Financial Analysis Summary

17 April 2026

Issuer

AX Group p.l.c.

(C 12271)

Prepared by:

MZ INVESTMENTS

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The Directors
AX Group p.l.c.
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17 April 2026

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 on 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 data appertaining to AX Group p.l.c. (the "**Issuer**", "**Group**", or "**AX Group**"). 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 October 2023, 31 October 2024, and 31 October 2025 has been extracted from the respective audited consolidated annual financial statements.

(b) The forecast financial information for the year ending 31 October 2026 has been provided by the Group.

(c) Our commentary on the financial performance, cash flows, and financial position of AX Group is based on explanations provided by the Issuer.

(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 existing and potential investors in the Issuer's securities by summarising the more important financial information of the Group. This Analysis does not contain all data that is relevant to investors. This 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 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, potential 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. ABOUT AX GROUP

AX Group is engaged in the provision of hospitality services, leisure, and entertainment ("**AX Hotels**"); retirement residences and elderly care ("**AX Care**"); property development ("**AX Development**"); construction and building materials ("**AX Construction**"); as well as the ownership of real estate mainly through AX Real Estate p.l.c. ("**AXRE**").[1] In addition, the Group has a 50% shareholding in a joint venture that owns properties in an industrial park (Hardrocks Estates Limited) and has substantial shareholding in two associates that are involved in renewable energy projects (Imselliet Solar Limited – 33.3%) and the management of the Valletta Cruise Port (Valletta Cruise Port p.l.c. – 36.4%).

The Group commenced its business in the 1970s, first as a civil engineering and construction company before diversifying into the hotel industry in the 1980s through the launch of AX Sunny Coast Resort & Spa and AX ODYCY (formerly Seashells Resort at Suncrest), both located in Qawra. Thereafter, AX Group continued to grow its hospitality division with the development of AX The Victoria Hotel and AX The Palace in 1996 and 2007 respectively, both located in Sliema. These were followed by the acquisition and restoration of two upmarket boutique properties located in Valletta – AX The Saint John (2015) and Rosselli AX Privilege (2016) – which welcomed their first guests in August 2017 and May 2019 respectively. Moreover, in August 2025, AX Group inaugurated the five-star Verdala Wellness Hotel in Rabat, Malta's first premier integrated wellness hotel, following the completion of a multi-million investment spanning almost four years. Today, the **AX Hotels** brand has carved out a unique position in the local hospitality market and also represents the Group's largest operating segment.

AX Construction and **AX Development** are also very important operating arms of the Group having been entrusted with a number of major projects along the years. Furthermore, AX Construction developed specialised expertise in the restoration of several buildings considered among Malta's most valuable from a cultural, heritage, and historical perspective.

In FY2014 and FY2015, the Group developed the Hilltop Complex, comprising the Hilltop Gardens Retirement Village and the Simblija Care Home. Operated under the **AX Care** brand, the complex represents Malta's first purpose-built retirement village and offers independent living with access to a range of facilities and amenities, together with a 24-hour care and nursing home for elderly residents requiring intensive health support.

In February 2022, AX Group listed **AXRE** on the Regulated Main Market of the Malta Stock Exchange, with just over 25% of the company's ordinary 'A' shares taken up by the general public. AXRE serves as the holding company for AX Group's real estate division and leases its diversified real estate portfolio to both Group companies and independent third parties.

[1] A description of the operational activities of AXRE, together with an analysis of the company's performance and forecasts, is included in the most recent Analysis which is available at https://axinvestor-relations.mt/ax-real-estate/.

2. DIRECTORS AND EXECUTIVE MANAGEMENT

2.1 BOARD OF DIRECTORS

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

Angelo Xuereb	Chairman
Michael Warrington	Chief Executive Officer & Deputy Chairman
Denise Xuereb	Executive Director – Construction & Development[2]
Claire Xuereb	Executive Director – Hospitality & Care
Anthony Fenech	Independent Non-Executive Director
John Soler	Independent Non-Executive Director
Josef Formosa Gauci	Independent Non-Executive Director
Christopher Paris	Independent Non-Executive Director

2.2 EXECUTIVE MANAGEMENT

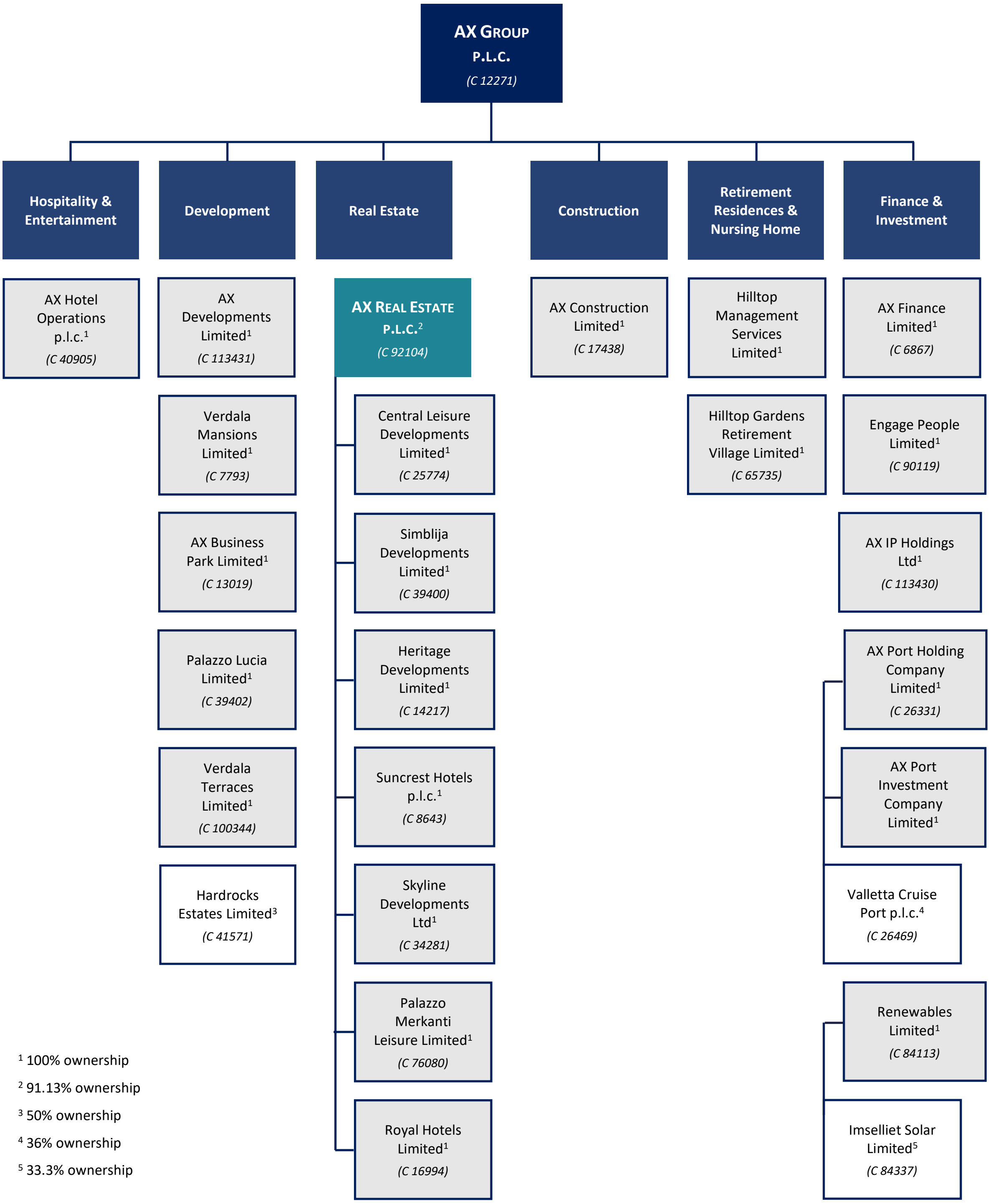
AX Group's Executive Management team comprises the following individuals, who are responsible for executing the organisation's strategy, overseeing operations, and driving overall performance:

Michael Warrington	Chief Executive Officer & Deputy Chairman
Denise Xuereb	Executive Director – Construction & Development
Claire Xuereb	Executive Director – Hospitality & Care
Albert Bonello	Managing Director – Finance & Administration
Joseph Vella	Senior General Manager – Qawra Hotels
Caroline Schembri	Head of Administration & Personal Assistant to the Chairman
Kevin Callus	Senior General Manager – Sliema, Valletta, & Verdala Hotels
Marthese Vella	Chief Technology Officer
Jocelyn Cuomo	Head of Marketing & Public Relations
David Wain	Chief Legal Officer
Caroline Zammit	Head of Human Resources

[2] Denise Xuereb is also the Chief Executive Officer of AXRE.

3. ORGANISATIONAL STRUCTURE

The diagram below illustrates the organisational structure of AX Group. The Group is ultimately owned by Angelo Xuereb (55%), Claire Xuereb (15%)[3], Denise Xuereb (15%)[4], and Richard Xuereb (15%).



[3] Through The Lotus Co Ltd.
[4] Through DX Holdings Limited.

4. PRINCIPAL PROPERTY ASSETS

The table below provides a list of the principal properties of the Group and their respective asset values as at the end of each of FY2023, FY2024, and FY2025. The year-on-year movement in the carrying value of each property mainly reflects additions, disposals, depreciation and, or fair value adjustments. The table also shows the net movement in the revaluation of each property during the financial years under review.

AX Group p.l.c.
Asset Value of Principal Properties
As at 31 October

	Note	2023 Actual €'000	2024 Actual €'000	2025 Actual €'000	Revaluation FY2023 - FY2025 €'000
Qawra Hotels	1	147,000	160,432	171,182	21,614
Sliema Hotels	2	75,050	76,410	75,789	2,520
Verdala Wellness Hotel and Verdala Terraces, Rabat		63,327	84,206	85,507	(11,572)
Verdala Wellness Hotel + Virtù Heights + AX The Heights		*18,694*	*24,068*	*22,180*	
Verdala Terraces		*44,633*	*60,138*	*63,327*	
Hilltop Complex, Naxxar	3	47,891	47,809	49,528	4,882
Valletta Hotels	4	21,200	21,158	20,114	745
Tad-Dwiemes, Marsa	5	19,000	19,009	19,056	-
Tarġa Gap Complex, Mosta	6	12,255	14,124	14,630	2,383
Palazzo Capua, Sliema		9,300	9,200	9,200	72
Hardrocks Business Park, Burmarrad	7	7,678	8,019	8,215	571
Palazzo Lucia, Valletta		7,340	6,939	7,017	(1,937)
Villa Vistana, Mosta		5,279	5,291	4,000	(1,250)
Falcon House offices, Sliema		5,160	5,266	5,260	206
La Ferla Building, Sliema	8	2,417	2,417	5,124	-
Other		9,721	9,083	7,746	536
Total		**432,618**	**469,363**	**482,368**	**18,770**

Notes:

1. AX ODYCY, AX Sunny Coast Resort and Spa, and Luzzu Complex.
2. AX The Palace and AX The Victoria Hotel.
3. Hilltop Gardens Retirement Village and Simblija Care Home.
4. AX The Saint John and Rosselli AX Privilege.
5. Plot of land which is currently not in use.
6. Property principally serves as the Group's head office, whilst additional office space and a number of residential units are leased to third parties.
7. Nine warehouses and an office block in an industrial complex.
8. Property earmarked for future redevelopment. During FY2025, the Group acquired an additional property within the same building.

4.1 QAWRA HOTELS

AX ODYCY is a four-star hotel located on the Qawra seafront featuring 599 rooms designed in a contemporary style. The hotel suspended operations in Q4 2021 in order to undertake a major investment project comprising the addition of four floors, which increased the total number of rooms by a further 147. Furthermore, the extensive renovation included a substantial upgrade and extension of the hotel's public areas, as well as the addition of new pools, a small family waterpark, restaurants, bars, and other facilities.

The hotel's amenities comprise various food and beverage outlets, from exquisite dining and laid-back seaside restaurants to family-friendly options and a convenient grab-and-go concept. AX ODYCY also has a panoramic lido and entertainment area overlying extensive car park facilities spanning the entire length of the property.

AX ODYCY had a soft opening in late May 2023, in time to host participants and delegates for the 2023 Games of the Small States of Europe. During summer 2023, AX ODYCY operated at a reduced capacity as work on certain areas of the hotel and lido were still in progress, albeit the hotel still received outstanding feedback on several industry-leading booking sites.

During FY2024, AX ODYCY won four prestigious awards at the European Property Awards and was also honoured at the Malta Architecture and Spatial Planning Awards. Furthermore, the hotel was honoured with the Traveller Review Award 2024 and the TripAdvisor Travellers' Choice Award for 2024. During the year, AX ODYCY launched new food and beverage outlets designed to cater for a wide range of tastes, providing guests with a broader selection of culinary experiences and enriching the hotel's dining landscape.

2025 represented the second full calendar year of operations for AX ODYCY, and the first year in which all guest facilities and food and beverage outlets were fully operational throughout the year. This created the conditions for a year focused on consolidation and operational discipline which indeed led to record results underpinned by strengthened relationships with local and international operators, agencies, and increased presence on online booking platforms.

During 2025, AX ODYCY received further international and local recognition, reflecting its performance in architectural design, guest experience, and food and beverage operations. These included awards for Best Leisure Development and Best Masterplan in Europe at the International Property Awards, as well as recognition from the Malta Tourism Authority for the hotel's approach to responsible tourism development.

The **AX Sunny Coast Resort & Spa** ("**AX Sunny Coast Resort**") is a 92-room four-star aparthotel that offers self-catering apartments with resort facilities on the Qawra coast. It occupies a gross floor area measuring approximately 6,000 sqm and operated in the vacation ownership market between 1983 and 2021. The aparthotel features a restaurant, indoor and outdoor pools, spa and leisure facilities, and a fitness centre. Furthermore, the adjacent lido ("**AX Sunny Coast Lido**") consists of a number of restaurants an indoor swimming pool, a spa, an outdoor pool, and other sports facilities which are leased to independent third parties.

AX Sunny Coast Resort and AX Sunny Coast Lido, together with the adjacent **Luzzu Complex**[5], are expected to temporarily halt operations in late August 2026, paving the way for the Group to proceed with the second phase of the **Qawra Project**, comprising: (i) the demolition and reconstruction of AX Sunny Coast Resort into **AX ODYCY Residences**, featuring 161 rooms; and (ii) the redevelopment of AX Sunny Coast Lido and Luzzu Complex to create a seamless 300-metre waterfront stretch, integrating AX ODYCY and AX ODYCY Residences into a single destination. A total investment of around €87 million

[5] The Luzzu Complex occupies a gross floor area of circa 2,250 sqm and today comprises a seaside restaurant, a beach club, and a conference centre which accommodates up to 300 delegates in theatre style and 450 guests in standing receptions.

is expected for the full completion of the project, which is anticipated to take 30 to 36 months. The project will further enhance the Group's properties in Qawra through improved quality and expanded service offerings, including additional underground parking, conference facilities and meeting halls, new food and beverage concepts, additional lagoon pools, as well as world-class spa and wellness facilities.

