

Best Deal Estates Limited
Report and Financial Statements
for the year ended 31 December 2025

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The directors present their report and the audited financial statements for the year ended 31 December 2025.

Principal Activity

The company is mainly engaged in property development for resale.

Performance Review

During 2025 the company finalised the construction of the Siggiewi development and continued the finishing works which as at the end of the financial year were estimated to be 90% completed. The company also continued to sell the apartments and garages which have been completed and also started issuing the invoices to clients for finishing works.

The profit on the company's activities for the year after taxation amounted to € 1,312,932 (2024: €1,331,599). The directors expect to sustain the current level of operating activities throughout the project.

Results and Dividends

The results for the year are set out in the statement of comprehensive income on page 3.

The company's total assets amounted to €16,511,595 (2024: €21,215,430) whilst its total liabilities amounted to €14,045,672 (2024: €20,062,438) which resulted in a net asset position of €2,465,924 (2024: €1,152,992).

The directors do not recommend the payment of a dividend and propose that the retained earnings of €2,464,724 (2024: €1,151,792) be carried forward to the next financial year.

Events after the end of the reporting period

Subsequent to the reporting period, geopolitical tensions in the Middle East escalated further, including developments involving Israel, Iran and the United States. These events have contributed to increased global uncertainty, volatility in energy prices, and changes in consumer confidence, particularly affecting international travel patterns.

The situation continues to evolve, and the Company is actively monitoring demand trends, pricing strategies, and cost developments. The potential future effects on the Company's financial performance, cash flows, and financial position cannot be reliably estimated at this time.

Future Developments

The directors intend to continue to operate in line with their current business plan.

Financial Risk Management

The company is exposed to credit, interest and liquidity risks. An explanation of these risks and how the company manages these risks is found in Note 13 to these financial statements

Directors

The following have served as directors of the company during the year under review :

Christopher Attard
Erskine Vella
David Basile
Pierre Bartolo
Robert Joseph Buttigieg

Directors' Responsibilities for the Financial Statements

The Maltese Companies Act (Cap.386) requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the company as at the end of the financial year and of the profit or loss of the company for that year. In preparing these the directors are responsible for:

- adopting the going concern basis unless it is inappropriate to presume that the company will continue in the business;
- selecting suitable accounting policies and applying them consistently;
- making judgements and estimates that are reasonable and prudent;
- accounting for income and charges relating to the accounting period on the accrual basis;
- valuing separately the components of asset and liability items;
- reporting comparative figures corresponding to those of the preceding accounting period; and
- preparing the financial statements in accordance with International Financial Reporting Standards (IFRS Accounting Standards) as adopted by the European Union (EU).


The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Maltese Companies Act (Cap.386). This responsibility includes designing, implementing and maintaining such internal controls as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

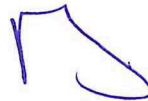
RSM Malta have intimated their willingness to continue in office. A proposal to reappoint them as auditors of the company will be put to General Meeting.

This report was approved by the Board of Directors on 28 April 2026 and was signed on its behalf by:

Christopher Attard
Director



Robert Joseph Buttigieg
Director



Statement of Comprehensive Income
for the year ended 31 December 2025

	Notes	2025 €	2024 €
Revenue		16,013,946	5,758,800
Cost of sales		(13,405,691)	(3,760,008)
Gross profit		<u>2,608,255</u>	<u>1,998,792</u>
Administrative expenses		(154,482)	(206,489)
Profit before taxation		<u>2,453,773</u>	<u>1,792,303</u>
Income tax expense	5	(1,140,841)	(460,704)
Profit for the year	4	<u>1,312,932</u>	<u>1,331,599</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u><u>1,312,932</u></u>	<u><u>1,331,599</u></u>

The notes on pages 7 to 17 form an integral part of these financial statements.

