
FINANCIAL ANALYSIS SUMMARY

20 JUNE 2025

ISSUER

BEST DEAL PROPERTIES HOLDING P.L.C.

(C 88974)

Prepared by:



MZ INVESTMENTS



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The Board of Directors
Best Deal Properties Holding p.l.c.
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20 June 2025

Dear Board Members,

Financial Analysis Summary

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

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

- (a) Historical information for the most recent three financial years ended 31 December 2022, 31 December 2023, and 31 December 2024 has been extracted from the respective audited consolidated annual financial statements.
- (b) The forecast information for the financial year ending 31 December 2025 have been provided by the Issuer.
- (c) Our commentary on the financial performance, cash flows, and financial position of the Group is based on the explanations provided by BDPH.
- (d) The ratios quoted in this Analysis have been computed by applying the definitions set out in Part 4 – Explanatory Definitions.
- (e) Relevant financial data in respect of the companies included in Part 3 – Comparative Analysis has been extracted from public sources such as websites of the companies concerned, financial statements filed with the Malta Business Registry, as well as other sources providing financial information.



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

Yours faithfully,

Evan Mohnani

Head of Corporate Broking

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PART 1 – INFORMATION ABOUT THE GROUP

1. HISTORY AND PRINCIPAL ACTIVITIES

Best Deal Properties Holding p.l.c. was established on 23 October 2018 and is the parent, holding, and finance company of a number of subsidiaries which are engaged in the construction, development, and sale of residential real estate. As such, the Issuer is economically dependent on the prospects of its operating subsidiaries.

In December 2018, the Group raised €16 million through the issuance of 4.25% secured bonds 2024 (the “**2018 Bonds**”), which were guaranteed by Best Deal Developments Limited (the “**2018 Guarantor**”), for the purpose of acquiring and developing three sites located in Pembroke, Żabbar, and Mellieħa as described below. The 2018 Bonds were redeemed in full on 12 December 2024.

- (i) **Pembroke (I) Development – Jewel Court:** the project involved the development of a corner site with unobstructed sea and country views situated in Triq il-Mediterran corner with Triq Gabriele Henin, Pembroke, measuring approximately 380 sqm. In aggregate, the project comprised the construction of 2 maisonettes, 4 apartments, 2 duplex penthouses, and 7 garages.
- (ii) **Żabbar Development – Lotus Complex:** the project involved the development of the site known as Il-Wilġa tal-Imnieġel, measuring approximately 4,149 sqm, and which is positioned on three roads in Triq Ta’ Lanza corner with New Street in Triq il-Kaħwiela, and corner with Triq il-Kaħwiela, Żabbar. In aggregate, the project comprised the construction of 9 blocks consisting of 24 maisonettes, 81 apartments, 22 penthouses, and 198 garages. Four of the aforementioned 9 blocks enjoy open country views from the front terraces as they face a green area.
- (iii) **Mellieħa Development – Laguna Court:** the project involved the development of the sites known as Tal-Ħawlija, Ta’ Masrija, and Tas-Salib, in aggregate measuring approximately 1,249 sqm, located in Triq Ta’ Masrija and New Street off Triq il-Mithna l-Qadima, Mellieħa. The project comprised the construction of 3 blocks having panoramic views visible from the 6th and 7th floors, and consisting of 7 maisonettes, 35 apartments, 7 penthouses, and 55 garages.

In 2019, the Group raised fresh equity from a new investor – C Developments Limited – which acquired 20% of BDPH through an offer for subscription of 625,000 new ordinary shares of a nominal value of €0.10 each at the share issue price of €1.60. The transaction was concluded in terms of a Company Admission Document dated 21 August 2019. The new ordinary shares, together with the 2,500,000 existing ordinary shares, were admitted to Prospects MTF on 22 August 2019. Moreover, C Developments Limited advanced €1.20 million to BDPH to further support the Group’s working capital requirements.

In Q4 2022, the Group raised €15 million through the issuance of 4.75% secured bonds 2025-2027 (the “**2022 Bonds**”), which are guaranteed by Best Deal Estates Limited (the “**2022 Guarantor**”), for the



purpose of acquiring and developing four parcels of land, in aggregate measuring 4,985 sqm, located in an area known as Tal-Għasfura in Nicolo Baldacchino Street, Siggiewi (the “**Siggiewi Site**”). This project involves the construction of 8 blocks comprising 20 maisonettes, 60 apartments, 15 penthouses, and 155 garages (including 2 sub-stations) (“**Città Ferdinand**”).

Best Deal Għadira Limited (the “**2024 Guarantor**”) was incorporated on 23 August 2023 for the purpose of pursuing a new residential project located in Għadira, Mellieħa. On 30 April 2024, the 2024 Guarantor concluded the purchase of a site for a consideration of €7.80 million and measuring 2,643 sqm (the “**Għadira Site**”) which the Group is currently developing into a residential complex comprising 10 maisonettes, 53 apartments, 2 penthouses, and 119 garages (“**The Cove**”). The Għadira Site is adjacent to Triq it-Tunnaġġ and Triq id-Denci corner with Triq it Tumbrell and is free and unencumbered from the obligation of payment of or conditions related to ground rent and, or emphyteutical or other burdens. The Għadira Site is also free from third party servitudes, has guaranteed vacant possession, and includes its airspace and subterranean levels. The Cove is being partly financed from the proceeds received from the issuance of €15 million 5.75% secured bonds 2027-2029 (“the **2024 Bonds**”).

Best Deal Paola Limited (“**BDPL**”) was incorporated on 22 August 2024 for the purpose of pursuing a new residential project located in Paola, limits of Ħal-Tarxien. On 11 February 2025, BDPL concluded the purchase of two sites, in aggregate measuring circa 678 sqm, together with their overlying airspace, situated in Triq Ħal-Luqa and Triq it-Tfief (the “**Paola Site**”) for a total consideration of €2.51 million. The transaction was financed through the Group’s own funds and the Paola Site is being redeveloped into a complex comprising 2 commercial units (one of which will be kept within the Group for own use), 2 maisonettes, 19 apartments (16 two-bedroomed units and 3 three-bedroomed units), 3 penthouses, and 48 garages (the “**Paola Development**”).

2. DIRECTORS AND MANAGEMENT STRUCTURE

2.1 DIRECTORS OF THE ISSUER

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

James Bullock	Chairman & Non-Executive Director
Christopher Attard	Executive Director
Pierre Bartolo	Executive Director
David Basile	Executive Director
Robert Buttigieg	Executive Director
Erskine Vella	Executive Director
Mario P. Galea	Independent Non-Executive Director
Maria Carmela (k/a Marlene) Seychell	Independent Non-Executive Director



2.2 DIRECTORS OF BDPL, THE 2024 GUARANTOR, & THE 2022 GUARANTOR

The board of directors of BDPL, the 2024 Guarantor, and the 2022 Guarantor are composed of the following five individuals:

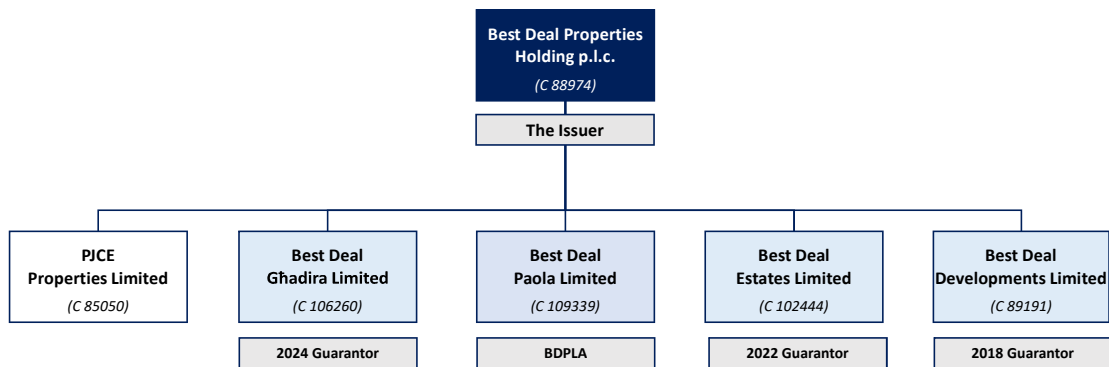
Christopher Attard	Director
Pierre Bartolo	Director
David Basile	Director
Robert Buttigieg	Director
Erskine Vella	Director

2.3 MANAGEMENT STRUCTURE

The Issuer, BDPL, and the Guarantors have no employees and are managed directly by their respective board of directors. In managing each project, the directors have the support of a number of external consultants who are appointed as required.

