



STIVALA GROUP FINANCE P.L.C.

Condensed Consolidated
Interim Financial Statements

For the period 01 January 2025 to 30 June 2025

	Pages
Directors' report pursuant to Capital Markets Rules	1 - 2
Condensed Consolidated Interim Financial Statements:	
Condensed Consolidated Interim Statement of Financial Position	3 - 4
Condensed Consolidated Interim Statement of Comprehensive Income	5
Condensed Consolidated Interim Statement of Changes in Equity	6
Condensed Consolidated Interim Statement of Cash Flows	7
Notes to the Condensed Consolidated Interim Financial Statements	8 - 11
Directors' statement pursuant to Capital Markets Rules	12

Interim Directors' Report

This Half-Yearly Report is being published in terms of Chapter 5, Rule 5.75 of the Capital Markets Rules of the Malta Financial Services Authority and the Prevention of Financial Markets Abuse Act, Chapter 476 of the Laws of Malta. The condensed set of financial statements included in this report has been extracted from Stivala Group Finance p.l.c.'s unaudited financial information for the six months commencing 01.01.2025 to 30.06.2025 prepared in accordance with International Financial Reporting Standards adopted for use in the EU for interim financial statements (International Accounting Standard 34, 'Interim Financial Reporting'). This half yearly report has not been audited or reviewed by the Company's auditors.

Principal Activities

The Group's main business is the acquisition of real estate for long term investment purposes, principally in Gzira, Msida, Sliema and St. Julians areas. Once acquired, the Group is engaged in the development of these properties and their conversion into residential and commercial properties. Most properties are retained by the Group to generate rental revenues both from short letting and tourist accommodation as well as from long-term residential, office and retail lets.

Business Review

During the six-month period that ended on 30 June 2025, the Company registered a profit before tax of €4,191,096 (profit of €3,958,898 June 2024). The difference in profit before tax is mainly attributable to.

The Maltese economy continues to grow robustly, bolstered by strong exports and resilient domestic demand. Tourism has bounced back to well above pre-pandemic levels, and a sustained inflow of workers is giving a further boost to domestic consumption.

Following a remarkable 6.0 % GDP growth in 2024, the economy is projected to expand by 4.1 % in 2025 and 4.0 % in 2026.

The government deficit stood at 3.7 % of GDP in 2024 and is expected to narrow to 3.2 % in 2025 and 2.8 % in 2026

Meanwhile, the public debt-to-GDP ratio, though rising modestly, remains under control—standing at 47.4 % in 2024, and forecast to be 47.6 % in 2025 and 47.3 % in 2026

This slight shift reflects sustained nominal GDP growth that helps cushion the debt trajectory.

During the reporting period, the Group maintained its strategic focus on expanding its property portfolio through continued capital investment. Key projects currently underway ongoing finalization of the Novotel Malta Sliema, a new hospitality asset & the groups first 4 star hotel, scheduled for completion & operation in Q3 2025.

The Group also commenced the full demolishment and reconstruction of the Sliema Hotel in Q1 of this year for its transformation into a 4-star Superior property under the Mövenpick brand, part of the global Accor Hotel Group. This project marks a significant upgrade within the Group's hospitality segment and is predicted to be operational for commercial purposes in Q1 of 2027.

In parallel, the Group broadened its commercial real estate footprint through redevelopment of the former Charlie's Guesthouse in Msida. This property is being transformed into the ST Charlie's Business Centre, contributing to the ongoing urban renewal of the Msida seafront area. Completion is targeted for Q4 of the current financial year, with commercial operations expected to commence in Q1 2026.

These initiatives form part of the Group's long-term investment strategy aimed at enhancing asset value, diversifying its portfolio, and reinforcing its presence in both the hospitality and commercial property markets in Malta.

The published figures have been extracted from the unaudited interim financial statements for the six-month period ending 30 June 2025.

Interim Directors' report - continued

Dividends

The Board of Directors has resolved to determine the extent of any dividend distribution for 2025 on the basis of the full year results. Accordingly, no dividends are declared upon the issue of the results for the six-month period ended 30 June 2025.

Principal Risks and Uncertainties

Along with the current afore-mentioned projects and the current operation of the business, the company is still subject to several financial risks including market, economic & credit that may effect the planned projects and their completion. Additionally, the directors are monitoring closely inflationary risks resulting from the ongoing conflicts in Ukraine and the Middel-East. The Directors are confident that the company has the necessary controls in place to mitigate the possible effects of the mentioned risks and pressures. Where possible, the board provides guidance for the overall risk management as well as having the necessary safeguards to mitigate such risks in the most effective way.