	Notes	2025 €	2024 €
ASSETS			
Current Assets			
Inventories	6	12,282,167	18,876,735
Trade and other receivables	7	4,213,279	534,312
Cash and cash equivalents	8	16,150	1,804,383
Total Current Assets		<u>16,511,596</u>	<u>21,215,430</u>
Total Assets		<u>16,511,596</u>	<u>21,215,430</u>
EQUITY			
Capital and Reserves			
Share capital	9	1,200	1,200
Retained earnings		2,464,724	1,151,792
Total Equity		<u>2,465,924</u>	<u>1,152,992</u>
LIABILITIES			
Non-Current Liabilities			
Long-term borrowings	11	12,333,113	17,546,299
Total Non-Current Liabilities		<u>12,333,113</u>	<u>17,546,299</u>
Current Liabilities			
Trade and other payables	10	1,169,513	2,233,314
Short-term borrowings	11	543,046	282,825
Total Current Liabilities		<u>1,712,559</u>	<u>2,516,139</u>
Total Liabilities		<u>14,045,672</u>	<u>20,062,438</u>
Total equity and liabilities		<u>16,511,596</u>	<u>21,215,430</u>

The financial statements were approved and authorised for issue by the Board of Directors on 28 April 2026 and was signed on its behalf by:

Christopher Attard
Director

Robert Joseph Buttigieg
Director

The notes on pages 7 to 17 form an integral part of these financial statements.

**Statement of Changes in Equity
for the year ended 31 December 2025**

	Share Capital	(Accumulated Losses) / Retained Earnings	Total
	€	€	€
At 1 January 2024	1,200	(179,807)	(178,607)
Total Comprehensive income			
Profit for the year	-	1,331,599	1,331,599
At 31 December 2024	<u>1,200</u>	<u>1,151,792</u>	<u>1,152,992</u>
At 1 January 2025	1,200	1,151,792	1,152,992
Total Comprehensive income			
Profit for the year	-	1,312,932	1,312,932
At 31 December 2025	<u>1,200</u>	<u>2,464,724</u>	<u>2,465,924</u>

The notes on pages 7 to 17 form an integral part of these financial statements.

Statement of cash flows
for the year ended 31 December 2025

	2025		2024	
	€	€	€	€
Net profit before taxation	2,453,773		1,792,303	
Reconciliation to cash generated from operations:				
Interest paid	1,026,812		1,133,188	
Operating profit before working capital changes	3,480,585		2,925,491	
Decrease / (increase) in inventories	6,594,568		(1,391,000)	
Increase in trade receivables	(441,180)		(38,920)	
Increase in other receivables	(3,237,787)		(453,455)	
Increase in trade payables	47,731		16,539	
Decrease in other payables	(1,111,532)		(335,963)	
Cash generated from operating activities		5,332,385		722,692
Income tax paid	(1,140,841)		(460,704)	
Net cash generated from operating activities		4,191,544		261,988
Cash from financing activities				
New long term related party borrowings	1,450,002		2,821,038	
New short term related party borrowings	282,649		281,832	
Repayment of long term related party borrowings	(282,825)		-	
Repayment of short term related party borrowings	(7,690,000)		(1,672,000)	
Cash (used in)/generated from financing activities		(6,240,174)		1,430,870
Net (decrease)/increase in cash and cash equivalents in the year		(2,048,630)		1,692,858
Cash and equivalents at beginning of year		1,804,383		111,525
Cash and equivalents at end of year (Note 8)		(244,247)		1,804,383

The notes on pages 7 to 17 form an integral part of these financial statements.

1. General Information

Best Deal Estates Limited ("the company") is a limited liability company incorporated and domiciled in Malta. The registered office of the company is 63, J.L.Buildings, Luqa Road, Paola PLA9045. The company status is that of a private company. These financial statements were approved for issue by the Board of Directors on 28 April 2026.

The company forms part of a Group of companies, the parent company being Best Deal Properties Holding plc. The company's principal activity is property development for resale.

