Calamatta Cuschieri

The Directors
Bortex Group Finance p.l.c.
32, Hughes Hallet Street,
Sliema SLM 3142,
Malta

28 April 2025

Re: Financial Analysis Summary – 2025

Dear Board Members,

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

The purpose of the financial analysis is that of summarising key financial data appertaining to Bortex Group Finance p.l.c. (the "**Issuer**") and Bortex Group Holdings Company Limited (the "**Guarantor**"), where the latter is the parent company of the "**Group**". The data is derived from various sources, including the prospectus dated 30 October 2017 published by the Issuer (the "**Prospectus**"), or is based on our own computations as follows:

a) Historical financial data for the three years ending 31 October 2022, 2023 and 2024 have been extracted from the audited financial statements of the Issuer and the Guarantor.

b) The forecast data for the financial year ending 31 October 2025 has been provided by management.

c) Our commentary on the Issuer and Guarantor's results and financial position is based on the explanations provided by management.

d) The ratios quoted in the Analysis have been computed by us applying the definitions set out in Part 4 of the Analysis.

e) The principal relevant market players listed in Part 3 of the document have been identified by management. Relevant financial data in respect of competitors has been extracted from public sources such as the web sites of the companies concerned or financial statements filed with the Registrar of Companies.

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

Yours sincerely,

P. M

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Patrick Mangion
Head of Capital Markets

FINANCIAL ANALYSIS SUMMARY 2025

Bortex Group Finance p.l.c.

28 April 2025

Prepared by Calamatta Cuschieri Investment Services Limited

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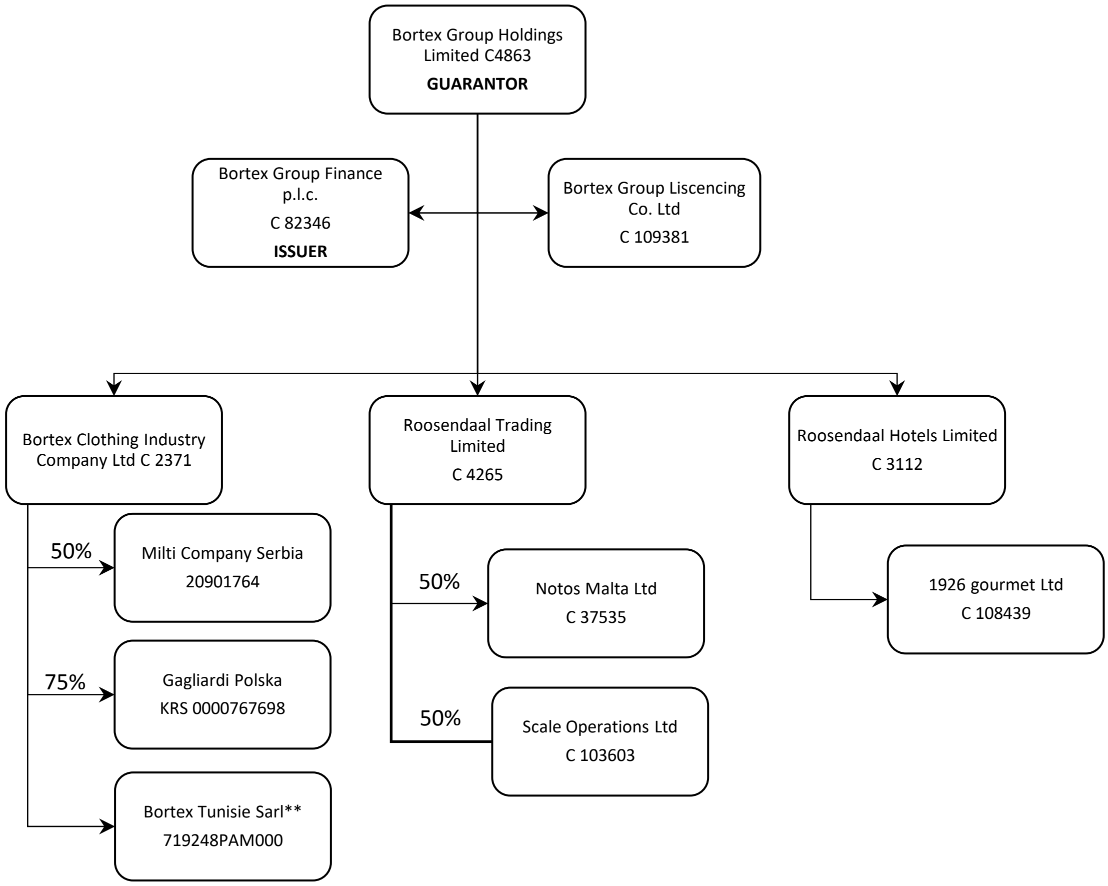
Part 1 - Information about the Group

1.1 Issuer's and Guarantor's Key Activities and Structure

The Group's summarised structure is as follows:



Ownership percentages are 100% unless otherwise indicated
** In administration

Bortex Group Finance p.l.c. (the "**Issuer**"), company registration number C 82346, is a public limited company registered in Malta on 30 August 2017. The Issuer is, except for one share held by Mr Peter Borg and another held by Ms Karen Borg, a wholly owned subsidiary of Bortex Group Holdings Company Limited (the "**Guarantor**"), which latter entity is the parent company of the "**Group**". The Issuer, which was set up and established to act as a finance company, has as at the date hereof an authorised and issued share capital of €250,000 divided into 250,000 ordinary shares of €1 each, all fully paid up.

The Guarantor is a private limited liability company incorporated and registered in Malta with company registration number C 4863. It was formerly known as Borchild Limited until 26 September 2017. The Guarantor is principally engaged, through several subsidiaries that operate in various jurisdictions, in the business of manufacturing garments for its own brand, Gagliardi, as well as for other private labels, retailing and distribution of garments in Malta as well as overseas, property development and management in addition to owning and managing hotels in Malta.

The authorised and issued share capital of the Guarantor is €46,587.46, divided into 20,000 ordinary shares having a nominal value of €2.329373 each. The ultimate beneficial owners of the Guarantor are Mr Peter Borg and Ms Karen Borg, in equal shares between them.

1.2 Directors and Key Employees

Board of Directors - Issuer
As at the date of this Analysis, the following persons constitute the board of directors of the Issuer:

Name	Designation
Mr Peter Borg	Executive Director, rotating Chairperson
Ms Karen Borg	Executive Director, rotating Chairperson
Ms Christine Demicoli	Executive Director, Company Secretary
Dr Etienne Borg Cardona	Independent, non-executive Director
Mr Paul Darmanin	Independent, non-executive Director
Mr Joseph Cachia	Independent, non-executive Director

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

Board of Directors - Guarantor
As at the date of this Analysis, the following persons constitute the board of directors of the Guarantor:

Name	Designation
Mr Peter Borg	Executive Director, rotating Chairperson
Ms Karen Borg	Executive Director, rotating Chairperson
Ms Christine Demicoli	Executive Director, Company Secretary
Ms Alexandra Borg	Executive Director
Mr Sam Borg	Executive Director

Mr David Debono resigned from his position as executive director on 27 December 2024.

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

The executive directors of the Issuer and the Guarantor, on the strength of their respective knowledge and experience in the applicable business interests of the Group to which they contribute directly, occupy the senior management and key executive positions across the Group. As of 31 October 2024, the average number of persons employed directly by the Group amounted to 163 (FY23: 155). An additional 178 individuals were engaged by the Group under subcontracting or operator agreement arrangements (FY23: 170).

