COMPANY ANNOUNCEMENT

*The following is a Company Announcement issued by Simonds Farsons Cisk p.l.c. (the **"Company"**) pursuant to Chapter 5 of the Capital Market Rules as issued by the MFSA in accordance with the provisions of the Financial Markets Act (Chapter 345 of the Laws of Malta) as they may be amended from time to time.*

Quote

Approval and Publication of the Financial Analysis Summary

The Board of Directors of the Company hereby announces that the Financial Analysis Summary dated 23rd July 2025, prepared by Rizzo, Farrugia & Co. (Stockbrokers) Ltd., has been approved for publication and is attached herewith. It is also available for inspection on https://www.farsons.com/en/financial-analysis-summary.

Unquote

By Order of the Board

Nadine Magro
Company Secretary

23rd July 2025

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YOUR INVESTMENT CONSULTANTS

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The Board of Directors
Simonds Farsons Cisk plc
The Brewery,
Mdina Road, Mriehel,
Birkirkara BKR 3000

23 July 2025

Dear Sirs,

Simonds Farsons Cisk plc – update to the Financial Analysis Summary (the "Update FAS")

In accordance with your instructions and in line with the requirements of the MFSA Listing Policies, we have compiled the Update FAS set out on the following pages, and which is being forwarded to you together with this letter.

The purpose of the Update FAS is that of summarising key financial data appertaining to Simonds Farsons Cisk p.l.c. (the "Company" or "Issuer"). The data is derived from various sources or is based on our own computations and analysis of the following:

(a) historical financial data for the three years ended 31 January 2025 has been extracted from the Issuer's audited statutory financial statements for the three years in question, as and when appropriate;
(b) the forecast data for the financial year ending 31 January 2026 has been provided by management and approved by the Directors of the Issuer;
(c) our commentary on the results of the Issuer and on the respective financial position is based on the explanations provided by the Issuer;
(d) the ratios quoted in the Financial Analysis Summary have been computed by us applying the definitions as set out and defined within the Update FAS; and
(e) relevant financial data in respect of the comparative set in Part D has been extracted from public sources such as the web sites of the companies concerned, or financial statements filed with the Registry of Companies.

The Update FAS is provided to assist potential investors by summarising the more important financial data of the Issuer. The Update FAS does not contain all data that is relevant to potential investors and is intended to complement, and not replace, financial and/or investment advice. The Update FAS does not constitute an endorsement by our firm of the securities of the Issuer and should not be interpreted as a recommendation to invest. We shall not accept any liability for any loss or damage arising out of the use of the Update FAS and no representation or warranty is provided in respect of the reliability of the information contained in the Update FAS. As with all investments, potential investors are encouraged to seek professional advice before investing.

Yours sincerely,

Vincent E Rizzo
Director

FINANCIAL ANALYSIS SUMMARY

Update 2025

Prepared by Rizzo, Farrugia & Co (Stockbrokers) Ltd, in compliance with the Listing Policies issued by the Malta Financial Services Authority, dated 5 March 2013 and updated on 21 August 2021.

23 July 2025

TABLE OF CONTENTS

IMPORTANT INFORMATION

PURPOSE OF THE DOCUMENT

Simonds Farsons Cisk plc (the "**Company**", "**Group**" or the "**Issuer**") issued €20 million 3.5% Unsecured Bonds 2027 pursuant to a prospectus dated 31 July 2017 (the "**Bond Issue**"). The prospectus included a Financial Analysis Summary ("**FAS**") in line with the requirements of the Listing Policies as issued on 5 March 2013 and updated on 21 August 2021. The purpose of this report (the **"Update FAS**") is to provide an update on the performance and on the financial position of the Group.

SOURCES OF INFORMATION

The information that is presented has been collated from a number of sources, including the Company's website (www.farsons.com) and the Company's audited Financial Statements for the years ended 31 January 2023, 2024 and 2025 and forecasts for financial year ending 31 January 2026.

Forecasts that are included in this document have been prepared by management and approved for publication by the directors of the Company, who undertake full responsibility for the assumptions on which these forecasts are based.

Wherever used, FYXXXX refers to financial year covering the period 1st February to 31st January. The financial information is being presented in thousands of Euros, unless otherwise stated, and has been rounded to the nearest thousand.

PREVIOUS FAS ISSUED

The Company has published the following FAS which are available on its website:

- FAS dated 31 July 2017 *(appended to the prospectus)*
- FAS dated 16 July 2018
- FAS dated 15 July 2019
- FAS dated 23 September 2020
- FAS dated 21 July 2021
- FAS dated 22 July 2022
- FAS dated 12 July 2023
- FAS dated 24 July 2024

Strategic Review of Group Business - Reclassification of Financial Figures

Readers of this Update FAS are informed that in the light of the recommendations made by the Board of Directors and explained in detail in the Company Announcement issued on 27 November 2024, the Board has conducted a strategic review of opportunities for further expansion of the Food Business and the conclusion of the review led the Board to recommend to shareholders that the objectives can best be reached through a Spin-Off of the Food Business through a separate legal entity, to be named Quinco Holdings plc ("**Quinco**"), that would be listed on the Malta Stock Exchange. The new Quinco Group will comprise Quinco as well as its subsidiaries, Quintano Foods Limited ("**Quintano**") and Food Chain Limited ("**Food Chain**").

The Board concluded that a Spin-Off, similar in nature to the Group's former property interests that were spun off into Trident Estates plc in January 2018, would best serve the interests of the wider Group's stakeholders as a dedicated executive management team and separate Board of Directors will allow the Food Business to achieve business growth both organically as well as inorganically.

In light of the above, a resolution was presented to shareholders at the last Annual General Meeting and following the approval received from shareholders, the implementation of this corporate action will now take place in the second half of 2025. The process to achieve this objective commenced immediately after the announcement referred to above leading up to the publication of an explanatory circular to shareholders on 3 June 2025. The circular sets out all the information required by shareholders to assess the spin-off including an explanation of the financial implications of the restructuring of the Group and the spin-off. It is strongly advised that reference is made to the Circular to Shareholders available here: https://www.farsons.com/en/file.aspx?f=2027

It is therefore within this context that readers of this Update FAS should note that the financial figures being presented for FY2025 are reclassifying the principal activities of the Group into Continued (Beverage segment) and Discontinued (Food segment) operations in line with International Financial Reporting Standards (IFRS). Comparative Income Statement historic figures for FY2024 and FY2023 have also been reclassified on the same basis. Related commentary on performance in FY2025 and forecasts for FY2026 is also predominantly focused on continuing operations.

PART A BUSINESS & MARKET OVERVIEW

1 INTRODUCTION

Knowing its origins since 1928, Simonds Farsons Cisk plc (the "**Company**", "**Group**" or "**Issuer**") is the result of the amalgamation of L. Farrugia & Sons Limited, H & G Simonds and The Malta Export Brewery. The Group is engaged in the brewing, production and sale and distribution of own-branded and international beers and beverages, the importation, wholesale and retail of food products and beverages, the operation of franchised food retailing establishments and the management and operation of the newly regenerated brewery, the Old Brewhouse, transformed into a landmark destination, including a brewery experience, catering outlets, a brand store and offices.

The Group's principal activities remained consistent with previous years, reflecting its established position in the market. With effect from FY2024, segmental information was realigned to reflect changes in management focus and to better reflect the Group's main business components. The Group reclassified its entire operations into two principal clusters:

i. **Beverages** (Brewing, production, import, export & sale of beers, wines, spirits and other beverages); and
ii. **Food** (Importation and franchised retailing).

BEVERAGES

The main business cluster comprises all operations and activities concerning beverages. Naturally, **brewing, production and sale of branded beers** as well as the **production and sale of carbonated soft drinks** and **water** remain the predominant component of this cluster as the core business and largest contributor to overall revenue and profitability. The beverages segment includes the Company, Farsons Beverage Imports Company Limited ("**FBIC**"), EcoPure Limited ("**EcoPure**") and The Brewhouse Co Ltd ("**Brewhouse**"). This segment remains the core business of the Group and is therefore the segment that is the most material and the largest contributor to Group revenue and profits.