The company has no individual who owns or controls, through direct or indirect ownership of shares, voting rights or ownership interests more than twenty-five per cent (25%) and no individual ultimately controls the company via other means. The executive directors through their position of senior managing officials within the company are considered as the ultimate controlling parties.

2. Material Accounting Policies

The material accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of measurement and statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS Accounting Standards) as adopted by the European Union (EU) and comply with the requirements of the Maltese Companies Act (Cap. 386).

These financial statements have been prepared under the historical cost basis and are presented in Euro (€) which is also the company's functional currency.

The preparation of financial statements in conformity with the International Financial Reporting Standards as adopted by the European Union requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at balance sheet date and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results ultimately may differ from those estimates.

New or amended Accounting Standards and interpretations adopted

The company adopted all of the new or revised standards, interpretations and amendments issued by the International Accounting Standards Board (IASB) and the IFRS Interpretations Committee and endorsed by the EU. The adoption of these new or revised standards, interpretations and amendments did not have a material impact on these financial statements.

The following amended Accounting Standards became applicable for the current reporting period:

Lack of Exchangeability (Amendments to IAS 21)

This amendment issued on 15 August 2023 contains guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not.

2. Material Accounting Policies (continued)

New or revised standards, interpretations and amendments issued but not yet effective

At the end of the reporting period, certain new standards, interpretations or amendments thereto, were in issue and endorsed by the EU, but not yet effective for the current financial period. There have been no instances of early adoption of standards, interpretations or amendments ahead of their effective date. The directors anticipate that the adoption of the new standards, interpretations or amendments thereto, will not have a material impact on the financial statements upon initial application, except for the effect of IFRS 18 in the presentation and disclosure of certain items.

The following new standards were issued but not yet effective for the current reporting period:

IFRS 18 - Presentation and Disclosure in Financial Statements

IFRS 18 - Presentation and Disclosure in Financial Statements (IFRS 18), will become effective for annual reporting periods beginning on or after 1 January 2027. Even though IFRS 18 will not have any effect on the recognition and measurement of items in the financial statements, it is expected to have an effect on the presentation and disclosure of certain items. These changes include categorisation and sub-totals in the statement of profit or loss, aggregation/disaggregation and labelling of information, and disclosure of management-defined performance measures. The directors are assessing the effect of IFRS 18.

Amendments to IFRS 9 and IFRS 7 regarding the classification and measurement of financial instruments

Issued on 30 May 2024, these amendments address matters identified during the post-implementation review of the classification and measurement requirements of IFRS 9 Financial Instruments. Applicable to annual reporting periods beginning on or after 1 January 2026.

Annual Improvements to IFRS Accounting Standards - Volume 11

Issued on 18 July 2024, the pronouncement comprises the following amendments which are applicable to annual reporting periods beginning on or after 1 January 2026:

- o IFRS 1: Hedge accounting by a first-time adopter
- o IFRS 7: Gain or loss on derecognition
- o IFRS 7: Disclosure of deferred difference between fair value and transaction price
- o IFRS 7: Introduction and credit risk disclosures
- o IFRS 9: Lessee derecognition of lease liabilities
- o IFRS 9: Transaction price
- o IFRS 10: Determination of a 'de facto agent'
- o IAS 7: Cost method

Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and can be reliably measured. The company recognises revenue as follows:

Property related income

Property sales are recognised when the significant risks and rewards of ownership of the property being sold are effectively transferred to the buyer. This is generally considered to occur at the later of the contract of sale and the date when all the Company's obligations relating to the property are completed and the possession of the property can be transferred in the manner stipulated by the contract of sale.

Amounts received in respect of sales that have not yet been recognised in the financial statements due to the fact that the significant risks and rewards of ownership still rest with the Company, are treated as payments received in advance and are reported with current liabilities.

2. Material Accounting Policies (continued)**Impairment of non-financial assets**

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation or depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of the fair value of the asset less costs to sell and the value in use. Impairment losses are immediately recognised as an expense in the Statement of Comprehensive Income. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows.