4.2 SLIEMA HOTELS

AX The Palace is a luxurious 144-room five-star city hotel located in a prime location in Sliema that has a strong appeal to business travellers owing to its extensive conference and events facilities. The hotel, which opened its doors for business in 2007, marked AX Group's first investment in the five-star hotel segment. AX The Palace offers a wide range of facilities to its guests, including five restaurants, an outdoor infinity pool on the rooftop terrace, a generous sized freshwater indoor pool, a steam and sauna room, as well as spa, health and fitness centre. The hotel has an underground car park shared with AX The Victoria Hotel and, in 2025, benefited from a number of targeted improvements, including the installation of keyless Radio Frequency Identification door locks across all rooms and heating for the outdoor pool, ahead of an extensive refurbishment scheduled to commence in November 2026 and continue through to Q2 2027.

AX The Victoria Hotel is a 142-room Victorian-style hotel located in the heart of Sliema next to AX The Palace. The hotel, which is marketed as a classical five-star experience in a four-star accommodation, opened for business in 1997. It features elegant rooms, outdoor and indoor pools, a steam and sauna room, spa facilities, a health and fitness centre, as well as multi-purpose conference halls. AX The Victoria Hotel operates part of the adjacent **AX Palazzo Capua** which is also owned by AX Group[6] and houses the Copperfield's Restaurant and the Penny Black Pub. The hotel has an underground car park accessible from the entrance to the AX The Palace car park and can accommodate up to 108 cars.

The proximity between AX The Palace and AX The Victoria Hotel allows both hotels to centralise their management function and share many of the fixed cost elements to maximise efficiencies and returns.

4.3 VALLETTA HOTELS

AX The Saint John is a 19-room boutique hotel located in Merchants Street, Valletta. Once a former merchant's residence and shop, AX The Saint John was refashioned into a modern hospitable setting while preserving the building's rich historical fabric. Each of the rooms exude an urban industrial feel with exposed stone and natural materials, combining on-trend style with luxury and modern in-room technology. The boutique hotel features two private meeting rooms accommodating 16 persons in-theatre style, or eight individuals in a board room set up, which are ideal for the frequent business traveller who needs to make use of desk space in an office-like setting. AX The Saint John is also home to the catering establishment Cheeky Monkey Gastropub, whose outdoor area was refurbished in the first half of 2025, whilst a new private room was also added.

[6] AX Palazzo Capua houses five luxurious guest suites, four of which are spread over two floors, and offers outstanding facilities for exclusive business and social events. The remaining part of the 200-year-old neoclassic building is leased to independent third parties.

AX Group holds the **Rosselli AX Privilege** under the title of temporary emphyteusis. The 25-room five-star boutique hotel opened for business in May 2019 and is one of the most prestigious old palazzos in Valletta. The Rosselli AX Privilege is housed in a luxurious property displaying a fusion of traditional and contemporary design complemented by an advanced suite of technology services for guests. Apart from a three-level restaurant with varied cuisine genres – namely Under Grain, Grain Street, and Over Grain which offer patrons refined culinary experiences – the boutique hotel has a rooftop terrace and a swimming pool. Additionally, hotel concierge service is available at providing a tailor-made experience for guests staying at the hotel.

A notable milestone for Rosselli AX Privilege during FY2025 was its inclusion in the Virtuoso Preferred Network, an exclusive global community of luxury travel advisors, with membership granted following rigorous evaluation and independent audits. Moreover, Rosselli AX Privilege became one of the first hotels in Malta to receive a Michelin Key, a distinction recognising exceptional accommodation experiences defined by character, design, and service quality. Together with Under Grain retaining its Michelin Star for the sixth consecutive year, and Grain Street holding its Bib Gourmand distinction for the fourth consecutive year, Over Grain recorded its strongest performance ever, continuing to evolve as a key rooftop destination within Valletta's hospitality landscape. Accordingly, Rosselli AX Privilege remained the only location in Malta to hold three Michelin distinctions under one roof.

4.4 VERDALA WELLNESS HOTEL & VERDALA TERRACES

In 2025, AX Group completed the redevelopment of the area previously occupied by the former Grand Hotel Verdala in Rabat. The €90 million Verdala Project comprises:

(i) A 46-room, five-star, all-suite **Verdala Wellness Hotel**, which incorporates 19 fully renovated luxury guestrooms known as **Virtù Heights** targeted for completion in Q2 2026, as well as an additional 24 serviced apartments branded as **AX The Heights**. Offered as studio, one-bedroom, and two-bedroom units, AX The Heights provide flexibility for longer stays and independent travel, whilst still allowing access to selected hotel services. On the other hand, a key feature of the Verdala Wellness Hotel is the 1,800 sqm state-of-the-art spa, which offers tailor-made packages, wellness programmes, and retreats aimed at driving long-term positive change. The hotel is Malta's first fully integrated wellness destination, targeting a niche within the luxury hospitality market that continues to gain global relevance, and built around a holistic and modular wellness model structured on five pillars of wellbeing, namely nutrition, movement, rest and recovery, emotional wellbeing, and community and connection.

(ii) An exclusive residential component comprising a total of 87 units earmarked for resale and spread across two blocks, namely Royal Mansions and Grand Mansions ("**Verdala Terraces**"). The 38 residential units within Royal Mansions overlook 2,350 sqm of landscaped gardens and public piazzas that encircle the residential complexes, whilst the 49 units making up the Grand Mansions block offer panoramic views of Malta. The Verdala Terraces were officially launched on the market at the end of June 2023, and by the end of FY2025, more than 70% of the units had been sold or were contracted to be sold.

4.5 HILLTOP COMPLEX

Hilltop Gardens Retirement Village ("**Hilltop Gardens**") is the first luxury retirement village developed in Malta, consisting of private residences in the form of one or two-bedroom self-catering apartments and penthouses, finished to high standards, surrounded by landscaped gardens. The complex also includes a spa, hair salon, swimming pool, restaurant, crafts centre, indoor and outdoor kids play areas, library, common room and hall, chapel, and underground parking. A reception desk and 24-hour security personnel complement the residences. Residents may also request certain additional services which are provided at an extra cost, including cleaning, repairs and maintenance of apartments, as well as the preparation and delivery of meals.

The setup of the residences allows residents to live independently within a secure community, with the reassurance that care is at hand should the need arise. Hilltop Gardens Retirement Village welcomed its first residents in January 2016, and the 133 apartments within the village have consistently remained fully leased for definite periods up to 50 years.

The **Simblija Care Home** is a 155-bed care home providing nursing care to the more dependent elderly residents. It also operates the Revive Physiotherapy Centre which has its own fully equipped state-of-the-art hydrotherapy pool. In addition, Simblija Care Home offers dedicated services and amenities for short term respite care, convalescence and post-operative recovery, as well as a specialised dementia ward offering specialist support and assistive technology specifically selected and installed for residents with dementia.

Hilltop Gardens and Simblija Care Home have operated at or near full capacity for several years, clearly demonstrating sustained demand for quality care facilities and validating the long-term strength of the Group's investment.[7] Accordingly, during FY2025, AXRE entered into a preliminary agreement for the purchase of a site adjacent to these two properties. The acquisition was concluded in March 2026 and is intended to support both horizontal and vertical extensions to the existing facilities, thereby allowing the Group to expand capacity in a controlled and strategic manner. Furthermore, in March 2026, AXRE entered into a preliminary agreement for the purchase of another site adjacent to Hilltop Gardens and Simblija Care Home, with this transaction expected to be concluded in due course.

4.6 OTHER OPERATING PROPERTIES

The **Tarġa Gap Complex**, situated in Mosta, houses the Group's head office and includes residential units, office space leased to independent third parties, as well as four levels of underground parking.[8] The complex is also equipped with a photovoltaic plant installed on its roof.

Separately, the Group owns nine warehouses and an office block at the **Hardrocks Business Park** located in Burmarrad. Six of the warehouses are leased to independent third parties for a period between four to fifteen years whilst three warehouses and the office block, together with the

[7] Hilltop Gardens had a waiting list of more than 100 families at the end of FY2025.
[8] All 14 residential units placed on the market have been sold, whilst the Group leases the remaining seven units to independent third parties. A number of garages were also sold to the owners of the residential units.

underlying basement areas, are primarily utilised as the operating base of the Group's construction arm. An independent third party leases the roofs of the warehouses. Meanwhile, the office space at **Falcon House** in Sliema comprises approximately 1,180 sqm spread over two levels, whilst in Naxxar, the Group owns the **Blackstead Garage**, a stand-alone industrial garage complemented by a loading bay, situated on a site with a footprint of around 257 sqm and currently leased to an independent third party.

5. SEGMENT INFORMATION

The Group has four principal reportable segments: (i) hospitality; (ii) construction; (iii) healthcare; and (iv) real estate and property rentals.

AX Group p.l.c. Segment Information For the financial year 31 October	2023 Actual	2024 Actual	2025 Actual	2026 Forecast
Revenue (€'000)	**50,293**	**83,550**	**131,130**	**146,662**
Hospitality	36,529	61,301	69,012	73,730
Construction	4,148	11,596	17,157	15,744
Healthcare	6,865	7,239	7,787	8,021
Real estate	1,680	2,400	36,257	48,216
Other	1,071	1,014	917	951
Gross operating profit (€'000)	**12,746**	**28,110**	**39,565**	**49,378**
Hospitality	10,292	24,593	27,854	29,860
Construction	212	1,030	(226)	271
Healthcare*	1,037	1,587	1,869	1,998
Real estate and property rentals	1,205	900	10,068	17,249
Gross operating profit margin (%)	**25.34**	**33.64**	**30.17**	**33.67**
Hospitality	28.17	40.12	40.36	40.50
Construction	5.11	8.88	(1.32)	1.72
Healthcare*	15.11	21.92	24.00	24.91
Real estate and property rentals	71.73	37.50	27.77	35.77

** Gross operating profit ("**GOP**") for the healthcare segment is equivalent to EBITDA.*

5.1 HOSPITALITY

The hospitality segment remained the largest contributor to the Group's operations in **FY2025**. Revenue amounted to €69.01 million, up by 12.58% from €61.30 million in the prior year, albeit the hospitality's share of total Group revenue declined to 52.63% from 73.37% in FY2024, largely due to the significant increase in real estate revenue. Even so, the hospitality segment continued to dominate the Group's earnings profile, generating GOP of €27.85 million in FY2025, compared to €24.59 million in FY2024. This represented 70.40% of total Group GOP (FY2024: 87.49%) and translated into a GOP margin of 40.36%, marginally above the 40.12% reported in FY2024.

AX Group p.l.c. Segment Information – Hospitality For the financial year 31 October	2023 Actual	2024 Actual	2025 Actual	2026 Forecast
Revenue (€'000)	**36,529**	**61,301**	**69,012**	**73,730**
Qawra Hotels	14,854	37,596	42,742	42,904
Sliema Hotels	17,245	18,678	19,867	20,054
Valletta Hotels	4,430	5,027	5,517	5,676
Verdala Wellness Hotel			886	5,096
Gross operating profit (€'000)	**10,292**	**24,593**	**27,854**	**29,860**
Qawra Hotels	3,841	16,574	19,957	19,966
Sliema Hotels	5,743	7,099	7,958	7,915
Valletta Hotels	708	920	1,077	1,149
Verdala Wellness Hotel			(1,138)	830
Gross operating profit margin (%)	**28.17**	**40.12**	**40.36**	**40.50**
Qawra Hotels	25.86	44.08	46.69	46.54
Sliema Hotels	33.30	38.01	40.06	39.47
Valletta Hotels	15.98	18.30	19.52	20.24
Verdala Wellness Hotel			(128.44)	16.29
Total revenue per available room (Total RevPAR)* (€)				
Qawra Hotels	138.49	148.66	169.47	170.11
Sliema Hotels	165.20	178.44	190.32	192.11
Valletta Hotels	275.84	312.16	343.52	353.42
Verdala Wellness Hotel			209.36	199.45
Gross operating profit per available room (GOPAR) (€)**				
Qawra Hotels	35.81	65.53	79.13	79.16
Sliema Hotels	55.01	67.82	76.23	75.82
Valletta Hotels	44.08	57.13	67.06	71.54
Verdala Wellness Hotel			(268.90)	32.49

** Calculated by dividing a hotel's total revenue by the total number of available rooms.*

*** Calculated by dividing a hotel's gross operating profit by the total number of available rooms.*

The **Qawra Hotels** remained by far the largest component of the Group's hospitality segment, generating total revenue of €42.74 million in FY2025 compared to €37.60 million in FY2024, accounting for 61.93% of hospitality revenue (FY2024: 61.33%). Moreover, the Qawra Hotels achieved a GOP of €19.96 million in FY2025, compared to €16.57 million in FY2024, thereby also increasing the contribution to hospitality GOP to 71.65% from 67.39% in FY2024. The GOP margin of the Qawra Hotels also improved year-on-year to 46.69% from 44.08% in FY2024, reflecting further enhancement in operating efficiency and profitability. Indeed, Total RevPAR of the Qawra Hotels increased to €169.47 in FY2025 from €148.66 in FY2024, whilst GOPAR rose to €79.13 from €65.53, driven mainly by the robust performance of AX ODYCY, which registered higher occupancy of just over 85% in FY2025 compared to 81% in the prior year despite a year-on-year increase of around 8.50% in the average daily room rate ("**ADR**").

The **Sliema Hotels** portfolio was the second largest contributor within the hospitality segment in FY2025. Revenue increased to €19.87 million from €18.68 million in FY2024, representing year-on-year growth of 6.37%. Despite this increase in absolute terms, Sliema Hotels' share of hospitality revenue declined to 28.79% from 30.47% in FY2024. GOP generated by the Sliema Hotels amounted to €7.96 million in FY2025, up from €7.10 million in FY2024, whilst the GOP margin improved further to 40.06% from 38.01% in FY2024. Nonetheless, the Sliema portfolio's contribution to total hospitality GOP was broadly stable at 28.57% in FY2025 compared to 28.87% in FY2024.