The Company produces and distributes its own brands, strongly led by the flagship brands – Cisk Lager and Kinnie. It is also the exclusive partner in Malta to PepsiCo and Carlsberg, having the rights to produce, bottle, sell and distribute the said products. FBIC also operates Farsonsdirect, the Group retail and ecommerce operation that sells all beverage names and brands represented by the Group. EcoPure is the company responsible for the marketing, sales and distribution of 18.9 and 10 litre containers of San Michel table water, providing also water dispensers and coolers for rental or purchase. Meanwhile, the Brewhouse is entrusted with the management of the landmark Farsons Old Brewhouse that has now just concluded its second full year of operation.

FOOD

The food cluster comprises all operations and activities carried out by Quintano and Food Chain. While the former focuses predominantly on the importation, storage and distribution of food-related items representing a wide variety of international food brands, the latter is the exclusive franchise operator in Malta of the internationally renowned franchises KFC, Burger King and Pizza Hut. Operations of Boost, the Australian smoothie franchise, have been terminated.

The Group's investment in the Food business have continued to generate growth in both revenues as well as profitability, demonstrating a material degree of resilience in the face of strengthening market challenges, principally growing margin compression.

2 GOVERNANCE & SENIOR MANAGEMENT

The strategic direction of the Company is entrusted to a board of eight directors, the majority of whom act in a non-executive capacity.

Board of Directors	Role
Mr Louis A. Farrugia	Executive Chairman
Mr Marcantonio Stagno d'Alcontres	Non-Executive Vice Chairman
Mr Michael Farrugia	Executive Director
Mr Roderick Chalmers	Non-Executive Director
Dr Max Ganado	Non-Executive Director
Ms Marina Hogg	Non-Executive Director
Mr Matthew Marshall	Non-Executive Director
Mr Neil Psaila	Non-Executive Director

During FY2025, the Company's board was assisted by a complement of senior executive management in the execution of the board's strategic direction.

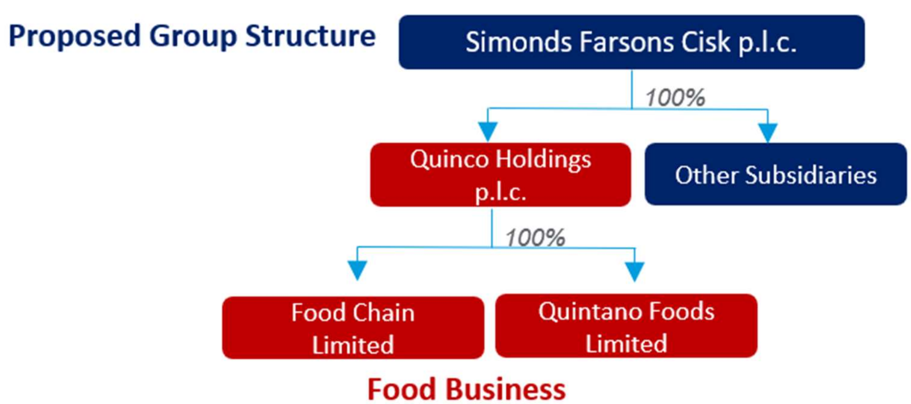
Senior Management	Position
Mr Norman Aquilina	Group Chief Executive Officer
Mr Michael Farrugia	Deputy Chief Executive (Beverage Business)
Mr John Bonello Ghio	Head of The Brewhouse
Mr Chris Borg Cardona	Head of Logistics & EcoPure Limited
Mr Tonio Mifsud Bonnici	Head of Human Resources
Mr Eugenio Caruana	Chief Operating Officer
Mr Philip Farrugia	Head of IT & Business Services
Mr Gordon Naudi	General Manager Food Chain Limited
Mr Sean Portelli	General Manager Quintano Foods Limited
Mr Pierre Stafrace	General Manager FBIC
Ms Anne Marie Tabone	Group Chief Financial Officer
Ms Susan Weenink Camilleri	Head of Sales & Marketing

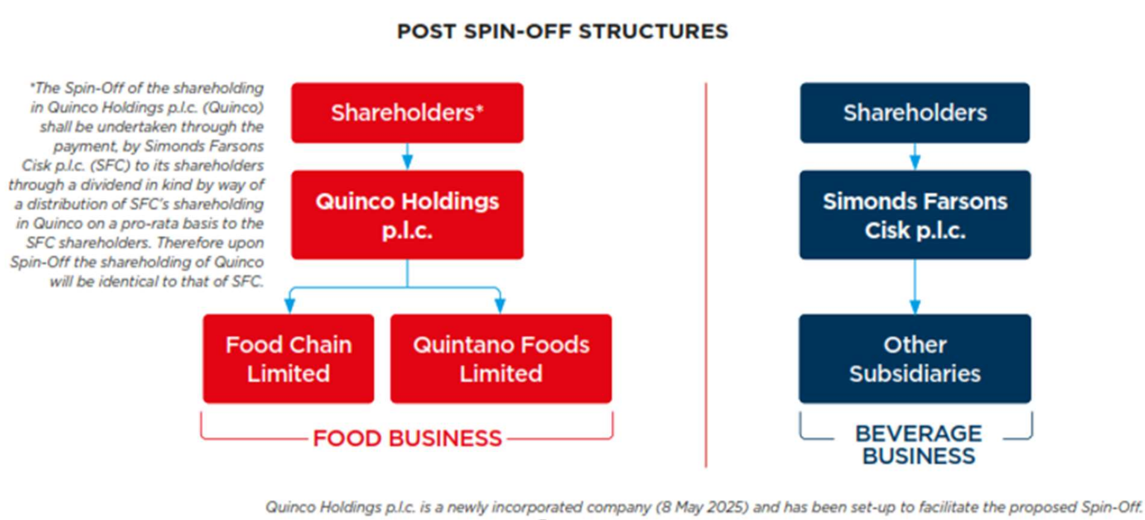
The Group engaged an average staff complement of 553 (full time equivalent) employees during the last financial reporting period (FY2025) within its beverages segment, now classified as the continuing operations. During the same reporting period (FY2025) the average staff complement within the food segment was of 390 (full time equivalent) employees. Employees within the Food segment will remain under their current employment contracts but will form part of the newly spun-off entity in the upcoming reporting period.

3. Group Structure

Prior to the spin-off and as at FY2025, the simplified structure of the Group was as follows:

Following the spin-off, the new organisation chart of the Farsons Group and the Quinco Group can best be depicted in the structure chart below:





4. MAJOR ASSETS

Property, plant and equipment (PPE) represents the major component of the Group's assets, which stood at just over €228 million as of 31 January 2025. This component represents the assets required for the operation of the Group's business, and comprised:

Components of PPE	Net Book Value FY2025
Land and Buildings	€85.7 million
Assets in Course of Construction	€0.8 million
Plant, Machinery & Equipment	€29.4 million
Total	**€115.9 million**

PPE made up 51% (FY2024: 60%) of the Group's total asset base. Trade and other receivables remained the second most significant category of assets of the Group, at €33.8 million (compared to €32.2 million in FY2024). This represented 14.8% (FY2024: 15.2%) of total assets. Inventories (at €24.4 million or a further 10.7% of total assets of the Group) are the third largest component of Group total assets. These components remain elevated and reflective of business momentum that gathered further pace in the year under review across all business segments. To meet business demand, the Group continued to maintain high levels of inventory (principally raw materials) and recorded increased trade receivables as a result of higher revenues. Cash balances also remained material at €4.9 million as at year end.

The Group, within its total asset base, held €32.6 million of assets designated for 'distribution to shareholders' as part of the re-structuring of the Group through the Spin-Off of the Food Business. The carrying amount of PPE for the Food Business, included within this asset base amounted to €19.2 million.

5. SUMMARY OF FY2025 – "A YEAR OF GRIT, GROWTH, AND STRATEGY" – GROUP CEO, 28 MAY 2025

In his address to shareholders in the annual report for FY2025, Group Chief Executive Norman Aquilina summarised the year under review as one of grit, growth and strategy.

The Group is reporting a steady state of affairs in another year comprising heavy capital investment, principally the ongoing construction of the new state-of-the-art logistics centre for the food business amongst others as will be highlighted further on in this report.