1.3 Major Assets owned by the Group

The Issuer is a special purpose vehicle set up to act as the financing company of the Group.

1.3.1 Bortex Clothing Industry Company Ltd

This subsidiary specializes in the manufacturing and sale of quality menswear. It owns warehouse properties, including the Bortex Warehouse in Zebbug and the Bortex Warehouses (A11 and A12) in Marsa. The Marsa warehouses are held under emphyteusis, indicating a long-term leasehold arrangement. These properties are primarily used for manufacturing, storage and distribution related to the clothing industry operations.

1.3.2 Roosendaal Trading Limited

This subsidiary primarily engages in retail operations, owning and operating three retail outlets in Sliema, Mosta, and Mriehel. Additionally, it rents a further ten retail outlets located in Sliema, St. Julian's, Mosta, Valletta, Kalkara, and Gozo.

Furthermore, in 2022, Roosendaal Trading Limited acquired a 50% shareholding in Notos Malta which operates the Lacoste shop at Tigné Point shopping mall and holds the sole license to distribute Lacoste within the Maltese market via wholesale channels.

1.3.2.1 Retail Outlets

This section will provide additional details on the retail stores owned by Roosendaal Trading Limited in Mosta and Mriehel, as well as the locations of newly added retail stores that the subsidiary rents.

1.3.2.1.1 Group's retail outlet, Mosta

The Group owned a 2-storey building in Constitution Street, Mosta, which was being used as one of the Group's retail outlets. It was built on a site area of 181m^2.

In 2021, the Group acquired the adjacent property and embarked on the development of both properties into a mixed-use commercial concept. This development was completed in 2023 and now features a Bortex retail store, a coffee shop with indoor as well as outdoor seating, and 11 apartments spread across three additional floors which are rented out on long leases.

For FY25, the coffee shop has also been rented out.

1.3.2.1.2 Mixed-use complex, Mriehel

The Group completed the development of its Mriehel building during 2018, which was constructed on a plot of land stretching over an area of approximately 438m^2 overlooking the Mriehel bypass that the Group had previously acquired.

As at the date of this Analysis, this mixed-use commercial complex is made up of 8 floors, with a retail outlet on levels 1 and 2, and office space which is leased to third parties on levels 3 to 5. This complex also includes 3 levels of underground parking which are also leased. The retail outlet is currently being utilised by the Group as a clearance outlet.

1.3.2.1.3 Mercury Towers, St. Julian's

Roosendaal Trading Limited and Bluerock Group have recently collaborated to form Scale Operations Limited, a company registered in Malta bearing company registration number C 103603. Through their collaboration, they have created the Barlowes department store concept featuring various men's and ladies wear brands represented in Malta by both Groups at the new Mercury Mall in St. Julian's.

This initiative involved transforming one of the mall's levels, covering approx. 1,900m^2, into a premium retail destination showcasing a carefully curated selection of exclusive brands. The area is further augmented by a strong F&B concept which is operated by third parties.

1.3.2.1.4 Shoreline Mall, Kalkara

This year marked the first year of operations for the 400m2 Bortex multi-brand store located within the Shoreline Mall in Smart City, Kalkara, which launched in March of 2024. The store offers an unparalleled selection of premium menswear, ladies wear and children's wear brands, including apparel and accessories.

1.3.2.2 Private Label manufacturing, corporate, hire and school wear divisions

Both Bortex and Roosendaal Trading have continued to register good growth in these areas of business due to their aggressive marketing strategy and their product development and sourcing capabilities acquired over sixty years of contract manufacturing activity,

Operational performance - Manufacturing and Retail

	2022A	2023A	2024A	2025F
Revenue (€'000)	17,727	15,365	15,873	17,949
Gross Operating Profit (€'000)	2,186	1,945	2,317	2,640
Gross Operating Profit Margin (%)	12.33%	12.66%	14.60%	14.71%

In FY24 the apparel sector achieved €15.9 m in revenue, an increase of 3.3% over last year. Gross Operating Profit (GOP) was €2.3m which is a 19.1% increase over FY23, and the GOP margin recorded a 14.6% margin which is a 15.3% increase from last year's results (FY23: 12.66%).

In FY25, management anticipates a 13.3% increase in revenue leading to €17.9m. GOP to increase to €2.6m, with margins reaching 14.7%.

1.3.3 Roosendaal Hotels Limited

This subsidiary is the hospitality arm of the Group and owns and operates the 1926 Collection, comprising four hotels (two of which will open in spring / summer 2025) and several outlets as seen below.

1.3.3.1 1926 Le Soleil Hotel & Spa Sliema

Roosendaal Hotels operates the 1926 Le Soliel Hotel & Spa, a luxury hotel and spa hotel situated in a quiet residential area of Qui-Si-Sana seafront in Sliema. The hotel features 170 rooms, including 52 suites, a unique Spa complete with aquatonic pool, a roof top pool and bistro as well as two additional restaurants, one of which is Michelin starred. The hotel operates a private beach lido and seafront restaurant, 1926 La Plage and has recently added a state of the art gym to its offering.

1.3.3.2 1926 Le Parisot Valletta

Roosendaal Hotels also operates 1926 Le Parisot. This is a luxury boutique hotel located in St Paul's Street Valletta, consisting of 7 suites. Situated in the heart of the island's capital city, the hotel occupies a restored historic property and offers stylish suites, a rooftop terrace with views of the harbour.

1.3.3.3 1926 Les Bains

Scheduled to open in summer 2025 and already open for sale, 1926 Les Bains is a unique concept centered around wellness and wellbeing. It comprises 32 luxury suites which include private in room spas and saunas as well as a unique Roman Spa offering ancient bathing rituals. The property also includes a roof top pool and bistro as well as a champagne bar.

1.3.3.4 1926 La Galerie

Opening in Spring 2025 and already open for sale this luxury boutique hotel comprises of 5 suites, a rooftop panoramic pool as well as an art Gallery featuring contemporary local artists.

1.3.3.5 Hotel Operations

Operational Performance - Hospitality

Hospitality[1]	2022A	2023A	2024A	2025F
Revenue (€'000)	5,694	7,331	7,993	8,785
Gross operating profit (€'000)	2,592	3,556	2,922	4,045
Gross operating profit margin (%)	45.52%	48.51%	36.56%	46.04%
Occupancy level	74.44%	88.40%	80.08%	86.70%
Average daily rate (ADR) (€)	118.41	128.38	144.16	142.94
Revenue per available room (Rev/PAR) (€)	88.14	113.43	114.12	123.93

In FY24, the hospitality segment generated €8m in revenue, marking a 9.0% increase compared to the €7.3m recorded in FY23.

GOP decreased by €634k over same period last year due to inventory closures during a large part of the year. This was due to building works taking place in the hotel in order to add a roof top pool and restaurant as well as building works taking place opposite the hotel during the construction of 1926 Les Bains as described above. The hotel continued to incur fixed costs during this time, and the sector experienced cost inflation across operational areas.

The deliberate decision to close inventory in order to preserve quality reviews lead to a drop in occupancy levels across the two hotels specifically 9.1% decrease in comparison to the previous fiscal year. However, both the Average Daily Rate (ADR) and Revenue per Available Room (Rev/PAR) figures exceeded projections, surpassing expectations by €6.58 in ADR and €7.79 in REV/PAR respectively.

In FY25, management forecasts a 9.9% increase in revenue for this segment. This is primarily driven by a 7% revenue increase from Le Soleil, with the remaining growth attributed to the introduction of Les Bains and La Galerie, which are expected to begin operations in May 2025 (La Galerie) and July 2025 (Les Bains).