Operationally, Total RevPAR of the Sliema Hotels rose to €190.32 in FY2025 from €178.44 in FY2024, whilst GOPAR advanced to €76.23 from €67.82 in FY2024. Occupancy improved further year-on-year and remained above 90%, effectively reflecting full utilisation of available capacity, as performance was also supported by sustained and targeted international sales activity. Moreover, investment in digital channels and online direct sales remained a priority, ensuring that the Sliema Hotels maintain strong visibility across their own booking platforms as well as leading online travel agents.

The **Valletta Hotels** portfolio, whilst considerably smaller in scale when compared to the Qawra and Sliema Hotels, also delivered further growth in FY2025. Revenue increased to €5.52 million from €5.03 million in FY2024, representing almost 8% of hospitality revenue in FY2025 (FY2024: 8.20%). GOP rose to €1.08 million in FY2025 from €0.92 million in FY2024, representing 3.87% of hospitality GOP in FY2025 (FY2024:3.74%), whilst the GOP margin improved to 19.52% from 18.30% in FY2024. Total RevPAR for the Valletta Hotels increased to €343.52 in FY2025 from €312.16 in FY2024, reflecting the premium positioning of the properties, whilst GOPAR rose to €67.06 from €57.13 in FY2024. AX The Saint John registered a near 5% increase in ADR in FY2025 whilst occupancy continued to approach the 90% level. On the other hand, Rosselli AX Privilege maintained a very elevated pricing level and also achieved an improvement in occupancy to a new all-time high of almost 70%.

A new element within the hospitality segment in FY2025 was the opening of the **Verdala Wellness Hotel** in August 2025. In its first three months of operation, the hotel generated revenue of €0.89 million but recorded a gross operating loss of €1.14 million. Nevertheless, despite being only at the start of operations, the Verdala Wellness Hotel achieved an average ADR close to that of the now well-established Rosselli AX Privilege.

The hospitality segment is forecast to generate total revenue of €73.73 million in **FY2026**, representing a year-on-year increase of 6.84%, whilst GOP is projected to rise by 7.20% to €29.86 million. Moreover, the GOP margin of the segment is anticipated to edge higher by 14 basis points to 40.50%. Overall, hospitality is expected to account for 50.27% of total Group revenue and 60.47% of total Group GOP in FY2026, underlining both the scale and profitability of the segment within the wider operations of the Group.

From a revenue perspective, the expected growth in FY2026 is set to be driven predominantly by the materially stronger contribution from **Verdala Wellness Hotel**, reflecting a full twelve months of operations coupled with the coming on stream of Virtù Heights, which is targeted for completion in Q2 2026. Accordingly, revenue from Verdala Wellness Hotel is forecast at €5.10 million, whilst GOP is projected to turn positive to €0.83 million, reflecting a swift transition from the initial months of rampup activity and a marked increase in occupancy. Correspondingly, both the GOP margin and GOPAR are projected to improve dramatically to 16.29% and €32.49, respectively.

The three established operating clusters in Qawra, Sliema, and Valletta are all projected to register more modest year-on-year increases. **Qawra Hotels** are forecast to generate revenue of €42.90 million, representing a marginal increase of 0.38%, whilst GOP is expected to remain broadly flat at €19.97 million translating into a margin of 46.54%. In this respect, however, it is worth noting the planned temporary closure of AX Sunny Coast Resort from late August, paving the way for the commencement of civil works related to the second phase of the Qawra Project. Nonetheless, Total RevPAR of the Qawra Hotels is forecast to increase marginally to €170.11, whilst GOPAR is expected to remain virtually unchanged at €79.16.

Sliema Hotels are projected to report revenue of €20.05 million, up by 0.94% from FY2025, although GOP is expected to ease slightly by 0.54% to €7.92 million, leading to a modest decline in the GOP margin to 39.47% ahead of the commencement of a full refurbishment programme of AX The Palace in November 2026. Total RevPAR of the Sliema Hotels is projected to improve to €192.11, although GOPAR is expected to slip marginally to €75.82.

Elsewhere, the **Valletta Hotels** are forecast to continue on a positive trajectory, with revenue expected to increase by 2.88% to €5.68 million and GOP anticipated to improve by 6.69% to €1.15 million, translating into a GOP margin of 20.24%. Total RevPAR is projected to advance by 2.88% to €353.42, whilst GOPAR is expected to rise at a faster pace by 6.69% to €71.54.

5.2 CONSTRUCTION

The activities related to construction, building materials, and property management have historically been the second largest business segment of the Group in terms of revenue generation. This division also comprise civil engineering, turnkey assignments, project management, as well as the restoration of buildings. Any related party revenue is eliminated upon accounting consolidation and is not included in the Group financial statements.

AX Group p.l.c. **Segment Information – Construction** **For the financial year 31 October**	**2023** **Actual** **€'000**	**2024** **Actual** **€'000**	**2025** **Actual** **€'000**	**2026** **Forecast** **€'000**
Construction	3,257	10,789	15,805	12,925
Restoration	891	807	1,352	2,819
Total Revenue	**4,148**	**11,596**	**17,157**	**15,744**
Gross operating profit	212	1,030	(226)	271
Gross operating profit margin (%)	5.11	8.88	(1.32)	1.72

The construction division generated revenue of €17.16 million in **FY2025**, up markedly from €11.60 million in FY2024 and representing just over 13% of total Group revenue (FY2024: 13.88%). However, profitability weakened materially during the year as the segment moved from a GOP of €1.03 million in FY2024 to a marginal gross operating loss of €0.23 million in FY2025. The compression in operating margin was primarily attributable to productivity and operational challenges encountered during the year, which management is now focused on addressing in order to improve efficiency and support the achievements of the division's targeted profitability.

During FY2025, AX Construction completed several assignments, secured a number of new contracts, and continued to strengthen its standing in the market for complex projects in Valletta. Restoration works continued at St John's Co-Cathedral where works progressed across the Tapestry Hall, staircase and dome, as well as the external façades. Moreover, following the completion of restoration works on the adjoining oratories of the Jesuits' Church in 2024, AX Construction continued restoration activity on the main church throughout 2025. Meanwhile, additional works in Valletta included the refurbishment of the parvis and the installation of a lifting platform at St Paul's Pro-Cathedral, the rehabilitation of Ġiġa Suites, a structurally compromised building being converted into a tourist accommodation, as well as the rehabilitation of a palazzo on St Paul Street.

Beyond Valletta, AX Construction delivered works at Villa Luginsland and Sacro Monte in Rabat, a private villa in Santa Maria Estate, and a residential block for Caritas. In addition, contracts for corporate clients included works for Bank of Valletta p.l.c. and Quinco Holdings p.l.c. Also of note was the Schengen Arrivals extension at Malta International Airport, which underscored AX Construction's capability to deliver nationally significant infrastructure within live operational environments requiring careful sequencing and strict compliance.

In **FY2026**, the construction segment is forecast to generate total revenue of €15.74 million, representing a year-on-year decline of 8.24%, albeit the division is expected to report a positive GOP of €0.27 million compared to the marginal loss registered in FY2025. The projected decline in income reflects a softer contribution from the core construction unit reflecting client-driven delays in the execution of certain contracts, with revenue from this business activity forecast to decrease to €12.93 million from €15.81 million in FY2025. This drop is however expected to be partially offset by materially stronger contribution from restoration works, which is expected to increase markedly to €2.82 million from €1.35 million in FY2025. The latter is expected to be boosted by additional works on a new project for Villa Luginsland, as well as the restoration of the Fortizza Building in Sliema, with these two assignments projected to account for almost 80% of restoration income in FY2026.

5.3 HEALTHCARE

The Hilltop Gardens Retirement Village and the Simblija Care Home offer tailor-made packages covering different levels of long and short-term care. Revenue from Hilltop Gardens Retirement Village derive from the self-catering apartments and penthouses that are occupied by tenants for definite periods. On the other hand, income from Simblija Care Home consist of revenue from stays for short term respite care, convalescence, and post-operative recovery, as well as intensive nursing care to the more dependent elderly residents.

AX Group p.l.c. **Segment Information – Healthcare** **For the financial year 31 October**	**2023** **Actual** **€'000**	**2024** **Actual** **€'000**	**2025** **Actual** **€'000**	**2026** **Forecast** **€'000**
Residences & other income	3,445	3,656	3,798	3,893
Nursing home	3,420	3,583	3,989	4,128
Total Revenue	**6,865**	**7,239**	**7,787**	**8,021**
Direct costs	(3,940)	(4,126)	(4,289)	(4,364)
Other costs	(1,888)	(1,526)	(1,629)	(1,659)
EBITDA	**1,037**	**1,587**	**1,869**	**1,998**
EBITDA margin (%)	15.11	21.92	24.00	24.91

The healthcare segment registered an increase in activity in **FY2025**, providing a steady contribution to the Group's income and profitability. Revenue amounted to €7.79 million, representing an increase of 7.57% from €7.24 million in FY2024. At EBITDA level, however, growth was stronger at 17.77%, with EBITDA reaching €1.87 million in FY2025 compared to €1.59 million in the prior year, thereby resulting in an expansion in the EBITDA margin of more than 2 percentage points to 24% from 21.92% in FY2024.

During the year, AX Group continued to invest in governance, cost discipline, and operational systems, as management undertook a comprehensive review of payroll, direct care costs, and the wider expenditure base, whilst also strengthening internal controls. Furthermore, Simblija Care Home continued to pursue a flexible model whereby income is generated from a balanced mix of long-term residency, respite, and short-term stays, thus ensuring effective utilisation of capacity. Meanwhile, Revive Physio and Aquatic Therapy Centre registered better-than-expected results, with the latter also continuing in attracting external clients seeking physiotherapy, aquatic therapy, and rehabilitation services.

In **FY2026**, the healthcare segment is forecast to register a further improvement in performance, with total revenue expected to increase by 3.01% to €8.02 million. This growth is projected to be driven by higher income from both Hilltop Gardens (+2.50% to €3.89 million) and Simblija Care Home (+3.48% to €4.13 million), whilst profitability at EBITDA level is anticipated to rise by a stronger 6.90% to just under €2 million. As such, the EBITDA margin of the segment is expected to strengthen by 91 basis points 24.91% as the expected increase in revenue is set to be accompanied by a comparatively more contained rise in both direct and indirect costs.

Overall, Hilltop Gardens and Simblija Care Home are expected to continue operating at near full occupancy throughout 2026, supported by sustained demand for high-quality long-term and short-term care services. Against this backdrop, the Group is set to continue pursuing initiatives centred on cost optimisation and operational efficiencies, thereby ensuring that the healthcare division remains well positioned to deliver sustainable profitability.

5.4 REAL ESTATE AND RENTAL INCOME

FY2025 was an exceptional year for the Group's real estate division, with revenue surging to €36.26 million from just €2.40 million in FY2024. Whilst rental income increased by almost 28% year-on-year to €1.64 million from €1.28 million in the prior year, the principal driver behind the sharp increase in revenue was the recognition of €34.62 million in income from concluded final deeds of sale relating to a number of residential units forming part of Verdala Terraces.

Segment GOP stood at €10.07 million in FY2025, equivalent to 25.45% of total Group GOP. However, the GOP margin declined to 27.77% from 37.50% in the previous financial year.

AX Group p.l.c. **Segment Information – Real Estate** **For the financial year 31 October**	**2023** **Actual** **€'000**	**2024** **Actual** **€'000**	**2025** **Actual** **€'000**	**2026** **Forecast** **€'000**
Real estate	651	1,120	34,620	46,440
Rental income	1,029	1,280	1,637	1,776
Turnover	**1,680**	**2,400**	**36,257**	**48,216**
Gross operating profit	1,205	900	10,068	17,249
Gross operating profit margin (%)	71.73	37.50	27.77	35.77

In **FY2026**, the real estate division is forecast to deliver another strong performance, driven primarily by an even higher level of real estate sales activity, whilst rental income is also expected to register growth. Total turnover is projected to increase by nearly 33% to €48.22 million, of which €41.78 million is projected to arise from the sale of residential units forming part of Verdala Terraces. The proceeds arising from the conclusion of these final deeds of sale are expected to be applied primarily towards the repayment of the loan financing the Verdala Terraces development, with the surplus funds directed towards the Group's other commitments and projects. Meanwhile, rental income is also projected to increase year-on-year, rising by 8.49% to €1.78 million.

Segment GOP is projected at €17.25 million, representing a year-on-year increase of 71.33%, whilst the GOP margin is expected to strengthen markedly to 35.77%, reflecting the recognition of income from the sale of the most exclusive and prestigious residential units within the Verdala Terraces development.

6. SECURITIES IN ISSUE

6.1 INFORMATION RELATING TO THE ISSUER'S BONDS

AX Group has three bonds listed on the Regulated Main Market (Official List) of the Malta Stock Exchange. The key information relating to these bonds is provided in the table below.

Security ISIN	Security	Symbol Code	Amount Outstanding	Market Price*
MT0002361203	3.25% AX Group p.l.c. unsecured bonds 2026 Series I	AX26A	€ 15,000,000	100.00%
MT0002361211	3.75% AX Group p.l.c. unsecured bonds 2029 Series II	AX29A	€ 10,000,000	97.50%
MT0002361229	5.85% AX Group p.l.c. unsecured bonds 2033	AX33A	€ 40,000,000	102.00%
			€ 65,000,000	

** As at 1 April 2026*

6.2 INFORMATION RELATING TO AXRE'S SECURITIES

The authorised share capital of AX Real Estate p.l.c. is €500 million divided into 2 billion ordinary 'A' shares and 2 billion ordinary 'B' shares of a nominal value of €0.125 each. The issued share capital is €34.29 million divided into 97,193,600 ordinary 'A' shares (representing 35.43% of the issued share capital) which are listed on the Regulated Main Market (Official List) of the Malta Stock Exchange, and 177,143,100 ordinary 'B' shares (representing 64.57% of the issued share capital) which are not listed on an exchange and are entirely owned by AX Group. Of the ordinary 'A' shares, 72,856,900 shares are owned by AX Group whilst the remaining 24,336,700 shares (or 25.04% of the total number of ordinary 'A' shares) are considered as free float. Further information about AXRE's shares is included in the company's most recent Analysis which is available at https://axinvestor-relations.mt/ax-real-estate/.

AXRE also has €40 million 3.50% unsecured bonds maturing in 2032, which are listed on the Regulated Main Market (Official List) of the Malta Stock Exchange. The key information relating to these bonds is provided in the table below.

Security ISIN	Security	Symbol Code	Amount Outstanding	Market Price*
MT0002571215	3.50% AX Real Estate p.l.c. unsecured bonds 2032	AX32A	€ 40,000,000	93.30%

** As at 1 April 2026*

7. TREND INFORMATION[9]

7.1 ECONOMIC UPDATE[10]

According to the Central Bank of Malta's forecasts published in late February 2026, Malta's real GDP growth is set to moderate from 7.0% in 2024 to 3.6% in 2025 before edging up to 3.7% in each of 2026, 2027, and 2028.