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred.

Financial liabilities are derecognised when they are extinguished, discharged, cancelled or expired.

Financial assets

Financial assets are classified at initial recognition in accordance with how they are subsequently measured, as follows:

- o financial assets at amortised cost;
- o financial assets at fair value through other comprehensive income; and
- o financial assets at fair value through profit or loss.

The company classifies its financial assets in the amortised cost measurement category. The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Financial assets at amortised cost are financial assets that are held within the business model whose objective is to collect contractual cash flows ("hold to collect") and the contractual terms give rise to cash flows that are solely payments of principal and interest.

On initial recognition, financial assets at amortised cost are recognised at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Discounting is omitted where the effect of discounting is immaterial. Other receivables without a significant financing component are measured at the transaction price as a practical expedient.

Financial assets at amortised cost are subsequently carried at amortised cost using the effective interest method less impairment losses, if any. Gain or losses are recognised in profit or loss when the asset is derecognised, modified, or impaired.

Provisions are recorded where, in the opinion of the directors, there is an impairment in value. Where there has been an impairment in the value of an investment, it is recognised as an expense in the period in which the diminution is identified.

The Company's financial assets under this classification include cash and cash equivalents and trade and other receivables.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

2. Material Accounting Policies (continued)

Impairment of financial asset

The Company applies the general approach permitted by IFRS 9, in relation to related party receivables, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

For trade receivables, the Company applies a simplified approach to measuring ECLs which uses a lifetime expected loss allowance. The ECL is estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for forward-looking factors specific to the debtors.

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment losses are insignificant.

See Note 13 for further details.

Financial liabilities

Financial liabilities are classified at initial recognition in accordance with how they are subsequently measured, as follows:

- financial liabilities at amortised cost; and
- financial liabilities at fair value through profit or loss.

The company's financial liabilities are mainly financial liabilities at amortised cost.

Financial liabilities at amortised cost are initially recognised at fair value, net of transaction cost and are subsequently measured at amortised cost using the effective interest method. All interest-related charges under the interest amortisation process are recognised in profit or loss.

The Company derecognises a financial liability from its statement of financial position when the obligation specified in the contract or arrangement is discharged, is cancelled or expires.

On derecognition, the difference between the carrying amount of the financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, are recognised in profit or loss.

Financial liabilities under this category include trade and other payables and borrowings.

Inventories and work in progress

Inventories and work in progress represents the properties held for construction and sale. The cost of the work in progress includes the purchase of the land on which the development for sale will be constructed including all related direct purchase costs such as duty and professional fees. Cost also includes the development costs such as demolition, excavation and construction together with all the directly attributable costs to finish the property and bringing it to the condition necessary for it to be sold. The cost of the inventories and work in progress also include the borrowing costs that are directly attributable to the acquisition, construction and finishing of the development for resale.

The developed property held for resale is included in the financial statements at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Contract liabilities

Contract liabilities represent the company's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the company recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the company has satisfied its performance obligation in a contract with customer.

2. Material Accounting Policies (continued)**Borrowing costs**

Borrowing costs incurred in the construction of a qualifying asset, are capitalised during the period of time that is required to complete and prepare the asset for its intended use. All other borrowing costs are recognised in the Statement of Comprehensive Income as incurred.

3. Significant judgements and critical estimation uncertainties

The preparation of financial statements in conformity with IFRS Accounting Standards as adopted by the EU requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The directors have considered the development, selection and disclosure of the Company's critical accounting policies and estimates and the application of these policies and estimates. Estimates and judgements are continually evaluated and are based on historical and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In the opinion of the Company's directors the accounting estimates and judgements made in the course of preparing these financial statements are not difficult, subjective or complex to a degree which would warrant their disclosure in terms of the requirements of IAS 1.