1.3.4 1926 Gourmet Ltd

During the year Roosendal Hotels set up 1926 Gourmet Ltd, a subsidiary intended to cover the high end side of the catering operations of the Group. The company operates Le GV fine dining restaurant which was awarded one Michelin star in 2025.

[1] Previous FASs included figures relating solely to 1926 Le Soleil (previously Hotel 1926). This figure covers all hotels operated by the Group

In summary, the below table formulates the principal assets owned by the respective Group companies:

Owning Company	Name of Property and Location	Description	Ownership Status
Roosendaal Hotels Limited	1926 Le Soleil Hotel & Spa, Sliema	Hotel management & operation	100% owned
Roosendaal Hotels Limited	16 car spaces, Sliema	Investment property	100% owned
Roosendaal Hotels Limited	Ground floor of TEN apartments and 10 car spaces, Sliema	Hotel management & operation	100% owned
Roosendaal Hotels Limited	1926 Le Parisot Boutique Hotel, Valletta	Hotel management & operation	100% owned
Roosendaal Hotels Limited	6 Hail, Tony Nichol Street, Sliema	Investment property	100% owned
Roosendaal Hotels Limited	Subterrain of 8, Cosy, Tony Nichol Street, Sliema	Investment property	100% owned
Roosendaal Hotels Limited	A1 & A2, Paris Court, Tony Nichol Street, Sliema	Hotel management & operation	100% owned
Roosendaal Hotels Limited	8, Tony Nichol Street, Sliema	Investment Property	Rented
Bortex Clothing Industry Company Ltd	Bortex Warehouse, Zebbug	Warehouse	100% owned
Bortex Clothing Industry Company Ltd	Bortex Warehouse (A12), Marsa	Warehouse	Emphytheusis
Bortex Clothing Industry Company Ltd	Bortex Offices & Warehouse (A11), Marsa	Warehouse & Offices	Emphytheusis
Bortex Clothing Industry Company Ltd	Bortex Retail Outlet, Marsa	Retail Outlet	Emphytheusis
Bortex Clothing Industry Company Ltd	Bortex Corporate & Hiring Outlet, Marsa	Retail Outlet	Emphytheusis
Roosendaal Trading Limited	68, Old Theatre Street, Valletta	Investment Property	100% owned
Roosendaal Trading Limited	Bortex Retail Outlet, Mosta	Retail outlet, coffee shop & 4 commercial levels with own airspace	100% owned
Roosendaal Trading Limited	Tower Road, Sliema	Rental Property	100% owned
Roosendaal Trading Limited	Bortex Retail Outlet, Mriehel	Retail outlet on the first 2 levels, 3 levels of commercial office space and 3 other basement levels	100% owned
Roosendaal Trading Limited	Bortex Retail Outlet, MIDI Complex, Sliema	Retail outlet	Rented

Roosendaal Trading Limited	Ralph Lauren Store, Tigne Sliema	Retail outlet	Rented
Roosendaal Trading Limited	Bortex & Friends Outlet, Bay Street, St. Julian's	Retail outlet	Rented
Roosendaal Trading Limited	Bortex Retail Outlet, Pama Shopping Complex, Mosta	Retail outlet	Rented
Roosendaal Trading Limited	Bortex Retail Outlet, The Plaza, Sliema	Retail outlet	Rented
Roosendaal Trading Limited	Bortex Retail Outlet, Valletta	Retail outlet	Rented
Roosendaal Trading Limited	Bortex Retail Outlet, Shoreline, Kalkara	Retail outlet	Rented
Roosendaal Trading Limited	Barlowes Outlet, Mercury, St. Julians	Retail outlet	Rented
Roosendaal Trading Limited	Gozo Luxury Outlet, Victoria, Gozo	Retail Outlet	Rented
Roosendaal Trading Limited	Gant Store, Baystreet, St.Julians	Retail Outlet	Rented
Roosendaal Trading Limited	Bortex Retail Outlet, Victoria, Gozo	Retail outlet	Rented

1.4 Operational Developments

1.4.1 Manufacturing and Retail

The Group will continue to focus on driving sales growth, improving margins, and enhancing operational efficiency to boost profitability within the retail division. At the same time, the manufacturing sector will prioritize selective, sustainable expansion, ensuring that growth is in line with market demand and operational capacity.

A key milestone will be the opening of a larger-format Bortex multi-brand store in Valletta, following the acquisition of new freehold premises. This will allow the current location to be repurposed into the Group's second Ralph Lauren store on the island.

In addition, the Group remains committed to expanding and optimizing its retail portfolio both locally and internationally. This will be achieved through strategic partnerships, new store openings, and the data-driven optimization of existing locations to enhance value and performance.

Looking forward, management is focused on strengthening brand positioning, refining product offerings, and driving long-term growth across all divisions. By leveraging its market presence and operational expertise, the Group aims to maintain a competitive advantage while adapting to changing industry trends and consumer preferences.

1.4.2 Hospitality

During 2025 the hospitality arm of the Group will focus mainly on the opening of the two hotels described above, which are nearing completion and are already being sold online for Spring / Summer 2025. It will continue to develop the 1926 Collection offering unique and innovative concepts tailored to niche markets. All its projects are aligned with the sustainability and wellness ethos of the hospitality segment of the Group.

1.4.3 Liquidation

1.4.3.1 The Group's Factory in Tunisia

As of the date of the analysis, the factory located in Tunisia ceased operations in May 2021, and Bortex Tunisie Sarl is now in administration under the management of an appointed liquidator. Subsequent to this closure, manufacturing activities have been outsourced to factories in Morocco, Turkey, and the Far East whilst also retaining a small capability in Malta.

Part 2 - Historical Performance and Forecasts

The financial information in sections 2.1 to 2.3 is extracted from the audited financial statements of the Issuer for the financial years ended 31 October 2022, 2023 and 2024. The financial information in section 2.4 to 2.6 is extracted from the audited financial statements of the Guarantor for the financial years ended 31 October 2022, 2023 and 2024.

The forecasted financial information for the year ending 31 October 2025 has been provided by the Group's management. This financial information relates to events in the future and are based on assumptions which the Group believes to be reasonable. Consequently, the actual outcome may be adversely affected by unforeseen situations and the variation between forecast and actual results may be material.

2.1 Issuer's Income Statement

Income Statement for the year ended 31 October	2022A	2023A	2024A	2025F
	€000s	**€000s**	**€000s**	**€000s**
Finance income	562	562	566	566
Finance costs	(503)	(504)	(505)	(505)
Net finance income	**59**	**59**	**61**	**61**
Administrative expenses	(57)	(58)	(67)	(67)
Other Income	-	-	90	-
Profit before tax	**2**	**1**	**84**	**(6)**
Taxation	(1)	(18)	-	-
Profit / (loss) after tax	**1**	**(17)**	**84**	**(6)**

Ratio Analysis	2022A	2023A	2024A	2025F
Gross Profit Margin (Net finance income / Finance income)	10.5%	10.5%	10.8%	10.8%
Net Margin (Profit after tax / Finance income)	0.2%	-3.1%	14.8%	-1.1%

The Issuer has limited trading activity since it acts solely as a finance vehicle.

During FY24, finance income amounted to €566k whilst the finance costs amounted to €505k resulting in a net finance income of roughly €61k, which has been very stable since FY22 increasing by just €2k. These reflect the 3.75% coupon incurred on the outstanding €12.75m bond issue along with its amortised costs.