3. ORGANISATIONAL STRUCTURE

The diagram below illustrates the organisational structure of the Group:



The Issuer is equally owned by C Developments Limited, RCJ Investments Limited, Christopher Attard, Erskine Vella, and Pierre Bartolo, whereby each shareholder holds a 20% equity stake in BDPH. C Developments Limited is equally owned by Mr Francis Basile Cherubino, Edward Cherubino, David Basile, and Luisa De Piro O’Connell. On the other hand, RCJ Investments Limited is equally owned by Robert Buttigieg, Christopher Buttigieg, and Jennifer Sant.

Between FY2016 and FY2023, the Group was involved in the construction and sale of three residential projects – Crystal Court and Blue Moon Court, both located in Marsascala, and Garnet Court located in Mqabba. Elite Developments Limited was responsible for the execution of the projects in Marsascala whilst PJCE Properties Limited was involved in the Garnet Court project. On 25 April 2024, Elite



Development Limited merged with PJCE Properties Limited and was thereafter struck off. Furthermore, on 3 December 2024, the 2018 Guarantor agreed to take over the assets and liabilities of PJCE Properties Limited through a merger. For accounting purposes, the transactions of PJCE Properties Limited are being treated as the transactions of the 2018 Guarantor as from 1 January 2025.

Each project undertaken by the Group is promoted through the Best Deal Properties brand which is operated by Best Deal Properties Limited – a company that is not part of the Group and which is equally owned by Christopher Attard and Erskine Vella.

4. COMPLETED PROJECTS

4.1 BLUE MOON COURT – MARSASCALA

In 2017, the Group acquired a property situated in Triq il-Grigal corner with Triq is-Sajjieda, Marsascala. The development included 2 blocks consisting of 5 maisonettes, 15 apartments, 3 penthouses, and 19 garages. All units and garages were sold in FY2020, except for 1 residential unit and 1 garage which were sold in FY2021. The total cost of the project amounted to €5.50 million whilst total revenues amounted to €7.24 million.

4.2 GARNET COURT – MQABBA

In 2018, PJCE Properties Limited acquired two parcels of land in Triq il-Familja Brancati, Mqabba. This project comprised 2 maisonettes, 23 apartments, 3 penthouses, and 33 garages. All units and garages were sold in FY2021 except for 2 residential units and 2 garages, having an aggregate value of €0.71 million, which were sold in FY2022 and FY2023. The total cost of the project amounted to €6.20 million whilst total revenues amounted to €7.61 million of which €6.90 million were recognised in FY2021, €0.34 million were accounted for in FY2022, and €0.37 million in FY2023.

4.3 JEWEL COURT – PEMBROKE

The project was initiated in 2019 and completed and sold in 2022. The total cost of the project amounted to €3 million whilst total revenues amounted to €4.45 million of which €2.65 million were accounted for between FY2021 and FY2023 (€1.27 million in FY2021, €0.79 million in FY2022, and €0.59 million in FY2023) whilst the remaining €1.80 million were recognised in FY2024.

4.4 LOTUS COMPLEX – ŻABBAR

Civil works started in January 2019, and all 9 blocks have been constructed and finished. As at the end of 2024, 126 residential units (out of a total of 127) and 154 garages (out of a total of 198) were either sold or subject to a promise of sale agreement (“POSA”). As a result, only 1 residential unit and 44 garages were available for sale as at 31 December 2024.



The total cost of the project amounted to circa €27.10 million whilst total revenues are expected to amount to €37.57 million of which an aggregate of €33.95 million have been accounted for between FY2020 and FY2024.

4.5 LAGUNA COURT – MELLIEHA

Construction works started in 2019 whilst finishing works were completed in Q2 2024. As at the end of 2024, all residential units (totalling 49) and garages (totalling 55) were either sold or subject to a POSA. The total cost of the project amounted to circa €11.20 million whilst total revenues are expected to amount to €15.18 million of which €14.70 million have been accounted for between FY2022 and FY2024.

5. CURRENT PROJECTS

5.1 CITTÀ FERDINAND – SIGĠIEWI

Development works commenced in Q1 2023, and the project was completed in shell form in Q1 2025, with full completion expected by the end of 2026. The total cost of the project is expected to amount to circa €31 million. Total revenue is projected to amount to €42.30 million, of which €5.79 million were accounted for in FY2023 (€0.03 million) and FY2024 (€5.76 million).

As at the end of 2024, 60 residential units (out of a total of 95) and 70 garages (out of a total of 155) were either sold or subject to a POSA. As a result, 35 residential units and 85 garages were available for sale as at 31 December 2024.



5.2 PEMBROKE (II) DEVELOPMENT

The Pembroke (II) Development is situated in Triq Profs J. E. Debono, Pembroke, and will comprise 2 maisonettes, 4 apartments, 2 duplex penthouses, and 6 garages.

The project is expected to cost approximately €2.50 million to complete and generate €3.38 million in revenue. The development is being financed from the Group's own cash flows and will be completed in shell form by the end of 2025 and finished by the end of 2027.

5.3 THE COVE – GHADIRA

The project is estimated to cost €29.20 million to pursue whilst revenues are projected to amount to €38.96 million. Most of the income from this project is expected to be recognised in FY2026 and FY2027. The units are expected to be constructed in shell form by the end of Q3 2026, whilst finishing works are anticipated to be completed by the end of Q1 2028.

5.4 PAOLA DEVELOPMENT

The Paola Development is being financed from the proceeds received from the issuance of €7 million 5.35% unsecured bonds 2032 (the "2025 Bonds"), income received from the sale of units and garages forming part of the same project, as well as other sources of funds of the Group.

The project is estimated to cost €8.20 million to pursue whilst revenues are projected to amount to €9.94 million. Most of the income from this project is expected to be recognised in FY2026 and FY2027. Development works commenced in Q1 2025. Construction of the units in shell form is expected to continue until Q2 2026, with finishing works anticipated to be completed by Q4 2027.