According to the CEO, the past year presented significant challenges, including market shifts, evolving consumer behaviour, and broader economic pressures such as rapid technological change and a tight labour market. Despite these challenges, the company demonstrated resilience, achieving strong results through strategic adaptation and continuous performance assessments. These evaluations helped refine operations, align teams, and maintain competitiveness. However, concerns remain about unfair competition, particularly from unregulated sales. The CEO went on to emphasise the importance of strategic thinking beyond financial metrics to sustain the Group's market position and to respond effectively to these dynamic conditions. The Spin-Off of the food businesses is highlighted as a key strategic move. According to the CEO, in a more demanding economic environment, success requires resilience, innovation, and continuous adaptation.

It is indeed this continuous adaptation over time while concurrently recognizing evolving market challenges and dynamics that led the Group to another very strong set of results placing it in a firm position to continue to progress further towards its new goals.

The Beverage segment, which remains the Group's core operation, is expected to maintain positive momentum, supported by a strong tourism sector. However, challenges persist, including intense market competition, labour shortages, rising costs, and increasing EU regulatory demands—all contributing to margin pressure.

Despite these headwinds, the Group remains committed to strategic agility, operational efficiency, and sustainable growth, with a particular focus on substantiable long-term profitability.

6. Summary of Main Operational Developments By Segment & New Investments

Below is a summary of main operational developments per segment and subsidiary, followed by highlights on recent capital investments and other strategic initiatives.

Beer

Following last year's successful rebranding of Cisk Lager and Cisk Excel, the rollout extended to Cisk 0.0, Cisk Chill, and Cisk Strong 9%. A revamped website reinforced the brand's identity, boosting sales despite intense price competition from international premium beers. Sales volumes and values increased across the Cisk portfolio. Cisk 0.0 has become a leader in the alcohol-free segment, while Cisk Strong 9% has gained traction at the higher-alcohol end. The Farsons Classic Brews range, led by Blue Label, continued to perform well, with all brands reporting sales growth. Farsons' commitment to craftsmanship and tradition, coupled with modern brewing techniques, ensures that these brands retain their strong market presence.

International brands brewed by Farsons, including Carlsberg and Skol, all registered positive sales performance. The continued partnership with these brands allows Farsons to cater to a diverse consumer base, from those seeking global premium beers to those preferring local heritage brews.

Another key development last year was the commissioning of the Red Mill Brewing Co. microbrewery at The Brewhouse. This investment enabled Farsons to enter the craft beer market, launching six locally brewed craft beers under the Red Mill brand. Innovation, variety, and limited-time specialty brews have positioned Red Mill as an exciting player in the emerging craft beer segment. The microbrewery also serves as a hub for beer enthusiasts, fostering appreciation for high-quality, small-batch brewing.

All Farsons' beers were once again showcased at the annual Farsons Beer Festival, a major summer event held at the Malta National Park in Ta' Qali. This festival remains a crucial platform for reinforcing brand presence and engaging directly with consumers.

Beverages

The carbonated soft drinks market remains highly competitive, shaped by home consumption trends, health-conscious consumer preferences, and inflation-driven demand for value. Brands must innovate continuously to stay relevant.

Farsons' Kinnie brand exceeded expectations. Throughout the year, efforts were made to broaden Kinnie's appeal to a wider audience, thereby strengthening the brand's long-term viability while reinforcing its status as a household favourite. This was successfully complemented last summer by the launch of Kinnie Zero which resonated well with health-conscious younger consumers. The introduction of Kinnie Rumba, a spiced rum aperitivo, expands the Ready-to-Drink range and taps into the growing aperitivo trend. This was built on the success of Kinnie Spritz. Also launched last year. The growth of the aperitivo segment aligns with evolving drinking habits, where consumers increasingly seek convenient, pre-mixed beverages for social occasions

The PepsiCo portfolio (Pepsi, 7-Up, Mirinda) performed strongly, supported by a bold rebranding and strategic marketing across retail and other channels. Other brands like Lipton Ice Tea, Gatorade, and Britvic mixers also showed solid performance.

The rising demand for functional beverages presents new growth opportunities, especially in hydration and performance-enhancing drinks.

The demand for bottled water continued to grow in line with further population growth and retail expansion. In this segment, and despite intensifying price pressures, Group brands San Michel and Elan posted another set of very good results across all market channels. The bottled water segment is witnessing increased consumer scrutiny regarding environmental impact, and the Company remains committed to reducing plastic waste and exploring eco-friendly alternatives to align with consumer expectations and environmental concerns. In this regard, Ecopure has witnessed an investment in advanced technologies that allowed for enhanced visibility and control over operations making for efficiency gains and improved results. The growth in the returnable bottled water segment, driven by delivery convenience, and sustainability, presents a significant opportunity.

FBIC had another successful year despite rising competition and margin pressures. Coordinated sales and marketing efforts led to a strong performance. Key milestones included securing representation for Peroni beer, Beluga vodka, and three prestigious Italian wine brands—Biondi-Santi, Bibi Graetz, and Tua Rita. These allowed for the further enhancement of the premium portfolio. The launch of Guinness 0.0 further diversified the beer range. Strategic marketing included wine-tasting events and sponsorships of major events like Ed Sheeran’s concert and popular music festivals allowed the company to further boost brand visibility.

2024 was another successful year for Farsonsdirect. The E-commerce sales platform saw continued growth helping to attract more clients, including B2B customers where a revamped and efficient ordering and delivery system allow for increased reliability and business customer satisfaction.

The Brewhouse marked its second full year of operations. Steady growth has been registered in all three F&B outlets with an encouraging outlook for the future. The Kettles Bistro is the main meeting and dining location on campus for tenants but it is also increasingly popular with locals in the evenings and on weekends. The Chapels Gastrobrewpub offers a vast area of indoor and outdoor dining spaces which encompasses an 800 sqm beer garden on the terrace, adaptable for a number of activities and events. The Cisk Tap has also grown popular for private events. Complementing these three outlets, further effort is being made for the Farsons Brewery Experience as well as the Farsons Brandstore to increase its appeal as a tourist attraction on the island.

Exports and Internationalisation

2024 saw steady growth in traditional European markets, namely Italy which registered growth both in terms of volume and new product penetration via a list of new clients being added to the existing portfolio. Exports of Kinnie to Poland had a good year while the UK managed a relatively small volume increase.

An improved uptake in sales was registered in most key markets outside Europe, with exports to the Middle East registering the fastest growth during the past year. Of note is that beer volumes destined to non-European markets today represent more than half of the company's total beer exports and it is anticipated that this growth trend will continue as new importers are secured in the region. Cisk Excel and Cisk Strong account for the majority of sales. Moreover, exports of Cisk 0.0 to the Indian sub-continent remained stable throughout 2024 and this is expected to continue in the coming year.

Related to these developments, and also as reported last year, Kinnie was recently launched under franchise in Ghana, marking its first manufacturing presence in Africa. This strategic move, in partnership with a reputable Ghanaian company, aims to bring Kinnie's unique herbal flavour to West African consumers while maintaining the original recipe and quality standards. All production and distribution is being handled in Ghana with ongoing support from Malta. This initiative reflects a long-term commitment to further expand the brand's global footprint across the African continent.

Food

Despite challenges such as rising costs, labour shortages, and increased competition, Quintano Foods maintained its strong market position and achieved growth. Higher sales were driven by inflation, economic growth, and increased tourism, though profit margins were pressured by cost-of-living increases, transport expenses, and competition from international discounters and private labels.

The company expanded its retail presence and strengthened its brand portfolio, with positive results from key brands like Danone, Walkers, Tropicana, and Solo Italia. Growth brands like Kraft Heinz, Evian, and Elpozo were achieved through enhanced targeted sales efforts.

Looking ahead, the upcoming state-of-the-art distribution centre in Handaq, set to open by mid-2026, will enhance operational efficiency and sustainability, reinforcing Quintano's position in the fast-moving consumer goods sector. In anticipation of this move where current facilities are limiting operations in view of logistical restrictions, the company is working towards strengthening its brand portfolio further.

Food Chain made significant progress through bold strategic decisions, including the closure of select outlets and major refurbishments to enhance customer experience. Burger King had a standout year, with record sales, the launch of Malta's first BK Café, and the reopening of its flagship Qormi store featuring modern designs and digital upgrades. Limited-Time Offers and the premium King Selection line boosted appeal, while the Burger King app and aggregator partnerships enhanced customer engagement. Pizza Hut underwent transformation, closing its Bugibba outlet and relocating to a prime Baystreet location. The brand also expanded with a new outlet in Żejtun, reinforcing its market presence. KFC maintained strong performance, opening a fourth outlet in St. Julian's and continuing to deliver its signature taste. Marketing efforts across all brands included digital campaigns and influencer collaborations, helping to strengthen brand visibility and customer connection. These strategic moves and innovations position Food Chain for continued growth and long-term success.