Director's statement pursuant to Capital Markets Rules

We hereby confirm that to the best of our knowledge:

1. the condensed consolidated Interim financial statements gives a true and fair view of the financial position of the company as at 30 June 2025 and of its financial performance and its cash flows for the period then ended in accordance with the IFRS as adopted by the EU applicable to Interim Financial Reporting (IAS 34)
2. the interim directors' report includes a fair review of the information required in terms of Capital Markets Rules 5.81.1]

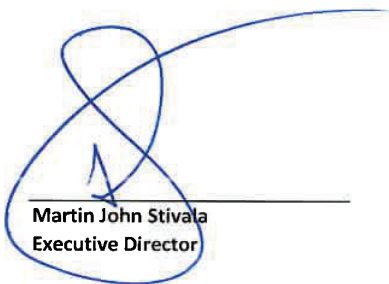
Approved by the Board of Directors on 27th August 2025 and signed on its behalf by:



Michael Stivala
CEO & Executive Director



Ivan Stivala
Chairman & Executive Director



Martin John Stivala
Executive Director

Registered Office:
Bayview Hotel
143, The Strand
Gzira
GZR1026
Malta

STIVALA GROUP FINANCE P.L.C.
Condensed Consolidated Interim Financial Statements
For the period 01 January 2025 to 30 June 2025

Condensed Consolidated Interim Statement of financial position

		As at 30.06.25 (unaudited) €	As at 31.12.24 (audited) €
	Notes		
ASSETS			
Non-current assets			
Intangible Assets		66,615,940	66,540,477
Right of use Asset		152,297	152,297
Investment Property	3	220,274,641	221,191,006
Property, plant and equipment	3	189,342,536	183,159,731
Deferred Tax asset		15,327,996	16,756,099
Investment in associates	4	327,702	306,078
		<u>492,041,112</u>	<u>488,105,688</u>
Current Assets			
Inventory	5	70,161	22,417
Property held for sale	5	2,435,816	4,235,816
Trade and other receivables		5,269,482	3,130,161
Bank and cash equivalents	2	4,962,192	1,454,965
Other Financial Assets		10,586,031	13,671,083
		<u>23,323,681</u>	<u>22,514,442</u>
Total Assets		<u>515,364,793</u>	<u>510,620,130</u>

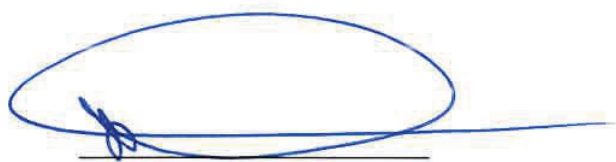
STIVALA GROUP FINANCE P.L.C.
Condensed Consolidated Interim Financial Statements
For the period 01 January 2025 to 30 June 2025

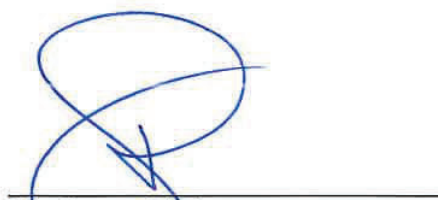
Condensed Consolidated Interim Statement of financial position - continued

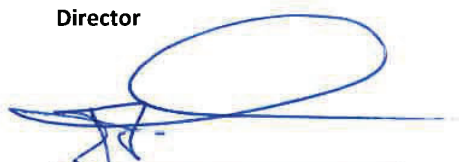
		As at 30.06.25 (unaudited) €	As at 31.12.24 (audited) €
EQUITY AND LIABILITIES	Notes		
Capital and reserves			
Called up issued share capital	6	258,804	258,804
Retained earnings		101,442,765	97,251,669
Revaluation Reserve		261,353,044	261,353,044
Total Equity		363,054,613	358,863,517
LIABILITIES			
Non-current liabilities			
Long term Borrowings	7	36,367,971	33,257,559
Other non current-liabilities	8	59,880,000	59,850,000
Finance Lease liability		121,456	129,497
Deferred tax liability		41,054,291	33,629,848
Total Non current liabilities		137,423,718	126,866,904
Current liabilities			
Current borrowings	2,7	6,549,306	9,358,520
Trade and other payables		7,762,038	15,456,585
Finance Lease liability		38,900	42,863
Current tax liabilities		536,219	31,741
Total Current liabilities		14,886,463	24,889,709
Total equity and liabilities		515,364,793	510,620,130

The notes on pages 8 to 11 are an integral part of these condensed consolidated interim financial statements.

