364 Gdynia, Poland
Motherwell Bridge Offsite Services, Unipessoal LDA	Rua Marginal do Rio Sousa, 9, R/C, Entrance 7, Porto, Paredes, 4580 144, Portugal

19. Financial assets (continued)

(a) Investments in subsidiaries (continued)

Subsidiaries (continued)

Name of subsidiary	Registered Office
STS Marine Solutions UK Limited	1 The Cloisters, Sunderland, Tyne & Wear, SR2 7BD, United Kingdom
Cobalt Leasing Limited	St John's Court, Easton Street, High Wycombe, HP11 1JX, United Kingdom
STS Marine Solutions (Bermuda) Limited	Appleby, Canon's Court, 22 Victoria Street, Hamilton, Bermuda, HM 12
SPT Marine Transfer Services Limited	Appleby, Canon's Court, 22 Victoria Street, Hamilton, Bermuda, HM 12
Guardian L.L.C.	Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, MH96960, Marshall Islands
Techniplus S.A.	Complexe Futuris Logistics, Boulevard Moulay Ismail, Lotissement Ennouala 2, 1er étage, Dépôt A1-2, Ain Sebaa – Casablanca, Morocco
Premier Capital p.l.c.	Nineteen Twenty Three, Valletta Road, Marsa MRS 3000, Malta
Premier Restaurants Malta Limited	Nineteen Twenty Three, Valletta Road, Marsa MRS 3000, Malta
SIA Premier Restaurants	Dunties iela 6, Rīga, LV-1013, Latvia
Premier Restaurants Esti OU	Maakri 23A, Harju maakond, 10145, Tallinn, Estonia
UAB Premier Restaurants	Tilto g. 1, LT-01101 Vilnius, Lithuania
Premier Restaurants Hellas Single Member S.A.	9 Kleisouras, 14452, Metamorfofi, Attiki, Greece
Premier Restaurants Romania SRL (PRR SRL)	4-8 Nicolae Titulescu Road, America House Building, West Wing, 5th Floor, Sector 1, Bucharest, Romania

19. Financial assets (continued)

(a) Investments in subsidiaries (continued)

Subsidiaries (continued)

Name of subsidiary	Registered Office
Hili Properties p.l.c.	Nineteen Twenty Three, Valletta Road, Marsa MRS 3000, Malta
Hili Estates Holdings Company Limited	Nineteen Twenty Three, Valletta Road, Marsa MRS 3000, Malta
Hili Estates Limited	Nineteen Twenty Three, Valletta Road, Marsa MRS 3000, Malta
Premier Estates Limited	Nineteen Twenty Three, Valletta Road, Marsa MRS 3000, Malta
Harbour (APM) Investments Ltd	Nineteen Twenty Three, Valletta Road, Marsa MRS 3000, Malta
Hili Properties BV	Herikerbergweg 88, 1101 CM Amsterdam, The Netherlands
Premier Estates Eesti OU	Maakri 23A, Harju maakond, 10145, Tallinn, Estonia
UAV Premier Estates Lietuva	Tilto g. 1, LT-01101 Vilnius, Lithuania
Indev UAB	Bridge G. 1, Vilnius, Lithuania
SIA Premier Estates Ltd SIA	Rīga, Kr. Valdemāra iela 21-11, LV-1010, Latvia.
SIA Apex Investments	Satekles iela 2B, Rīga, LV-1050, Latvia
SIA Tirdzniecības centrs Dole	Latgales iela 357 - 2, Rīga, LV-1063, Latvia
SIA SC Stirnu	Satekles iela 2B, Rīga, LV-1050, Latvia
Baneasa Real Estate SRL	Street BUCUREȘTI-PLOIEȘTI no. 89A, Building C2, Ground floor, București, District 1
Hili Premier Estates Romania srl	4-8 Nicolae Titulescu Road, America House Building, West Wing, 5th Floor, Sector 1, Bucharest, Romania
Premier Assets SRL	4-8 Nicolae Titulescu Road, America House Building, West Wing, 5th Floor, Sector 1, Bucharest, Romania

19. Financial assets (continued)

(a) Investments in subsidiaries (continued)

Subsidiaries (continued)