Best Deal Properties Holding p.l.c. Real Estate Projects FY2022(A) to FY2025(F)										
	Cost (€'000)	Revenue (€'000)	Start Year	End Year	No. of Commercial Units	No. of Maisonettes	No. of Apartments	No. of Penthouses	Total No. of Residential Units	Total No. of Garages
Completed Projects										
Blue Moon Court (Marsascala)	5,500	7,240	2017	2019	-	5	15	3	23	19
Garnet Court (Mqabba)	6,200	7,610	2018	2021	-	2	23	3	28	33
Jewel Court (Pembroke)	3,000	4,450	2019	2022	-	2	4	2	8	7
Lotus Complex (Zabbar)	27,100	37,570	2019	2023	-	24	81	22	127	198
Laguna Court (Mellieha)	11,200	15,180	2019	2024	-	7	35	7	49	55
	53,000	72,050				40	158	37	235	312
Current Projects										
Città Ferdinand (Siggiewi)	31,000	42,300	2023	2026	-	20	60	15	95	155
Pembroke (II) Development	2,500	3,380	2024	2027	-	2	4	2	8	6
The Cove (Ghadira)	29,200	38,960	2024	2028	-	10	53	2	65	119
The Hub (Paola)	8,200	9,940	2025	2027	2	2	19	3	26	48
	70,900	94,580			2	34	136	22	194	328
Total	123,900	166,630			2	74	294	59	429	640



6. FUTURE DEVELOPMENTS

6.1 ŻURRIEQ DEVELOPMENT

C&E Developments Limited (C 75325 – “the **Assignor**”), a company jointly owned by Mr Christopher Attard and Mr Erskine Vella, entered into a POSA to acquire a site measuring *circa* 1,500 sqm situated in Bubaqra, Żurrieq (the “**Żurrieq Site**”) for a consideration of €3.20 million.

On 2 November 2023, the 2018 Guarantor entered into an assignment agreement with the Assignor wherein the latter promised to cede and assign to the 2018 Guarantor, that promised to accept, all rights and obligations of the Assignor in respect of the Żurrieq Site resulting from the aforementioned POSA.

The Group is currently working on the submission of a planning application to the Planning Authority in respect of the prospective development of the Żurrieq Site.

6.2 BELLA VISTA DEVELOPMENT – MARSASCALA

The Assignor also entered into a POSA to acquire a site measuring *circa* 2,830 sqm situated in Bella Vista, Marsascala (the “**Bella Vista Site**”) for a consideration of €6.50 million.

On 3 April 2025, Best Deal Bella Vista Limited (C 110845 – a recently incorporated wholly-owned subsidiary of the Group) entered into an assignment agreement with the Assignor wherein the latter promised to cede and assign to Best Deal Bella Vista Limited, that promised to accept, all rights and obligations of the Assignor in respect of the Bella Vista Site resulting from the aforementioned POSA.

The Group is currently in the process of finalising the submission of a planning application to the Planning Authority in respect of the prospective development of the Bella Vista Site.

7. SECURITY AND SINKING FUNDS

7.1 SECURITY

In terms of the Prospectus dated 9 November 2022, the Issuer raised €15 million through the issuance of the **2022 Bonds** for the purpose of part funding Città Ferdinand. The 2022 Bonds are guaranteed by the 2022 Guarantor and secured by the following security rights in favour of the Security Trustee for the benefit of the holders of the 2022 Bonds:

- (i) First ranking general hypothec for the full nominal value of the 2022 Bonds and interests thereon over all present and future property of the 2022 Guarantor.
- (ii) First ranking special hypothec for the full nominal value of the 2022 Bonds and interests thereon over the Siggiewi Site together with all and any constructions to be developed thereon.



- (iii) Pledge on insurance policy relating to the Siggiewi Site and development thereon.
- (iv) Joint and several guarantee granted by the 2022 Guarantor as security for the punctual performance of the Issuer's payment obligations relating to the 2022 Bonds, subject to the terms and conditions contained in the Security Trust Deed signed between the Issuer, the 2022 Guarantor, and the Security Trustee dated 9 November 2022.

In terms of the Prospectus dated 22 March 2024, the Issuer raised €15 million through the issuance of the **2024 Bonds** for the purpose of part funding The Cove. The 2024 Bonds are guaranteed by the 2024 Guarantor and secured by the following security rights in favour of the Security Trustee for the benefit of the holders of the 2024 Bonds:

- (i) First ranking general hypothec for the full nominal value of the 2024 Bonds and interests thereon over all present and future property of the 2024 Guarantor.
- (ii) First ranking special hypothec for the full nominal value of the 2024 Bonds and interests thereon over the Ghadira Site together with all and any constructions to be developed thereon.
- (iii) Pledge on insurance policy relating to the Ghadira Site and development thereon.
- (iv) Joint and several guarantee granted by the 2024 Guarantor as security for the punctual performance of the Issuer's payment obligations relating to the 2024 Bonds, subject to the terms and conditions contained in the Security Trust Deed signed between the Issuer, the 2024 Guarantor, and the Security Trustee.

7.2 RELEASING OF SECURITY AND SINKING FUNDS

All sale of real estate forming part of the hypothecated properties (as described in Section 8.1 above) are made on condition that the units are released of all hypothecary rights and privileges encumbering the properties being sold. For this purpose, the Security Trustee is empowered to release the hypothecated properties from the security interest encumbering such properties upon receipt by it from the Issuer or from a prospective purchaser a fixed amount of the purchase price attributed to each hypothecated property.

All amounts received by the Security Trustee from the sales proceeds of the hypothecated properties are credited to the sinking funds and retained for the purpose of redeeming the 2022 Bonds and the 2024 Bonds, as the case may be, upon maturity.

In the absence of unforeseen circumstances and subject to there being no material adverse changes in circumstances, the directors of the Issuer are of the view that the percentages available for cash flows that will be credited to the sinking funds will be sufficient to cover the redemption of the 2022 Bonds and the 2024 Bonds upon maturity.



8. INFORMATION RELATING TO THE ISSUER'S EQUITY

The 3,125,000 ordinary shares of the Issuer, having a nominal value of €0.10 per share, are listed on Prospects MTF pursuant to a Company Admission Document dated 21 August 2019. The key market data as at 30 May 2025 relating to these ordinary shares is provided hereunder:

Best Deal Properties Holding p.l.c.				
Key Market Data				
for the financial year 31 December				
		2022	2023	2024
		Actual	Actual	Actual
Total number of shares in issue ('000)	[A]	3,125	3,125	3,125
Share price (€)	[B]	1.60	1.60	1.60
Market capitalisation (€'000)	[A multiplied by B]	5,000	5,000	5,000
Total equity (€'000)	[C]	9,182	8,887	7,974
Net debt (€'000)	[D]	16,048	16,996	22,925
Enterprise value (€'000)	[A multiplied by B] + [D]	21,048	21,996	27,925
EBITDA (€'000)	[E]	3,410	2,130	2,759
Net profit (€'000)	[F]	2,538	1,130	1,687
Earnings per share (€)	[F divided by A]	0.81	0.36	0.54
Net asset value per share (€)	[C divided by A]	2.94	2.84	2.55
Price-to-earnings ratio (times)	[A multiplied by B] divided by [F]	1.97	4.42	2.96
Enterprise value-to-EBITDA (times)	[(A multiplied by B) + [D]] divided by [E]	6.17	10.33	10.12
Price-to-net asset value (times)	[A multiplied by B] divided by [C]	0.54	0.56	0.63
Dividend for the year (€'000)	[G]	250	250	2,450
Net dividend per share (€)	[G] divided by [A]	0.08	0.08	0.78
Dividend payout ratio (%)	[G] divided by [F]	9.85	22.12	145.23
Net dividend yield (%)	[G] divided by [A multiplied by B]	5.00	5.00	49.00

9. INFORMATION RELATING TO THE ISSUER'S BONDS

The table below provides a list of the bonds issued by BDPH, all of which are listed and traded on the Regulated Main Market (Official List) of the Malta Stock Exchange:

Security ISIN	Security	Symbol Code	Amount Issued	Amount Outstanding	Market Price*
MT0002121219	4.75% Best Deal Properties Holding p.l.c. Secured & Guaranteed 2025-2027	BD27A	€ 15,000,000	€ 14,438,000	100.00%
MT0002121227	5.75% Best Deal Properties Holding p.l.c. Secured & Guaranteed 2027-2029	BD29A	€ 15,000,000	€ 15,000,000	102.00%
MT0002121235	5.35% Best Deal Properties Holding p.l.c. Unsecured 2032	BD32A	€ 7,000,000	€ 7,000,000	101.95%
			€ 37,000,000	€ 36,438,000	

* As at 30 May 2025



10. TREND INFORMATION

10.1 ECONOMIC UPDATE¹

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

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

Looking ahead, real GDP is forecast to expand by 4.1% in 2025 and 4% in 2026, reflecting a normalisation from the exceptional pace recorded in 2023 and 2024. Private consumption is set to remain the dominant engine of growth, with projected increases of 4.1% in 2025 and 3.9% in 2026. Net exports are anticipated to retain a positive contribution, while investment is expected to maintain a modest upward trajectory, growing by 2.5% in 2025 and by 2.1% in 2026. Nonetheless, these investment growth rates remain below Malta's long-term average and reflect a more cautious forward-looking investment sentiment.

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

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

On the fiscal front, the general government deficit narrowed to 3.7% of GDP in 2024, down from 4.7% in 2023. This improvement was primarily supported by higher revenue from income and wealth taxation, particularly driven by one-off transactions and enhanced tax collection efforts. These gains

¹ Source: European Commission, 'Spring 2025 Economic Forecast: Moderate Growth Amid Global Economic Uncertainty', 19 May 2025.



were partially offset by increased current and capital expenditures, including support measures related to the national airline.

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

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

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

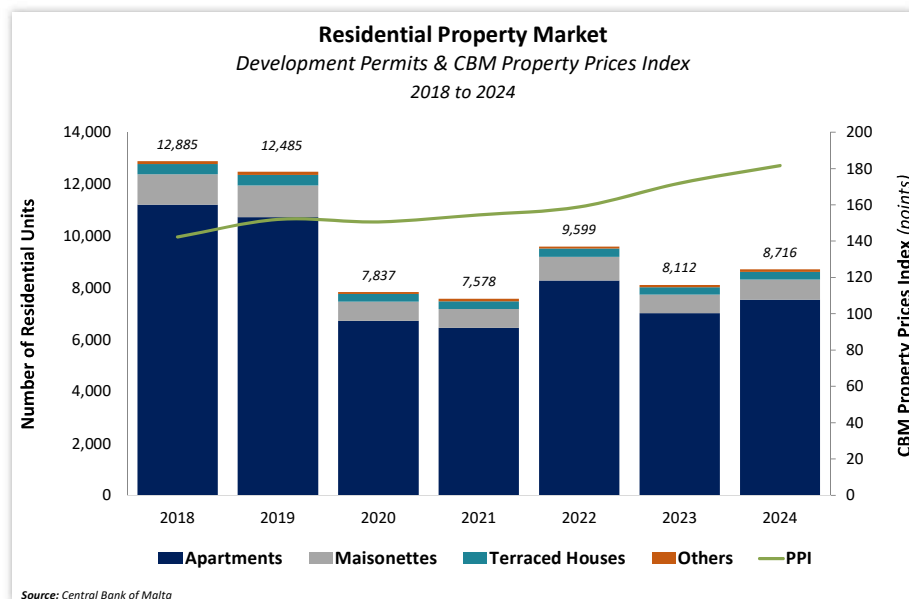


10.2 PROPERTY MARKET²

DEVELOPMENT PERMITS FOR DWELLINGS

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

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



² Sources: Central Bank of Bank and National Statistics Office.

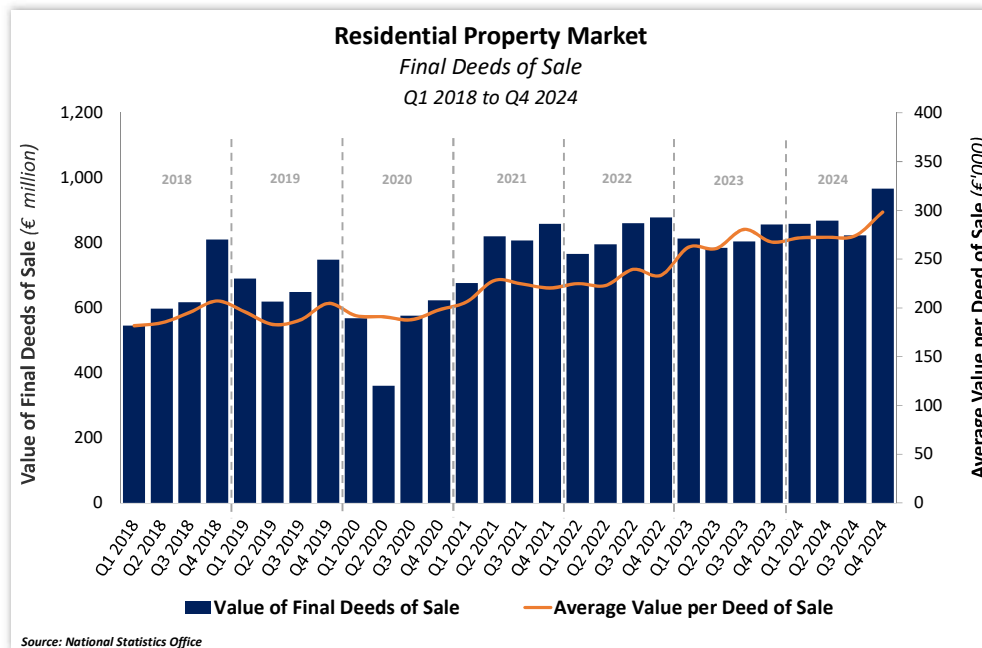


The highest number of approved new residential units in a single year since Malta adopted the euro was recorded in 2018, with 2,363 permits issued for the construction of a total of 12,885 residential units. In 2019, although the number of permits had increased by 6.69% to 2,521 permits, these were for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

PROPERTY PRICES & TRANSACTIONS

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

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



A total of 12,597 final deeds of sale relating to residential property were registered in 2024 compared to 12,180 deeds in 2023 and 14,331 deeds in 2022. The total value of final deeds of sale increased by 7.98% in 2024 to a new record of €3.52 billion compared to €3.26 billion in 2023 and €3.30 billion in 2022. Furthermore, the average value per deed of sale increased to €279,162 compared to €267,504



in 2023 and €230,242 million in 2022. Meanwhile, the total number of promise of sale agreements for residential property in 2024 increased by 3.03% year-on-year to 13,585 compared to 13,185 in 2023.