The condensed consolidated interim financial statements on pages 3 to 12 were authorised for issue by the Board on 27th August 2025 and were signed on its behalf by :


Michael Stivala
Director


Martin John Stivala
Director


Ivan Stivala
Director

STIVALA GROUP FINANCE P.L.C.
Condensed Consolidated Interim Financial Statements
For the period 01 January 2025 to 30 June 2025

Condensed Consolidated Statement of comprehensive Income

	Notes	6 months Jan - Jun 2025 (unaudited) €	6 months Jan - Jun 2024 (unaudited) €
Revenue	9	16,402,729	14,535,797
Cost of sales		(5,517,009)	(3,597,042)
Gross operating Profit		10,885,720	10,938,755
Other Net operating costs		(1,208,628)	(1,980,561)
EBITDA		9,677,092	8,958,194
Depreciation & Amortisation		(2,373,535)	(2,238,233)
Operating Profit		7,303,557	6,719,961
Share of results of associated undertakings		21,624	14,034
Dividend income		42,500	123,250
ECL provision	10	(450,208)	(111,262)
Net Finance Costs		(2,334,163)	(2,270,531)
Profit before tax		4,583,310	4,475,452
Taxation		(392,215)	(516,554)
Profit for the period		4,191,096	3,958,898
Total Comprehensive income		4,191,096	3,958,898

Condensed Consolidated Interim Statement of changes in Equity

	Share Capital €	Revaluation Reserve €	Retained Earnings €	Incentives & Benefits €	Total €
At 31 Dec 2024	258,804	261,353,044	97,251,669	0	358,863,517
Profit for the period	0	0	4,191,096	0	4,191,096
Dividends Paid	0	0	0	0	
Total Comprehensive income	0	0	4,191,096	0	4,191,096
At 30 June 2025	258,804	261,353,044	101,442,765	0	363,054,613

STIVALA GROUP FINANCE P.L.C.
Condensed Consolidated Interim Financial Statements
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Condensed Consolidated Interim Statement of Cash Flows

	Notes	6 months Jan - Jun 2025 Unaudited €	6 months Jan - Jun 2024 Unaudited €
Net cash from operating activities		9,042,595	13,298,781
Net cash from investing activities		(2,729,574)	(16,295,320)
Net cash from financing activities		1,929,793	5,123,798
Net movement in cash and cash equivalents		8,242,815	2,127,259
Cash and cash equivalents at beginning of year		(210,997)	(2,129,083)
Cash and cash equivalents at end of year		8,031,818	(1,824)
Cash and cash equivalents at beginning of year	2	1,781,141	(1,869)

Notes to the condensed consolidated interim financial statements

1 Basis of operation

These condensed consolidated interim financial statements have been prepared in accordance with Internal Accounting Standards 34 - 'Interim Financial Reporting', and have been extracted from the company's unaudited accounts for the six month period commencing 01 January 2025 to 30 June 2025. The half yearly results have been published in terms of the Capital Markets Rules of the Malta Financial Services Authority.

1.1 Foreign Currency Translation

(a) Functional and presentation currency

Items included in these financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in euro, which is the company's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

1.2 Investment Property

Investment Property comprises residential apartments and commercial properties leased out to third parties.

Notes to the condensed consolidated interim financial statements - continued

2 Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise the following:

	Jan - Jun 2025 Unaudited €
Cash at bank and in hand	4,962,192
Bank overdrafts	(3,181,050)
	1,781,141

Cash at bank is included within current assets whilst bank overdrafts are included within the current liabilities (Short-term borrowings) in the statement of financial position.

3 Property, Plant & Equipment

The fair value of the Group's investment properties as at 31 December 2023 is based on a valuation carried out by an independent architect on the 31 October 2023

4 Investment in Associates

Company	<u>Registered Address</u>	% of ordinary capital held
		Jan - Jun 2025
Platinum Developments Ltd	143, The strand, Gzira GZR 1026, Malta	50
Civala Limited	Vincenti Buildings 22/25, Strait street, Valletta, VLT1432, Malta.	50
Sliema Creek Lido Limited	No.2, Geraldu Farrugia Street Zebbug, ZBG 4351, Malta	33.33
Aqualuna Lido Limited	No.2, Geraldu Farrugia Street Zebbug, ZBG 4351, Malta	33.33