4. Profit for the year

	2025	2024
	€	€
Profit for the year is stated after charging:		
Auditor's remuneration	5,027	4,785
	<u>5,027</u>	<u>4,785</u>

5. Taxation

- a) Taxation is provided for at the rate of 35% for company profits, except for property sales which have been taxed at a final withholding tax of 8%.

	2025	2024
	€	€
Current year taxation		
Income tax on the taxable income for the year	1,140,841	460,704
Deferred taxation		
Transfer to deferred taxation account	-	-
	<u>1,140,841</u>	<u>460,704</u>

5. Taxation (continued)

b) The accounting profit and the tax expense for the year are reconciled as follows:

	2025	2024
	€	€
Profit on ordinary activities before taxation	2,453,773	1,792,303
Tax on accounting profit at 35%	858,821	627,306
Tax effect on:		
Expenses disallowed for tax purposes	171,165	72,272
Different tax rate charged on sale of property	(214,680)	(238,874)
Change in unrecognised deferred tax asset	325,535	-
Tax expense for the year	1,140,841	460,704

The Company has an unrecognised deferred tax asset amounting to €325,535 (2024: €nil) which arises from unabsorbed tax losses. This deferred tax asset has not been recognised in these financial statements due to uncertainty of the realisation of the tax benefits.

6. Inventories

	2025	2024
	€	€
Property held for resale and work in progress	12,282,167	18,876,735

7. Trade & Other Receivables

	2025	2024
	€	€
Trade receivables	480,100	38,920
Amounts owed by group companies	<i>Note</i> 3,400,982	290,040
Amounts owed by other related parties	<i>Note</i> 295,000	-
Other receivables	37,197	205,352
	4,213,279	534,312

Amounts owed by group companies

These amounts are unsecured, interest free and are repayable on demand.

Amounts owed by other related parties

These amounts are unsecured, interest free and are repayable on demand.

8. Notes to the cash flow statement

Cash and cash equivalents included in the statement of cash flows comprise the following Statement of Financial Position amounts:

	2025	2024
	€	€
Cash at bank	-	1,800,383
Cash in hand	16,150	4,000
Bank current account overdrawn	(260,397)	-
	<u>(244,247)</u>	<u>1,804,383</u>

Liabilities arising from financing activities

	2025	2024
	€	€
Related party borrowings within 1 year		
Opening net debt	282,825	558,712
Increase in borrowings	282,649	-
Repayments	(282,825)	(275,887)
	<u>282,649</u>	<u>282,825</u>
Related party borrowings after 1 year		
Opening net debt	17,546,299	15,264,073
Increase in borrowings	1,450,002	2,821,038
Capitalised interest payable	1,026,812	1,133,188
Loan repayments	(7,690,000)	(1,672,000)
	<u>12,333,113</u>	<u>17,546,299</u>

9. Share capital

	2025	2024
	€	€
Authorised		
1,200 Ordinary shares of € 1 each	<u>1,200</u>	<u>1,200</u>
Issued		
1,200 Ordinary shares of € 1 each 100% paid up	<u>1,200</u>	<u>1,200</u>

The share capital of the company consists only of ordinary shares with a par value of €1. All shares are equally eligible to receive dividends and the repayment of capital, and represent one vote at the shareholders' meetings.

10. Trade & other payables

	2025	2024
	€	€
Trade payables	64,270	16,539
Other taxes and social security costs	60,102	-
Other payables	646,985	819,950
Accruals	398,156	1,396,825
	<u>1,169,513</u>	<u>2,233,314</u>

11. Borrowings

	2025	2024
	€	€
Non-current		
Loan from parent company	<i>Note</i> 12,333,113	17,546,299
Current		
Bank current account overdrawn	<i>Note</i> 260,397	-
Amounts owed to other group companies	<i>Note</i> -	282,825
Amounts owed to parent company	<i>Note</i> 282,649	-
	<u>543,046</u>	<u>282,825</u>

Loans from parent company

The loan from parent company is unsecured, bears interest at 7% per annum and is repayable by 2027.

Amounts owed to other group companies and parent company

These amounts are unsecured, interest free and are repayable on demand.

