RIZZO FARRUGIA
YOUR INVESTMENT CONSULTANTS

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The Board of Directors
MIDI plc
North Shore,
Manoel Island,
Limits of Gzira, GZR 3016

24 June 2025

Dear Sirs,

MIDI 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 MIDI plc (the "**Company**", "**MIDI**", or "**Issuer**") in relation to the €50 million 4% Secured Bonds 2026 issued by the Company in 2016.

The data in this Update FAS is derived from various sources or is based on our own computations as follows:

(a) historical financial data for the three years ended 31 December 2022 to 2024 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 December 2025 has been provided by management 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 as analysed in part D has been extracted from public sources such as the web sites of the companies concerned or financial statements filed with the Malta Business Registry.

Readers are expressly advised that this Update FAS is based predominantly on information and circumstances prevailing prior to recent material developments relating to the Manoel Island project.

Although the Update FAS is being published subsequent to these significant events, it might not necessarily reflect their impact, as the current level of uncertainty and the current stage of interaction with Government precludes the preparation of a reliable and meaningful update to the Update FAS at this stage. In particular, the Update FAS does not necessarily include the impacts of (i) the recent withdrawal of Government support for the Manoel Island project and Government declarations regarding the intended conversion of Manoel Island into a national park; and (ii) the receipt of a judicial letter from the Government of Malta and the Lands Authority alleging breach of the Deed of Temporary Emphyteusis and threatening rescission of the concession.

We understand that the Company has formally responded to these allegations and has also entered into discussions with the Government, with a view to achieving a voluntary termination of the concession over Manoel Island as part of an equitable settlement.

As a result, all forward-looking statements, forecasts, and strategic plans contained in this Update FAS should be interpreted in the context of these significant developments and the prevailing uncertainty.

The Update FAS is meant 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 meant 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 this report. As with all investments, potential investors are encouraged to seek professional advice before investing.

Yours sincerely,

Doreanne Caruana
Head of Corporate Advisory

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, as revised on 13 August 2021.

24 June 2025

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Important Information

Purpose of the Document

MIDI plc (the "**Company**", "**MIDI**" or the "**Issuer**") issued €50 million 4% Secured Bonds 2026 pursuant to a prospectus dated 28 June 2016 (the "**Bond Issue**"). The prospectus included a Financial Analysis Summary ("**FAS**") in line with the requirements of the MFSA Listing Policies dated 5 March 2013 and last revised on 13 August 2021. The purpose of this report is to provide an update to the FAS (the "**Update FAS**") on the performance and on the financial position of the Company.

Sources of Information

The information that is presented has been collated from a number of sources, including the Company's website (www.midimalta.com), the Company's audited financial statements for the years ended 31 December 2021, 2022 and 2023 and forecasts for financial year ending 31 December 2024.

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

Readers are expressly advised that this Update FAS is based predominantly on information and circumstances prevailing prior to recent material developments relating to the Manoel Island project. Further information is included in section 2 below.

Wherever used, FYXXXX refers to financial year covering the period 1st January to 31st December. The financial information is being presented in thousands of Euro, 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 28 June 2016 (appended to the prospectus)
FAS dated 19 June 2017
FAS dated 20 June 2018
FAS dated 21 June 2019 *(and addendum dated 21 August 2019)*
FAS dated 23 June 2020
FAS dated 23 June 2021
FAS dated 27 June 2022
FAS dated 21 June 2023
FAS dated 14 June 2024