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



PART 2 – FINANCIAL REVIEW

11. FINANCIAL ANALYSIS

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

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

Best Deal Properties Holding p.l.c.				
Income Statement				
for the financial year 31 December				
	2022	2023	2024	2025
	Actual	Actual	Actual	Forecast
	€'000	€'000	€'000	€'000
Revenue	14,055	14,701	14,002	24,245
Cost of sales	(9,908)	(11,802)	(10,437)	(16,112)
Gross profit	4,147	2,899	3,565	8,133
Administrative expenses	(737)	(769)	(806)	(722)
EBITDA	3,410	2,130	2,759	7,411
Depreciation and amortisation	(72)	(132)	(248)	(14)
Operating profit	3,338	1,998	2,511	7,397
Investment income	-	68	141	-
Net finance costs	(257)	(37)	(25)	-
Profit before tax	3,081	2,029	2,627	7,397
Taxation	(543)	(899)	(940)	(1,783)
Profit for the year	2,538	1,130	1,687	5,614
Total comprehensive income	2,538	1,130	1,687	5,614
Revenue analysis:				
<i>Blue Moon Court (Marsascalea)</i>	22	-	-	-
<i>Garnet Court (Mqabba)</i>	341	372	-	-
<i>Jewel Court (Pembroke)</i>	794	585	1,800	-
<i>Lotus Complex (Żabbar)</i>	10,184	5,173	3,003	1,797
<i>Laguna Court (Mellieħa)</i>	2,714	8,541	3,440	485
<i>Città Ferdinand (Sigġiewi)</i>	-	30	5,759	18,463
<i>The Cove (Għadira)</i>	-	-	-	-
<i>Pembroke (II) Development</i>	-	-	-	3,500
<i>The Hub (Paola)</i>	-	-	-	-
Total	14,055	14,701	14,002	24,245



Best Deal Properties Holding p.l.c. Key Financial Ratios	FY2022 Actual	FY2023 Actual	FY2024 Actual	FY2025 Forecast
Gross profit margin (Gross profit / revenue)	29.51	19.72	25.46	33.55
EBITDA margin (%) (EBITDA / revenue)	24.26	14.49	19.70	30.57
Operating profit margin (%) (Operating profit / revenue)	23.75	13.59	17.93	30.51
Net profit margin (%) (Profit after tax / revenue)	18.06	7.69	12.05	23.16
Return on equity (%) (Profit after tax / average equity)	31.58	12.51	20.01	58.48
Return on assets (%) (Profit after tax / average assets)	8.60	3.29	4.44	12.46
Return on invested capital (%) (Operating profit / average equity and net debt)	15.29	7.82	8.84	21.60
Interest cover (times) (EBITDA / net finance costs)	13.27	57.57	110.36	n/a

INCOME STATEMENT

In **FY2022**, revenues amounted to €14.06 million reflecting the income derived from five development projects – namely those located in Żabbar (€10.18 million), Mellieħa (€2.71 million), Pembroke (€0.79 million), Mqabba (€0.34 million), and Marsascala (€0.02 million). Despite the drop in revenue when compared to the prior year, which also resulted in a contraction in EBITDA and net profit to €3.41 million and €2.54 million respectively, the EBITDA margin improved to 24.26% whilst the net profit margin exceeded the 18% level. In contrast, the return on equity (“**ROE**”) and the return on assets (“**ROA**”) retracted to 31.58% and 8.60% respectively. Likewise, the interest cover eased to 13.27 times.

In **FY2023**, the Group generated revenues of €14.70 million most of which (€13.71 million) derived from the sale of property forming part of Laguna Court (€8.54 million) and Lotus Complex (€5.17 million). On the other hand, income from the sale of property forming part of Jewel Court and Garnet Court only amounted to €0.59 million and €0.37 million respectively.

Despite the 4.60% increase in revenues, EBITDA contracted by 37.54% year-on-year to €2.13 million amid a considerable increase in cost of sales to €11.80 million (FY2022: €9.91 million).³ As a result, the

³ Cost of sales comprise development costs including land acquisition, permit fees, professional services, demolition, excavation, construction, finishing costs, sales commission, finance costs, and waiver fees.



EBITDA margin retracted to 14.49%. On the other hand, in view of the marked drop in net finance costs, the interest cover improved to 57.57 times.⁴

Overall, BDPH registered a net profit of €1.13 million which translated into a margin of 7.69%. The ROE and ROA also drifted lower to 12.51% and 3.29% respectively.

In **FY2024**, BDPH reported revenue of €14 million, broadly in line with the prior year's figure. Income was generated from the sale of real estate forming part of four projects – namely, Città Ferdinand (€5.76 million), Laguna Court (€3.44 million), Lotus Complex (€3 million), and Jewel Court (€1.80 million). Gross profit increased by 22.97% to €3.57 million (FY2023: €2.90 million), translating into a margin of 25.46% compared to 19.72% in FY2023. EBITDA also rose significantly, up by 29.53% to €2.76 million, resulting in a margin of 19.70%.

Depreciation and amortisation charges amounted to €0.25 million, while operating profit increased to €2.51 million from just under €2 million in FY2023. The Issuer also recorded investment income of €0.14 million, with net finance costs declining to €0.03 million. As a result, profit before tax increased to €2.63 million (FY2023: €2.03 million). After accounting for taxation of €0.94 million, the profit for the year stood at €1.69 million, translating into a ROE of 20.01% and a ROA of 4.44%. The net profit margin improved to 12.05% whilst the interest cover surged to 110.36 times amid higher EBITDA and lower net finance costs.

For **FY2025**, revenue is now forecast at €24.25 million, reflecting a substantial upward revision from the previous projection of €20.72 million provided in the Analysis dated 14 February 2025. The expected revenue uplift is primarily attributed to stronger sales at Città Ferdinand (€18.46 million), Pembroke (II) Development, and Lotus Complex (€1.80 million), partly offset by delays in the recognition of income from The Cove and The Hub. The Group holds contracts and, or POSA for circa 90% of the projected revenue.

Cost of sales is expected at €16.11 million, resulting in a gross profit of €8.13 million and a margin of 33.55%. Administrative expenses are forecast to decline marginally to €0.72 million, supporting the upsurge in EBITDA to €7.41 million and an uplift in the relative margin to 30.57%.

Profit before tax is forecast to reach €7.40 million, which is substantially higher than the target of €4.27 million previously projected. After accounting for taxation of €1.78 million, profit for the year is expected to rise to €5.61 million, translating into a margin of 23.16%, a ROE of 58.48%, and a ROA of 12.46%.

⁴ In accordance with the Group's accounting policies, borrowing costs directly attributable to the acquisition, construction, and finishing of the real estate development projects are capitalised as part of inventories, in line with 'IAS 23 – Borrowings'.



Best Deal Properties Holding p.l.c. Statement of Cash Flows for the financial year 31 December				
	2022	2023	2024	2025
	Actual	Actual	Actual	Forecast
	€'000	€'000	€'000	€'000
Net cash from / (used in) operating activities	(3,902)	646	(3,199)	(873)
Net cash from / (used in) investing activities	(1,680)	2,056	(1,744)	4,870
Net cash from / (used in) financing activities	6,589	(1,970)	5,681	(249)
Net movement in cash and cash equivalents	1,007	732	738	3,748
Cash and cash equivalents at beginning of year	247	1,254	1,986	2,724
Cash and cash equivalents at end of year	1,254	1,986	2,724	6,472
Capital expenditure	5	2,984	1,442	(302)
Free cash flow	(3,907)	(2,338)	(4,641)	(571)

STATEMENT OF CASH FLOWS

In **FY2022**, the Issuer recorded a positive net movement in cash and cash equivalents of €1.01 million. Net cash used in operating activities amounted to €3.90 million, mainly impacted by the €6.69 million negative movement in working capital.⁵ Net cash used in investing activities stood at €1.68 million and largely represented amounts paid into the sinking funds. The latter totalled €5.04 million as at the end of 2022 of which €0.37 million were held in relation to the 2018 Bonds whilst the remaining €4.67 million were held in relation to the 2022 Bonds.