Investments

Works on the state-of-the-art warehouse and logistics centre in Handaq gained significant pace during FY2025 and the objective remains of completing the project by June 2026. This major investment will also include a digitalised inventory management system which will enable the food business to expand its reach and enhance its services to a wider customer base overall. This facility will boost storage, streamline logistics and allow the Quinco Group to materially increase its market reach.

Further significant advancements were made during the year with respect to the sustainability agenda with further investments in renewable energy through the installation of more PV panels, CO_2 recovery plan investment that is expected to contribute to significant cost savings and further eco-friendly fleet upgrades with the introduction of an increasing number of electric vehicles. Additionally, a new automated returnable packaging facility in Mrieħel will improve efficiency in container handling by centralising the handling of returnable and refillable containers as well as optimising the sorting and inspection processes.

7. MARKET TRENDS

The European food and beverage industry represents the leading manufacturing sector in the European Union (EU) and therefore is a major contributor to Europe's economy with a turnover of around €1.2 trillion. It contributes approximately 2% to Europe's gross value added and it is estimated that the average household in Europe spends 21.8% of its income on food and beverage, making it the second largest household expenditure. This sector is also generally competitive on a global scale as it produces superior quality food and beverage items. Indeed, the EU is also the largest exporter of food and drink products in the world ahead of the US, China and Brazil. The EU ranks second in terms of imports of food and drink from the rest of the world[1].

THE EUROPEAN MARKET FOR BEVERAGES

European beverage products continue to enjoy a strong reputation for quality, which supports their resilience and growth in both developed and emerging markets. Despite economic pressures and shifting consumer habits, the sector remains dynamic and adaptive.

Moreover, population and income growth will continue to drive additional demand although inflationary pressures and ever-changing consumer trends impact consumption levels. On the production side, manufacturers are being faced with rising production costs forcing manufacturers to seek more production efficiencies to lower production costs whilst also adopting more sustainable processes.

UNESDA, in its Manifesto for 2024 – 2029, lays down three ambitions for this market, namely (i) a more sustainable and competitive soft-drinks sector, (ii) helping Europeans lead healthier lifestyles and (iii) driving environment sustainability throughout the value chain.[2] As such, innovation remains an important factor to enable manufactures and brewers to meet consumer expectations particularly with respect to the 'better for you' (BFY) trend comprising a growing shift towards lower sugar content, growing popularity of non-alcoholic beers, as well as the evolving hydration drinks and gut-health beverages.[3]

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[1] *FoodDrinkEurope 2024, Data & Trends - EU Food and Drink Industry – 2024 Edition,* https://www.fooddrinkeurope.eu/wp-content/uploads/2025/01/FoodDrinkEurope-Data-Trends-2024.pdf

[2] *UNESDA, EU Manifesto for 2024 -2029,* https://unesda.eu/manifesto/

[3] *Euromonitor International 2025, Five Soft Drinks Innovation Trends for 2025,* https://www.euromonitor.com/article/five-soft-drinks-innovation-trends-for-2025

THE EUROPEAN BEER MARKET

Latest figures reported by the Brewers of Europe show that the production and consumption of beer in the European Union, the United Kingdom, Switzerland and Norway have contracted further on the back of rising production costs, reduced consumer spending power and changing consumer trends. Moreover, exports have also continued to fall whilst off-trade consumption continued to strengthen at the expense of on-trade consumption which used to account for a third of the EU beer market but now accounts for closer to a quarter. Nonetheless, innovation remains at the forefront of the European beer industry with non-alcoholic beers now accounting for around one in every fifteen beers sold. Furthermore, notwithstanding the challenges faced by the industry, the number of breweries continued to increase reaching an estimated 9,723 breweries by the end of 2023.

THE FOOD AND BEVERAGE MARKET IN MALTA

The overall growth experienced in the food and beverage market in Malta has been driven by the growth in Maltese GDP as the population grew and became more affluent. The latest European Commission economic data shows that the Maltese economy achieved GDP growth of 6.0% in 2024 and is expected to grow by 4.1% in 2025 and an additional 4.0% in 2026.[4]

Over the past years, the market conditions were also positively affected by the substantial growth in inbound tourism and an increasing population of foreign nationals. Both factors continue to contribute to the growth trend in the local food and beverage market. On the other hand, rising costs and intense competition (not all of which is necessarily on a level playing field) continue to present industry players with significant challenges.

[4] *European Commission, Spring 2025 Economic Forecast for Malta - [link]*

PART B FINANCIAL REVIEW

The Company's financial year extends from 1 February to 31 January. Readers of this report ought to note the reclassification of comparable figures for FY2024 and FY 2023 in line with the reclassification needs as described earlier in this document. The figures relate to the Group's continuing operations (Beverage business) as the Food Business has been reclassified as a discontinued operation ahead of the Spin-Off.

Financial Performance prior to the reclassification of the discontinued business

The below table provides the actual historical summarised published financial statement figures for the three financial years FY2022 to FY2024 showing the position prior to the impact of the Spin-Off and therefore also prior to reclassification. This table is intended to enable readers to compare results using consistent parameters and variables from prior years, considering the reclassification requirements that now necessitate a focus on continuing operations. The reclassified figures and forecasts presented in the following sections should therefore be interpreted within this context.

for the year ended 31 January (no reclassification)	*Actual FY2022 €'000*	*Actual FY2023 €'000*	*Actual FY2024 €'000*
Revenue	91,768	118,238	132,871
EBITDA	22,697	26,363	27,858
Operating Profit	13,446	16,683	17,372
Profit before Tax	12,164	15,316	16,068
Profit for the Year	12,428	15,472	15,273
Total Assets	200,932	213,986	212,311
Total Liabilities	71,744	74,819	63,647
Total Equity	129,188	139,167	148,664

Forecasts FY 2026

The forecasts for FY2026 have been prepared and provided by management and approved by the Board of Directors following a thorough assessment of the current market conditions and the best information available at the time of preparation. As usual, consideration was given to various factors, both of a macro as well as a micro nature. The forecasts take into account the Spin-Off, assumed to be implemented in October 2025 and therefore results for the Food segment, as discontinuing operations, are included in these forecasts until September 2025, that is, for 8 months of the financial year being forecasted.

8. INCOME STATEMENT

for the year ended 31 January	*Actual FY2023 €'000*	*Actual FY2024 €'000*	*Actual FY2025 €'000*	*Forecast FY2026 €'000*
Continuing Operations				
Revenue	**88,744**	**96,520**	**101,802**	**107,977**
Cost of Sales	(51,721)	(56,219)	(58,493)	(62,299)
Gross Profit	**37,023**	**40,301**	**43,309**	**45,678**
Selling & Distribution Costs	(11,220)	(12,050)	(13,202)	(13,307)
Administrative Expenses	(11,019)	(13,225)	(14,134)	(15,284)
Net impairment movement of financial assets	65	(695)	(367)	(200)
Operating Profit	**14,849**	**14,331**	**15,606**	**16,887**
Depreciation & Amortisation	9,680	10,486	9,963	9,541
Finance Costs	(928)	(951)	(863)	(878)
Profit before Tax	**13,921**	**13,380**	**14,743**	**16,009**
Tax Income / (Expense)	656	320	2,210	(3,922)
Profit for the Year	**14,577**	**13,700**	**16,953**	**12,086**
Discontinued Operations				
Profit after tax from discontinued operations[5]	895	1,573	1,665	1,113
Profit for the year	**15,472**	**15,273**	**18,618**	**13,200**
GROUP EBITDA	**26,432**	**27,858**	**28,705**	**29,001**
Earnings per Share (€) – ***continuing operations***	0.405	0.381	0.471	0.336
Earnings per Share (€) – ***discontinued operations***	0.025	0.044	0.046	0.031

FY2025 REVIEW

FY2025 saw Group combined turnover continue to reach new highs. At a record €141.1 million, this figure represents an increase of 6.2% over the previous year. This revenue growth in both continuing (beverage) and discontinuing (food) operations, albeit to different degrees, resulted from a steady state of affairs and overall positive business sentiment and consumption patterns aided by record tourist number and general population growth that increased consumption.