The administrative expenses, which consist of annual listing fees, compliance costs, and directors' and professional fees, amounted to €67k in FY24. The Issuer benefited from other income that amounted to €90k. This is related to an increase of Group loans to cover the Issuer's overall costs. The Issuer had no tax expenses in FY24, closing the year with a profit after tax of €84k.

The Issuer is forecasting similar movements in FY25F with no Other Income and resulting in a net loss of €6k.

2.2 Issuer's Statement of Financial Position

Statement of Financial Position as at 31 October	2022A	2023A	2024A	2025F
	€000s	€000s	€000s	€000s
Assets				
Non-current assets				
Loans and receivables	12,497	12,497	12,567	12,547
Current Assets				
Receivables	515	521	541	520
Cash and cash equivalents	347	363	371	386
Tax receivable	2	-	3	-
Total Current Assets	**864**	**883**	**915**	**906**
Total Assets	**13,361**	**13,380**	**13,482**	**13,453**
Equity and Liabilities				
Capital and reserves				
Share capital	250	250	250	250
Retained earnings	38	21	105	98
Total Equity	**288**	**271**	**355**	**348**
Non-Current Liabilities				
Amortised bond issue	12,611	12,637	12,663	12,638
Current Liabilities				
Current tax liabilities	-	11	17	-
Payables	15	16	-	20
Accrued bond interest	447	446	447	447
Total Current Liabilities	**462**	**473**	**464**	**467**
Total Liabilities	**13,073**	**13,110**	**13,127**	**13,105**
Total Equity and Liabilities	**13,361**	**13,380**	**13,482**	**13,453**

In FY24 total assets amounted to €13.5m, remaining stable since FY22. Loans and receivables accounted to 93.2%, with the remainder made up of current receivables and cash and cash equivalents.

The equity base increased to €355k in FY24 mainly due to higher retained earnings of €105k, which is in line with the registered profit during FY24. For the same reason in FY25, the retained earnings are forecasted to be lower by €6k leading to a slight decline in the overall equity base.

On the liabilities side, the accumulated amortisation of the bond issue increased by €27k. This is expected to marginally increase over the lifetime of the bond as the issue costs are amortised.

The Issuer also recognised a current tax liability of €17k during FY24. However, the Issuer did not register any payables, which decreased the total current liabilities to €464k. For FY25, management anticipates no current tax liabilities, and payables to reach €20k. Whereas, accrued bond interest to remain the same increasing the total current liabilities by €3k.

2.3 Issuer's Statement of Cash Flows

Cash Flow Statement for the year ended 31 October	2022A	2023A	2024A	2025F
	€000s	**€000s**	**€000s**	**€000s**
Cash flows from operating activities				
Cash generated from / (used in) operations	(49)	(67)	(59)	(74)
Interest paid	(475)	(479)	(477)	(477)
Interest received	562	562	562	566
Taxation paid	(5)	-	(19)	-
Net cash flows generated from / (used in) operating activities	**33**	**16**	**8**	**15**
Net cash flows used in investing activities	-	-		
			-	-
Net cash flows generated from financing activities	-	-	-	-
Movement in cash and cash equivalents	**33**	**16**	**8**	**15**
Cash and cash equivalents at start of year	314	347	363	371
Cash and cash equivalents at end of year	**347**	**363**	**371**	**386**

Due to the Issuer only being a finance company for the group, its trading activity is restricted, having no cash generated from investing or financing activities.

Cash generated from operating activities, however, decreased slightly when compared to FY23 mainly due to the taxation paid in FY24 of €19k.

The overall cash position at the end of the year increased to €371k mainly due to the interest received which more than covered the cash used in operations and the interest paid. In FY25 the Issuers cash position is not expected to fluctuate drastically and remain relatively stable, increasing by €15k.

2.4 Group's Income Statement

Income Statement for the year ended 31 October	2022A	2023A	2024A	2025F
	€000s	€000s	€000s	€000s
Revenue	23,860	22,732	23,866	26,734
Cost of sales	(13,039)	(11,667)	(11,998)	(12,513)
Gross profit	**10,821**	**11,065**	**11,868**	**14,221**
Operating expenses (excl. depreciation)	(6,305)	(6,619)	(7,060)	(8,003)
Other income	354	1,114	559	403
EBITDA	**4,870**	**5,560**	**5,368**	**6,621**
Depreciation and amortisation	(1,838)	(1,860)	(2,030)	(2,104)
EBIT	**3,032**	**3,700**	**3,338**	**4,517**
Investment and other income	19	13	16	-
Finance loss	-	(21)	-	-
Finance income	26	-	16	-
Finance costs	(1,135)	(1,298)	(1,310)	(1,219)
Share of profit from associate	(16)	9	75	56
Profit before tax	**1,926**	**2,403**	**2,134**	**3,354**
Income tax	(20)	(367)	4,695	-
Profit after tax	**1,906**	**2,036**	**6,830**	**3,354**

Ratio Analysis - Profitability[2]	2022A	2023A	2024A	2025F
Growth in Revenue (YoY Revenue Growth)	21.3%	(4.7)%	5.0%	12.0%
Gross Profit Margin (Gross profit / Revenue)	45.4%	48.7%	49.7%	53.2%
EBITDA Margin (EBITDA / Revenue)	20.4%	24.5%	22.5%	24.8%
Operating (EBIT) Margin (EBIT / Revenue)	12.7%	16.3%	14.0%	16.9%
Net Margin (Profit after tax / Revenue)	8.0%	9.0%	28.6%	12.5%
Return on Common Equity (Net Income / Average Total Equity)	5.7%	5.3%	15.2%	6.5%
Return on Assets (Profit after tax / Average Total Assets)	2.8%	2.7%	8.0%	3.6%

Revenue

The Group primarily generates revenue from the manufacturing, sale and retailing of quality menswear and ladies wear, 1926 collection hotels and catering operations and property management. Overall, there was a 5% increase in total revenue compared to the previous year. Revenue in the apparel segment increased slightly from €15.4m to €15.9m representing a 3.3% increase. Revenue in the hospitality segment reached approximately €8m.

The increase in the apparel sector is mainly driven by increase in retail and corporate sales. Retail sales were supported by the launch of a new store at the Shoreline Mall and operational optimizations at Barlowes Department Store in Mercury Towers. All other stores within the local portfolio reported like-for-like sales growth. Corporate sales in FY24 were twice as high as those in the prior year.

The hospitality sector demonstrated a stable revenue performance even while considering the closure of inventory at 1926 Le Soleil which contributed to 93.6% of total revenue for the segment. As described earlier the inventory was closed to preserve quality reviews during the building works largely pertaining to the new hotel in the vicinity.

As per the Group's forecasts there were no property sales in FY24, and the Group still anticipates no sales in this segment for FY25.

The Group expects a 12% overall revenue increase in FY25. This is expected to be driven by a forecast 13% increase in the apparel segments revenue. Moreover, management anticipates a 17.8% increase in revenue in the hospitality segment due to the expansion of the Group's hotel portfolio as mentioned in section 1.3.3.

2 Ratio analysis may not agree to prior FASs, due to a change in the calculation methodology or rounding of figures

Segment Revenue	2022A	2023A	2024A	2025F
	€000s	€000s	€000s	€000s
Apparel	17,727	15,365	15,873	17,949
Hotel operations	5,693	7,331	7,993	8,785
Property sales	440	36	-	-
Total revenue	**23,860**	**22,732**	**23,866**	**26,734**

EBITDA and Net Profit

EBITDA in the apparel segment increased from €2.1m to €2.6m representing an increase of 24%. In this segment, the EBIT margin also increased from 7.4% to 9.8%. The cost of sales related to this segment stayed relatively stable as per previous financial year. Operating expenses excluding depreciation, increased during FY24 from €4.5m to €5.2m.