Name of subsidiary	Registered Office
HV Hospitality Limited	Nineteen Twenty Three, Valletta Road, Marsa MRS 3000, Malta
Hili Finance Company p.l.c.	Nineteen Twenty Three, Valletta Road, Marsa MRS 3000, Malta
Marsamxett Properties Limited	Nineteen Twenty Three, Valletta Road, Marsa MRS 3000, Malta
Battery Street Limited	Nineteen Twenty Three, Valletta Road, Marsa MRS 3000, Malta
Tigné Mall Limited (formerly Tigné Mall p.l.c.)	Management Suite, The Point Shopping Mall, Pjazza Tigne Point, Sliema, TP 01, Malta
Harbour Holdings Limited	Nineteen Twenty Three, Valletta Road, Marsa MRS 3000, Malta
TBP Properties Single Member SA	280, Kifisias Ave, Halandri, 15232, Attika, Greece

19. Financial assets (continued)

(b) Loans and receivables

	Loans to shareholders	Loans to subsidiaries	Loans to related parties	Total
	EUR	EUR	EUR	EUR
2024				
Amortised cost	9,525,612	80,491,919	5,361,549	95,379,080
At 31 December 2024				
Less: amounts expected to be settled within 12 months (shown under current assets)	(24,338)	(11,679,235)	(5,361,549)	(17,065,122)
Amounts expected to be settled after 12 months (shown under non-current assets)	9,501,274	68,812,684	-	78,313,958
2025				
Amortised cost	6,980,887	76,226,250	185,743	83,392,880
At 31 December 2025				
Less: amounts expected to be settled within 12 months (shown under current assets)	-	(11,494,551)	(185,743)	(11,680,294)
Amounts expected to be settled after 12 months (shown under non-current assets)	6,980,887	64,731,699	-	71,712,586

The loans bear interest at 4.5% (2024: 4.5%) except for loans amounting to EUR 27,532,676 (2024: EUR 36,692,676) advanced to 1923 Investments Limited during 2024 which bear interest at 5.5%. Out of the total loans and receivables amounting to EUR 83,392,880 (2024: EUR 95,379,080), loans and receivables amounting to EUR 5,105,213 (2024: EUR 3,544,765) are unsecured and interest-free.

19. Financial assets (continued)

(c) Financial asset investments

Financial assets at fair value through other comprehensive income:	Local listed equity instruments		Foreign listed debt instruments		Foreign listed equity instruments		Total		Other instruments		Total	
	EUR		EUR		EUR		EUR		EUR		EUR	
At 1 January 2024	-	6,592,213	8,080,166	14,672,379	65,090	14,737,469	-					
Additions	-	6,449,854	17,188,711	23,638,565	(23,638,565)	-						
Disposals	-	(8,720,888)	(14,460,724)	(23,181,612)	23,181,612	-						
Deposit to the fund	-	-	-	-	-	1,104,236						
(Decrease)/increase in fair value	-	(18,499)	233,828	215,329	-	215,329						
Other movements	-	-	-	-	232,689	232,689						
At 31 December 2024	-	4,302,680	11,041,981	15,344,661	945,062	16,289,723						
At 1 January 2025	-	4,302,680	11,041,981	15,344,661	945,062	16,289,723						
Additions	61,468,740	11,611,208	17,117,164	90,197,112	(90,197,112)	-						
Disposals	-	(11,377,937)	(21,215,592)	(32,593,529)	32,593,529	-						
Deposit to the fund	-	-	-	-	-	61,679,731						
Withdrawal from the fund	-	-	-	-	-	(8,111,150)						
(Decrease)/increase in fair value	(960,449)	266,786	173,766	(519,897)	-	(519,897)						
Other movements	-	-	-	-	735,612	735,612						
At 31 December 2025	60,508,291	4,802,737	7,117,319	72,428,347	(2,354,328)	70,074,019						

During the year, the Company invested EUR 55,845,311 in local listed equity instruments classified as financial assets at fair value through profit or loss. These shares, held in Bank of Valletta p.l.c., were subsequently disposed of during the year through an in-kind transfer to Slingshot Global SICAV p.l.c. for a total consideration of EUR 61,468,740, representing the fair value of the equity instruments at the transfer date. The disposal resulted in a gain of EUR 5,623,429 which has been recognised in profit or loss as part of the gain on disposal of financial assets, as disclosed in Note 8.

The disposal consideration of EUR 61,468,740 was satisfied through the in-kind transfer of the Bank of Valletta p.l.c. shares to Slingshot Global SICAV p.l.c., resulting in the recognition of an investment in a local listed equity instrument within the fund, classified as financial assets at fair value through other comprehensive income. As at 31 December 2025, this investment recorded a decrease in fair value of EUR 960,449, resulting in a carrying amount of EUR 60,508,291.