The Group's beverage operations, now classified as continuing operations, achieved steady growth with revenue rising by 5.5% to €101.8 million and accounted for 72% of total Group revenue as at FY2025 (unchanged on last year). Gross profit increased by 7.5%, supported by both higher sales and effective cost control. Despite inflation-driven increases in selling, distribution, and administrative expenses,

[5] Results for the discontinued operations for FY2026 are only for 8 months of the financial year.

especially due to labour market challenges, the Group maintained strong operational efficiency, resulting in a 10.2% rise in profit before tax to €14.74 million.

The food business, now under discontinued operations, also showed positive momentum. Revenue grew by 5.7% to €39.3 million, and profit before tax rose by 5.1% to €2.83 million. The food segment accounted for 28% of total revenue during FY2025. This performance supports the Group's strategic plan to spin-off the food segment into a standalone entity, aiming to enhance its ability to grow independently amid rising competition. In light of this and as highlighted earlier, the remaining review will focus on the continuing operations and that is, beverage.

Beverage gross profits increased by 7.5% to €43.3 million driven not only by higher revenues but equally importantly by effective cost containment measures that partially offset inflationary pressures. The effectiveness of these measures is also evident from the improvement registered in gross profit margins, albeit marginal, rising from 41.8% to 42.5%.

The increase in expenditure was primarily driven by higher selling, distribution, and administrative costs, reflecting the impact of inflationary pressures and persistent challenges in the labour market, particularly in terms of recruitment and retention. Nonetheless, the Group remained focused on operational efficiency and cost discipline, which supported the overall improvement in profitability. These efforts enabled the Group to deliver a 10.2% increase in profit before taxation, reaching €14.74 million. This results clearly highlights managements resolve, amply documented over the years as well as in previous FAS's, to aim towards an objective of sustainable growth and resultant value creation for stakeholders.

The tax income for FY 2025, amounting to €2.2 million, is significantly higher than the comparative figure for FY 2024. This increase is primarily attributable to the improved performance of the Beverage business, which has enabled the Company to recognise additional investment tax credits that were previously held off balance sheet. The stronger profitability provides greater visibility over the crystallisation of these deferred tax assets in the foreseeable future.

Forecast FY2026

The FY2026 forecasts for continuing operations included in this FAS anticipate that total revenue for the year should increase to a new all-time high of just under €108 million compared to €101.8 million in FY2025, an expected revenue growth of 6%. Cost of sales is also expected to increase at roughly the same rate (+6.5%) to €62.3 million as the level of activity across all business lines is forecasted to continue to register further improvements in line with the overall positive business momentum and market dynamics. Gross profits are expected to improve to reach a new all-time high of €45.7 million compared to a previous year figure, always for continuing operations, of €43.3 million, a growth of 5.5%.

EBITDA for the Group is forecast to increase to €29 million, while depreciation is expected to remain at the same level of €9 million.

Finance costs are expected to remain more or less equal to the figure for FY2025 at approximately €0.9 million. While bank loans at variable rates have reduced significantly and are expected to be repaid by the end of FY 2026, management is forecasting the use of short-term bank facilities and operational cash flow to finance its investment needs particularly projects being initiated during next year as part of the operational facilities.

Profit before tax for continuing operations is forecast to rise to €16 million compared to the figure of €14.7 million achieved in FY2025, while profit after tax for FY2026 is expected to reduce to €12 million compared to €17 million in FY2025 on account of a tax charge of just over €3.9 million compared to a tax credit recognised in the Income Statement for FY2025. The higher tax incidence reflects a reduction in the level of investment tax credits held off balance sheet, which declined to €2.6 million as at January 2025.

In terms of discontinued operations, the financial performance of the food business is expected to be impacted by a combination of factors which include growing margin compression and the limiting logistical and operational factors of the existing Quintano business and a mix of new restaurant opening coupled with some relocations and closures impacting Food Chain operations more generally. Furthermore, the FY 2026 forecast reflects only eight months of activity from the discontinued operation, in line with the anticipated spin-off scheduled for October 2025.

9. CASH FLOW STATEMENT

as at 31 January	*Actual FY2023 €'000*	*Actual FY2024 €'000*	*Actual FY2025 €'000*	*Forecast FY2026 €'000*
Net cash generated from operating activities	13,800	13,448	18,782	24,845
Net cash used in investing activities	(10,962)	(5,670)	(11,681)	(27,078)
Free Cash Flow	**2,838**	**7,778**	**7,101**	**(2,233)**
Net cash generated used in financing activities	(8,824)	(8,939)	(9,066)	(12,380)
Net movement in cash & cash equivalents	**(5,986)**	**(1,161)**	**(1,965)**	**(14,613)**
Cash & cash equivalents at beginning of year	15,367	9,381	8,220	6,255
Cash & cash equivalents at end year	**9,381**	**8,220**	**6,255**	**(8,358)**

FY2025 REVIEW

Net cash generated from operating activities registered a material improvement in FY 2025 at €18.8 million compared to the FY 2024 figure of €13.5 million. Working capital movements in inventories and trade receivables reflected business requirements in a positive year for operations, whilst the significant reduction in creditors (capital expenditure creditors due and Covid era related deferred liabilities) experienced in FY2024 was not repeated in FY2025.

Net cash used in investing activities increased to €11.7 million in FY 2025, primarily reflecting accelerated capital expenditure on new strategic projects across both the Beverage and Food segments. The new logistics centre for the Food business in Handaq represented the most significant investment during the year. Management's focus turned towards this major investment following a number of years during which focus was on completing the Old Brewhouse project. On the basis of the above, free cash flow deteriorated slightly to just over €7 million as cash from operations, net of investing outflows, was retained.

Net cash used in financing activities maintained the same levels as FY2024, at just over €9 million, as the Group reduced bank borrowings further as well as distributing dividends which were slightly higher than FY2024. The above developments created an overall negative net movement in cash of €2 million that lowered year-end cash balances to €6.2 million compared to €8.2 million a year earlier.

FORECAST FY2026

As anticipated in the FAS last year and indeed as expected especially in FY2026, the net cash position as at end FY2026 is anticipated to be affected by the capital investments being made by the Group in its Beverage business, particularly the Automated Returnable Packaging Facility, together with anticipated cash injections for the Food segment Spin-Off. Furthermore, the Food segment will continue with the ongoing investments in the Handaq project, which is expected to be commissioned by June 2026, with material cash outflows taking place during the forecast financial period.

Net cash generated from operating activities, inclusive of working capital movements, is forecast to increase to €25 million in FY 2026, up from €18.8 million in FY 2025. This improvement is primarily driven by working capital movements, which, while expected to remain slightly elevated, represent an improvement over the prior year, during which they had a dampening effect on cash generation. The projected increase of €6 million is also supported by management's positive outlook for the Beverage segment, underpinned by sustained operational momentum.

Cash used in investing activities is forecast to increase materially, reflecting continued investment in projects within the Beverage and Food sectors. These capital investments will be financed through a combination of operating cash flows and short-term bank facilities. As a result, free cash flow for FY 2026 is expected to be negative €2.2 million.

Net cash used in financing activities is also expected to increase to reflect the additional finance cost for utilisation of short-term bank financing together with the expected outflow representing dividends and an estimated capital injection of €5 million in the Food business that are forecasted to be paid during FY2026.

The result of all the above is a net utilisation of cash amounting to almost €15 million resulting in a year end overdrawn cash figure of €8.4 million as current year outflows exceed cash generation and previous year balances.