Hospitality GOP decreased from €3.6m to €2.9m representing a decline of 15.9%. The EBIT margin subsequently declined from 36.1% down to 24.0%. As explained above this was due to the deliberate closure of inventory.

For FY24 the Group did not experience any gain from fair value of investment property in their other income. However, rental income increased by 36% to €497k from previous fiscal year.

As a result, the Group achieved an EBITDA of €5.4m, 55.8% of which is from the hospitality segment whilst 44.2% is coming from retail and manufacturing. EBITDA for the year was in line with the Group's forecasts for FY24, and declined slightly by 3.5% in comparison to FY23.

No impairment charges were incurred during the year, and depreciation and amortisation figures increased slightly to €2m (FY23: €1.9m), resulting in a Group EBIT of €3.3m and a corresponding EBIT margin of 14%.

Finance costs remained stable between FY23 and FY24 with no material changes. The Group experienced higher returns in relation to share of profit from associate and joint ventures of €75k in FY24 (FY23: €9k). The associate, Milti Co, has registered a loss of €3k (FY23: loss of €18k), while Notos, one of the joint ventures, has registered a profit of €12k (FY23: profit of €27k). The new joint venture Scale Ltd, which started operations during FY24, contributed €66k to the bottom line.

A profit before tax of €2.1m was recorded which is the same as the forecasts of the FAS dated 29 April 2024.

The Group's net income increased from €2m to €6.8m, exceeding the forecasts by €4.7m. This was due to a deferred tax asset related to the Group's restructuring, amounting to €4.7m.

The Group's GOP margins increased from 48.7% to 49.7% explained by the improvement in the performance of the Group's segments mentioned in section 1.3 of this analysis.

Looking ahead for FY25 the apparel segment anticipates a growth in revenue from €15.9m to €17.9m. The EBIT margin is anticipated to have a slight improvement to 14.7%.

In the hospitality segment for FY25 revenues are expected to increase from €7.9m to €8.8m an increase of 10.13%. This due to the expansion of the hotels as mentioned in section 1.3.3.3. Due to this EBITDA is expected to increase from €2.9m to €4m.

Overall, the Group's EBITDA is expected to increase from €5.4m to €6.6m, representing an increase of 23.3%.

2.4.1 Variance Analysis

Income Statement	2024F	2024A	Variance
	€000s	**€000s**	**€000s**
Revenue	26,456	23,866	(2,590)
Cost of sales	(15,102)	(11,998)	3,101
Gross profit	**11,354**	**11,868**	**511**
Operating expenses (excl. depreciation and amortisation)	(6,569)	(7,060)	(491)
Other operating income / (expenses)	635	559	(76)
EBITDA	**5,420**	**5,368**	**(55)**
Depreciation and amortisation	(2,005)	(2,030)	(25)
EBIT	**3,415**	**3,338**	**(80)**
Investment and other income	-	16	16
Finance income	-	16	13
Finance costs	(1,283)	(1,310)	(27)
Share of profit from associate	-	75	75
Profit/(loss) before tax	**2,132**	**2,134**	**(3)**
Income tax	-	4,695	4,695
Profit/(loss) after tax	**2,132**	**6,830**	**4,692**

The forecast revenue of the apparel and project management segment for FY24 was €19.5m. The actual revenue for the year was €15.9m, a negative variance of 18.5%. The forecast EBITDA was €2.6m and the result achieved was exactly in line with the forecast despite lower revenues.

The hospitality segment on the other hand forecast revenue of €6.9m and achieved actual revenue of €8m, a positive variance of 16.1%. The actual EBITDA achieved was €2.9m, compared to the forecast EBITDA of €2.8m, exceeding management's expectations.

Overall Group's revenue decreased from the forecast€26.5m to the actual €23.9m, resulting in a 9.8% negative variance. Group EBITDA for FY24 was €5.4m, which corresponds with management's forecasts.

Actual depreciation, amortization charges, and finance costs were in line with forecasts, resulting in an actual Profit Before Tax for the year consistent with the forecasted figure of €2.1m.

The Group's profit after tax was forecast at €2.1m. However, the actual profit after tax amounted to €6.8m, primarily due to the recognition of a €4.7m deferred tax asset arising from Group restructuring.

2.5 Group's Statement of Financial Position

Statement of Financial Position as at 31 October	2022A	2023A	2024A	2025F
	€000s	€000s	€000s	€000s
Assets				
Non-Current Assets				
Property, plant and equipment	37,729	46,451	50,120	59,566
Right-of-use assets	6,504	7,343	6,707	6,707
Investment property	3,557	6,044	6,520	7,378
Investment in associates	181	163	160	160
Investment in joint venture	5	492	570	570
Non-current financial assets	760	191	257	257
Loans receivable	646	-	-	-
Deferred tax asset	-	-	4,771	4,293
Trade and other receivables	-	-	-	-
Total Non-Current Assets	**49,382**	**60,684**	**69,104**	**78,931**
Current Assets				
Inventories	11,155	11,821	12,615	12,618
Contract assets	67	170	150	150
Trade and other receivables	4,528	4,506	4,669	5,599
Current tax assets	13	1	2	2
Term placements	8	-	-	-
Cash and cash equivalents	2,640	3,535	2,507	1,048
Total Current Assets	**18,411**	**20,033**	**19,943**	**19,417**
Total assets	**67,793**	**80,717**	**89,047**	**98,348**
Equity and Liabilities				
Share capital	47	47	47	47
Revaluation reserve	11,620	17,621	17,687	20,600
Other reserves	704	704	704	704
Retained earnings	22,142	23,440	29,737	33,489
Non-controlling interest	18	23	37	37
Total Equity	**34,531**	**41,835**	**48,212**	**54,877**
Non-Current Liabilities				
Deferred taxation	3,025	3,740	3,798	3,398
Lease liabilities	6,233	7,327	6,904	6,904
Borrowings	18,788	20,723	22,742	23,829
Other non-current liabilities	21	21	78	78
Total Non-Current Liabilities	**28,067**	**31,811**	**33,522**	**34,209**
Current Liabilities				
Borrowings	1,080	3,097	2,530	4,919
Contract liabilities	-	-	-	-
Trade and other payables	3,984	3,744	4,655	4,235
Lease liabilities	123	94	108	108
Current tax liabilities	8	136	20	-
Total Current Liabilities	**5,195**	**7,071**	**7,313**	**9,262**
Total Liabilities	**33,262**	**38,882**	**40,835**	**43,471**
Total Equity and Liabilities	**67,793**	**80,717**	**89,047**	**98,348**

Ratio Analysis - Financial Strength	2022A	2023A	2024A	2025F
Gearing 1 (Net Debt / (Net Debt and Total Equity))	40.6%	39.8%	38.2%	38.7%
Gearing 2 (Total Liabilities / Total Assets)	49.1%	48.2%	45.9%	44.2%
Gearing 3 (Net Debt / Total Equity)	68.3%	66.2%	61.8%	63.3%
Net Debt / EBITDA	4.8x	5.0x	5.6x	5.2x
Current Ratio (Current Assets / Current Liabilities)	3.5x	2.8x	2.7x	2.1x
Quick Ratio ((Current Assets - Inventory) / Current Liabilities)	1.4x	1.2x	1.0x	0.7x
Interest Coverage 1 (EBITDA / Cash interest paid)	4.2x	4.2x	3.7x	5.4x
Interest Coverage 2 (EBITDA / Finance costs)	4.3x	4.3x	4.1x	5.4x

Total assets saw a €8.4m increase in FY24, primarily driven by a €4.8m deferred tax asset in recognition to the Group restructuring, and a rise in property, plant and equipment (PPE) of €3.7m. This increase in PPE is mainly related to an increase in assets under construction of €1.5m and an additional €1.7m in land and buildings and plant and property, both presented net of depreciation.