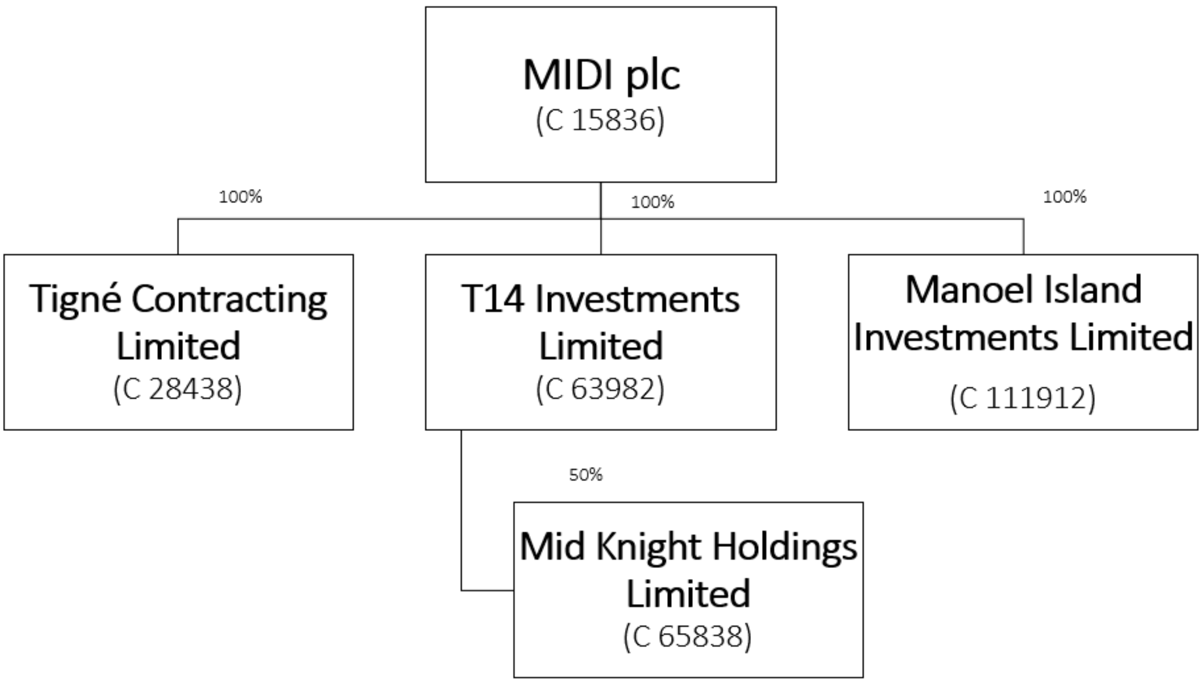
PART A BUSINESS & MARKET OVERVIEW UPDATE

1. INTRODUCTION

MIDI plc was established in 1992 as a private consortium and was admitted to listing on the Malta Stock Exchange in December 2010. In June 2000, MIDI acquired the emphyteutic rights to the land at Tigné Point (Sliema) and Manoel Island (Gzira) from the Government of Malta for a period of 99 years. Tigné Point is one of the largest residential, commercial and leisure property development projects in Malta to date.

MIDI AND ITS SUBSIDIARIES (THE "GROUP")

MIDI is the holding company of the Group, as sole shareholder (directly or indirectly) of Tigné Contracting Limited ("**TCL**") and T14 Investments Limited ("**T14L**").



TIGNÉ CONTRACTING LIMITED

Tigné Contracting Limited was established in Malta on 10 July 2001 as a private limited liability company. TCL serves as the Group's main contractor to execute the construction and development of Tigné Point and Manoel Island. As such, the majority of contracts with third party contractors are entered into through this company.

T14 Investments Limited AND Mid Knight Holdings Limited

T14 Investments Limited was established in Malta on 21 February 2014 as a private limited liability company. During that same year, T14IL entered a joint venture with Benny Holdings Limited – Mid Knight Holdings Limited – that developed, manages and owns (save for two floors) the business centre (known as The Centre) located at Tigné Point.

Manoel Island Investments Limited

In May 2025, the Company incorporated a new fully-owned subsidiary – Manoel Island Investments Limited (C 111912). This company was set up to be the subsidiary that would have undertaken the Manoel Island development.

2. Key Operational Assets and Developments

Tigné Point

Tigné Point is a residential, commercial and leisure development located in Sliema. The development comprises 442 residential units (including the current development known as Q3, which will consist of 63 units) complemented by office facilities, a shopping mall, parking facilities and Pjazza Tigné which also includes commercial and leisure outlets. The project places a strong emphasis on the restoration of historic sites including Fort Tigné, the Garden Battery, St. Luke's Garrison Chapel, army barracks and the clock tower. All traffic is routed underground, providing a car-free zone at ground floor level and extensive green areas and public spaces. These attributes make it a unique development for Malta in many respects.

The Centre

The joint venture between MIDI (through T14IL) and a third-party investor in 2014 - Mid Knight Holdings Limited – was established to carry out the construction and development of the T14 Business Centre, now known as *The Centre*, which was completed in 2017. The Centre is owned by Mid Knight Holdings Limited save for two floors. During FY2024, the Company sold the north facing office space at ground level to a third party for €6.1 million. Previously the Company had sold a floor in FY2017 and another floor in FY2023. Currently all the owned floors are fully occupied. In addition, the development of flexible office space at ground level will be completed during FY2025 and operations are expected to commence in FY2026.

Recent Developments

Q3

During FY2024, the Company launched the Q3 development at Tigné Point known as *Fortress Gardens*. The works on this development commenced during the course of 2022. The current ongoing works at this development include finishings and mechanical, electrical and plumbing works, as well as works on the completion of the façade. Delivery of these apartments is expected to commence during FY2025, as the Company anticipates that it will be in a position to close the deed of sale on a good number of these apartments during the current financial year, with the remaining signed during FY2026.