12. Related party transactions

Transactions with related parties :

	2025	2024
	€	€
Marketing and administration fees paid to Best Deal Properties Limited	91,671	121,500
Direct development costs charged by Best Deal Properties Limited	180,246	316,914
Direct development costs charged by individuals related to the company	459,227	143,324
Direct development costs charged by other related companies	214,056	-
Commissions charged by related companies	399,294	-
Loan interest payable to parent company	1,026,812	1,133,188
	<u>1,026,812</u>	<u>1,133,188</u>

Loans from related parties

	2025	2024
	€	€
Loans from parent company:		
Opening balance	17,546,299	15,264,073
Loans advanced during the year	1,732,651	2,821,038
Loans repayments made	(7,690,000)	(1,672,000)
Interest charged	1,026,812	1,133,188
Closing balance	<u>12,615,762</u>	<u>17,546,299</u>
Loans from other group companies :		
Opening balance	282,825	558,712
Loans repayments made	(282,825)	(275,887)
Closing balance	<u>-</u>	<u>282,825</u>
Total loans from related parties :		
Opening balance	17,829,124	15,822,785
Loans advanced during the year	1,732,651	2,821,038
Loans repayments made	(7,972,825)	(1,947,887)
Interest charged	1,026,812	1,133,188
Closing balance	<u>12,615,762</u>	<u>17,829,124</u>

13. Financial Risk Management

The company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Interest rate risk
- Liquidity risk

This note presents information about the company's exposure to each of the aforementioned risks, the company's objectives, policies and processes for measuring and managing risk, and the company's management of capital. Further quantitative disclosures are included throughout these financial statements.

The Board of Directors has overall responsibility for the establishment and oversight of the company's risk management framework. The Board has responsibility to identify and analyse the risks faced by the company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits.

Credit risk

Credit risk arises mainly from cash and cash equivalents and trade and other receivables. The maximum exposure to credit risk at the end of the reporting period in respect of the financial assets held by the company is equivalent to their carrying amount as disclosed in the respective notes to the financial statements..

The credit risk relating to cash at bank is considered to be low in view of management's policy of placing it with reputable financial institutions.

The credit risk relating to trade receivables is limited since the company's operations are carried out in Malta with all revenues originating from clients based in Malta. The company considers that it is not exposed to major concentrations of credit risks in the event of non-performance of a single customer. Credit risk relating to amounts due from group companies is also limited as there are no indications that the group companies are unable to meet their obligations.

The company's exposure to credit risk is limited to the carrying amount of financial assets recognised at the end of the reporting year, as summarised below:

	Note	2025	2024
		€	€
<i>Financial assets at amortised cost</i>			
Trade receivables	7	480,100	38,920
Amounts owed by group companies	7	3,400,982	290,040
Amounts owed by other related parties	7	295,000	-
Other receivables	7	37,197	205,352
Cash in bank	8	-	1,800,383
		<u>4,213,279</u>	<u>2,334,695</u>

13. Financial Risk Management (continued)**Interest rate risk**

The company's borrowings with its parent company are subject to a fixed interest rate and therefore the interest risk exposure is minimal.

Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation.

The following table analyses the company's financial liabilities into relevant maturity groupings based on the remaining period and the reporting date to the contractual maturity date. The amounts disclosed in the tables below are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant:

	Interest Rate	Within 12 months €	Between 1 - 5 years €	More than 5 years €	Total €
<i>31 December 2025</i>					
Related party borrowings	7%	282,649	12,889,183	-	13,171,832
Trade and other payables	-	1,169,513	-	-	1,169,513
		<u>1,452,162</u>	<u>12,889,183</u>	<u>-</u>	<u>14,341,345</u>
	Interest Rate	Within 12 months €	Between 1 - 5 years €	More than 5 years €	Total €
<i>31 December 2024</i>					
Related party borrowings	7%	282,825	19,542,208	-	19,825,033
Trade and other payables	-	2,233,314	-	-	2,233,314
		<u>2,516,139</u>	<u>19,542,208</u>	<u>-</u>	<u>22,058,347</u>

Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital, but also the level of dividends to ordinary shareholders.