Out of the total €89m assets, current assets amount to €19.9m, mainly comprising €12.6m inventory, €4.7m trade and other receivables, and €2.5m cash and cash equivalents. The main movements within current assets during the year included an €0.8m increase in inventory and a €1m reduction in cash and cash equivalents.

Management anticipates a 10.4% increase in the Group's total asset base in FY25. Primarily attributed to an estimated €9.5m increase in the PPE, due to the expected completion of two major projects and property revaluations.

Equity surged by €6.4m in FY24, largely due to the higher retained earnings of €6.3m which factored in the recognition of a €4.7m deferred tax asset arising from Group restructuring. FY25 is expected to see a further increase in equity by €6.7m, driven by a €2.9m revaluation reserve and a €3.8m rise in retained earnings.

Non-current liabilities constitute 82.1% of the total liabilities, primarily comprising €22.7m in borrowings relating mainly to the Issuer's outstanding bond and bank loans. Management is anticipating a 4.8% increase in the Group's borrowings in FY25.

Although long-term borrowings have increased by €2m meaning an increase of 9.7% in comparison to FY23, the Group was able to decrease their gearing to 38.2% (FY23: 39.8%). Management, anticipates that the gearing level should have a slight increase to 38.7% in FY25.

The Group's current ratio declined to 2.7x (FY23: 2.8x). This ratio is expected to decrease to 2.1x in FY25, primarily due to an expected increase in short-term borrowings of €2.4m.

2.6 Group's Statement of Cash Flows

Cash Flow Statement for the year ended 31 October	2022A	2023A	2024A	2025F
	€000s	€000s	€000s	€000s
Cash flows from operating activities				
Cash generated from operations	4,636	3,988	5,571	6,282
Interest received	-	13	32	0
Interest paid	(1,157)	(1,312)	(1,455)	(1,219)
Net tax refund/(paid)	(28)	6	(134)	(11)
Net cash flows generated from operating activities	**3,451**	**2,695**	**4,014**	**5,052**
Cash flows from investing activities				
Purchase of property, plant and equipment	(2,414)	(5,536)	(5,842)	(4,482)
Additional investments in joint venture	(5)	(459)	-	-
Investment in FVOCI	(654)	-	-	-
Payments for investment in associate	-	799	-	-
Net cash flows used in investing activities	**(3,073)**	**(5,196)**	**(5,842)**	**(4,482)**
Cash flows from financing activities				
Movement in bank borrowings	(902)	1,755	1,900	(534)
Movement of loans from shareholders	-	-		-
Dividends paid	(100)	(405)	(518)	(358)
Principal element of lease liabilities	(144)	(167)	(134)	-
Net cash flows generated from / (used in) financing activities	**(1,146)**	**1,183**	**1,248**	**(892)**
Movement in cash and cash equivalents	**(768)**	**(1,318)**	**(579)**	**(322)**
Cash and cash equivalents at start of year	**3,328**	**2,572**	**1,254**	**676**
Effects of currency translation on cash and cash equivalents	12	-	-	-
Cash and cash equivalents at end of year	**2,572**	**1,254**	**675**	**354**

Ratio Analysis - Cash Flows	2022A	2023A	2024A	2025F
Free Cash Flow (CFO prior to the payment of interest - Capex)	€ 2,194	€ (1,529)	€(373)	€ 1,789

In FY24, the cash generated from operating activities increased by €1.3m primarily due to higher sales. Management is forecasting for FY25 an increase of 26% in cash from operating due to stronger sales and lower interest paid.

Net cash flows used in investing activities in FY24 increased to €5.8m, largely due to significant investments in PPE. This was higher than management's previous projections due to timing differences. The forecasted €4.5m capital expenditure includes investments regarding the hotel expansion mentioned under section 1.4.2 of this analysis.

Net cash generated from financing activities in FY24 stayed stable at €1.2m, driven by increased bank borrowings to €1.9m (FY23: €1.8m). Additionally, the group paid higher dividends amounting to €518k (FY23: €405k).

The Group's cash position decreased by €579k during the year, primarily due to a larger portion of the cash being used for investing activities, offset by increased borrowing. Looking ahead to FY25, management anticipates a further decrease in their cash in FY25 as bank borrowings will be repaid during the year which should result in a closing balance of €354k.

Free Cash Flow remained negative in FY24 due to significant investments in PPE. Conversely, this is expected to be positive to the tune of €1.8m in FY25 due to higher cash generated from operations and lower capital expenditures.

Part 3 - Key Market and Competitor Data

3.1 General Market Conditions

The Issuer is subject to general market and economic risks that may have a significant impact on its current and future property developments and their timely completion within budget. These include factors such as the health of the local property market, inflation and fluctuations in interest rates, exchange rates, property prices and rental rates. In the event that general economic conditions and property market conditions experience a downturn, which is not contemplated in the Issuer's planning during development, this shall have an adverse impact on the financial condition of the Issuer and may therefore affect the ability of the Issuer to meet its obligations under the Bonds.

3.2 Malta Economic Update[3]

The Bank's Business Conditions Index indicates that in February 2024, annual growth in business activity marginally decreased and remained below its historical average, estimated since January 2000.

The European Commission confidence surveys show that sentiment in Malta decreased in February, standing well below its long-term average, estimated since November 2002. Sentiment mostly deteriorated in industry.

Additional data show that in month-on-month terms, price expectations decreased across almost all sectors. The strongest declines were recorded among consumers and in the construction sector. By contrast, price expectations in industry stood less negative compared with a month earlier.

In February, the European Commission's Economic Uncertainty Indicator (EUI) for Malta decreased compared with January, indicating lower uncertainty. Uncertainty fell mostly in the services sector, and to a lesser extent, among consumers. In January, industrial production contracted on a year-on-year basis, while retail trade rose marginally on a year earlier.

Commercial and residential building permits in January were higher than a month earlier. While commercial permits were also higher when compared with a year ago, residential permits were lower on this basis. In February, the number of residential promise-of-sale agreements rose on a year earlier, as did the number of final deeds of sale.

The annual inflation rate based on the Harmonised Index of Consumer Prices (HICP) stood at 3.0% in February, down from 3.7% in the previous month. HICP excluding energy and food in Malta remained below the euro area average. Inflation based on the Retail Price Index (RPI) decreased to 2.3%, the lowest rate since September 2021, mainly due to a month-on-month drop in food prices.

In January, Maltese resident's deposits increased above their level a year ago, following a few months of declines in the latter half of 2023. Growth over the year to January was mostly driven by balances belonging to households. By contrast, deposits held by financial intermediaries decreased. Meanwhile, annual growth in credit to Maltese residents increased at the same rate compared with a month earlier. In January, the Consolidated Fund recorded a lower deficit compared to a year earlier. This reflects a rise in government revenue which outweighed an increase in government expenditure.

3.3 Retail[4]

According to the latest data issued by the Central Bank of Malta, Confidence in the retail sector increased and remained above its long-term average of 0.1. The index stood at 9.0, increasing from -4.7 in the previous month, which reflects an improvement across its three components.

3.4 Tourism

Comparison between the data of 2023 and 2024 provides valuable insights into the trajectory of the local tourism industry over the span of a single year, reflecting the pace and direction of recovery following the disruptions caused by the pandemic.