Net cash flows from financing activities amounted to €6.59 million and represented proceeds from the issuance of the 2022 Bonds (€14.65 million) less the payment of dividends (€0.25 million), interest (€0.28 million) and borrowings (€7.54 million). The latter included the repurchase and cancellation of €6.90 million of 2018 Bonds from the secondary market. Overall, the Group ended the 2022 financial year with a cash balance of €1.25 million.

BDPH registered a positive net movement of €0.73 million in cash and cash equivalents in **FY2023** as the aggregate amount of net cash generated from operating (€0.65 million) and investing (€2.06 million) activities outweighed the amount of €1.97 million in net cash used in financing activities. As a result, the Group ended the year with a cash balance of almost €2 million.

Net cash from operating activities included an adverse movement of €0.66 million in working capital as well as the payment of tax amounting to €0.90 million.

⁵ The Group's working capital mainly comprises the net impact of movements in inventories, trade and other receivables, and trade and other payables. Current trade payables include amounts relating to (i) credit terms offered by suppliers for the development and finishing of the residential units; and (ii) accrued expenses and interest.



Within investing activities, the Group's cash flows were positively impacted from a reduction in the amounts held in sinking funds (€5.04 million). On the other hand, the Issuer used a net amount of €2.98 million for the purchase of financial assets.

In terms of financing activities, the Group used €1.18 million for the partial repayment of shareholders' loans. During FY2023, BDPH also paid €0.25 million in dividends and used €0.49 million for the repurchase and cancellation of 2018 Bonds.

In **FY2024**, the Group reported a net cash outflow from operating activities of €3.20 million. This was primarily driven by a significant adverse movement in working capital of €4.87 million which offset the contribution from operating profitability. Tax payments for the year totalled €1.09 million, representing an increase of €0.19 million relative to the prior year.

Investing activities resulted in a net cash outflow of €1.74 million. The main driver was the purchase of fixed asset investments amounting to €1.44 million, whilst a further €0.30 million were allocated to the sinking funds. Conversely, the Group recorded a strong net cash inflow from financing activities, totalling €5.68 million. The main contributor was the issue of the 2024 Bonds, which generated €14.53 million in net proceeds. This inflow was partially offset by the redemption of the 2018 Bonds, the repurchase of other bonds from the secondary market, dividend distributions, and the repayment of shareholders' loans that previously formed part of the Issuer's equity base.

As a result of these movements, total cash and cash equivalents increased marginally by €0.74 million during the year, reaching €2.72 million as at the end of FY2024.

In **FY2025**, operating cash flows are forecast to remain in negative territory, with a projected net outflow of €0.87 million. While profit before tax is forecast to rise sharply to €7.40 million, movements in cash and cash equivalents are expected to be negatively impacted by adverse changes in working capital as well as an increase in tax paid.

Investing activities are forecast to generate a net cash inflow of €4.87 million, reflecting the release of funds from the 2022 Bonds sinking fund amounting to €4.57 million, as well as a modest inflow of €0.30 million from the sale of fixed asset investments.

On the financing side, FY2025 is projected to result in a net cash outflow of €0.25 million. The Group expects a net cash inflow of €3.16 million from debt securities, which will be offset by dividend distributions of €2.05 million and the repayment of shareholders' loans amounting to €1.36 million. Overall, the Group expects net cash and cash equivalents to rise significantly in FY2025, with a projected year-end balance of €6.47 million.



Best Deal Properties Holding p.l.c.				
Statement of Financial Position				
as at 31 December				
	2022	2023	2024	2025
	Actual	Actual	Actual	Forecast
	€'000	€'000	€'000	€'000
ASSETS				
Non-current assets				
Property, plant and equipment	1	-	-	-
Intangible assets	47	46	45	44
Deferred tax asset	226	225	373	373
Security Trustee account (2022 Bonds)	4,671	-	-	-
2018 Bonds sinking fund	369	-	-	-
2022 Bonds sinking fund	-	-	302	-
	5,314	271	720	417
Current assets				
Inventories	26,389	26,114	31,474	40,213
Trade and other receivables	1,523	2,912	2,265	1,254
Income tax assets	2	-	-	-
Cash and cash equivalents	1,254	1,986	2,724	6,472
2018 Bonds sinking fund	-	2,984	-	-
2022 Bonds sinking fund	-	-	4,568	-
	29,168	33,996	41,031	47,939
Total assets	34,482	34,267	41,751	48,356
EQUITY				
Capital and reserves				
Called up share capital	313	313	313	313
Share premium	938	938	938	938
Shareholders' loans	2,325	1,150	-	-
Retained earnings	5,606	6,486	6,723	9,974
	9,182	8,887	7,974	11,225
LIABILITIES				
Non-current liabilities				
2018 Bonds	6,464	-	-	-
2022 Bonds	14,658	14,722	14,522	-
2024 Bonds	-	-	14,642	14,760
2025 Bonds	-	-	-	6,743
Bank borrowings	-	-	-	5,039
Shareholders' loans	1,200	-	-	-
	22,322	14,722	29,164	26,542
Current liabilities				
2018 Bonds	-	6,044	55	-
2022 Bonds	-	-	-	6,283
Shareholders' loans	20	1,200	1,300	-
Trade and other payables	2,958	3,414	3,258	4,306
	2,978	10,658	4,613	10,589
Total liabilities	25,300	25,380	33,777	37,131
Total equity and liabilities	34,482	34,267	41,751	48,356
<i>Total debt</i>	<i>22,342</i>	<i>21,966</i>	<i>30,519</i>	<i>32,825</i>
<i>Net debt</i>	<i>16,048</i>	<i>16,996</i>	<i>22,925</i>	<i>26,353</i>
<i>Invested capital (total equity plus net debt)</i>	<i>25,230</i>	<i>25,883</i>	<i>30,899</i>	<i>37,578</i>



Best Deal Properties Holding p.l.c. Key Financial Ratios	FY2022 Actual	FY2023 Actual	FY2024 Actual	FY2025 Forecast
Net debt-to-EBITDA (times) <i>(Net debt / EBITDA)</i>	4.71	7.98	8.31	3.56
Net debt-to-equity (times) <i>(Net debt / total equity)</i>	1.75	1.91	2.87	2.35
Net gearing (%) <i>(Net debt / net debt and total equity)</i>	63.61	65.66	74.19	70.13
Debt-to-assets (times) <i>(Total debt / total assets)</i>	0.65	0.64	0.73	0.68
Leverage (times) <i>(Total assets / total equity)</i>	3.76	3.86	5.24	4.31
Current ratio (times) <i>(Current assets / current liabilities)</i>	9.79	3.19	8.89	4.53

STATEMENT OF FINANCIAL POSITION

During **FY2022**, total assets increased by 40.39% to €34.48 million principally reflecting the increase in inventories to €26.39 million. Similarly, total liabilities rose by 43.19% to €25.30 million as the Group increased its total borrowings by 47.42% to €22.34 million amid the issuance of the 2022 Bonds in Q4 2022. Nonetheless, the net gearing ratio only increased to 63.61% reflecting the strengthening of BDPH's equity base to €9.18 million (+33.19%). Likewise, the net debt-to-equity ratio and the leverage ratio trended marginally higher to 1.75 times and 3.76 times respectively.