The Board seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

There were no changes in the company's approach to capital management during the year.

14. Fair values estimation

The nominal values less estimated credit adjustments of trade receivable and payables are assumed to approximate their fair values, otherwise, these have been adjusted to approximate their fair values.

INDEPENDENT AUDITOR'S REPORT

To the Shareholder of Best Deal Estates Limited

Report on the Audit of the Financial Statements

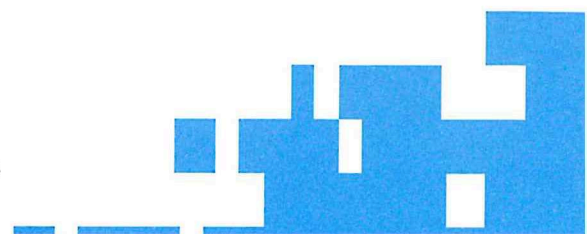
Opinion

We have audited the accompanying financial statements of Best Deal Estates Limited ("the Company"), set out on pages 3 to 17, which comprise the statement of financial position as at 31 December 2025, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 31 December 2025, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS Accounting Standards) as adopted by the European Union (EU), and have been properly prepared in accordance with the requirements of the Maltese Companies Act (Cap. 386).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements of both the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) and the Accountancy Profession (Code of Ethics for Warrant Holders) Directive issued in terms of the Accountancy Profession Act (Cap. 281) in Malta that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Code of Ethics for Warrant Holders in Malta. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



INDEPENDENT AUDITOR'S REPORT – continued

To the Shareholder of Best Deal Estates Limited

Report on the Audit of the Financial Statements – continued

Other Information

The directors are responsible for the other information. The other information comprises the directors' report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we have obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Under Article 179(3) of the Maltese Companies Act (Cap. 386), we are required to consider whether the information given in the directors' report is compliant with the disclosure requirements of Article 177 of the same Act.

Based on the work we have performed, in our opinion:

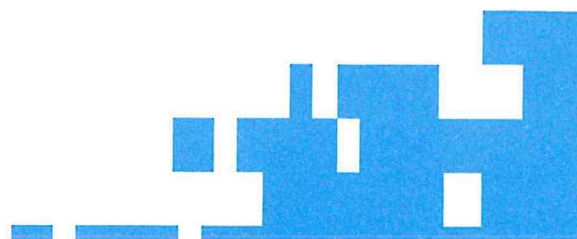
- the directors' report has been prepared in accordance with the Maltese Companies Act (Cap. 386);
- the information given in the directors' report for the financial period on which the financial statements had been prepared is consistent with those in the financial statements; and
- in light of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

Responsibilities of the Directors for the Financial Statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU and the requirements of the Maltese Companies Act (Cap. 386), and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for overseeing the Company's financial reporting process



INDEPENDENT AUDITOR'S REPORT – continued

To the Shareholder of Best Deal Estates Limited

Report on the Audit of the Financial Statements – continued

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

INDEPENDENT AUDITOR'S REPORT – continued

To the Shareholder of Best Deal Estates Limited

Report on Other Legal and Regulatory Requirements

Pursuant to Articles 179(10) and 179(11) of the Maltese Companies Act (Cap. 386), we are required to report to you if in our opinion:

- proper accounting records have not been kept; or
- proper returns adequate for our audit have not been received from branches we have not visited; or
- the financial statements are not in agreement with the accounting records and returns; or
- we were unable to obtain all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

We have nothing to report in respect of these responsibilities.

A handwritten signature in blue ink, appearing to be "Conrad Borg".

*This copy of the audit report has been signed by
Conrad Borg (Principal)
for and on behalf of*

RSM Malta
Registered Auditor

28 April 2026