Inbound tourist arrivals experienced a notable surge from 2,976k in 2023 to 3,564k in 2024, marking an impressive increase of 19.6%. This significant uptick underscores the industry's robust recovery momentum and highlights the successful implementation of strategic initiatives aimed at rejuvenating tourism demand and stimulating visitor traffic.

Correspondingly, the metric of tourist guest nights witnessed a substantial growth, escalating from 20,242k in 2023 to 22,900k in 2024, reflecting a noteworthy increase of 13.1%. This surge in guest nights not only indicates a resurgence in tourist engagement but also underscores the sustained interest and participation in the local tourism offerings, contributing to the overall vibrancy of the sector.

However, amidst the recovery, there was a notable decline in the average length of stay, dropping from 6.8 days in 2023 to 6.4 days in 2024, representing a significant decrease of 5.9%. This decline may raise concerns regarding visitor engagement and expenditure patterns, necessitating a deeper examination into the underlying factors driving this trend and potential strategies to address it.

3 Central Bank of Malta – Economic Update 03/2025

4 Central Bank of Malta – Economic Update 03/2025

On the economic front, tourist expenditure exhibited a remarkable increase from €2,671m in 2023 to €3,300m in 2024, depicting a substantial surge of 23.5%. This surge in spending reflects the revitalization of tourism-related economic activities and underscores the sector's pivotal role in driving economic growth and employment.

Furthermore, the metric of tourist expenditure per capita demonstrated a modest increase, rising from €898 in 2023 to €924 in 2024, representing a marginal increment of 2.9%. While this increase reflects improved spending capacity and propensity among tourists, further analysis is required to discern the underlying factors influencing spending behaviour and patterns. The trends are also summarised in the following table, illustrating the number of tourist arrivals over the last four years:

Category[5]	2021	2022	2023	2024	2023 vs. 2024
Inbound tourists*	968	2,287	2,976	3,564	19.7%
Tourist guest nights*	8,390	16,600	20,242	22,900	13.1%
Avg. length /stay	8.7	7.3	6.8	6.4	-5.9%
Tourist expenditure**	871	2,013	2,671	3,300	23.5%
Tourist exp. per capita (€)	899	880	898	924	2.9%

*in thousands
**in € millions

January-February 2025[6]

Inbound tourists for the first two months of 2025 amounted to 404k, an increase of 18.5% over the same period in 2024. Total nights spent by inbound tourists went up by 20%, reaching 2.4m nights.

Total tourist expenditure was estimated at €289.4m, 29% higher than that recorded for 2024. Total expenditure per capita increased to €716 from €657 in 2024, a 9% increase.

The number of tourists visiting Gozo and Comino, including both same-day and overnight visitors, totalled 95.5k, or 45.4% of total tourists.

5 National Statistics Office, Malta

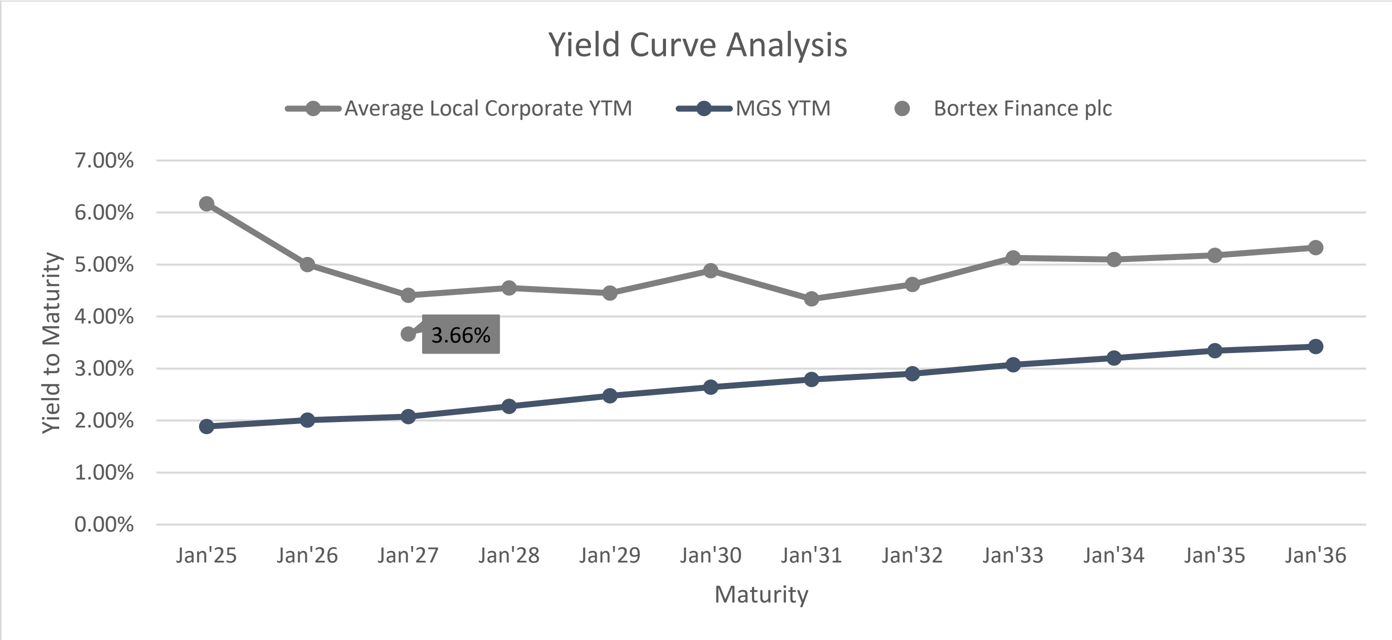
6 https://nso.gov.mt/tourism/inbound-tourism-february-2025/