19. Financial assets (continued)

(c) Financial asset investments (continued)

The carrying amount of the financial asset investments amounting to EUR 70,074,019 (2024: EUR 16,289,723) represents investments amounting to EUR 60,508,291 (2024: EUR 0) in local listed equity instruments, investments amounting to EUR 4,802,737 (2024: EUR 4,302,680) in foreign listed debt instruments, investments amounting to EUR 7,117,319 (2024: EUR 11,041,981) in foreign listed equity instruments, and liquidity of EUR (2,354,328) (2024: EUR 945,062), which debit liquidity balance is subject to increase or decrease following investment trading. The decrease in fair value recognised through other comprehensive income as at 31 December 2025 amounted to EUR 519,897 (2024: increase of EUR 215,329).

20. Trade and other receivables

	2025	2024
	EUR	EUR
Other receivables	421,555	134,539
Prepayments and accrued income	221,464	220,833
	643,019	355,372
Less: amounts expected to be settled within 12 months (shown under current assets)	(643,019)	(355,372)
	-	-

The carrying value of trade and other receivables is considered a reasonable approximation of fair value. No interest is charged on trade and other receivables.

Allowance for estimated irrecoverable amounts

Other receivables of the Company are stated net of an impairment provision for ECL from non-performing receivables amounting to EUR 846,346 (2024: EUR 846,346). There were no movements in provisions for bad and doubtful receivables during the current year.

21. Trade and other payables

	2025	2024
	EUR	EUR
Trade payables	189,133	161,354
Other payables	326,453	280,228
Accruals and deferred income	1,411,975	1,238,076
	1,927,561	1,679,658
Less: amount due for settlement within 12 months (shown under current liabilities)	(1,927,561)	(1,679,658)
	-	-

No interest is charged on trade and other payables.

22. Bank loans and overdrafts

	2025	2024
	EUR	EUR
Bank overdrafts	15,756,339	-
Bank loans	38,000,000	23,500,000
	53,756,339	23,500,000
Less: amount due for settlement within		
12 months (shown under current liabilities)	(48,256,339)	(6,000,000)
Amount due for settlement after		
12 months (shown under non-current liabilities)	5,500,000	17,500,000

The current obligation of the Company to pay EUR 48,256,339 (2024: EUR 6,000,000) within one year includes three loan facilities amounting to EUR 34,988,247 with HSBC Malta p.l.c. and one overdraft facility amounting to EUR 14,268,092 with Bank of Valletta p.l.c. In 2024, this includes one loan facility amounting to EUR 6,000,000 with HSBC Malta p.l.c.

Bank loans and overdrafts are payables as follows:

	2025	2024
	EUR	EUR
On demand or within one year	48,256,339	6,000,000
In the second year	5,500,000	17,500,000
	53,756,339	23,500,000

During the financial year ended 2025, the Company entered into two additional loan facilities with HSBC Bank Malta p.l.c. amounting to EUR 15,000,000 and EUR 6,000,000 respectively. The EUR 15,000,000 facility bears a fixed interest rate of 4.21% per annum and is repayable by 31 March 2026, while the EUR 6,000,000 facility bears a fixed interest rate of 5.35% per annum and is repayable by 22 November 2027. These facilities are in addition to the existing EUR 17,500,000 loan facility entered into in 2024 with HSBC Bank Malta p.l.c., which bears a fixed interest rate of 5% per annum and is repayable by 31 December 2026.

As at year end, the Company had three fully drawn term loan facilities with HSBC Bank Malta p.l.c. amounting in aggregate to EUR 32,500,000 (2024: EUR 17,500,000). The EUR 17,500,000 facility bears interest at 2.65% per annum above the Bank's Commercial Managed Base Rate of 2.35% per annum. The EUR 15,000,000 facility bears interest at 2.15% per annum above the 3-month EURIBOR, currently 2.061%. In addition, EUR 5,500,000 had been drawn down from the EUR 6,000,000 facility, which bears interest at 3% per annum above the Bank's Commercial Managed Base Rate of 2.35% per annum.

The Company maintains two bank overdraft facilities comprising EUR 20,000,000 with Bank of Valletta p.l.c. at a fixed interest rate of 4% per annum and EUR 2,000,000 with HSBC Bank Malta p.l.c. at a fixed interest rate of 5.6% per annum. Both overdraft facilities are repayable on demand. As at the reporting date, EUR 14,268,092 and EUR 1,488,247 had been drawn down from the respective facilities.