Notes to the condensed consolidated interim financial statements - continued

5	Inventory	Jan - Jun 2025
		Unaudited
		€
	Goods held for resale	70,161
	Property for resale	2,435,816
		<u>2,505,977</u>
6	Share capital	Jan - Jun 2025
		Unaudited
		€
	Authorised	
	500,000 ordinary shares of €1 each	500,000
		<u>500,000</u>
	Called up issued and fully paid-up	
	258,804 ordinary shares of €1 each	258,804
		<u>258,804</u>

Each ordinary share gives the right to 1 vote, participates equally in profits distributed by the company and carries equal rights

7 Long Term Borrowings

Bank Loans

As at year end, the Group held various loan facilities with multiple financial institutions, classified as non-current and current liabilities according to the respective repayment terms. These borrowings are summarised below by entity:

Carmelo Stivala Group Ltd

Carmelo Stivala Group Ltd maintains the following loan balances:

A term loan with Lombard Bank with an outstanding balance of €3,580,488.39.

Facilities with BNF Bank amounting to a total balance of €9,775,305.14.

A facility with FIMBank with an outstanding balance of €222,942.37.

A loan facility with APS Bank totalling €6,929,353.11.

An additional Covid-19 Malta Development Bank (MDB) guaranteed facility through APS Bank with a balance of €378,448.65.

ST Hotels Ltd

ST Hotels Ltd holds the following loan facilities:

A loan with BNF Bank (Loan 1) with an outstanding balance of €1,535,620.26.

A second loan with BNF Bank (Loan 2) with a balance of €2,452,210.69.

Two additional Covid-19 MDB guaranteed loans with BNF Bank, carrying outstanding balances of €11,610.48 and €93,983.39 respectively.

A loan facility with Bank of Valletta (BOV) relating to the Bayview Hotel, with a balance of €1,667,343.03.

A Covid-19 MDB facility with BOV, carrying an outstanding balance of €1,303,678.73.

Two loans with BOV linked to the Novotel development project, with outstanding balances of €12,896,304.44 (Novotel 1) and €678,321.17 (Novotel 2).

Total borrowings for ST Hotels Ltd as at year end amounted to €20,638,072.19.

All loan balances were confirmed directly with the lending institutions and are stated at amortised cost. Where applicable, Covid-19 facilities are guaranteed in part by the Malta Development Bank in accordance with the relevant pandemic support schemes. No breaches of covenants or defaults were noted as at the reporting date.

Notes to the condensed consolidated interim financial statements - continued

8 Other non current liabilities

	Jan - Jun 2025
	Unaudited
	€
Face value	60,000,000
Bond issue costs	(600,000)
Bond issue costs amortisation b/f	450,000
Bond issue costs amortisation for the period	30,000
Amortised cost as at 30 June 2023	<u>59,880,000</u>

9 Revenue

The revenue is generated mainly from rental income of from various properties, the operation of three 3 star hotels (Bayview Hotel, Azur Hotel, Sliema Hotel and Alavits hotel) and Blubay Apartments and Valletta View Apartment, which generated. Carmelo Stivala Group Ltd generated revenues from the sale of property held Tal-Qroqq Mansions. ST Group Investments has generated as per the IP held 14% on the rental generated sales of ST Properties Ltd and 40% of the accommodation generated sales of ST Hotels Ltd

10 Revision of ECL Provision

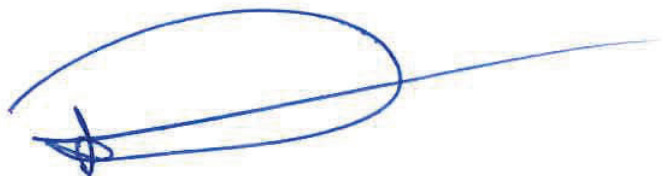
The revision of ECL provision in 2024 was derived from a balance between Carmelo Stivala Group and North Harbour Limited.

Directors' statement Pursuant to Capital Market Rule 5.75.3

I confirm to the best of my knowledge:

- the condensed consolidated interim financial information gives a true and fair view of the financial position of the group from 1st January 2025 to 30th June 2025, and of its financial performance and its cash flows for the six-month period then ended in accordance with International Financial Reporting Standards as adopted by the EU applicable to interim financial reporting (International Accounting Standards 34, 'Interim Financial Reporting');

- the Interim Directors' report includes a fair review of the information required in terms of Capital Market Rule 5.81 to 5.84.



Mr. Michael Stivala
Director