10. STATEMENT OF FINANCIAL POSITION

	Actual FY2023 €'000	Actual FY2024 €'000	Actual FY2025 €'000	Forecast FY2026 €'000
Non-Current Assets				
Property, Plant & Equipment	138,818	132,655	118,169	132,561
Intangible Assets	2,323	2,153	1,520	1,418
Deferred Tax Assets	8,938	9,191	12,003	10,023
Trade & Other Receivables	3,372	1,813	1,017	1,068
Derivative Financial Instrument	4	-	-	-
Total Non-Current Assets	**153,455**	**145,812**	**132,709**	**145,070**
Current Assets				
Inventories	23,856	24,937	24,377	24,621
Trade & Other Receivables	27,835	32,178	33,861	31,793
Derivative Financial Instrument	39	-	-	-
Cash & Cash Equivalents	9,899	8,665	4,940	-
Total Current Assets	**61,629**	**65,780**	**63,178**	**56,414**
Assets Held for Distribution	-	-	32,608	-
Total Assets	**215,084**	**211,592**	**228,495**	**201,484**
Capital & Reserves				
Share Capital	10,800	10,800	10,800	10,800
Revaluation & Other Reserves	49,409	49,409	53,939	49,409
Hedging Reserves	27	11	-	-
Retained Earnings	78,931	87,959	100,457	86,506
Total Equity	**139,167**	**148,179**	**165,196**	**146,715**
Non-Current Liabilities				
Trade & Other Payables	4,586	2,952	2,586	1,921
Lease Liabilities	7,205	3,904	2,116	1,894
Borrowings	22,563	21,045	19,914	19,914
Total Non-Current Liabilities	**34,354**	**27,901**	**24,616**	**23,729**
Current Liabilities				
Provision for Other Liabilities & Charges	9	-	-	-
Trade & Other Payables	36,392	30,503	22,315	21,980
Lease Liabilities	1,498	1,415	92	92
Current Tax Liabilities	1,529	1,599	813	610
Borrowings	2,135	1,995	1,163	8,358
Total Current Liabilities	**41,563**	**35,512**	**24,383**	**31,040**
Liabilities directly associated with the assets held for distribution to shareholders	-	-	14,300	-
Total Liabilities	75,917	63,413	63,299	54,769
Total Equity & Liabilities	215,084	211,592	228,495	201,484
Net Asset Value per Share (€)	*3.866*	*4.116*	*4.589*	*4.075*

FY2025 Review

Total assets increased to €228.5 million in FY2025 compared to €211.5 million in FY2024. While *Property, plant & equipment* (PPE) remains, as expected, the single largest component of total assets (51%), this has decreased compared to 60% in FY2024 largely as a result of the reclassification of the PPE related to the Food segment which is now included within the Assets held for distribution to shareholders. Business growth generally provided for the elevated levels of current assets, specifically inventory and trade receivables, which in fact increased compared to the recorded levels of FY2024. These line items accounted for the bulk of total current assets which also comprises cash. This latter figure decreased by €3.7 million compared to the FY2024 reflecting the reclassification of the Food segment cash balances.

In the FY2025 figures, both sides of the balance sheet reflect the value of assets and liabilities earmarked for distribution to shareholders through the Spin-Off transaction. Accordingly, the movements across all line items in the Statement of Financial Position represent the reclassification of assets and liabilities related to the Food segment, which have been reclassified in FY2025.Total shareholders' equity increased by €17 million during FY2025, following a €9 million increase the previous year. In the main, this is reflective of increased retained profits for the year in line with the positive performance highlighted together with an increase in the property revaluation reserve. On the liabilities' side, trade payables (both current and non-current) decreased principally in view of the spin-off related liability line item that also incorporates part of the reduction in lease liabilities. Group borrowings (excluding lease liabilities) also decreased further as anticipated, from €23 million to €21 million notwithstanding the continued capital investment required for the new projects as highlighted in the cashflow narrative. Below is a summary of the Group's funding mix (historic and forecast):

as at 31 January	*Actual 2023 €'000*	*Actual 2024 €'000*	*Actual 2025 €'000*	*Forecast 2026 €'000*
Borrowings				
Bank overdrafts & short-term borrowings	2,135	1,995	**1,163**	**8,358**
Bank borrowings (long-term)	2,713	1,163	-	-
3.5% bonds 2017 -2027	19,850	19,882	**19,914**	**19,914**
Lease liabilities (IFRS16)	8,703	5,319	2,208	1,986
Total Borrowings	**33,401**	**28,359**	**23,285**	**30,258**
Cash & equivalents	9,899	8,665	4,940	-
Net Debt	**23,502**	**19,694**	**18,345**	**30,258**
Total Equity	139,167	148,179	**165,196**	**146,715**
Total Net Funding (Net Debt + Total Equity)	162,669	167,873	183,541	176,973
Gearing (Net Debt / Total Net Funding)	*14.45%*	*11.73%*	*10.00%*	*17.10%*

FORECAST FY2026

The forecasts for FY2026 provide for movements that are largely reflective of the distributions attributable to shareholders due to the spin-off. Also as anticipated and in line with investment trends, a notable increase in non-current assets is reflective of capital investments forecast for the financial year.

In fact, the value of PPE for FY2026 is forecast to increase to €132.6 million principally reflecting the projects being undertaken on the operational facilities for the beverage business. The remaining components of non-current assets are expected to decline by €2 million, primarily due to a reduction in deferred tax assets. This reflects the full utilisation of investment tax credits previously held off balance sheet as at the end of FY 2025, together with the partial crystallisation of these credits against the current year's tax charge. The total value of current assets is expected to drop both as result of a decrease in trade and other receivables but also by a material decline in the cash and cash equivalents as at year end that is forecast to be used in its entirety, together with new short term bank facilities, on the various capital project together with a cash injection to the Spin-Off of the Food business. As highlighted last year, to the greatest degree possible, internally generated cash will be the first source of ongoing investment needs.

Reflecting these expectations, on the liabilities side, the major change between FY2025 and FY2026 is indeed seen in the increase in short terms borrowings. At the same time, longer term (at least in so far as FY2026 is concerned) borrowings are constituted by the bonds in issue amounting to €20 million. Meanwhile, trade payables should continue to fall marginally as payments due are expected to be met with regular frequency.

Total equity is forecast to amount to €146 million in FY2026 compared to €165 million in FY2025. The drop reflects the distribution of the dividend-in-kind that will be paid to shareholders as part of the Spin-off of the Food business together with the net impact of the profit generated net of cash dividends distributed.

11. Ratio Analysis

The following set of ratios have been computed by Rizzo Farrugia & Co. (Stockbrokers) Ltd using the figures extracted from annual reports as well as information provided by management.

Profitability Ratios

The below is a set of ratios prepared to assist in measuring a company's ability to generate profitable sales from its assets. These ratios refer to the Beverage Business when analysing margins compared to revenue and combined Beverages and Food margins when comparing to Assets and Equity.

	Actual FY2023	*Actual FY2024*	*Actual FY2025*	*Forecast FY2026*
Gross Profit margin *(Gross Profit / Revenue)*	41.72%	41.75%	42.54%	42.30%
EBITDA margin (Combined) *(EBITDA / Revenue)*	22.21%	20.84%	20.35%	21.36%
Operating Profit margin *(Operating Profit / Revenue)*	16.73%	14.85%	15.33%	15.64%
Net Profit margin *(Profit for the period / Revenue)*	16.43%	14.19%	16.65%	11.19%
Return on Equity (Combined) *(Profit for the period / Average Equity)*	11.53%	10.63%	11.88%	8.46%
Return on Capital Employed (Combined) *(Profit for the period / Average Capital Employed)*	9.21%	8.75%	10.20%	7.22%
Return on Assets (Combined) *(Profit for the period / Average Assets)*	7.44%	7.16%	8.46%	6.14%

The results for FY2025 reflect the resilience of the Company's operations, despite persistent market challenges that continue to exert downward pressure on margins. The forecast for FY2026 anticipates operational margins in line with those achieved in FY2025. However, the higher incidence of taxation expected in FY2026 is projected to dampen the net profit margin, which is nonetheless estimated to remain around 11.19%. Performance margins tied to the Company's Assets and Equity are expected to show a decline, as the comparative analysis is based on average balances, while the profitability contribution from the food segment reflects only eight months of activity in the year.

Liquidity Ratios

The below is a set of ratios prepared to assist in measuring a company's ability to meet its short-term obligations.

	Actual FY2023	*Actual FY2024*	*Actual FY2025*	*Forecast FY2026*
Current Ratio *(Current Assets / Current Liabilities)*	1.48x	1.85x	2.59x	1.82x
Cash Ratio *(Cash & cash equivalents / Current Liabilities)*	0.24x	0.24x	0.20x	0.00x

The anticipated Spin-Off, which involves a dividend in kind and a further cash injection into the newly structured Food segment, has contributed to the observed decline in liquidity ratios. The current ratio, which stands at 1.82x after accounting for the Spin-Off, still indicates that the Company maintains a buffer of current assets over its short-term liabilities. The temporary nature of these movements is linked to the transitional effects of the Spin-Off, and liquidity ratios are expected to normalise and return to historic levels in future periods.