Over the projection horizon, domestic demand is expected to remain the main driver of growth, primarily led by private consumption which is set to pick up to just over 4% in 2026, and stabilise at this level in 2027 and 2028 following the estimated easing in 2025. On the other hand, real government consumption is projected to ease going forward as certain one-off expenditures are not envisaged to re-occur. While moderating, however, growth in this component is expected to remain robust.

Net exports are also projected to contribute positively to GDP growth over the forecast horizon, albeit this contribution is set to be smaller than that of domestic demand. Export growth is set to moderate over the projection horizon, reflecting the expected easing of foreign demand and slower growth in services exports following an extended period of robust growth. Despite this, overall export growth is set to remain above growth in external demand. Growth in imports is expected to slow down in 2026 mainly due to services imports. Nonetheless, the current account of the balance of payments is expected to hover in a narrow range of around 6.7% over the projection horizon compared to 7.1% in 2024.

Growth in overall investment is projected to pick up to 4.1% in 2026, driven by both private and government investment, before moderating to 1.6% in 2027 as government investment is envisaged to decline strongly reflecting the completion of all projects financed through the EU's Recovery and Resilience Facility ("**RRF**") by 2026. Nonetheless, the fall in government investment in 2027 is expected to be offset by the growth in private investment. In 2028, overall gross fixed capital formation is expected to grow by 3.3%, upheld by private investment as government investment is set to record a further contraction.[11]

Demand for labour is envisaged to stay high, however the increase in employment is expected to moderate over the projection horizon, driven by the projected easing in economic growth and higher productivity. Inflows of foreign workers are also expected to slow down due to measures related to the implementation of the Malta Labour Migration Policy, which came into force in August 2025. As a result, employment growth is projected at 2.6% in 2026 before moderating gradually to 2.3% by 2028. The unemployment rate is forecast to edge down marginally to 2.8% over the projection horizon from

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[9] This section is based on information available at the time of publication of the source consulted and is subject to continuous developments as macroeconomic conditions, policies, and external factors evolve.

[10] **Source:** Central Bank of Malta ("**CBM**"), '*Outlook for the Maltese Economy 2025-2028*', 25 February 2026, available at: https://www.centralbankmalta.org/site/Publications/Outlook/2026/Outlook-2026-1.pdf?revcount=9727.

[11] Gross fixed capital formation consists of resident producers' acquisitions, less disposals of fixed assets during a given period. It also includes certain additions to the value of non-produced assets realised by producers or institutional units. Fixed assets are tangible or intangible assets produced as outputs from production processes that are used repeatedly, or continuously, for more than one year [**Source:** Eurostat, available at: https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Glossary:Gross_fixed_capital_formation_(GFCF)].

3.1% in 2024 and 2.9% in 2025. The unemployment gap is expected to remain negative, as the non-accelerating inflation rate of unemployment is projected at around 3.1% in 2028.[12] Accordingly, growth in compensation per employee is set to remain strong from a historical perspective. Nevertheless, this is expected to edge further down to 4.4% and 4.0% in 2027 and 2028, respectively, in line with the projected narrowing of the unemployment gap.

Key Economic Indicators	2023 Actual	2024 Actual	2025 Forecast	2026 Projection	2027 Projection	2028 Projection
Malta						
Real GDP growth *(% change, year-on-year)*	7.50	7.00	3.60	3.70	3.70	3.70
Inflation - HICP *(% change, year-on-year)*	5.60	2.40	2.40	2.30	2.10	2.00
Unemployment *(% of labour supply)*	3.50	3.10	2.90	2.80	2.80	2.80
General government balance *(% of GDP)*	(4.50)	(3.50)	(3.00)	(2.80)	(2.40)	(2.00)
General government debt *(% of GDP)*	47.40	46.00	47.00	47.10	46.90	46.20
Current account balance *(% of GDP)*	6.40	7.10	6.70	6.60	6.70	6.80

Sources: Central Bank of Malta, *'Outlook for the Maltese Economy 2024-2027'*, 16 December 2024.
Central Bank of Malta, *'Outlook for the Maltese Economy 2025-2028'*, 25 February 2026.

In 2025, Harmonised Index of Consumer Prices ("**HICP**") inflation averaged 2.4%, unchanged from the previous year. While the contribution of services inflation increased, mainly due to strong domestic demand and tourism, this was offset by a lower contribution from food inflation. HICP inflation is projected to decrease to 2.3% in 2026, reflecting a decline in services inflation. Overall inflation is expected to ease further to 2.1% in 2027 and 2.0% in 2028, also driven primarily by lower services inflation which is expected to drop to 2.4% by 2028 from 3.0% in 2026.

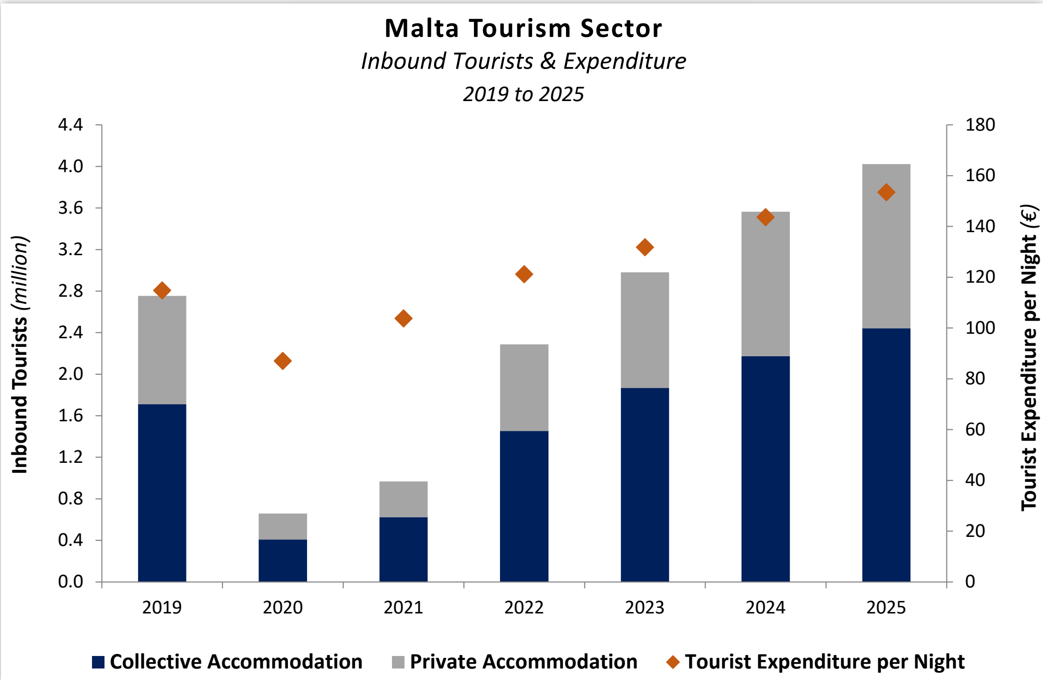
The general government deficit-to-GDP ratio is projected to decline steadily over the forecast horizon, falling from an estimated 3.0% in 2025 to 2.8% in 2026 and 2.4% in 2027, before narrowing further to 2.0% by 2028. Likewise, the structural budget deficit is projected to narrow significantly, from 4.7% of GDP in 2024 to 2.2% by 2028, driven by the forecast impact of inflation-mitigation measures.[13] This improvement in public finances is largely driven by an expected decline in the expenditure-to-GDP ratio whilst the ratio of current revenue-to-GDP is expected to remain stable throughout the forecast period. Capital expenditure as a share of GDP is projected to decline. Following the conclusion of the RRF programme in 2026, EU-funded outlays are expected to decline whilst domestically financed projects are projected to grow moderately but decrease gradually as a share of GDP over time. The general government debt-to-GDP ratio is expected to climb to 47.1% in 2026, from 46.0% in 2024 and 47.0% in 2025, before easing to 46.2% by 2028. This profile mainly reflects the continued – albeit gradually narrowing – fiscal deficits, increasingly offset by a favourable interest-growth differential.[14]

[12] The non-accelerating inflation rate of unemployment refers to the level of unemployment that prevails without generating upward inflationary pressures. A persistently negative unemployment gap implies that labour market tightness will be a key factor driving wage developments.
[13] The structural balance is defined as the cyclically-adjusted balance, net of temporary government measures.
[14] The interest-growth differential refers to the difference between the effective interest rate the government pays on its debt and the nominal growth rate of the economy.

Nonetheless, the debt-reducing contribution of this differential is projected to weaken over time, in line with a gradual rise in the effective interest rate on government debt.

7.2 TOURISM & HOSPITALITY[15]

The Maltese tourism and hospitality sector registered a robust expansion in 2025, with inbound tourist volumes increasing by 12.87% to a new record of 4.02 million compared to 3.56 million in 2024. This growth in arrivals also translated into a strong uplift in total nights, which advanced by 11% to 25.44 million from 22.92 million in the prior year. Total expenditure by inbound tourists increased at an even faster pace, rising by 18.62% to €3.90 billion compared to €3.29 billion in 2024, thereby pushing the key expenditure metrics higher. In fact, total expenditure per inbound tourist increased by 5.09% to €970.67 from €923.64 in 2024. Similarly, on a per night basis, expenditure per inbound tourist rose by 6.86% to €153.48 from €143.63 in 2024. Concurrently, the average length of stay extended its declining trend, falling to 6.32 nights from 6.43 nights in 2024, further indicating that the overall increase in total nights spent was underpinned by the stronger growth in tourist arrivals.



In terms of source markets, the share of inbound tourists originating from the EU moderated to 65.42% in 2025, equivalent to 2.63 million tourists, from 67.19% in 2024, equivalent to 2.39 million tourists. Within this segment, inbound tourists from the Euro area declined more materially, with the relative share decreasing to 48.04%, equivalent to 1.93 million tourists, from 52.49% in 2024, equivalent to

[15] **Sources:** (i) CBM, '*Real Economy Indicators: Tourism – Inbound Tourism by Nationality*', 17 February 2026, available at: https://www.centralbankmalta.org/real-economy-indicators; (ii) Malta Hotels & Restaurants Association ("**MHRA**"), '*Hotel Performance Survey by Deloitte Malta*', 20 February 2026, available at: https://www.deloitte.com/content/dam/assets-zone2/mt/en/docs/services/consulting/2026/dt_mt_hotel_performance_2025_q4_and_full_year.pdf; and National Statistics Office ("**NSO**"), '*Inbound Tourism Statistics*', 12 February 2026, available at https://nso.gov.mt/wp-content/uploads/Inbound-Tourism-Selected-Indicators.xlsx.

1.87 million tourists. Conversely, the non-Euro area expanded to 17.38%, equivalent to 0.70 million tourists, from 14.70% in 2024, equivalent to 0.52 million tourists. Meanwhile, the share of inbound tourists originating from outside the EU climbed to 34.58% in 2025, equivalent to 1.39 million tourists, from 32.81% in 2024, equivalent to 1.17 million tourists. The share of the UK market strengthened to 20.92%, equivalent to 0.84 million tourists, from 19.76% in 2024, equivalent to 0.70 million tourists. Likewise, the share of inbound tourists from other non-EU markets increased to 13.66%, equivalent to 0.55 million tourists, from 13.05% in 2024, equivalent to 0.46 million tourists.

An analysis of the demographic profile of inbound tourists indicates moderate shifts across age cohorts. The share of tourists aged up to 24 years declined to 22.09%, equivalent to 0.89 million tourists, from 24.18% in 2024, equivalent to 0.86 million tourists. The 25-44 years age bracket also contracted to 35.48%, equivalent to 1.43 million tourists, from 36.60% in 2024, equivalent to 1.30 million tourists. Conversely, the 45-64 years cohort increased to 31.81%, equivalent to 1.28 million tourists, from 29.54% in 2024, equivalent to 1.05 million tourists. Likewise, the share of inbound tourists aged 65 years and more rose to 10.61%, equivalent to 0.43 million tourists, from 9.68% in 2024, equivalent to 0.34 million tourists.

In relation to the organisation of stay, the share of package travel increased to 25.95% of inbound tourists, equivalent to 1.04 million tourists, from 24.91% in 2024, equivalent to 0.89 million tourists. The share of non-package travel correspondingly declined to 74.05%, equivalent to 2.98 million tourists, from 75.09% in 2024, equivalent to 2.68 million tourists.

Regarding visitor frequency, first-time tourists accounted for 78.88% of arrivals in 2025, equivalent to 3.17 million tourists, compared to 79.08% in 2024, equivalent to 2.82 million tourists. The share of repeat tourists increased to 21.12%, equivalent to 0.85 million tourists, from 20.92% in 2024, equivalent to 0.75 million tourists. Within this category, the share of those visiting once a year rose to 16.43%, equivalent to 0.66 million tourists, from 16.08% in 2024, equivalent to 0.57 million tourists. In contrast, the share of repeat inbound tourists visiting more than once a year declined to 4.69%, equivalent to 0.19 million tourists, from 4.84% in 2024, equivalent to 0.17 million tourists.

The duration profile of visits also exhibited moderate adjustments, consistent with the decline in the overall average length of stay observed during 2025. The share of inbound tourists staying between 1 and 3 nights declined to 23.19%, equivalent to 0.93 million tourists, from 23.76% in 2024, equivalent to 0.85 million tourists. Similarly, stays of 7 nights or more declined to 37.94%, equivalent to 1.53 million tourists, from 38.78% in 2024, equivalent to 1.38 million tourists. On the other hand, the 4 to 6 nights category increased its share to 38.87%, equivalent to 1.56 million tourists, from 37.46% in 2024, equivalent to 1.33 million tourists.

With respect to accommodation patterns, collective accommodation accounted for 60.71% of inbound tourists in 2025, equivalent to 2.44 million tourists, compared to 61.01% in 2024, equivalent to 2.17 million tourists.[16] Accordingly, the share of private accommodation increased to 39.29%, equivalent

[16] Collective accommodation comprises hotels, guesthouses, hostels, tourist villages, holiday complexes, bed and breakfast units, as well as campsites.

to 1.58 million tourists, from 38.99% in 2024, equivalent to 1.39 million tourists.[17] However, when analysed in terms of total nights spent by inbound tourists, collective accommodation expanded its share to 53.05%, equivalent to 13.49 million nights, from 52.58% in 2024, equivalent to 12.05 million nights. Consequently, the share of private accommodation declined to 46.95%, equivalent to 11.94 million nights, from 47.42% in 2024, equivalent to 10.87 million nights. Such trends suggest that although a slightly smaller proportion of tourists opted for collective accommodation, those who did so stayed for relatively longer periods compared with the prior year.