23. Other financial liabilities

	2025	2024
	EUR	EUR
Amounts owed to group undertakings	285,560,599	275,709,642
Amounts owed to shareholders	-	2,000,000
	285,560,599	277,709,642
Less: amount due for settlement within 12 months (shown as current liabilities)	(15,359,159)	(9,646,661)
Amounts due for settlement after 12 months (shown as non-current liabilities)	270,201,440	268,062,981

The terms and conditions of amounts due to group undertakings are as follows:

- Amounts of EUR 7,187,449 (2024: EUR 7,075,343) that bear no interest, and are repayable by 31 December 2026.
- Amounts of EUR 3,500,000 (2024: EUR 3,500,000) that bear interest at 4.5% per annum, and are repayable by 31 December 2026.
- Amounts of EUR 3,095,630 (2024: EUR 3,095,630) that bear interest at 4.5% per annum, and are repayable by 31 December 2027.
- Amount of EUR 4,000,000 (2024: EUR 4,000,000) that bears interest at 4.5% per annum, and is repayable by 31 December 2026.
- Amount of EUR 750,000 (2024: EUR 750,000) that bear interest at 4.5% per annum and is repayable by 31 December 2026.
- Amount of EUR 50,000,000 (2024: EUR 50,000,000) that bears interest at 4.5% per annum, and is repayable by 7 March 2027.
- Amount of EUR 41,930,958 (2024: EUR 41,930,958) that bears interest at 4.5% per annum, and is repayable by 30 June 2028.
- Amount of EUR 80,000,000 (2024: EUR 80,000,000) that bears interest at 4.5% per annum, and is repayable by 20 August 2029.
- Amount of EUR 80,000,000 (2024: EUR 80,000,000) that bears interest at 5.5% per annum, and is repayable by 30 June 2029.
- Amount of EUR 7,000,000 (2024: EUR 7,000,000) that bears interest at 4.5% per annum, and is repayable by 31 December 2028.
- Amount of EUR 9,969,964 (2024: EUR 0) that bears interest at 3.5% per annum, and is repayable by the 31 December 2029.
- Included in amounts owed to group undertakings is an amount of EUR 562,598 (2024: EUR 733,728) comprising of bond issue costs which are being amortised over a period of 10 years until 24 July 2028 and 27 August 2029 respectively, an amount of EUR 168,757 (2024: EUR 313,404), comprising of bond issue costs which are being amortised over a period of 5 years until 11 March 2027, an amount of EUR 907,255 (2024: EUR 1,166,475) comprising of bond issue costs which are being amortised over a period of 5 years until 17 July 2029, and an amount of EUR 156,502 (2024: EUR 0) comprising of bond issue costs which are being amortised over a period of 7 years until 6 February 2033.

24. Deferred tax assets

	Opening balances EUR	Recognised in Profit and Loss EUR	Closing balance EUR
2024			
<i>Arising on:</i>			
Other temporary differences	386,357	30,973	417,330
2025			
<i>Arising on:</i>			
Other temporary differences	417,330	198,780	616,110

25. Share capital

In 2025 and 2024, the authorised share capital remained unvaried to:

- 16,000,000 ordinary shares of EUR 1 each, of which 1,000,000 shares were issued and called up; and
- 79,000,000 non-cumulative 6.8% preference redeemable preference shares of EUR 1 each, of which 68,400,000 shares were issued and called up.

All ordinary shares issued in the Company rank *pari-passu* in all respects including dividend rights and capital repayment rights.

Although the preference shares are redeemable, they still meet the definition of an equity instrument as stipulated in International Accounting Standard 32, Financial Instruments as the redemption of the 68,400,000 preference shares at 6.8% are redeemable at par value at the option of the Company by 31 December 2099 following a resolution to this effect at the General Meeting.

The ordinary shares of the Company rank after the preference shares as regards payment of dividends and return of capital but carry full voting rights at general meetings of the Company. Voting rights are not available to the preference shareholders. Dividends payable on ordinary shares fluctuate depending on the Company's results whereas preference dividends are payable at a fixed rate and are non-cumulative.

At 31 December 2025 and 2024, the above-mentioned shares were subscribed to by the following shareholders:

- APM Holdings Limited, 500,000 ordinary shares and 68,400,000 non-cumulative 6.8% redeemable preference shares.
- Slingshot Capital Limited, 500,000 ordinary shares.

26. Cash and cash equivalents

Cash and cash equivalents included in the statement of cash flows comprise the following amounts in the statement of financial position:

	2025	2024
	EUR	EUR
Cash at bank and on hand	37,137	1,419,825
Overdrawn bank balances	(15,756,339)	-
<hr/>		
Cash and cash equivalents in in the statements of cash flows	(15,719,202)	1,419,825

Cash at bank earns interest at floating rates based on bank deposit rates.