3.5 Comparative Analysis

Security	Nom Value	Yield to Maturity	Interest coverage (EBITDA)	Total Assets	Total Equity	Total Liabilities / Total Assets	Net Debt / Net Debt and Total Equity	Net Debt / EBITDA	Current Ratio	Return on Common Equity	Net Margin	Revenue Growth (YoY)
	€000's	(%)	(times)	(€'millions)	(€'millions)	(%)	(%)	(times)	(times)	(%)	(%)	(%)
4.35% Hudson Malta plc Unsecured € 2026	12,000	4.34%	7.7x	78.3	12.9	83.6%	76.4%	8.1x	1.2x	0.9%	0.2%	8.9%
4.25% CPHCL Finance plc Unsecured € 2026	40,000	5.00%	1.6x	1,913.3	891.9	53.4%	42.3%	10.1x	1.1x	-1.3%	-3.4%	20.9%
4% International Hotel Investments plc Secured € 2026	55,000	4.00%	1.7x	1,768.3	836.3	52.7%	42.1%	9.5x	1.0x	-1.4%	-3.9%	20.8%
5% Dizz Finance plc Unsecured € 2026	8,000	5.09%	1.0x	84.6	12.4	85.4%	79.9%	13.9x	0.9x	-21.4%	-8.9%	13.6%
4% International Hotel Investments plc Unsecured € 2026	60,000	4.50%	1.7x	1,768.3	836.3	52.7%	42.1%	9.5x	1.0x	-1.4%	-3.9%	20.8%
3.25% AX Group plc Unsec Bds 2026 Series I	15,000	3.24%	1.8x	474.0	243.5	48.6%	39.4%	20.9x	0.9x	-1.6%	-7.7%	30.3%
3.75% Mercury Projects Finance plc Secured € 2027	11,500	3.75%	0.6x	269.6	78.8	70.8%	66.4%	48.2x	1.5x	9.9%	23.1%	-34.4%
4% Eden Finance plc Unsecured € 2027	40,000	4.41%	5.7x	223.3	136.7	38.8%	27.1%	4.3x	0.2x	2.8%	8.4%	36.6%
5.25% Mediterranean Investments Holding plc Unsecured € 2027	30,000	5.09%	5.2x	309.1	205.9	33.4%	20.4%	2.7x	1.1x	6.2%	45.8%	9.8%
4% Stivala Group Finance plc Secured € 2027	45,000	3.99%	27.0x	469.7	328.5	30.1%	22.9%	1.5x	1.2x	21.0%	208.5%	14.5%
3.75% Bortex Group Finance plc Unsecured € 2027	12,750	3.66%	4.1x	89.0	48.2	45.9%	38.2%	5.6x	2.7x	15.2%	28.6%	5.0%
5.85% Mediterranean Investments Holding plc Unsecured € 2028	20,000	5.16%	5.2x	309.1	205.9	33.4%	20.4%	2.7x	1.1x	6.2%	45.8%	9.8%
4% SP Finance plc Secured € 2029 (xd)	12,000	4.27%	2.2x	43.3	17.9	58.6%	51.2%	9.3x	0.5x	-0.7%	-1.3%	0.0%
3.65% Stivala Group Finance plc Secured € 2029	15,000	4.17%	27.0x	469.7	328.5	30.1%	22.9%	1.5x	1.2x	21.0%	208.5%	14.5%
3.75% AX Group plc Unsec Bds 2029 Series II	10,000	3.75%	1.8x	474.0	243.5	48.6%	39.4%	20.9x	0.9x	-1.6%	-7.7%	30.3%
4.25% Mercury Projects Finance plc Secured € 2031	11,000	4.25%	0.6x	269.6	78.8	70.8%	66.4%	48.2x	1.5x	9.9%	23.1%	-34.4%
3.65% Mizzi Organisation Finance plc Unsecured € 2028-2031	45,000	4.00%	1.8x	312.4	87.8	71.9%	58.4%	14.9x	0.8x	-1.9%	-1.1%	30.5%
3.65% IHI plc Unsecured € 2031	80,000	4.72%	1.7x	1,768.3	836.3	52.7%	42.1%	9.5x	1.0x	-1.4%	-3.9%	20.8%
4.35% Hudson Malta plc Unsecured € 2026	12,000	4.34%	7.7x	78.3	12.9	83.6%	76.4%	8.1x	1.2x	0.9%	0.2%	8.9%
	Average	4.30%										

Source: Audited financial statements for FY24

* Last closing price as at 25/04/2025
**Average figures do not capture the financial analysis of the Issuer



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

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

As at 25 April 2025, the average spread over the MGS for corporates with maturity range of 1-7 years (2026-2031) was 208 basis points. The 3.75% Bortex Group Finance plc 2027 is currently trading at a YTM of 366 basis points, meaning a spread of 158 basis points over the equivalent MGS. This means that this bond is trading at a discount of 50 basis points in comparison to the market.

Part 4 - Glossary and Definitions

Income Statement	
Revenue	Total revenue generated by the Group/Company from its principal business activities during the financial year.
Costs	Costs are expenses incurred by the Group/Company in the production of its revenue.
Gross Operating Profit (GOP/ EBITDA)	EBITDA is an abbreviation for earnings before interest, tax, depreciation and amortisation. It reflects the Group's/Company's earnings purely from operations.
Operating Profit (EBIT)	EBIT is an abbreviation for earnings before interest and tax.
Depreciation and Amortisation	An accounting charge to compensate for the decrease in the monetary value of an asset over time and the eventual cost to replace the asset once fully depreciated.
Net Finance Costs	The interest accrued on debt obligations less any interest earned on cash bank balances and from intra-group companies on any loan advances.
Net Income	The profit made by the Group/Company during the financial year net of any income taxes incurred.

Profitability Ratios	
Growth in Revenue (YoY)	This represents the growth in revenue when compared with previous financial year.
Gross Profit Margin	Gross profit as a percentage of total revenue.
EBITDA Margin	EBITDA as a percentage of total revenue.
Operating (EBIT) Margin	Operating margin is the EBIT as a percentage of total revenue.
Net Margin	Net income expressed as a percentage of total revenue.
Return on Common Equity	Return on common equity (ROE) measures the rate of return on the shareholders' equity of the owners of issued share capital, computed by dividing the net income by the average common equity (average equity of two years financial performance).
Return on Assets	Return on assets (ROA) is computed by dividing net income by average total assets (average assets of two years financial performance).
Cash Flow Statement	
Cash Flow from Operating Activities (CFO)	Cash generated from the principal revenue producing activities of the Group/Company less any interest incurred on debt.
Cash Flow from Investing Activities	Cash generated from the activities dealing with the acquisition and disposal of long-term assets and other investments of the Group/Company.
Cash Flow from Financing Activities	Cash generated from the activities that result in change in share capital and borrowings of the Group/Company.
Capex	Represents the capital expenditure incurred by the Group/Company in a financial year.
Free Cash Flows (FCF)	The amount of cash the Group/Company has after it has met its financial obligations. It is calculated by taking Cash Flow from Operating Activities less the Capex of the same financial year.

Balance Sheet	
Total Assets	What the Group/Company owns which can de further classified into Non-Current Assets and Current Assets.
Non-Current Assets	Assets, full value of which will not be realised within the forthcoming accounting year
Current Assets	Assets which are realisable within one year from the statement of financial position date.
Inventory	Inventory is the term for the goods available for sale and raw materials used to produce goods available for sale.
Cash and Cash Equivalents	Cash and cash equivalents are Group/Company assets that are either cash or can be converted into cash immediately.
Total Equity	Total Equity is calculated as total assets less liabilities, representing the capital owned by the shareholders, retained earnings, and any reserves.
Total Liabilities	What the Group/Company owes which can de further classified into Non-Current Liabilities and Current Liabilities.
Non-Current Liabilities	Obligations which are due after more than one financial year.
Total Debt	All interest-bearing debt obligations inclusive of long and short-term debt.
Net Debt	Total debt of a Group/Company less any cash and cash equivalents.
Current Liabilities	Obligations which are due within one financial year.

Financial Strength Ratios	
Current Ratio	The Current ratio (also known as the Liquidity Ratio) is a financial ratio that measures whether or not a company has enough resources to pay its debts over the next 12 months. It compares current assets to current liabilities.
Quick Ratio (Acid Test Ratio)	The quick ratio measures a Group's/Company's ability to meet its short-term obligations with its most liquid assets. It compares current assets (less inventory) to current liabilities.
Interest Coverage Ratio	The interest coverage ratio is calculated by dividing EBITDA of one period by cash interest paid of the same period.
Gearing Ratio	The gearing ratio indicates the relative proportion of shareholders' equity and debt used to finance total assets.
Gearing Ratio Level 1	Is calculated by dividing Net Debt by Net Debt and Total Equity.
Gearing Ratio Level 2	Is calculated by dividing Total Liabilities by Total Assets.
Gearing Ratio Level 3	Is calculated by dividing Net Debt by Total Equity.
Net Debt / EBITDA	The Net Debt / EBITDA ratio measures the ability of the Group/Company to refinance its debt by looking at the EBITDA.

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

Calamatta Cuschieri

Calamatta Cuschieri Investment Services Limited

Ewropa Business Centre, Triq Dun Karm, Birkirkara BKR 9034, Malta
www.cc.com.mt
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