Within collective accommodation, a survey conducted by Deloitte Malta on behalf of the MHRA showed that hotel performance strengthened in 2025, both from a revenue generation capacity as well as from a pricing dynamics perspective. In the four-star category, occupancy increased to 82.60% from 80.50% in 2024. Similarly, five-star occupancy improved to 71% in 2025 from 69.60% in the prior year. Average daily rates also registered growth across the principal hotel categories in 2025, with ADR in the four-star segment rising by 4.73% to €115.20, from €110 in 2024, whilst ADR in the five-star category increased by 4.38% to €219.30, from €210.10 in the prior year.

7.3 RESIDENTIAL REAL ESTATE[18]

The Maltese residential real estate sector registered another year of expansion in 2025, characterised by continued price appreciation, a significant increase in construction-related approvals, and further growth in concluded transactions.

From a pricing perspective, 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 4.33% to a fresh all-time high of 189.55 points in 2025 from 181.68 points in 2024. Apartment prices rose by 1.57%, whilst maisonettes outperformed with an increase of 3.73%. In contrast, prices of terraced houses declined by 1.31%, whilst other types of dwellings fell by 2.45%.

The NSO Residential Property Price Index – which is based on actual transactions involving apartments, maisonettes, and terraced houses – also confirmed a firm upward trajectory in property values. Indeed, the index advanced by 5.92%, also to a new record of 173.46 points from 163.77 points in 2024, as apartment prices increased by 5.72% whilst maisonettes rose by 5.85%. Overall, both the CBM Property Prices Index and the NSO Residential Property Price Index increased at a faster pace than inflation, which stood at 2.41% in 2025.

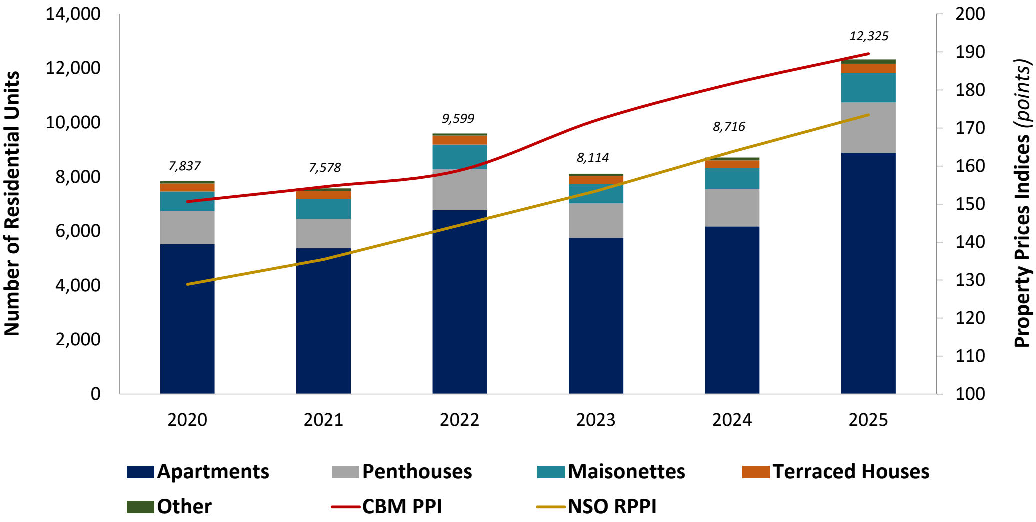
Activity in building permits increased markedly during 2025, reflecting a substantial strengthening in development momentum. The total number of issued building permits rose by 34.20% to 2,213 from

[17] Private accommodation comprises other rented accommodation (such as holiday furnished premises, host families, marinas, paid-convents, rented yachts, and student dormitories) and non-rented accommodation (mainly private residences).

[18] **Sources:** (i) NSO, '*Residential Property Transactions*', 11 March 2026, available at https://nso.gov.mt/wp-content/uploads/Residential-Property-Transactions.xlsx; (ii) NSO, '*Residential Permits and Dwellings*', 6 March 2026, available at https://nso.gov.mt/wp-content/uploads/Residential-Permits-and-Dwellings-.xlsx; (iii) NSO, '*Residential Property Price Index*', 7 April 2026, available at https://nso.gov.mt/wp-content/uploads/Residential-Property-Price-Index.xlsx; and (iv) CBM, '*Real Economy Indicators: Prices – Property Prices Index based on Advertised Prices (base 2015=100)*', 3 March 2026, available at: https://www.centralbankmalta.org/site/Subscriber%20Categories/Real%20Economy%20Indicators/house_prices.xlsx?rnd=20260408105012&revcount=1562&revcount=2169.

1,649 in 2024. Malta accounted for the majority of permits, increasing by 36.28% to 1,848, whilst in Gozo, the number of building permits rose by 24.57% to 365 from 293 in 2024. At district level in Malta, the strongest percentage growth was recorded in the South Eastern district, where permits surged by 45.69% to 338, followed by the Northern district with an increase of 43.18% to 378 permits. The Western district also registered a sharp rise of 37.43% to 246 permits, whilst Southern Harbour grew by 36.73% to 309 permits. Elsewhere, the Northern Harbour district posted a robust increase of 26.81% to 577 permits in 2025. Meanwhile, the average number of approved new dwellings per building permit increased to 5.57 in 2025 from 5.29 in 2024, indicating an increase in the average scale or density of developments year-on-year.

Residential Property Market
Approved New Dwellings & Property Prices
2020 to 2025

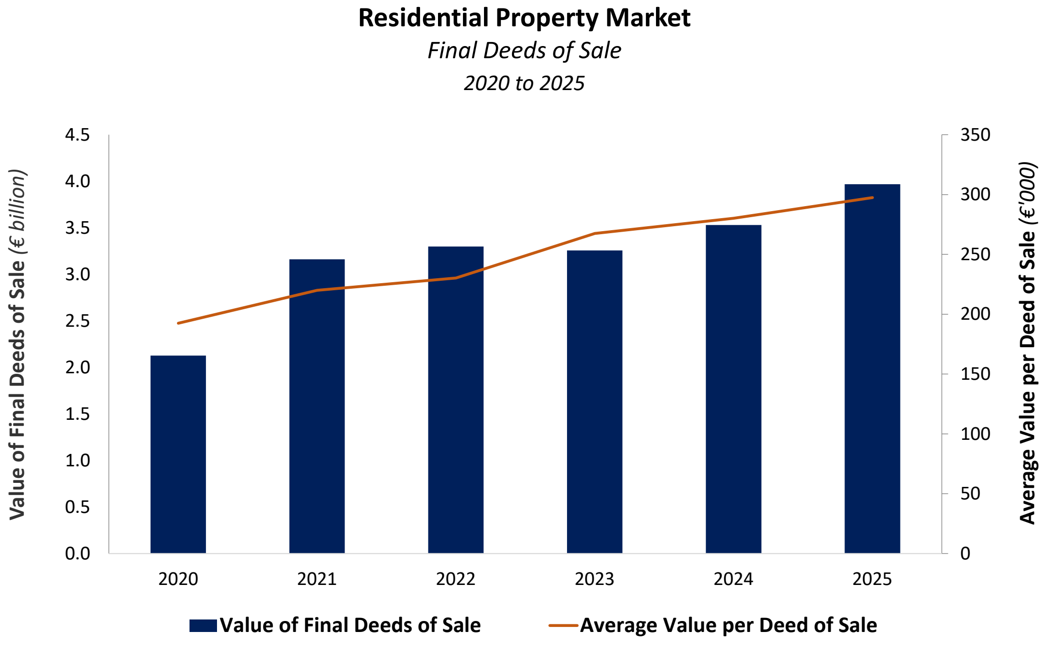


Source: *Central Bank of Malta & National Statistics Office*

The strong increase in the number of building permits issued led to an even larger rise in the number of approved new dwellings as this rose by 41.41% to 12,325 in 2025 from 8,716 in 2024. By type of property, apartments remained dominant and increased by 43.90% to 8,889, thereby accounting for the largest share of the total increase. Maisonettes also recorded a pronounced growth of 37.42% to 1,076. Similarly, penthouses and terraced houses advanced by 35.87% and 23.67% to 1,856 and 350, respectively, whilst other type of property increased by 43.93% to 154.

From a district perspective, the South Eastern region recorded the strongest growth in new dwelling approvals, rising to 2,027 in 2025, equivalent to an increase of 72.22%. The Southern Harbour district followed with an increase of 46.43% to 1,640, whilst the Northern region rose by 39.67% to 2,278. Meanwhile, the Northern Harbour and the Western districts also registered growth of more than 30% in the number of new dwelling approvals, to 3,509 (+38.75%) and 1,104 (+32.37%), respectively, whilst in Gozo, new dwelling approvals increased by 24% to 1,767.

In terms of final deeds of sale, the total number of contracts concluded in 2025 increased by 5.88% to 13,339 from 12,598 in 2024. However, the total value of final deeds increased at a faster rate of 12.42% to €3.97 billion from €3.53 billion in 2024, which lifted the average value per deed of sale by 6.18% to €297,549 from €280,243 in the prior year. This suggests that transaction values continued to trend upwards not only because of a greater number of sales, but also because the average price point of completed transactions moved materially higher.



Source: *National Statistics Office*

At district level, the number of final deeds of sale in Malta increased by 6.52% to 11,673. The strongest percentage growth was recorded in the Western district, where final deeds rose by 18.79% to 1,397. The South Eastern region followed, with an increase of 9.03% to 1,908, whilst the Northern Harbour district recorded a growth of 5.80% to 3,776. Similarly, the number of final deeds relating to residential property in the Southern Harbour region increased by 4.08% to 2,065, whilst a more modest increase of 1.94% to 2,527 was recorded in the Northern district. Meanwhile, in Gozo, final deeds edging up by 1.59% to 1,666 from 1,640 in 2024.

7.4 DEMOGRAPHY AND LONG-TERM CARE[19]

Long-term care covers a broad range of services. It is usually defined as a set of services required by persons with a reduced degree of functional capacity (whether physical or cognitive) and who, as a consequence of this, are dependent for an extended period of time on help with their activities of daily living. These services are often provided in tandem with basic medical services such as nursing care, prevention, rehabilitation, or services of palliative care.

Long-term care provided as 'in-kind' refers to home care or institutional care. The former is delivered in the private home of the care recipient and is most appropriate for cases with lower levels of dependency, aiming to slow down the progression of dependency as recipients age. On the other hand, institutional care is delivered in a specialised institution in which the care recipient lives. It is most appropriate for cases with relatively high degrees of dependency with high care needs.

Projections prepared by the United Nations Population Division show that the age structure of the Maltese population is expected to continue changing dramatically in the years and decades ahead. The share of the population aged up to 29 years is projected to decrease from 28.48% in 2025 to 23.12% in 2050 and 22.04% in 2075. Similarly, the share of the population aged between 30 years and 69 years is projected to decrease from 56.65% in 2025 to 54.20% in 2050 and 43.48% in 2075. In contrast, the share of the population over 69 years is projected to increase from 14.87% in 2025 to 22.68% in 2050 and 34.49% in 2075.

From an economic perspective, the most important change in demography concerns the working-age population (aged 20-64 years), which reflects the share of the population that will bear the financial 'burden' of the elderly. From an estimated share of 62.24% in 2025, this ratio is projected to fall to 56.20% by 2050, and to 46.68% by 2075. In contrast, the share of the population aged 65 years and over is expected to nearly double from 20.54% in 2025 to 40.44% by 2075, after reaching 30.64% by 2050.

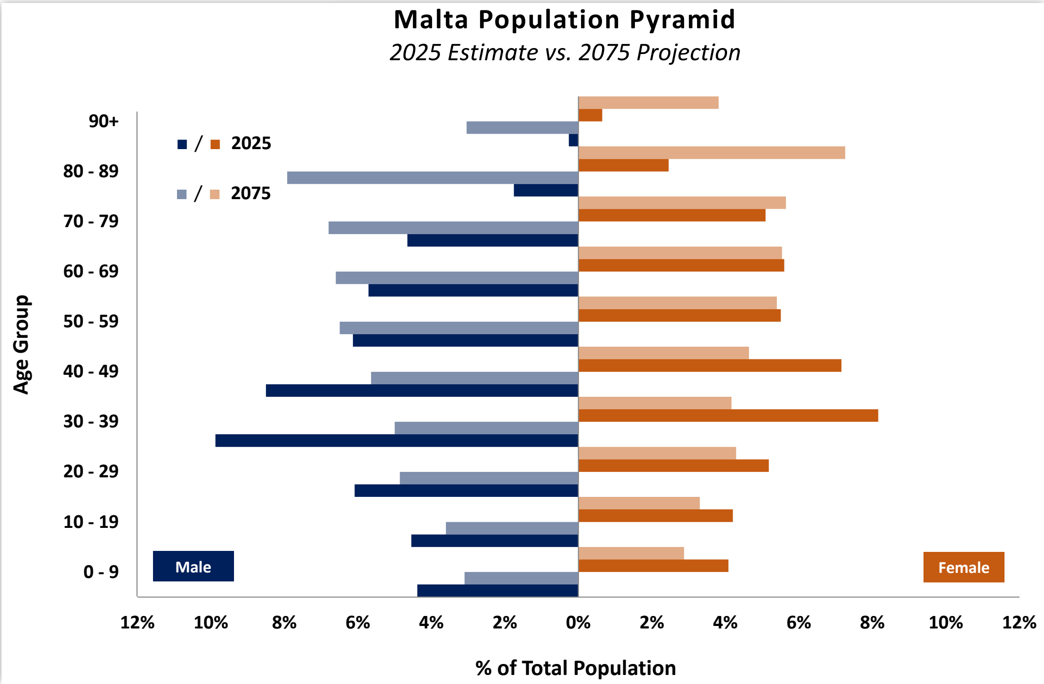
The dynamics of the ageing process can also be analysed by examining changes in the relative share of the elderly population compared to the working-age population. These dependency ratios relate to the number of individuals that are likely to be dependent on the support of others for their daily living – youths and the elderly – to the number of those individuals who can provide such support. Key indicators of age dependency are the:

- *Old-age dependency ratio* – calculated for both: (i) persons aged 65 years and over relative to the number of individuals aged between 20 and 64 years; and (ii) for persons aged 75 years and over relative to the number of individuals aged between 20 years and 74 years.

