

MAL161

COMPANY ANNOUNCEMENT

Variances

The following is a Company Announcement issued by MALITA INVESTMENTS P.L.C (THE "COMPANY").

QUOTE

Variances

The Board of Directors notes that material variances resulted between the Financial Sustainability Forecasts for 2025 and the Actual Audited results for the financial year ended 31st December 2025. Any material differences are detailed below:

Malita Investments p.l.c.				
Statement of Comprehensive Income				
		Audited Financial Statements	Original Financial Projections	
	Notes	31st December 2025	31st December 2025	Variance
		€ 000's	€ 000's	€ 000's
Revenue	1	10,619	9,550	1,069
Revenue from service concession arrangements	2	3,493	16,048	(12,555)
Costs related to service concession arrangements	2	(13,336)	(15,075)	1,739
Administrative expenses		(2,500)	(1,731)	(769)
Provision for liabilities and charges		(930)	-	(930)
Operating profit		(2,654)	8,792	(11,446)
Change in fair value of investment property		5,187	4,097	1,090
Finance income	3	5,461	6,367	(906)
Finance costs	3	(3,781)	(2,720)	(1,061)
Profit before tax		4,213	16,536	(12,323)
Tax Expense		(2,306)	(2,846)	540
Profit for the year		1,907	13,690	(11,783)
Other comprehensive income		(248)	-	
Total comprehensive income	4	1,659	13,690	(12,031)

Malita Investments p.l.c.		Audited Financial Statements	Original Financial Projections	
Statement of Financial Position	Notes	31st December 2025	31st December 2025	Variance
		€ 000's	€ 000's	€ 000's
ASSETS				
Noncurrent assets				
Property, Plant & Equipment		90	52	38
Investment property		257,939	229,151	28,788
Contract asset	5	83,345	121,813	(38,468)
Total noncurrent assets		341,374	351,016	(9,642)
Current assets				
Financial assets at FVOCI		-	-	-
Trade and other receivables		1,216	499	717
Cash and cash equivalents		6,435	4,577	1,858
Total current assets		7,651	5,076	2,575
Total assets		349,025	356,092	(7,067)
LIABILITIES AND EQUITY				
Equity				
Share capital		102,710	105,758	(3,048)
Retained earnings	6	2,785	23,985	(21,200)
Reserve for Fair Value Movements		88,077	79,874	8,203
Other reserves		6,115	6,458	(343)
Total equity		199,687	216,075	(16,388)
Noncurrent liabilities				

Borrowings	7	78,192	101,080	(22,888)
Lease liability		3,558	3,345	213
Capital creditors		1,876	436	1,440
Provision for liabilities and charges	8	1,732	7,100	(5,368)
Deferred tax liabilities	9	46,427	17,850	28,577
Total noncurrent liabilities		131,785	129,811	1,974
<i>Current liabilities</i>				
Borrowings		5,139	5,380	(241)
Lease liability		131	122	9
Capital creditors		3,981	2,376	1,605
Trade and other payables		6,468	1,629	4,839
Current tax liabilities		1,834	699	1,135
Total current liabilities		17,553	10,206	7,347
Total liabilities		149,338	140,017	9,321
Total liabilities and equity		349,025	356,092	(7,067)

Note 1: Revenue

Revenue comprises the consideration payable by MIA and VCP by way of ground rent in respect of the temporary emphyteusis granted, lease for the Open Air Theatre receivable by the Company pursuant to a lease agreement, lease payable by Government of Malta for the Parliament Building, rent receivable from garages being leased at various Housing sites and rent receivable from the Health Care Clinic in Siggiewi.

Note 2: Revenue and Costs from service concession arrangements

Revenue from both the construction and operating activity recognized during the year ended 31 December 2025. Costs in relation to construction amounting were recognized in the Statement of Comprehensive Income for the year ended 31 December 2025. The difference between revenue and cost from the construction project

during the period represents, in substance, project management fees as required by IFRIC 12 and revenue recognized for the concession operations.

Note 3: Finance Income and Finance Costs

Finance costs include interest expense on the Company's borrowings and lease liability during the year presented. Finance income includes a gain resulting from a change in estimate relating to the financial asset under the service concession arrangement during 2025.

Note 4: Total Comprehensive Income

Significantly lower income profits generated due to a loss resulting from a change in estimate relating to the financial assets under the service concession arrangement, as per Note 3 above as well as impacts from the suspension of works, which provides for further delays from the original timelines.

Note 5: Contract Asset

Income from both the construction and operating activity is cumulatively recognized in the Statement of Financial Position as a contract asset.

Note 6: Retained Earnings

Lower earnings recorded as explained above.

Note 7: Borrowings

Lower borrowings registered for comparative purposes, yet the Company has yet to avail of the additional borrowings from its Banking Partners.

Note 8: Provision for Liabilities and Charges

During the year, the company recognized a provision related to claims. As part of its ongoing commitment to the Housing Project, the Company has recognized a provision relating specifically to anticipated maintenance

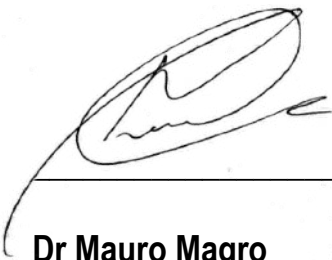
expenses contractually required to be undertaken for the continued upkeep and preservation of the developed properties during the concession period.

Note 9: Deferred Tax Liabilities

The movement for the year comprising the recognition of the above deferred tax liability has been credited to profit or loss and other comprehensive income.

UNQUOTE

By Order of the Board



Dr Mauro Magro
Company Secretary

30 April 2026