27. Related party transactions

Hili Ventures Limited is the parent company of the undertakings highlighted in Note 19.

The Directors consider the ultimate controlling party to be Mr Carmelo Hili, who as of 31 December 2025, holds 100% (2024: 100%) of the voting rights in the Company.

During the course of the year, the Company entered into transactions with related parties as set out below.

	Related party activity EUR	Total activity EUR	%
2024			
Revenue:			
<i>Related party transactions with:</i>			
Subsidiaries	2,696,500	2,696,500	100%
<hr/>			
Administrative expenses:			
<i>Related party transactions with:</i>			
Subsidiaries	754,811	4,525,015	17%
<hr/>			
Finance expenses:			
<i>Related party transactions with:</i>			
Subsidiaries and related parties	11,260,976	12,781,588	88%
<hr/>			
Investment income:			
<i>Related party transactions with:</i>			
Subsidiaries	63,016,718	-	
Shareholders	615,059	-	
	63,631,777	64,507,581	99%

27. Related party transactions (continued)

2025	Related party activity activity EUR	Total activity activity EUR	%
Revenue:			
<i>Related party transactions with:</i>			
Subsidiaries	<u>2,896,208</u>	<u>2,896,208</u>	<u>100%</u>
Administrative expenses:			
<i>Related party transactions with:</i>			
Subsidiaries	<u>551,720</u>	<u>6,912,436</u>	<u>8%</u>
Finance expenses:			
<i>Related party transactions with:</i>			
Subsidiaries and related parties	<u>13,275,025</u>	<u>15,344,492</u>	<u>87%</u>
Investment income:			
<i>Related party transactions with:</i>			
Subsidiaries	52,394,111	-	
Shareholders	639,433	-	
	<u>53,033,544</u>	<u>62,375,011</u>	<u>85%</u>

During the years 2025 and 2024, there was no impairment loss on amounts due from related parties.

The amounts due to and from related parties at year-end are disclosed in Notes 19 and 23. Other than as disclosed in the respective note, no guarantees have been given or received. The terms and conditions in respect of the related party balances do not specify the nature of the consideration to be provided in settlement.

28. Significant non-cash transactions

During 2025, there were the following significant non-cash transactions:

- (i) A non-cash dividend amount of EUR 10,000,000 was issued to APM Holdings Limited and allocated against loans payable.
- (ii) The amount of EUR 219,000 receivable from Battery Street Limited was converted into an increase in Investment in Battery Street Limited.
- (iii) The amount payable from APM Holdings Limited to Breakwater Investments Limited of EUR 1,559,495 was assigned from APM Holdings Limited to Hili Ventures Limited. The assigned amount of EUR 1,559,495 payable to Breakwater Investments Limited by Hili Ventures Limited was set off against the loan receivables from Breakwater Investments Limited EUR 812,000 and trading receivables of EUR 747,495.
- (iv) During the year, Bank of Valletta p.l.c. shares were transferred in-kind from Hili Ventures Limited to Slingshot Global SICAV p.l.c. for a total consideration of EUR 61,468,740, representing the fair value of the equity instruments at the transfer date.

28. Significant non-cash transactions (continued)

During 2024, there were following significant non-cash transactions:

- (i) An amount of EUR 39,889,800 included in investments in subsidiaries, which has been reclassified from loans receivable from subsidiaries.
- (ii) The Company recognised a lease liability amounting to EUR 4,600 on 1 June 2024, due to an additional contract. Cash payments made on the total leases amounted to EUR 388,931 (inclusive of interest). The interest expense during the year amounted to EUR 66,208. The interest, together with the additions to leases recognised during the year, represent the non-cash movements of EUR 70,805 presented in Note 31 for leases.
- (iii) A loan payable of EUR 22,406,924 was set off against a loan receivable of EUR 24,219,600 in July 2024.
- (iv) A loan payable of EUR 480,000 was set off against a loan receivable upon the distribution of non-cash dividend in January 2024.

29. Fair values of financial assets and financial liabilities

At 31 December 2025 and 2024 the carrying amounts of financial assets and financial liabilities classified with current assets and current liabilities respectively approximated their fair values due to the short-term maturities of these assets and liabilities.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair values of non-current financial assets and non-current financial liabilities that are not measured at fair value, other than the shares in subsidiary companies that are carried at cost, are not materially different from their carrying amounts due to the fact that the interest rates are considered to represent market rates at the year end.

For financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Company determines when transfers are deemed to have occurred between Levels in the hierarchy at the end of each reporting period.