[19] **Sources:** (i) European Commission – Directorate-General for Economic and Financial Affairs, '*2024 Ageing Report: Economic & Budgetary Projections for the EU Member States (2022-2070)*', Institutional Paper 279, 18 April 2024, available at: https://economy-finance.ec.europa.eu/document/download/971dd209-41c2-425d-94f8-e3c3c3459af9_en?filename=ip279_en.pdf; (ii) Ministry for Finance and Employment, Economic Policy Department, '*2024 Ageing Report: Malta – Country Fiche*', November 2023, available at https://economy-finance.ec.europa.eu/document/download/8f7f03d1-fdf4-4992-925e-8d3c4629488e_en?filename=2024-ageing-report-country-fiche-Malta.pdf ; and (iii) United Nations, Department of Economic and Social Affairs – Population Division, '*World Population Prospects 2024*', 11 July 2024, available at https://population.un.org/wpp/.

- *Ageing of the aged ratio* – which measures the proportion of the 'oldest old' (people aged 80 years and over) within the elderly population (i.e. those aged 65 years and over).

The old-age dependency ratio for persons aged 65 years and over is projected to increase from 33% in 2025 to 54.52% in 2050 and 86.64% in 2075. The old-age dependency ratio for persons aged 75 years and over is projected to increase from 13.51% in 2025 to 22.31% in 2050 and 49.52% in 2075. Meanwhile, the ageing of the aged ratio is projected to increase from 24.91% in 2025 to 34.02% in 2050 and 54.50% in 2075.



Against this background, it is expected that both the quantity and the quality of demand for long-term care will continue to intensify, particularly for the services provided by community care centres and other state-run institutions, as well as facilities operated by the Church and the private sector. Indeed, expenditure on long-term care is forecast to continue rising, with the vast majority of this expenditure expected to remain concentrated on institutional care.

The estimated increase in spending aligns with the anticipated growth in the number of dependent individuals requiring formal care. The number of people receiving institutional care is set to reach 10,000 by 2050 (representing around 2% of the total population) before almost doubling again to 18,000 by 2070 (accounting for 3.75% of the population). At the same time, demand for home care services is also projected to expand significantly. The number of persons receiving home care services is expected to grow at a compound annual growth rate of 3.19% between 2022 and 2030, reaching 27,000 individuals. By 2050, this number is projected to increase to 38,000, before rising further to 63,000 by 2070, equivalent to just over 13% of the total population, compared to 4.86% in 2030 and around 7% in 2050.

PART 2 – FINANCIAL REVIEW

8. FINANCIAL ANALYSIS

The historical information is extracted from the audited consolidated annual financial statements of AX Group for the financial years ended 31 October 2023, 31 October 2024, and 31 October 2025.

The forecast information is based on future events and assumptions which AX Group believes to be reasonable. Accordingly, the actual outcome may be adversely affected by unforeseen situations and the variation between forecasts and actual results may be material.

The estimates presented in this Analysis assume that the carrying values of the Group's hotels and investment properties will not be revalued upwards or impaired, and therefore no adjustments have been made as to possible uplifts or impairments in value of assets which can materially affect the values in the Income Statement and the Statement of Financial Position.

AX Group p.l.c. **Statement of Comprehensive Income** **For the financial year 31 October**	**2023** **Actual** **€'000**	**2024** **Actual** **€'000**	**2025** **Actual** **€'000**	**2026** **Forecast** **€'000**
Revenue	50,293	83,550	131,130	146,662
Net operating expenses	(42,847)	(59,517)	(95,307)	(102,470)
EBITDA	**7,446**	**24,033**	**35,823**	**44,192**
Depreciation	(9,338)	(10,078)	(11,934)	(11,991)
Adjusted operating profit / (loss)	**(1,892)**	**13,955**	**23,889**	**32,201**
Gain / (loss) on fair valuation of investment properties	103	(2,478)	834	-
Operating profit / (loss)	**(1,789)**	**11,477**	**24,723**	**32,201**
Share of results of associates and joint venture	976	2,105	1,536	1,580
Net finance costs	(6,004)	(7,770)	(9,402)	(8,061)
Profit / (loss) before tax	**(6,817)**	**5,812**	**16,857**	**25,720**
Taxation	2,996	(745)	528	(6,829)
Profit / (loss) after tax	**(3,821)**	**5,067**	**17,385**	**18,891**
Other comprehensive income				
Gain / (loss) on property revaluation, net of tax	848	5,754	6,914	-
Total comprehensive income / (expense)	**(2,973)**	**10,821**	**24,299**	**18,891**

AX Group p.l.c. Key Financial Ratios	FY2023 Actual	FY2024 Actual	FY2025 Actual	FY2026 Forecast
EBITDA margin (%) *(EBITDA / revenue)*	14.81	28.76	27.32	30.13
Operating profit margin (%) *(Adjusted operating profit / revenue)*	(3.76)	16.70	18.22	21.96
Net profit margin (%) *(Profit after tax / revenue)*	(7.60)	6.06	13.26	12.88
Return on equity (%) *(Profit after tax / average equity)*	(1.55)	2.06	6.67	6.71
Return on assets (%) *(Profit after tax / average assets)*	(0.85)	1.03	3.34	3.56
Return on invested capital (%) *(Adjusted operating profit / average equity and net debt)*	(0.50)	3.35	5.45	7.17
Interest cover (times) *(EBITDA / net finance costs)*	1.24	3.09	3.81	5.48

STATEMENT OF COMPREHENSIVE INCOME

In **FY2025**, AX Group delivered a strong financial performance, with results reflecting substantial year-on-year growth across all its core business segments. Revenue increased by 56.95% to €131.13 million from €83.55 million in FY2024, underpinned by the execution of strategic initiatives, the continued expansion of hospitality operations, increased construction activity, sustained demand within the healthcare division, and the recognition of revenue from property sales within the Verdala Terraces development.

The increase in revenue was accompanied by a significant rise in operating costs, with net operating expenses increasing by 60.13% to €95.31 million from €59.52 million in FY2024. Notwithstanding this increase, the Group still generated a strong uplift in EBITDA, which rose by 49.06% to €35.82 million from €24.03 million in the previous financial year. The EBITDA margin, however, contracted by 1.44 percentage points to 27.32% from 28.76% in FY2024, reflecting the stronger percentage increase in net operating expenses relative to the growth registered in revenue. On the other hand, the interest cover strengthened to 3.81 times compared to 3.09 times in the prior year.

Depreciation increased by €1.86 million to €11.93 million from €10.08 million in FY2024. This increase was largely attributable to investments in the hospitality division, particularly AX ODYCY and the opening of the Verdala Wellness Hotel. Despite the higher depreciation charge, adjusted operating profit increased by 71.19% to €23.89 million from €13.96 million in FY2024. This translated into an operating profit margin of 18.22%, compared to 16.70% in the prior year, whilst the return on invested capital (“**ROIC**”) advanced to 5.45% from 3.35% in FY2024.

The Group's financial performance was also supported by a favourable movement in the fair value of investment properties. In FY2024, the Group had recognised a fair value loss of €2.48 million, whereas in FY2025 it reported a fair value gain of €0.83 million. Consequently, operating profit more than doubled to €24.72 million from €11.48 million in FY2024.

Although the share of results of associates and joint venture declined by 27.03% to €1.54 million from €2.11 million in FY2024, and despite the 21% increase in net finance costs to €9.40 million from €7.77 million in FY2024, AX Group still recorded a significant rise in pre-tax profit to €16.86 million from €5.81 million in FY2024. Furthermore, after taking into account tax income of €0.53 million, profit after tax amounted to €17.39 million (FY2024: €5.07 million) which translated into a margin of 13.26% (FY2024: from 6.06%) and a return on equity ("**ROE**") and a return on assets ("**ROA**") of 6.67% (FY2024: 2.06%) and 3.34% (FY2024: 1.03%), respectively.

Within comprehensive income, the Group reported a gain on property revaluation, net of tax, of €6.91 million in FY2025 compared to €5.75 million in FY2024, driven largely by the strong and improving performance of AX ODYCY. Accordingly, total comprehensive income rose to €24.30 million from €10.82 million in the prior year.

In **FY2026**, revenue is forecast to increase by 11.84% to €146.66 million, reflecting continued strong business momentum across all operating segments, especially real estate, which is forecast to serve as the primary growth driver following the successful sale of most of the remaining residential units forming part of Verdala Terraces.

Net operating expenses are projected to increase by 7.52% to €102.47 million, whilst EBITDA is expected to rise further to €44.19 million, translating into an EBITDA margin of 30.13%.

Depreciation is forecast to remain broadly unchanged at €11.99 million, with operating profit expected to increase by 30.26% to €32.20 million. Consequently, both the operating profit margin and ROIC are expected to improve year-on-year to 21.96% and 7.17%, respectively.

The share of results of associates and joint venture is forecast to remain broadly stable at €1.58 million. On the other hand, net finance costs are forecast to decline by 14.26% to €8.06 million, reflecting the expected use of part of the Group's surplus liquidity for deleveraging. The reduction in net finance costs, together with the expected increase in EBITDA, is set to materially strengthen the Group's interest cover, which is forecast to improve to 5.48 times.

Profit before tax is forecast to rise by 52.58% to €25.72 million. After accounting for a tax charge of €6.83 million, profit after tax is projected at €18.89 million, representing a margin of 12.88% and a ROE and ROA of 6.71% and 3.56%, respectively.

AX Group p.l.c. Statement of Cash Flows For the financial year 31 October	2023 Actual €'000	2024 Actual €'000	2025 Actual €'000	2026 Forecast €'000
Net cash from / (used in) operating activities	(12,334)	6,521	26,846	61,911
Net cash used in investing activities	(37,409)	(24,057)	(18,869)	(31,172)
Net cash from / (used in) financing activities	50,494	16,551	(8,686)	(28,471)
Net movement in cash and cash equivalents	**751**	**(985)**	**(709)**	**2,268**
Cash and cash equivalents at beginning of year	9,579	10,330	9,345	8,636
Cash and cash equivalents at end of year	**10,330**	**9,345**	**8,636**	**10,904**
Net capital expenditure*	38,746	25,405	19,313	32,422
Free cash flow	**(51,080)**	**(18,884)**	**7,533**	**29,489**

** Calculated as gross capital expenditure minus the proceeds from the disposal of fixed and, or intangible assets.*

STATEMENT OF CASH FLOWS

In **FY2025**, AX Group reported a strong increase in net cash from operating activities to €26.85 million from €6.52 million in FY2024, largely attributable to the realisation of apartment sales within the Verdala Terraces development, which supported a favourable year-on-year swing in working capital of €17.09 million.

Net cash used in investing activities declined from €24.06 million in FY2024 to €18.87 million, mainly due to lower net cash outflows on the purchase of property, plant and equipment ("**PPE**"), which in aggregate amounted to €18.68 million, compared to €23.19 million in FY2024, with a substantial portion of such expenditure relating to the Verdala project. Other capital expenditure undertaken during the year included the installation of additional photovoltaic systems on the roofs of AX ODYCY as well as investments in information technology ("**IT**").

Financing activities moved from an inflow of €16.55 million in FY2024 to an outflow of €8.69 million in FY2025. This reversal was mainly driven by net bank borrowings, which moved from an inflow of €12.21 million in FY2024 to an outflow of €11.57 million in FY2025. Conversely, proceeds from the sale on the secondary market of AXRE debt securities held by the Group declined by €1.37 million year-on-year to €3.68 million from €5.05 million in FY2024.

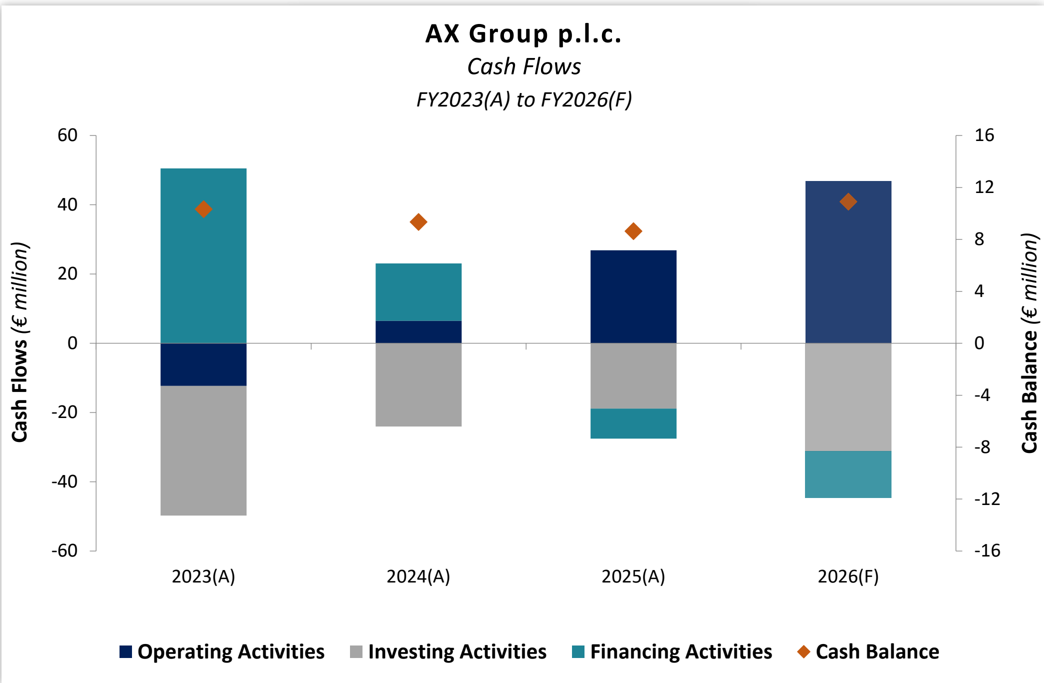
Overall, the net movement in cash and cash equivalents remained negative in FY2025 at €0.71 million. Cash and cash equivalents as at year-end therefore declined by 7.59% to €8.64 million from €9.35 million at the start of the financial year.

In **FY2026**, net cash from operating activities is expected to rise sharply to €46.91 million, primarily driven by stronger profitability and a further significant release in working capital of almost €20 million, mostly related to the sale of most of the remaining residential units forming part of Verdala Terraces.

Net cash used in investing activities is forecast to increase to €31.17 million, comprising: (i) expenditure of €20.14 million in relation to PPE, most notably in connection with the commencement of the second phase of the Qawra Project, the completion of Virtù Heights, the acquisition of a parcel of land adjacent to Hilltop Gardens, as well as additional investments in IT infrastructure; (ii) expenditure of €12.28 million for the acquisition of investment property, namely a sizeable plot of land in Marsa; and (iii) dividend inflows of €1.25 million. Although net capital expenditure is projected to rise to €32.42 million from €19.31 million in FY2025, free cash flow is forecast to improve materially year-on-year to €29.49 million in FY2026 from €7.53 million in FY2025, on the back of the expected strong increase in operating cash generation.