Solvency Ratios

The below is a set of ratios prepared to assist in measuring a company's ability to meet its debt obligations.

	Actual FY2023	*Actual FY2024*	*Actual FY2025*	*Forecast FY2026*
Interest Coverage ratio *(EBITDA / Net finance costs)*	28.48x	29.29x	33.26x	33.02x
Gearing Ratio (1) *(Net debt / Total Equity)*	0.17x	0.13x	0.11x	0.21x
Gearing Ratio (2) *[Total debt / (Total Debt plus Total Equity)]*	19.36%	16.06%	12.35%	17.10%
Net Debt to EBITDA *(Net Debt / EBITDA)*	0.89x	0.71x	0.64x	1.04x

Solvency metrics continued to improve in FY2025, further reinforcing the Group's already strong capital structure. The figures underscore a prudent and disciplined approach to financial management, with the Group maintaining a resilient balance sheet and a high degree of financial stability. Interest coverage is projected to improve marginally in FY2026, while a reversal in gearing and a corresponding increase in the net debt to EBITDA ratio is expected. These movements are primarily driven by the planned Spin-Off of the Food segment into a separately listed entity. Despite this transitional adjustment, the FY2026 solvency position remains solid, supported by strong underlying fundamentals.

12. VARIANCE ANALYSIS

Group Income Statement *as at 31 January*	*Actual* ***2025*** *€'000*	*Forecast* ***2025*** *€'000*	*Variance* *%*
Revenue	**141,078**	**141,527**	-
Beverages	*101,802*	*99,214*	+2.61
Food	*39,276*	*42,313*	-7.18
Cost of Sales	(87,845)	(88,008)	-
Gross Profit	**53,233**	**53,519**	-
Selling & Distribution Costs	(15,292)	(15,960)	-4.19
Administrative Expenses	(18,858)	(18,952)	-
Net Impairment movement of financial assets	(332)	(210)	+58.10
Operating Profit	**18,751**	**18,397**	**+1.92**
Depreciation & Amortisation & One-off Adjustments	9,963	11,910	-16.34
EBITDA	*28,705*	30,307	*-5.29*
Finance Costs	(1,183)	(931)	+27.07
Profit before Tax	**17,568**	**17,467**	-
Tax Income/(Expense)	1,050	(336)	-412.50
Profit for the Year	**18,618**	**17,131**	**+8.68**

The table above presents a comparative view of the Group's Income Statement for the Beverages and Food segments, structured consistently with the format published in the 2024 Financial Analysis Summary (FAS). This comparison has been prepared to facilitate direct benchmarking against the FY2025 forecasts provided at that time.

The actual performance for FY2025 closely tracked the prior-year forecast, both in terms of revenue and expenditure, reflecting management's continued focus on market alignment, operational efficiency, and cost discipline. This alignment supported the delivery of another year of profitable growth in line with expectations.

The most notable variance arose at the tax level, where the Group reported an income of €1.05 million versus a forecasted tax expense of €336,000. This favourable variance stems from the recognition of additional Investment Tax Credits, as improved profitability strengthened the likelihood of these deferred tax assets being realised in the foreseeable future.

Total revenue for FY2025 amounted to €141 million, broadly in line with forecast expectations. Performance was characterised by stronger-than-anticipated results in the Beverage segment, offset by a softer outcome in the Food segment. Cost of sales remained consistent with forecast, resulting in gross profit also tracking closely to projected levels.

Selling and distribution expenses decreased by 4% on a year-on-year basis, while administrative expenses remained largely in line with forecasted figures.

Operating profit exceeded projections by 1.92%, reflecting the Group's continued focus on operational efficiency and productivity improvements. Lower-than-forecast depreciation charges, coupled with almost aligned forecast operating profit, led to a reported EBITDA of €28.7 million that fell below the projected €30.3 million. Finance costs for the year amounted to €1.18 million, which was 27.07% higher than forecast, albeit still relatively immaterial in absolute terms given the Group's low leverage position.

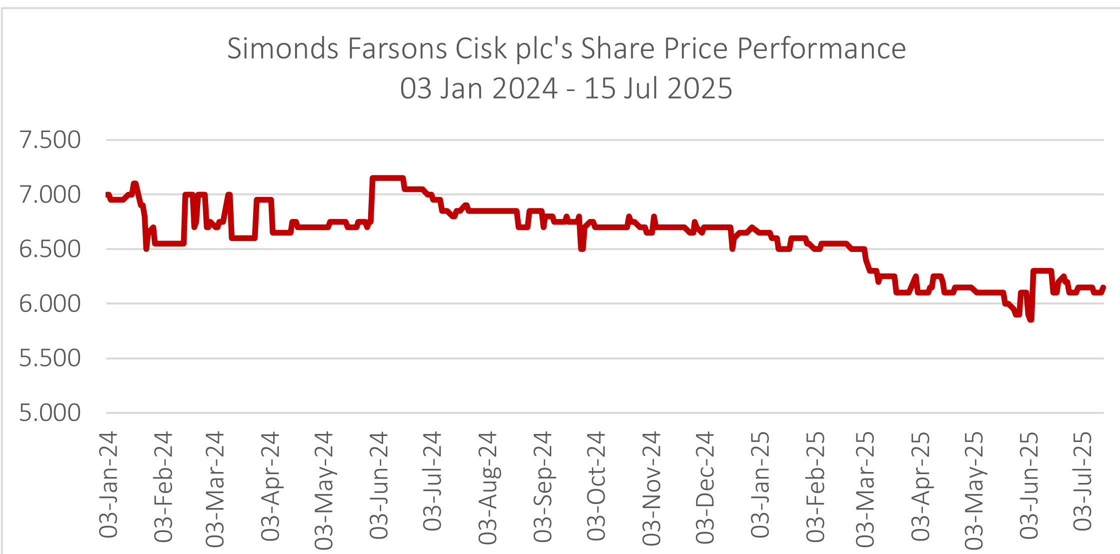
Profit before tax reached €17.6 million, marginally exceeding the forecast of €17.5 million. Profit after tax amounted to €18.6 million, representing an 8.68% increase over the forecast of €17.1 million. This positive variance is primarily attributable to the favourable tax movement previously discussed.

PART C LISTED SECURITIES

SHARES

SFC's shares have been listed on the Official List of the Malta Stock Exchange since 20 December 1995.

Issued Share Capital:	36,000,000 ordinary shares with a nominal value of €0.30 per share
ISIN:	MT0000070103
2024 high:	€7.150
2024 low:	€6.500
Closing price in 2024:	€6.700
Current price:	€6.150 *(as at 15 July 2025)*
Enterprise Value (EV)[6]:	€239.7 million
Price to Earnings (P/E) Ratio[7]:	11.9x



[6] *Based on the market capitalisation as at 15 July 2025 and the figures extracted from the Statement of Financial Position as at 31 January 2025.*

[7] *Based on the share price as at 15 July 2025 and the earnings per share for the financial year ended 31 January 2025.*

Debt Securities

SFC's listed debt securities comprise:

Bond:	€20,000,000 3.5% unsecured bonds 2027
ISIN:	MT0000071234
Redemption:	13 September 2027 at par
Prospectus Date:	31 July 2017

PART D COMPARATIVES

The table below compares the Issuer to other listed debt on the local market having broadly similar maturities. The list excludes issues by financial institutions. The comparative set includes local groups whose assets, strategy and level of operations may vary significantly from those of the Issuer and are therefore not directly comparable. Nevertheless, the table below provides a sample of some comparatives:

Bond Details	Outstanding Amount *(€)*	Gearing Ratio*	Net Debt to EBITDA** *(times)*	Interest Cover*** *(times)*	YTM (as at 15.07.2025)
4.00% Eden Finance plc 2027	40,000,000	28.5%	3.1	10.1	4.29%
3.75% Tumas Investments plc 2027	25,000,000	17.6%	1.6	12.2	3.75%
3.5% Simonds Farsons Cisk plc 2027	20,000,000	8.9%	0.6	24.3	3.89%
3.75% Virtu Finance plc 2027	25,000,000	25.4%	0.8	11.7	4.88%
4.50% GHM plc 2027	15,000,000	36.3%	2.1	10.5	4.50%