The following table provides an analysis of financial instruments that are not measured subsequent to initial recognition at fair value, other than those with carrying amounts that are a reasonable approximation of fair value and other than shares in subsidiaries, grouped into Levels 1 to 3.

29. Fair values of financial assets and financial liabilities (continued)

	Level 1 EUR	Level 2 EUR	Level 3 EUR	Total EUR	Carrying amount EUR
2024					
Financial assets at amortised cost					
<i>Loans and receivables</i>					
- receivables from related parties	-	95,379,080	-	95,379,080	95,379,080
Financial liabilities					
<i>Financial liabilities at amortised cost</i>					
- related party loans	-	277,709,642	-	277,709,642	277,709,642
- bank loans and overdrafts	-	23,500,000	-	23,500,000	23,500,000
Total	-	301,209,642	-	301,209,642	301,209,642

	Level 1 EUR	Level 2 EUR	Level 3 EUR	Total EUR	Carrying amount EUR
2025					
Financial assets at amortised cost					
<i>Loans and receivables</i>					
- receivables from related parties	-	83,392,880	-	83,392,880	83,392,880
Total	-	83,392,880	-	83,392,880	83,392,880
Financial liabilities					
<i>Financial liabilities at amortised cost</i>					
- related party loans	-	285,560,599	-	285,560,599	285,560,599
- bank loans and overdrafts	-	53,756,339	-	53,756,339	53,756,339
Total	-	339,316,938	-	339,316,938	339,316,938

29. Fair values of financial assets and financial liabilities (continued)

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3.

	Level 1 EUR	Level 2 EUR	Level 3 EUR	Total EUR
Financial assets				
Foreign listed debt, equity and derivative instruments				
As at 31 December 2024	15,344,661	-	-	15,344,661
Financial assets				
Local listed debt, equity and derivative instruments	60,508,291	-	-	60,508,291
Foreign listed debt, equity and derivative instruments	11,920,056	-	-	11,920,056
As at 31 December 2025	72,428,347	-	-	72,428,347

The fair values of the financial assets and liabilities included in the Level 2 category have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties.

The exposures to risk and the way risks arise, together with the Company's objectives, policies and processes for managing and measuring these risks are disclosed in more detail in Note 30.

The objectives, policies and processes for managing financial risks and the methods used to measure such risks are subject to continual improvement and development. Where applicable, any significant changes in the Company's exposure to financial risks or the manner in which the Company manages and measures these risks are disclosed in Note 30.

Where possible, the Company aims to reduce and control risk concentrations of financial risk areas when financial instruments with similar characteristics are influenced in the same way by changes in economic or other factors. The amount of the risk exposure associated with financial instruments sharing similar characteristics is disclosed in more detail in Note 30.

30. Financial risk management

Credit risk

Financial assets which potentially subject the Company to concentrations of credit risk, consist principally of loans and receivables, other receivables, financial asset investments and cash at bank.

Loans and receivables mainly consist of amounts due from subsidiaries, for which IFRS 9 is applied by the Company, using the ECL model for all group loans. As opposed to the simplified model, the ECL model takes the weighted average of credit losses with the respective risks of defaults occurring as the weights. The assessment includes the following:

30. Financial risk management (continued)

Credit risk (continued)

- Exposure of default: the total amount of loan outstanding;
- Probability of default: which refers to the percentage or likelihood that the borrower will not be able to repay the debt in the expected period; and
- Loss given default: represents the loss suffered by the Company if the borrower defaults and is not able to repay the loan.

After applying the ECL model, the Company assessed that there was no significant credit risk at the end of the current and previous reporting periods.

Other receivables consist of accrued income receivable and also other receivables, which are primarily amounts assigned from group companies. As in the case of loans and receivables, the entity applied the ECL model on other receivables at the year end. The carrying amount of other receivables after this assessment is considered to be recoverable at the year end.

The Company holds money exclusively with institutions having high quality external credit ratings. The cash and cash equivalents held with such banks at 31 December 2025 and 2024 are callable on demand. The banks with whom cash and cash equivalents are held have a credit rating of BBB by Standard and Poor's or form part of an international banking group with an A credit rating by the same credit rating agency and similar high ratings by other agencies. Management considers the probability of default from such banks to be close to zero and the amount calculated using the 12-month ECL model to be very insignificant. Therefore, based on the above, no loss allowance has been recognised by the Company.

Quoted investments are acquired after assessing the quality of related investments.

The ECL at 31 December 2025 and 2024 was estimated based on a range of forecast economic scenarios as at that date.