Net cash used in financing activities is projected to widen to €13.47 million, reflecting a higher level of debt reduction compared to FY2025.

Overall, notwithstanding the significant outflows in relation to both investing and financing activities, the strong projected increase in operating cash flows is forecast to result in a positive net movement in cash and cash equivalents of €2.27 million. Accordingly, year-end cash balances are forecast to increase by 26.26% to €10.90 million.



AX Group p.l.c.
Statement of Financial Position

As at 31 October	**2023**	**2024**	**2025**	**2026**
	Actual	**Actual**	**Actual**	**Forecast**
	€'000	**€'000**	**€'000**	**€'000**
ASSETS				
Non-current assets				
Property, plant and equipment	324,000	343,800	368,737	375,965
Investment property	61,703	61,443	59,828	72,108
Investments in associates and joint ventures	7,889	8,646	9,739	10,069
Loans receivable	2,175	389	389	3,439
Right-of-use assets	394	3,707	3,821	3,757
	396,161	**417,985**	**442,514**	**465,338**
Current assets				
Inventories	49,102	66,234	55,264	30,242
Trade and other receivables	15,142	17,707	21,016	26,355
Current tax asset	2,966	616	-	-
Cash at bank and in hand	10,657	10,569	10,593	10,904
	77,867	**95,126**	**86,873**	**67,501**
Total assets	**474,028**	**513,111**	**529,387**	**532,839**
EQUITY				
Share capital	1,165	1,165	1,165	1,165
Reserves	210,401	214,622	219,001	215,795
Retained earnings	19,236	20,929	38,863	60,042
Non-controlling interest	12,739	12,113	13,461	13,750
	243,541	**248,829**	**272,490**	**290,752**
LIABILITIES				
Non-current liabilities				
Debt securities	45,629	90,672	94,529	80,492
Bank borrowings	68,988	63,622	53,890	42,629
Lease liabilities	372	3,622	3,440	3,498
Trade and other payables	11,517	12,518	11,524	13,954
Deferred tax liabilities	20,360	20,549	17,149	16,793
	146,866	**190,983**	**180,532**	**157,366**
Current liabilities				
Debt securities	42,693	3,810	3,912	19,112
Bank borrowings	11,431	29,903	28,801	24,463
Lease Liabilities	22	55	30	28
Other financial liabilities	6	8	732	451
Trade and other payables	29,469	39,523	42,585	40,207
Tax liabilities	-	-	305	460
	83,621	**73,299**	**76,365**	**84,721**
Total liabilities	**230,487**	**264,282**	**256,897**	**242,087**
Total equity and liabilities	**474,028**	**513,111**	**529,387**	**532,839**
Total debt	*169,141*	*191,692*	*185,334*	*170,673*
Net debt	*158,484*	*181,123*	*174,741*	*159,769*
Invested capital (total equity plus net debt)	*402,025*	*429,952*	*447,231*	*450,521*

AX Group p.l.c. Key Financial Ratios	FY2023 Actual	FY2024 Actual	FY2025 Actual	FY2026 Forecast
Net debt-to-EBITDA (times) *(Net debt / EBITDA)*	21.28	7.54	4.88	3.62
Net debt-to-equity (times) *(Net debt / total equity)*	0.65	0.73	0.64	0.55
Net gearing (%) *(Net debt / net debt and total equity)*	39.42	42.13	39.07	35.46
Debt-to-assets (times) *(Total debt / total assets)*	0.36	0.37	0.35	0.32
Leverage (times) *(Total assets / total equity)*	1.95	2.06	1.94	1.83
Current ratio (times) *(Current assets / current liabilities)*	0.93	1.30	1.14	0.80

STATEMENT OF FINANCIAL POSITION

AX Group had total assets of €529.39 million as at the end of **FY2025**, representing an increase of €16.28 million over the corresponding figure reported as at the end of the previous financial year. The most notable year-on-year positive movements were recorded in PPE, which increased by €24.94 million to €368.74 million from €343.80 million as at the end of FY2024, and trade and other receivables, which expanded by €3.31 million to €21.02 million from €17.71 million. On the other hand, the most notable decline on the asset side was registered in inventories, as these fell by €10.97 million to €55.26 million from €66.23 million as at 31 October 2024.

Total equity increased materially, by €23.66 million, to €272.49 million as at the end of FY2025 from €248.83 million as at 31 October 2024. This improvement was driven principally by the sharp increase in retained earnings, which rose by €17.93 million to €38.86 million from €20.93 million, reflecting the strong profit retained within the business. Non-controlling interests also increased by €1.35 million to €13.46 million, whilst reserves increased by €4.38 million to €219 million from €214.62 million.

In contrast, total liabilities declined by €7.39 million to €256.90 million from €264.28 million as at the end of FY2024. This reduction was spearheaded by the contraction in bank borrowings which dropped by €10.83 million to €82.69 million from €93.53 million. Consequently, total debt edged lower by €6.36 million to €185.33 million from €191.69 million as at the end of FY2024, whilst net debt decreased by roughly the same amount to €174.74 million from €181.12 million. Invested capital, however, increased by €17.28 million to €447.23 million from €429.95 million, driven by the expansion in equity.

The key debt ratios improved in FY2025. The net debt-to-EBITDA multiple dropped materially to 4.88 times from 7.54 times in FY2024. Net debt-to-equity improved to 0.64 times from 0.73 times, whilst net gearing declined to 39.07% from 42.13%. The debt-to-assets ratio eased to 0.35 times from 0.37

times, and leverage improved to 1.94 times from 2.06 times. Conversely, the current ratio declined to 1.14 times from 1.30 times, principally reflecting the decline in inventories and the simultaneous increase in current liabilities.

Total assets are expected to edge higher by 0.65%, or €3.45 million, in **FY2026** to €532.84 million. The most significant increases are expected in investment property (+€12.28 million to €72.11 million), PPE (+€7.23 million to €375.97 million), trade and other receivables (+€5.34 million to 26.36 million), and non-current loans receivable (+€3.05 million to €3.44 million). However, such increases are set to be largely offset by a pronounced reduction in inventories to €30.24 million reflecting the expected sale of most of the remaining residential units forming part of Verdala Terraces.

Total equity is forecast to increase by a further €18.26 million to €290.75 million. This projected growth is expected to be driven mainly by retained earnings, which are forecast to rise by €21.18 million to €60.04 million, reflecting the continued accumulation of profits within the business. Reserves are projected to decrease slightly by €3.21 million to €215.80 million, whilst non-controlling interests are expected to rise modestly to €13.75 million.

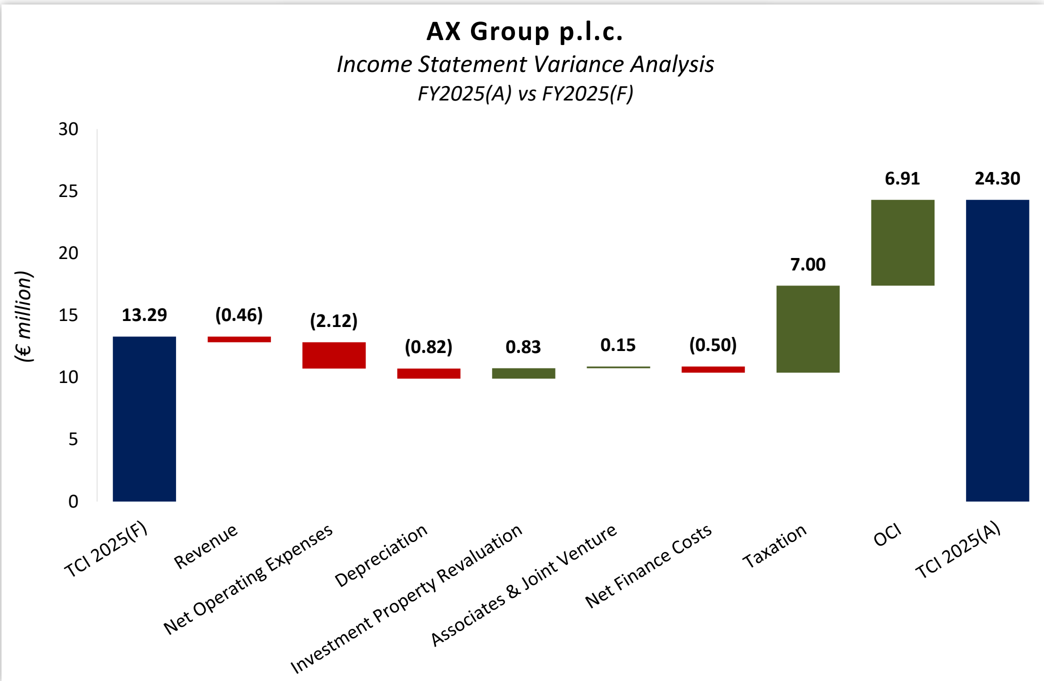
Total liabilities are forecast to decline by €14.81 million to €242.09 million, mostly reflecting lower debt amid a notable reduction in bank borrowings to €67.09 million. Accordingly, the Group's debt profile is projected to improve further in FY2026 as total debt is forecast to decline by €14.66 million to €170.67 million whilst net debt is expected to fall to €159.77 million. Invested capital is forecast to increase modestly to €450.52 million, as the expansion in equity is expected to be largely offset by the reduction in net debt.

The net debt-to-EBITDA multiple is expected to improve further to 3.62 times in FY2026. Likewise, net debt-to-equity is forecast to ease to 0.55 times whilst net gearing is projected to decline to 35.46%. The debt-to-assets ratio is forecast at 0.32 times and leverage is expected to ease to 1.83 times. On the other hand, the current ratio is forecast to weaken to 0.80 times, reflecting the sharp reduction in inventories following the sale of most of the remaining residential units forming part of Verdala Terraces, as well as the concurrent reclassification to current liabilities of the 3.25% €15 million unsecured bonds due for redemption on 20 December 2026.

9. VARIANCE ANALYSIS

The following is an analysis of the major variances between the forecast financial information for the year ended 31 October 2025, as included in the Analysis dated 23 April 2025, and the audited annual financial statements for the same period, published on 20 February 2026.

AX Group p.l.c. **Statement of Comprehensive Income** **For the financial year 31 October**	**2025** **Actual** **€'000**	**2025** **Forecast** **€'000**
Revenue	131,130	131,588
Net operating expenses	(95,307)	(93,189)
EBITDA	**35,823**	**38,399**
Depreciation	(11,934)	(11,119)
Adjusted operating profit	**23,889**	**27,280**
Gain on fair valuation of investment properties	834	-
Operating profit	**24,723**	**27,280**
Share of results of associates and joint venture	1,536	1,391
Net finance costs	(9,402)	(8,902)
Profit before tax	**16,857**	**19,769**
Taxation	528	(6,475)
Profit after tax	**17,385**	**13,294**
Other comprehensive income		
Gain on property revaluation, net of tax	6,914	-
Total comprehensive income	**24,299**	**13,294**



STATEMENT OF COMPREHENSIVE INCOME

Revenue for FY2025 amounted to €131.13 million which was virtually in line with the forecasted level of €131.59 million. On the other hand, net operating expenses amounted to €95.31 million compared with the forecast of €93.19 million, translating into an adverse variance of 2.27% and mainly reflecting higher personnel expenses consistent with the increased activity within the Group's hospitality division. As a result, EBITDA amounted to €35.82 million compared with the target of €38.40 million, representing a negative variance of 6.71%.

Depreciation charges were higher than anticipated by 7.33%, reflecting stronger growth in the value of the Group's principal assets. Consequently, adjusted operating profit amounted to €23.89 million compared with the forecasted €27.28 million, representing a negative variance of 12.43%. Conversely, during FY2025, AX Group recognised a gain of €0.83 million from the fair valuation of investment properties which was not included in the forecasts. As a result, operating profit amounted to €24.72 million compared with the forecasted €27.28 million, translating into a negative variance of 9.37%.

The share of results of associates and joint venture amounted to €1.54 million compared with the forecasted €1.39 million, resulting in a positive variance of 10.42%. In contrast, net finance costs of €9.40 million exceeded forecasts by 5.62%, amid a higher level of borrowings principally supporting the Group's investments in the Verdala Project.

As a result of the variances described above, profit before tax amounted to €16.86 million compared with the forecasted €19.77 million, translating into a negative variance of 14.73%. However, taxation produced a favourable variance of €7 million relative to expectations. Consequently, profit after tax amounted to €17.39 million compared with the forecasted €13.29 million, resulting in a positive variance of 30.77%.

Within other comprehensive income, the Group recognised a gain on property revaluation, net of tax, amounting to €6.91 million, which was not included in the forecasts. As a result, total comprehensive income for the year reached €24.30 million which was significantly higher than the forecast of €13.29 million.

AX Group p.l.c. **Statement of Cash Flows** **For the financial year 31 October**	**2025** **Actual** **€'000**	**2025** **Forecast** **€'000**
Net cash from operating activities	26,846	29,972
Net cash used in investing activities	(18,869)	(20,076)
Net cash from financing activities	(8,686)	(17,890)
Net movement in cash and cash equivalents	**(709)**	**(7,994)**
Cash and cash equivalents at beginning of year	9,345	9,345
Cash and cash equivalents at end of year	**8,636**	**1,351**

STATEMENT OF CASH FLOWS

Net cash generated from operating activities amounted to €26.85 million during FY2025 compared with the forecasted level of €29.97 million, resulting in a negative variance of €3.13 million, primarily driven by unfavourable movements in working capital related to the Verdala Terraces.

Net cash used in investing activities amounted to €18.87 million compared with the forecasted outflow of €20.08 million, representing a favourable variance of €1.21 million. Furthermore, the Group's cash flows were boosted by lower net cash used in financing activities, which amounted to €8.69 million compared with the forecasted outflow of €17.89 million, primarily due to a slower pace of bank borrowing repayments.

As a result of the movements described above, the net movement in cash and cash equivalents for FY2025 amounted to an outflow of €0.71 million compared with the forecasted outflow of €7.99 million. Consequently, the Group's closing cash position for the year stood at €8.64 million compared with the forecasted €1.35 million, representing a positive variance of €7.29 million.

STATEMENT OF FINANCIAL POSITION

Total assets as at 31 October 2025 amounted to €529.39 million compared with the forecasted level of €500.75 million. The positive variance of €28.64 million reflects higher-than-anticipated balances across a number of asset categories, particularly within PPE (+€12.26 million) and cash (+€9.24 million).