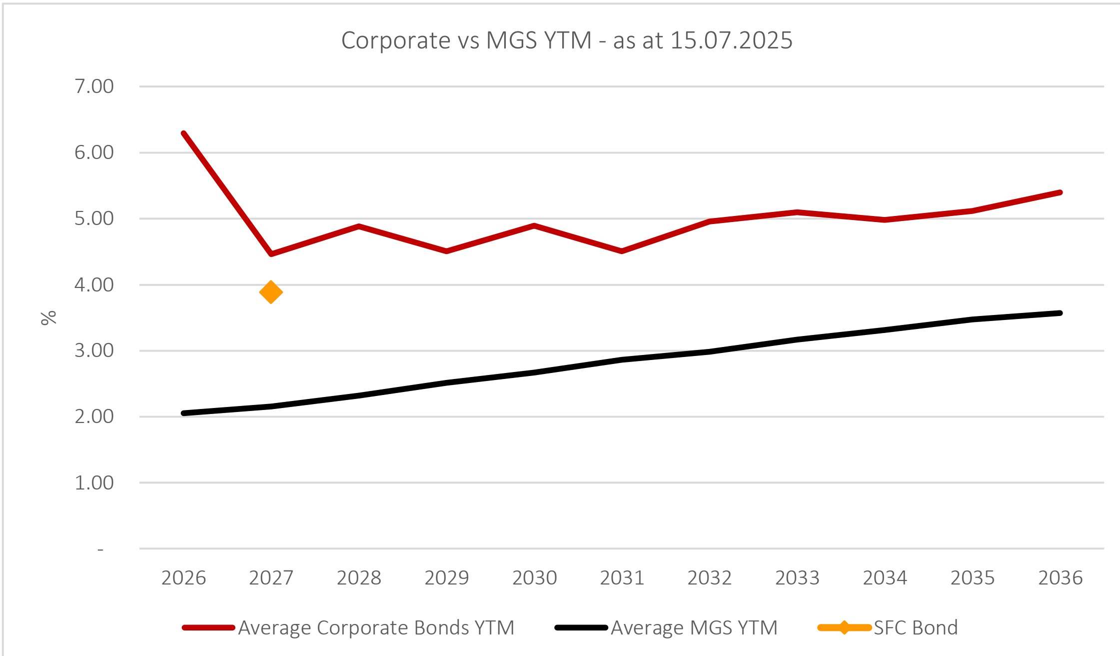
Source: Yield to Maturity from rizzofarrugia.com, based on bond prices of 15.07.2025. Ratio workings and financial information quoted have been based on the financial statements of issuers (or their guarantors where applicable) as published for financial year ended 31 December 2024 (or later, as applicable).

**Gearing Ratio is calculated as: net debt / (net debt + equity)*

*** Net debt does not include lease liabilities*

**** Interest cover is calculated as EBITDA / net finance cost excluding interest expense on lease liabilities*

The chart below compares the Simonds Farsons Cisk plc bond to other corporate bonds listed on the Malta Stock Exchange and benchmarked against the Malta Government Stock yield curve as at 15 July 2025.



As at 15 July 2025, the Simonds Farsons Cisk plc 2027 bond yields 3.89% per annum to maturity. This is equivalent to approximately 174 basis points over the average yield to maturity of Malta Government Stock (MGS) maturing in 2027 and approximately 57 basis points below the average yield to maturity of corporate bonds maturing in 2027 (data correct as at 15 July 2025).

STATEMENT OF COMPREHENSIVE INCOME EXPLANATORY DEFINITIONS

Revenue	Total revenue generated by the company from its business activity during the financial year.
EBITDA	EBITDA is an abbreviation for earnings before interest, tax, depreciation and amortisation. It reflects the company's earnings purely from operations and is commonly used to analyse and compare profitability across companies as it eliminates effects of financing and accounting decisions which vary between companies in its computation.
EBIT	EBIT is an abbreviation for earnings before interest and tax. Similar to the above but factors in also depreciation and amortisation.
Depreciation and Amortisation	An accounting charge to compensate for the reduction in the value of assets and the eventual cost to replace the asset when fully depreciated.
Finance Income	Interest earned on cash bank balances and from the intra-group companies on loans advanced (if any).
Finance Costs	Interest accrued on debt obligations.
Net Profit	The profit after tax generated in one financial year from all operational as well as non-operational activities.

CASH FLOW STATEMENT EXPLANATORY DEFINITIONS

Cash Flow from Operating Activities	The cash used or generated from the company's principal operational business. activities.
Cash Flow from Investing Activities	The cash used or generated from the company's investments in new entities and acquisitions, or from the disposal of fixed assets.
Cash Flow from Financing Activities	The cash used or generated from financing activities including new borrowings, interest payments, repayment of borrowings and dividend payments.
Free Cash Flow (FCF)	FCF represents the amount of cash remaining from operations after deducting capital expenditure requirements.

Statement of Financial Position Explanatory Definitions

Assets	What the company owns which can be further classified into Current and Non-Current Assets.
Non-Current Assets	Assets, full value of which will not be realised within one year from the statement of financial position date. These usually comprise longer term investments such as property, plant, equipment and investment properties. They are capitalised rather than expensed meaning that the company allocates the cost of the asset over the number of years for which the asset will be in use.
Current Assets	Assets which are realisable within one year from the statement of financial position date. These usually comprise receivables, inventory (stock) as well as cash and cash equivalents.
Liabilities	What the company owes, which can be further classified in Current and Non-Current Liabilities.
Current Liabilities	All obligations which are due within one financial year. These usually comprise payables and short-term debt which may include bank borrowing and/or bonds.
Non-Current Liabilities	All obligations which are due after more than one financial year. Would typically include bank borrowing and bonds.
Equity	Equity is calculated as assets less liabilities, representing the capital owned by the shareholders, retained earnings, and any reserves and/or other equity components.

Profitability Ratios

EBITDA Margin	EBITDA as a percentage of total revenue.
Operating Profit Margin	Operating profit margin is operating profit achieved during the financial year expressed as a percentage of total revenue.
Net Profit Margin	Net profit margin is profit after tax achieved during the financial year expressed as a percentage of total revenue.
Return on Equity (ROE)	ROE measures the rate of return on the shareholders' equity of the owners of issued share capital, computed by dividing profit after tax by shareholders' equity.
Return on Assets (ROA)	ROA measures the rate of return to shareholders on assets and is computed by dividing profit after tax by total assets.

Liquidity Ratios

Current Ratio	The current ratio (or liquidity ratio) is a financial ratio that measures whether a company has enough resources to pay its debts over the next 12 months (current liabilities). It compares a company's current assets to its current liabilities.
Cash Ratio	Cash ratio is the ratio of cash and cash equivalents of a company to its current liabilities. It measures the ability of a business to repay its current liabilities by only using its cash and cash equivalents and nothing else.

Solvency Ratios

Interest Coverage Ratio	This is calculated by dividing a company's EBITDA of one period by the company's net finance costs of the same period.
Gearing Ratio	The gearing ratio indicates the relative proportion of shareholders' equity and debt (borrowings) used to finance a company's assets and is calculated by dividing a company's total debt by total debt plus shareholders' equity. The gearing ratio may also be calculated using net as opposed to total debt and can be calculated both as a ratio as well as a percentage.
Net Debt to EBITDA	This is the measurement of leverage calculated by dividing a company's interest-bearing borrowings net of any cash or cash equivalents by its EBITDA. The ratio provides an indication of how many years it would take for a company to pay back its debt in full assuming constant EBITDA and debt levels of the remaining years.

Other Definitions

Yield to Maturity (YTM)	YTM is the rate of return expected on a bond which is held till maturity. It is essentially the internal rate of return on a bond and it equates the present value of bond future cash flows to its current market price.
Earnings per Share (EPS)	This is calculated by dividing the company's profit by the number of shares in issue.
Dividend Cover	This is calculated by dividing the EPS by the dividend per share.
Enterprise Value (EV)	EV measures the company's total value comprising its market capitalisation and net debt.
Price to Earnings (P/E)	The P/E ratio is a valuation multiple used to compare the company's share price with its EPS.

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