In **FY2023**, total assets and liabilities remained virtually unchanged at €34.27 million and €25.38 million respectively. Likewise, total debt stayed close to the €22 million level albeit the net debt-to-equity ratio and the net gearing ratio trended marginally higher to 1.91 times and 65.66% respectively reflecting both a reduction in cash balances and sinking funds to €4.97 million (31 December 2022: €6.29 million), as well as a minor contraction in equity to €8.89 million. Similarly, the Group's leverage ratio increased to 3.86 times while the debt-to-assets ratio trended slightly lower to 0.64 times compared to 0.65 times as at the end of FY2022.

In **FY2024**, the Group's assets increased by 21.84% to €41.75 million. This was primarily driven by the expansion in inventories, which rose to €31.47 million from €26.11 million as at the end of FY2023, reflecting active development activity across BDPH's various real estate projects. Additionally, cash and cash equivalents rose to €2.72 million, up from €1.99 million as at the end of FY2023. Year-on-year, amounts held in sinking funds increased by more than 60% to €4.87 million from €2.98 million as at 31 December 2023.

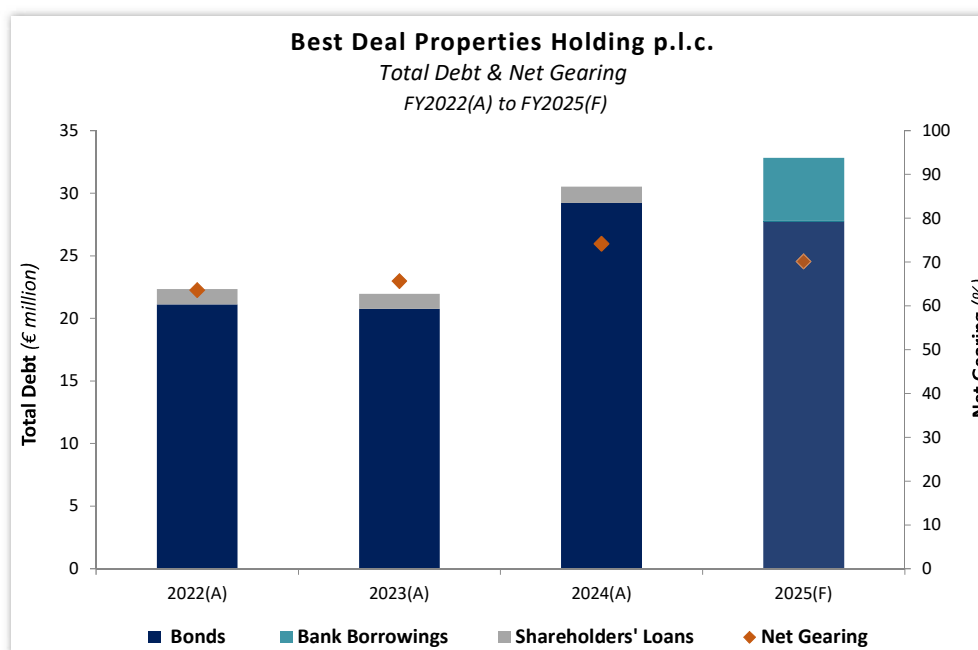


Total equity declined to €7.97 million, reflecting the repayment of shareholders' loans and the distribution of dividends. On the other hand, total liabilities increased markedly to €33.78 million amid a rise in total debt to €30.52 million mainly comprising debt securities. Net debt reached €22.93 million, from just under €17 million as at the end of FY2023, translating into a net debt-to-equity multiple of 2.87 times and a net gearing ratio of 74.19%. The debt-to-assets ratio and the leverage ratio also trended higher year-on-year to 0.73 times and 5.24 times respectively.

For **FY2025**, total assets are forecast to grow further to €48.36 million, underpinned by a projected increase in inventories to €40.21 million and a substantial rise in cash balances to €6.47 million. The sinking fund for the 2022 Bonds is forecast to be fully released, while trade and other receivable are expected to contract to €1.25 million compared to €2.27 million as at the end of FY2024.

Total equity is forecast to improve to €11.23 million, mainly reflecting the projected profit for the year, offset in part by an anticipated dividend distribution. Meanwhile, total liabilities are forecast to increase to €37.13 million, as the Group expects to raise €5.04 million in new bank borrowings. This will partially offset a €1.43 million reduction in debt securities to €27.79 million and the full repayment of shareholders' loans amounting to €1.30 million. Conversely, current trade and other payables are forecast to increase to €4.31 million compared to a balance of €3.26 million as at the end of FY2024.

Total debt is projected at €32.83 million, while net debt is forecast to rise to €26.35 million. The net debt-to-equity multiple is set to improve to 2.35 times, while net gearing ratio is forecast to decline to 70.13%. Similarly, the debt-to-assets ratio is projected to decrease to 0.68 times, while the leverage ratio is forecast to fall to 4.31 times.



12. VARIANCE ANALYSIS

The following is an analysis of the major variances between the forecast financial information for the year ended 31 December 2024, as included in the Analysis dated 14 February 2025, and the audited annual financial statements for the same period, published on 28 April 2025.

Best Deal Properties Holding p.l.c. Income Statement for the financial year 31 December	2024 Actual €'000	2024 Forecast €'000
Revenue	14,002	20,801
Cost of sales	(10,437)	(16,104)
Gross profit	3,565	4,697
Administrative expenses	(806)	(1,091)
EBITDA	2,759	3,606
Depreciation and amortisation	(248)	(1)
Operating profit	2,511	3,605
Investment income	141	-
Net finance costs	(25)	(30)
Profit before tax	2,627	3,575
Taxation	(940)	(1,635)
Profit for the year	1,687	1,940
Total comprehensive income	1,687	1,940
Revenue analysis:		
<i>Jewel Court (Pembroke)</i>	1,800	1,857
<i>Lotus Complex (Żabbar)</i>	3,003	4,044
<i>Laguna Court (Mellieħa)</i>	3,440	4,224
<i>Città Ferdinand (Siġġiewi)</i>	5,759	10,676
Total	14,002	20,801

INCOME STATEMENT

Revenue for FY2024 amounted to €14 million, falling significantly below the forecasted figure of €20.80 million, resulting in an adverse variance of 32.69%. This shortfall was reflected across all four property developments, due to delays in finalising the notarial deeds of sale for certain units which had been projected to be signed by the end of FY2024 but are now expected to materialise in FY2025. The most pronounced deviation registered at Città Ferdinand where actual revenue of €5.76 million was materially lower than the projected €10.68 million. Likewise, revenue generated from Lotus Complex and Laguna Court underperformed expectations by €1.04 million and €0.78 million respectively, while the shortfall at Jewel Court was more contained at just €0.06 million.





The shortfall in revenue also led to a lower EBITDA of €2.76 million compared to the target of €3.61 million, as the adverse variance in income outweighed the savings in costs. Operating profit reached €2.51 million, lower than the forecast of €3.61 million by €1.09 million. However, investment income of €0.14 million, which had not been budgeted for, and lower taxation partly offset the negative variance in net profit which came in at €1.69 million compared to the forecasted figure of €1.94 million.

Best Deal Properties Holding p.l.c.		
Statement of Cash Flows		
for the financial year 31 December		
	2024	2024
	Actual	Forecast
	€'000	€'000
Net cash from / (used in) operating activities	(3,199)	1,848
Net cash from / (used in) investing activities	(1,744)	(162)
Net cash from / (used in) financing activities	5,681	4,725
Net movement in cash and cash equivalents	738	6,411
Cash and cash equivalents at beginning of year	1,986	1,986
Cash and cash equivalents at end of year	2,724	8,397

STATEMENT OF CASH FLOWS

The Group reported a significantly lower net movement in cash and cash equivalents of €0.74 million compared to the forecasted inflow of €6.41 million, resulting in an adverse variance of €5.67 million. This deviation was primarily driven by the substantial underperformance in net operating cash flows,



due to a higher negative movement in working capital particularly related to inventory, which resulted in a net outflow of €3.20 million against a projected inflow of €1.85 million.