Total equity amounted to €272.49 million compared with the forecasted €261.59 million. Most of the positive variance of €10.90 million emanated from a higher balance within the revaluation reserve, principally on account of the uplift in the valuation of AX ODYCY.

Total liabilities amounted to €256.90 million compared with the forecast of €239.16 million. The increase relative to expectations primarily reflects higher borrowings and trade and other payables. Bank borrowings recorded the most significant variance and amounted to €82.69 million compared with the forecasted €71.07 million, reflecting a higher level of bank financing utilised to support the Group's investment activities. Similarly, trade and other payables exceeded forecasts by €8.80 million, which, however, was partially offset by tax liabilities that were €3.10 million lower than forecast.

From a capital structure perspective, total debt amounted to €185.33 million compared with the forecasted €173.30 million, representing an increase of €12.04 million. However, net debt was only modestly higher, by €2.79 million. Invested capital, defined as total equity plus net debt, amounted to €447.23 million compared with the forecasted €433.54 million, representing an increase of €13.69 million.

AX Group p.l.c.
Statement of Financial Position
As at 31 October

	2025 Actual €'000	2025 Forecast €'000
ASSETS		
Non-current assets		
Property, plant and equipment	368,737	356,478
Investment property	59,828	57,288
Investments in associates and joint ventures	9,739	8,946
Loans receivable	389	389
Right-of-use assets	3,821	3,707
	442,514	**426,808**
Current assets		
Inventories	55,264	53,329
Trade and other receivables	21,016	19,264
Cash at bank and in hand	10,593	1,351
	86,873	**73,944**
Total assets	**529,387**	**500,752**
EQUITY		
Share capital	1,165	1,165
Reserves	219,001	209,712
Retained earnings	38,863	38,324
Non-controlling interest	13,461	12,391
	272,490	**261,592**
LIABILITIES		
Non-current liabilities		
Debt securities	94,529	94,691
Bank borrowings	53,890	39,039
Lease liabilities	3,440	3,670
Trade and other payables	11,524	10,925
Deferred tax liabilities	17,149	20,549
	180,532	**168,874**
Current liabilities		
Debt securities	3,912	3,811
Bank borrowings	28,801	32,027
Lease Liabilities	30	53
Other financial liabilities	732	8
Tax liabilities	305	-
Trade and other payables	42,585	34,387
	76,365	**70,286**
Total liabilities	**256,897**	**239,160**
Total equity and liabilities	**529,387**	**500,752**
Total debt	*185,334*	*173,299*
Net debt	*174,741*	*171,948*
Invested capital (total equity plus net debt)	*447,231*	*433,540*

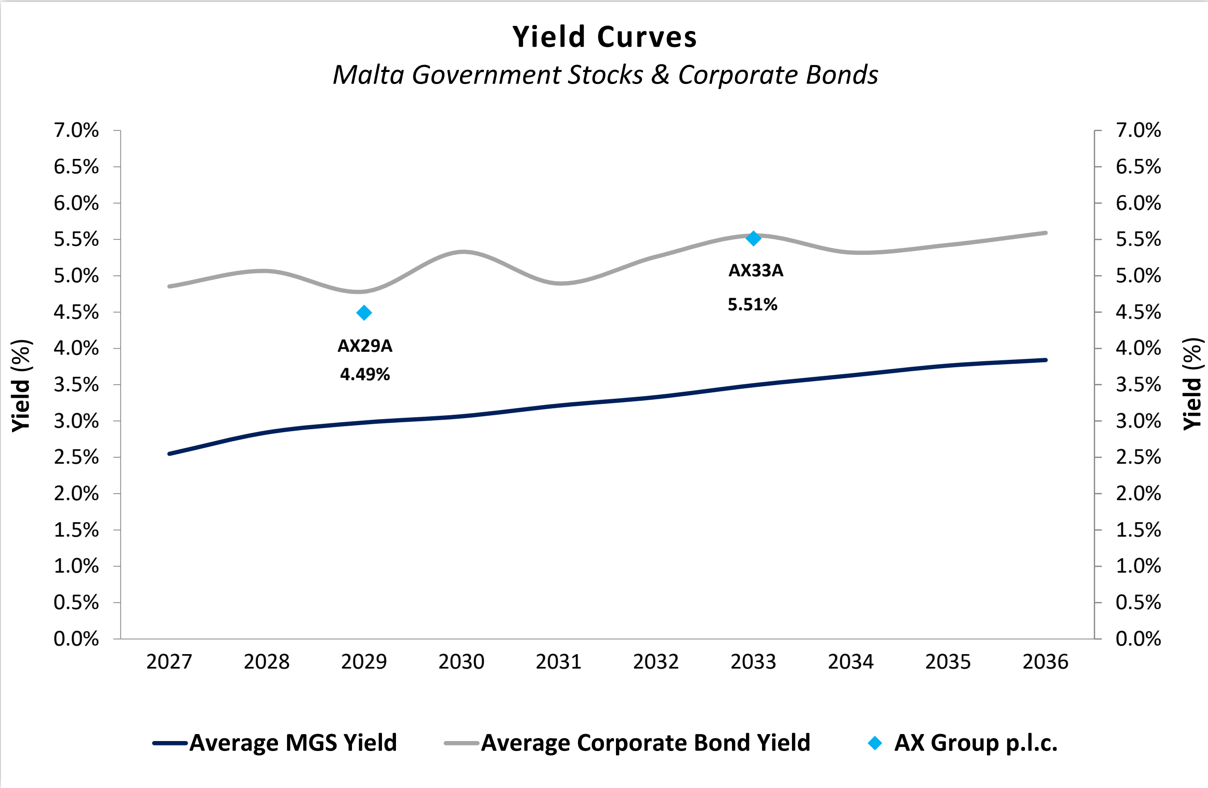
PART 3 – COMPARATIVE ANALYSIS

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	Yield-to-Maturity / Worst	Interest Cover	Net Debt-to-EBITDA	Net Gearing	Debt-to-Assets
	(€'000)	*(%)*	*(times)*	*(times)*	*(%)*	*(times)*
4.00% International Hotel Investments p.l.c. Secured 2026	55,000	10.10	1.46	11.17	43.36	0.40
5.00% Dizz Finance p.l.c. Unsecured & Guaranteed 2026	8,000	17.36	1.96	9.84	84.18	0.55
3.75% Premier Capital p.l.c. Unsecured 2026	32,696	7.74	12.23	2.16	69.41	0.59
4.00% International Hotel Investments p.l.c. Unsecured 2026	60,000	4.11	1.46	11.17	43.36	0.40
3.25% AX Group p.l.c. Unsecured 2026	15,000	3.22	3.81	4.88	39.07	0.35
4.00% Hili Finance Company p.l.c. Unsecured & Guaranteed 2027	50,000	3.99	4.88	4.34	67.75	0.57
4.35% SD Finance plc Unsecured & Guaranteed 2027	65,000	7.00	5.41	2.98	30.68	0.33
4.00% Eden Finance p.l.c. Unsecured & Guaranteed 2027	40,000	4.98	4.55	6.93	28.64	0.26
5.25% Mediterranean Investments Holding p.l.c. Unsecured & Guaranteed 2027	30,000	5.23	5.81	2.45	20.10	0.19
4.00% Stivala Group Finance p.l.c. Secured & Guaranteed 2027	45,000	4.16	4.46	5.18	21.99	0.20
4.75% Best Deal Properties Holding p.l.c. Secured & Guaranteed 2025-2027	9,639	4.73	110.36	8.31	74.19	0.73
4.75% Gap Group p.l.c. Secured & Guaranteed 2025-2027	12,656	4.74	n/a	1.04	26.65	0.33
3.85% Hili Finance Company p.l.c. Unsecured & Guaranteed 2028	40,000	5.49	4.88	4.34	67.75	0.57
5.85% Mediterranean Investments Holding p.l.c. Unsecured & Guaranteed 2028	20,000	5.83	5.81	2.45	20.10	0.19
5.75% PLAN Group p.l.c. Secured & Guaranteed 2028	12,000	4.95	2.48	14.28	51.39	0.46
5.75% Best Deal Properties Holding p.l.c. Secured & Guaranteed 2027-2029	15,000	4.84	110.36	8.31	74.19	0.73
5.00% Hili Finance Company p.l.c. Unsecured & Guaranteed 2029	80,000	4.51	4.88	4.34	67.75	0.57
3.65% Stivala Group Finance p.l.c. Secured & Guaranteed 2029	15,000	4.91	4.46	5.18	21.99	0.20
3.80% Hili Finance Company p.l.c. Unsecured & Guaranteed 2029	80,000	5.10	4.88	4.34	67.75	0.57
3.75% AX Group p.l.c. Unsecured 2029	10,000	4.49	3.81	4.88	39.07	0.35
6.25% GPH Malta Finance p.l.c. Unsecured & Guaranteed 2030	18,144	6.25	3.04	5.78	92.42	0.82
5.25% ACMUS p.l.c. Secured 2028-2030	19,000	5.24	4.49	22.77	72.48	0.70
5.10% PLAN Group p.l.c. Secured & Guaranteed 2030	28,200	4.85	2.48	14.28	51.39	0.46
5.20% SD Finance plc Unsecured & Guaranteed 2031 S1 T1	33,000	4.93	5.41	2.98	30.68	0.33
5.35% MM Star Malta Finance p.l.c. Secured & Guaranteed 2029-2031	35,000	5.34	1.48	9.51	70.42	0.65
3.65% International Hotel Investments p.l.c. Unsecured 2031	80,000	5.00	1.46	11.17	43.36	0.40
3.50% AX Real Estate p.l.c. Unsecured 2032	40,000	4.84	3.19	7.66	51.19	0.46
5.35% Best Deal Properties Holding p.l.c. Unsecured 2032	7,000	5.35	110.36	8.31	74.19	0.73
5.50% MM Triton Malta Finance p.l.c. Secured & Guaranteed 2032	45,000	5.30	1.40	9.39	71.50	0.67
5.80% GPH Malta Finance plc Unsecured & Guaranteed 2032	15,000	5.80	3.04	5.78	92.42	0.82
5.00% Mariner Finance p.l.c. Unsecured 2032	36,930	4.82	4.00	5.48	45.91	0.45
5.00% Hili Finance Company p.l.c. Unsecured & Guaranteed 2033	60,000	5.35	4.88	4.34	67.75	0.57
5.85% AX Group p.l.c. Unsecured 2033	40,000	5.51	3.81	4.88	39.07	0.35
6.00% International Hotel Investments p.l.c. Unsecured 2033	60,000	5.66	1.46	11.17	43.36	0.40
4.50% The Ona p.l.c. Secured & Guaranteed 2028-2034	16,000	5.10	2.35	12.72	77.11	0.69
5.35% Hal Mann Vella Group p.l.c. Secured 2031-2034	23,000	5.12	2.69	7.13	47.59	0.42
5.30% International Hotel Investments p.l.c. Unsecured 2035	35,000	4.95	1.46	11.17	43.36	0.40
5.50% Juel Group p.l.c. Secured & Guaranteed 2035	32,000	5.47	15.06	23.23	58.68	0.48
5.35% CPHCL Finance p.l.c. Unsecured & Guaranteed 2035	45,000	5.39	1.35	11.96	43.62	0.40
5.50% Finestday Malta p.l.c. Secured & Guaranteed 2036	25,000	5.50	1.69	8.85	58.21	0.55

**As at 01 April 2026*

Sources: *(i) Malta Stock Exchange; (ii) M.Z. Investment Services Limited; and (iii) the most recent audited annual financial statements of the respective Issuers and, or Guarantors, except for ACMUS p.l.c. and MM Star Malta Finance p.l.c. (FY2025[F]), MM Triton Malta Finance p.l.c. (FY2026[F]), and Finestday Malta p.l.c. (FY2027[P]).*



The closing market price of the **3.25% AX Group p.l.c. unsecured bonds 2026** (AX26A) as at 1 April 2026 was 100.00%. This translated into a yield-to-maturity ("**YTM**") of 3.22%, representing a spread of 88 basis points over the corresponding average Malta Government Stock yield of 2.34%.

The closing market price of the **3.75% AX Group p.l.c. unsecured bonds 2029** (AX29A) as at 1 April 2026 was 97.50%. This translated into a YTM of 4.49%, representing a discount of 29 basis points to the average YTM of 4.78% of other local corporate bonds maturing in the same year. The spread over the corresponding average Malta Government Stock yield of 2.98% stood at 151 basis points.

The closing market price of the **5.85% AX Group p.l.c. unsecured bonds 2033** (AX33A) as at 1 April 2026 was 102.00%. This translated into a YTM of 5.51%, representing a discount of 4 basis points to the average YTM of 5.55% of other local corporate bonds maturing in the same year. The spread over the corresponding average Malta Government Stock yield of 3.49% stood at 202 basis points.

PART 4 – EXPLANATORY DEFINITIONS

Income Statement	
Revenue	Total income generated from business activities.
EBITDA	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.
Adjusted operating profit / (loss)	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.
Operating profit / (loss)	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.
Share of results of associates and joint ventures	Share of profit (or loss) from entities in which the company does not have a majority shareholding.
Profit / (loss) after tax	Net profit (or loss) registered from all business activities.

Profitability Ratios	
EBITDA margin	EBITDA as a percentage of revenue.
Operating profit margin	Operating profit (or loss) as a percentage of total revenue.
Net profit margin	Profit (or loss) after tax as a percentage of total revenue.
Return on equity	Measures the rate of return on net assets and is computed by dividing the net profit (or loss) for the year by average equity.
Return on assets	Measures the rate of return on assets and is computed by dividing the net profit (or loss) for the year by average assets.
Return on invested capital	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	
Net cash from / (used in) operating activities	The amount of cash generated (or consumed) from the normal conduct of business.
Net cash from / (used in) investing activities	The amount of cash generated (or consumed) from activities related to the acquisition, disposal, and/or development of long-term assets and other investments.
Net cash from / (used in) financing activities	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.
Free cash flow	Represents the amount of cash generated (or consumed) from operating activities after considering any amounts of net capital expenditure.

Statement of Financial Position	
Non-current assets	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.
Current assets	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.
Non-current liabilities	These represent long-term financial obligations which are not due within the next twelve months, and typically include long-term borrowings and debt securities.
Current liabilities	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.
Total equity	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	
Interest cover	Measures the extent of how many times a company can sustain its net finance costs from EBITDA.
Net debt-to-EBITDA	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.
Net debt-to-equity	Shows the proportion of net debt (including lease liabilities) to the amount of equity.
Net gearing	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.
Debt-to-assets	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.
Leverage	Shows how many times a company is using its equity to finance its assets.
Current ratio	Measures the extent of how much a company can sustain its short-term liabilities from its short-term assets.