Currency risk

Foreign currency transactions arise when the Company buys or sells goods or services whose price is denominated in a foreign currency, borrows or lends funds when the amounts payable or receivable are denominated in a foreign currency or acquires or disposes of assets, or incurs or settles liabilities, denominated in a foreign currency. Foreign currency transactions comprise mainly transactions in USD, GBP, PLN and DKK.

The risk arising from foreign currency transactions is managed by regular monitoring of the relevant exchange rates and management's reaction to material movements thereto.

Interest rate risk

The Company has taken out bank facilities to finance its operations as disclosed in Note 22. The terms of such borrowings are disclosed accordingly. The effective interest rate on loans and receivables, bank borrowings, other financial liabilities, and cash at bank are disclosed in Notes 19, 22, 23 and 26, respectively.

30. Financial risk management (continued)

Interest rate risk (continued)

The Company is exposed to cash flow interest rate risk on borrowings carrying a floating interest rate and to fair value interest rate risk on borrowings carrying a fixed interest rate to the extent that these are measured at fair value. Investments in equity instruments are not exposed to interest rate risk.

Management monitors the movement in interest rates and, where possible, reacts to material movements in such rates by adjusting its selling prices or by restructuring its financing structure.

The carrying amounts of the Company's financial instruments carrying a rate of interest at the end of the reporting period are disclosed in the notes to the financial statements.

Sensitivity analysis

The Company has used a sensitivity analysis technique that measures the change in cash flows of the Company's bank borrowings, net of cash at bank and on hand, at the end of the reporting period for hypothetical changes in the relevant market risk variables. The sensitivity due to changes in the relevant risk variables is set out below.

The amounts generated from the sensitivity analysis are forward-looking estimates of market risk assuming certain market conditions. Actual results in the future may differ materially from those projected results due to the inherent uncertainty of global financial markets.

In view of the recent volatility witnessed in the markets during the last quarter of 2025 and the first few months of 2026, interest rates may be subject to a higher degree of variability. As a result, the profitability of the Company might be impacted from a higher interest rate risk.

The estimated change in cash flows for changes in market interest rates are based on an instantaneous increase or decrease of 100 basis points at the end of the reporting period, with all other variables remaining constant.

The sensitivity of the relevant risk variables is as follows:

	Profit or loss sensitivity	
	2025	2024
	EUR	EUR
Market interest rates – cash flow	+/-540k	+/-221k

The sensitivity on profit or loss in respect of market interest rates is mainly attributable to bank overdraft and bank loans. The sensitivity analysis is for illustrative purposes only, as in practice, market rates rarely change in isolation and are likely to be interdependent.

30. Financial risk management (continued)

Liquidity risk

The Company monitors and manages its risk to a shortage of funds by maintaining sufficient cash, by matching the maturity of both their financial assets and financial liabilities and by monitoring the availability of raising funds to meet financial obligations.

Management monitors liquidity risk by means of cash flow forecasts on the basis of expected cash flows over a twelve-month period, which is adjusted monthly and monitored on a weekly basis, to ensure that any additional financing requirements are addressed in a timely manner.

The Company is exposed to liquidity risk in relation to meeting the future obligations associated with their financial liabilities, which comprise principally trade and other payables, interest-bearing borrowings and other financial liabilities are disclosed in Notes 21, 22 and 23 respectively. Prudent liquidity risk management includes maintaining sufficient cash and committed credit lines to ensure the availability of an adequate amount of funding to meet the Company's obligations.

The following maturity analysis for financial liabilities shows the remaining contractual maturities using the contractual undiscounted cash flows on the basis of the earliest date on which the Group can be required to pay. The analysis includes both interest and principal cash flows.

	On demand or within 1 year	Within 2-5 years	More than 5 years	Total
2024	EUR	EUR	EUR	EUR
Non-derivatives financial liabilities				
Non-interest bearing	10,778,896	-	-	10,778,896
Fixed interest-bearing	27,032,402	300,133,418	-	327,165,820
Variable rate instruments	-	17,500,000	-	17,500,000
	<u>37,811,298</u>	<u>317,633,418</u>	<u>-</u>	<u>355,444,716</u>
2025				
Non-derivatives financial liabilities				
Non-interest bearing	1,927,561	-	-	1,927,561
Fixed interest-bearing	21,511,545	297,388,561	-	318,900,106
Variable rate instruments	50,108,552	5,772,999	-	55,881,551
	<u>73,547,658</u>	<u>303,161,560</u>	<u>-</u>	<u>376,709,218</u>

31. Reconciliation of liabilities arising from financing activities

The table below details changes in the Company's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the statement of cash flows as cash flows from financing activities:

	Opening Balance EUR	Cash EUR	Other non- cash changes EUR	Closing Balance EUR
2024				
Bank loans	28,934,047	(5,466,150)	32,103	23,500,000
Other financial liabilities	218,375,443	32,914,090	26,420,109	277,709,642
Leases	1,829,111	(388,931)	70,805	1,510,985
2025				
Bank loans	23,500,000	13,818,643	681,357	38,000,000
Other financial liabilities	277,709,642	(5,945,976)	13,796,933	285,560,599
Leases	1,510,985	(396,085)	49,017	1,163,917

32. Capital risk management

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern and to maximise the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Company consists of debt, which includes the borrowings disclosed in Notes 22 and 23 cash and cash equivalents as disclosed in Note 26 and of items presented within equity in the statement of financial position.

The Directors manage the capital structure and adjust it considering changes in economic conditions. The capital structure is reviewed on an ongoing basis. Based on recommendations of the Directors, the Group balances its overall capital structure through the payments of dividends, new share issues as well as the issue of new debt or the redemption of existing debt.

33. Reclassification of comparatives

The amount of EUR 1,110,419 relating to gain on disposal of investments was reclassified from Administrative Expenses to Investment income, in the opening balances of the Statement of profit or loss and other comprehensive income. This increased the Administrative expenses from EUR 4,525,015 to EUR 5,635,434, increased Operating loss from EUR 1,868,676 to EUR 2,979,095 and increased Investment Income from EUR 64,507,581 to EUR 65,618,000. Profit before tax and profit for the year remained unchanged.

34. Contingent liabilities

During 2025, the Company acted as a guarantor to secure bank facilities of one of its subsidiaries in the amount of EUR 7,026,000 (2024: EUR 7,026,000).

During 2025, the Company also acted as a guarantor for bonds issued by Hili Finance Company p.l.c. for the amount of EUR 40,000,000 as from 2018, EUR 80,000,000 as from 2019, EUR 50,000,000 as from March 2022 and a further EUR 80,000,000 as from July 2024.

Refer to Note 22 for information on the Company's bank overdraft and loan facilities and on the security given over such facilities.

35. Events after the reporting period

In February 2026, Hili Finance p.l.c. issued unsecured bonds amounting to EUR 60,000,000 of a nominal value of EUR 100 per bond and carrying an interest rate of 5% per annum. The bonds are redeemable at their nominal value on 6 February 2033.

As at 07 April 2026, the Company successfully acquired, during 2026, a further 29,928,893 shares in its real estate subsidiary, Hili Properties p.l.c., representing just under 7.47% of Hili Properties p.l.c.'s issued share capital, raising the Company's total shareholding to 390,570,372 ordinary shares, reflecting just over 97.43% of the issued share capital of Hili Properties p.l.c..

No other adjusting or significant non-adjusting events have occurred between the reporting date of authorisation.

Independent auditor's report

To the shareholders of Hili Ventures Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Hili Ventures Limited ('the company') set out on pages 5 to 55 which comprise the statement of financial position for the year ended 31 December 2025, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the company as at 31 December 2025, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU), and have been properly prepared in accordance with the requirements of the Companies Act, Cap. 386 ('the Act').

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISA). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements of the Accountancy Profession (Code of Ethics for Warrant Holders) Directive issued in terms of the Accountancy Profession Act, Cap. 281 that are relevant to our audit of the financial statements in Malta. We have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The directors are responsible for the other information. The other information comprises the directors' report shown on pages 2 and 3 which we obtained prior to the date of this auditor's report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

With respect to the directors' report, we also considered whether the directors' report includes the disclosures required by Article 177 of the Act.

Based on the work we have performed, in our opinion:

- The information given in the directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements, and
- the directors' report has been prepared in accordance with the Act.

In addition, in light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we are required to report if we have identified material misstatements in the directors' report and other information that we obtained prior to the date of this auditor's report. We have nothing to report in this regard.

Responsibilities of the directors for the financial statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS as adopted by the EU and are properly prepared in accordance with the provisions of the Act, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for overseeing the company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

We also have responsibilities under the Companies Act, Cap. 386 to report to you if, in our opinion:

- adequate accounting records have not been kept;
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report to you in respect of these responsibilities.

The Principal on the audit resulting in this independent auditor's report is Sharon Causon.



Sharon Causon (Principal) for and on behalf of

GRANT THORNTON
Certified Public Accountants

Fort Business Centre
Triq L-Intornjatur, Zone 1
Central Business District
Birkirkara CBD 1050
Malta

8 April 2026