Investing activities also contributed negatively to the cash flow variance, with the actual outflow of €1.74 million exceeding the forecasted outflow of €0.16 million. This negative variance of €1.58 million was principally related to higher level of reserves in the sinking funds. Conversely, net cash from financing activities amounted to €5.68 million, exceeding the forecasted inflow of €4.73 million by €0.96 million. This higher-than-expected inflow was mainly the result of the deferral of the repayment of shareholders' loans, which is now expected to take place in FY2025.

STATEMENT OF FINANCIAL POSITION

From a financial position point of view, total assets as at end FY2024 amounted to €41.75 million, exceeding the forecasted level of €40.05 million by €1.70 million. Inventories stood at €31.47 million, higher by €4.70 million relative to forecast of €26.78 million, reflecting the deferral of the sale of some residential units to FY2025. Trade and other receivables were also higher at €2.27 million compared to the projected figure of €1.46 million amid timing differences in receivables. Conversely, cash and cash equivalents fell substantially short of the forecast, whilst the total amount held in the 2022 Bonds sinking fund stood at €4.87 million compared to the forecast of €3.15 million.

Total equity as at year-end amounted to €7.97 million, marginally below the forecast of €8.23 million, reflecting the slightly lower retained earnings position of €6.72 million compared the expected €6.98 million.

Total liabilities stood at €33.78 million, which was higher than the forecast of €31.82 million. Within non-current liabilities, the 2022 and 2024 Bonds were broadly in line with forecasts at €14.52 million and €14.64 million respectively. On the other hand, current liabilities were materially higher at €4.61 million compared to the projected figure of €2.35 million. This was mainly due to the delay in the repayment of shareholders' loans, amounting to €1.30 million, which is now expected to take place in FY2025. Trade and other payables also came in higher at €3.26 million, reflecting timing effects relating to the Group's business activity.

Total debt as at year-end stood at €30.52 million, exceeding the forecasted figure of €29.48 million by €1.04 million. Net debt was significantly higher, at €22.93 million compared to the forecast of €17.93 million, reflecting also the lower-than-expected cash position.



Best Deal Properties Holding p.l.c. Statement of Financial Position as at 31 December	2024 Actual €'000	2024 Forecast €'000
ASSETS		
Non-current assets		
Intangible assets	45	44
Deferred tax asset	373	225
2022 Bonds sinking fund	302	3,147
	720	3,416
Current assets		
Inventories	31,474	26,775
Trade and other receivables	2,265	1,459
Cash and cash equivalents	2,724	8,397
2022 Bonds sinking fund	4,568	-
	41,031	36,631
Total assets	41,751	40,047
EQUITY		
Capital and reserves		
Called up share capital	313	313
Share premium	938	938
Retained earnings	6,723	6,975
	7,974	8,226
LIABILITIES		
Non-current liabilities		
2022 Bonds	14,522	14,795
2024 Bonds	14,642	14,680
	29,164	29,475
Current liabilities		
2018 Bonds	55	-
Shareholders' loans	1,300	-
Trade and other payables	3,258	2,346
	4,613	2,346
Total liabilities	33,777	31,821
Total equity and liabilities	41,751	40,047
<i>Total debt</i>	30,519	29,475
<i>Net debt</i>	22,925	17,931
<i>Invested capital (total equity plus net debt)</i>	30,899	26,157



PART 3 – COMPARATIVE ANALYSIS

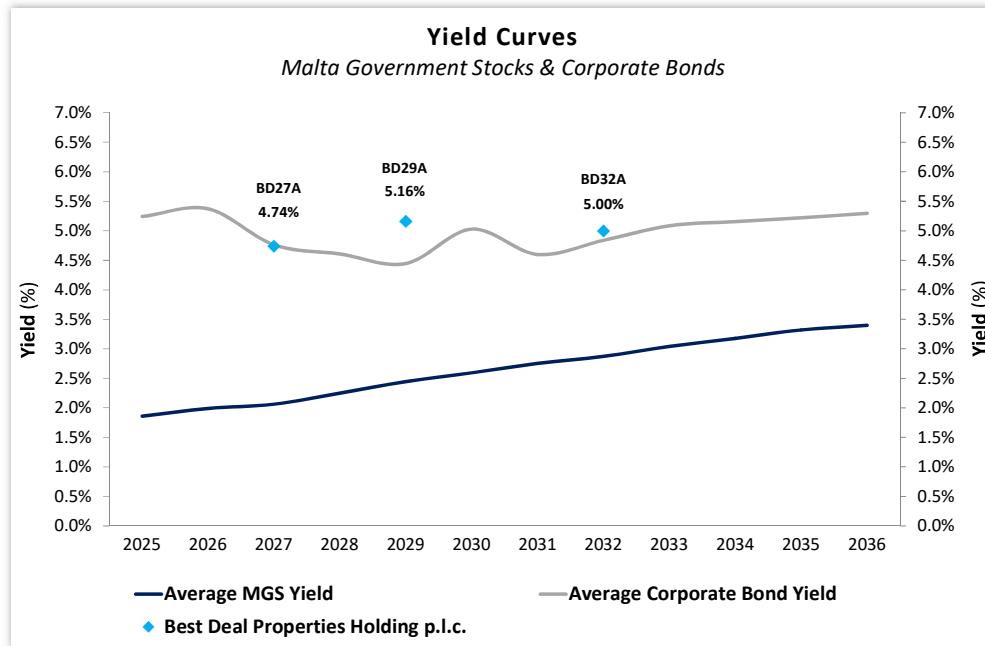
The table below provides a comparison between the Group and its bonds with other debt issuers and their respective debt securities listed on the Regulated Main Market (Official List) of the Malta Stock Exchange. Although there are significant variances between the activities of the Group and those of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

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

*As at 30 May 2025

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





The closing market price as at 30 May 2025 for the **4.75% Best Deal Properties Holding p.l.c. secured and guaranteed bonds 2025-2027 (BD27A)** was 100.00%. This translated into a yield-to-maturity (“YTM”) of 4.74% which was 2 basis points below the average YTM of 4.76% of other local corporate bonds maturing in the same year. The premium over the corresponding average Malta Government Stock yield of equivalent maturity (2.06%) stood at 268 basis points.

The closing market price as at 30 May 2025 for the **5.75% Best Deal Properties Holding p.l.c. secured and guaranteed bonds 2027-2029 (BD29A)** was 102.00%. This translated into a YTM of 5.16% which was 71 basis points above the average YTM of 4.45% of other local corporate bonds maturing in the same year. The premium over the corresponding average Malta Government Stock yield of equivalent maturity (2.44%) stood at 272 basis points.

The closing market price as at 30 May 2025 for the **5.35% Best Deal Properties Holding p.l.c. unsecured bonds 2032 (BD32A)** was 101.95%. This translated into a YTM of 5.00% which was 16 basis points above the average YTM of 4.84% of other local corporate bonds maturing in the same year. The premium over the corresponding average Malta Government Stock yield of equivalent maturity (2.87%) stood at 213 basis points.



PART 4 – EXPLANATORY DEFINITIONS

Income Statement

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

Profitability Ratios

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

Statement of Cash Flows

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



Statement of Financial Position

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

Financial Strength / Credit Ratios

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