Developments on the Manoel Island Project

During FY2024, the Company had continued to focus on the Manoel Island project in connection with the following aspects:

(i) discussion with Government regarding the specific remedies available in the Deed of Emphyteusis entered into 15 June 2000 to mitigate the impact of the reduction in development volumes (from 127,000 square metres to 95,000 square metres) following the discovery of archaeological finds on site as well as to the extension to the substantial completion date detailed in the deed in line with the provisions in the same deed that allows for the extension to the completion date in the eventuality of delays which result from events or circumstances outside the Company's control. In the course of the development of Manoel Island and Tigne Point, the Company experienced a number of delays associated with the issuance of building permits and encountered site related conditions which were unknown at the point in time when the emphyteutical concession was granted;

(ii) continued negotiations and discussions with AC Enterprises Limited (C 49755) as both parties explored the possibility of establishing a joint venture with regards to the Manoel Island development. Although significant progress had been made in these discussions, no transaction was concluded; and

(iii) continued works on a detailed design process which led to the submission of a full development application for the Manoel Island development (PA/01053/23) in December 2022. The Planning Board had deferred a public hearing (that was held on 14 March 2024) as it had deemed desirable to commission a Heritage Impact Assessment ("**HIA**") given that Manoel Island lay within the proposed buffer zone for the Valletta World Heritage Site. The Company is confident that the Manoel Island development would not have impacted the heritage status of Valletta. The HIA was submitted in September of 2024, and the Company received a request from the review committee for additional information which was submitted earlier on in 2025. In the meantime, site preparatory works had been carried out on Manoel Island under the supervision of an archaeological monitor.

Recent Material Developments Relating to the Manoel Island Project

As highlighted on page 5 of this report, the FAS has been prepared predominantly on the basis of information and circumstances prevailing prior to the recent material developments relating to the Manoel Island project.

Although the FAS is being published subsequent to these significant events, it might not necessarily reflect their impact, as management indicated that the current level of uncertainty and the current stage of the interaction with Government is such that it precludes the preparation of a reliable and meaningful update to the FAS at this stage factoring in these significant developments.

Specifically, the FAS does not necessarily include the impacts of:

(i) the recent withdrawal of Government support for the Manoel Island project and the declarations made by Government of wanting to turn Manoel Island into a national park; and

(ii) the receipt of a judicial letter from the Government of Malta and the Lands Authority alleging breach of the Deed of Temporary Emphyteusis and threatening rescission of the concession granted by the 2000 Deed.

The Company advised that it has formally responded to this judicial letter, robustly asserting that it is not in breach of its obligations under the Deed. Concurrently, management advised that the Company has since entered into discussions with the Government, with a view to achieving a voluntary termination of the concession over Manoel Island as part of an equitable settlement.

All forward-looking statements and forecasts contained in the Financial Analysis Summary should therefore be interpreted in the context of these recent developments and the prevailing uncertainty, which may have a material impact on the Company's future performance, financial position, and its ability to implement its stated strategies.

Prior to these events, the Company's strategy was to refinance a portion of its outstanding bond through a new bank facility, for which a term sheet had already been secured. The Company advised that this refinancing was contingent upon the continued progress of the Manoel Island project, including the introduction of a strategic investor. Management indicated that the Company also planned to fund any balance of the bond repayment from internal resources. In view of the declarations made by the Government, management advised that the development of Manoel Island, including the introduction of a strategic investor, can no longer be pursued.

Considering the new circumstances, this strategy is currently under review, and will be influenced by the outcome of the ongoing discussions with the Government. Finally, the Company stated that it intends applying compensation received from the termination of the Manoel Island concession firstly to meet its repayment obligations under the bond.

3. Governance and Senior Management

The Board of MIDI consists of nine directors who are entrusted with the overall direction and management of the Company. The Board is currently composed of the following directors:

Board of Directors	Role
Dr Alec A. Mizzi	Chairman & Non-Executive Director
Mr Joseph Bonello	Non-Executive Director
Mr Joseph A. Gasan	Non-Executive Director
Ms Jacqueline Briffa	Non-Executive Director
Mr Joseph Said	Non-Executive Director
Mr Mark Portelli	Executive (Managing) Director, CEO
Mrs Marzena Formosa	Non-Executive Director *(appointed on 12 June 2025)*
Mr Jonathan Buttigieg	Non-Executive Director
Dr Sarah Mamo	Non-Executive Director

The Company Secretary is Dr Catherine Formosa.

Mr Alfredo Munoz Perez occupied the role of non-executive director until 12 June 2025.

Mr David Demarco occupied the role of non-executive director until 12 June 2025

The Issuer has a number of employees of its own. The executive management of MIDI is composed of the following:

Executive Management	Role
Mr Mark Portelli	Chief Executive Officer
Mr Jesmond Micallef	Chief Financial Officer
Mr Ivan Piccinino	Senior Project Manager

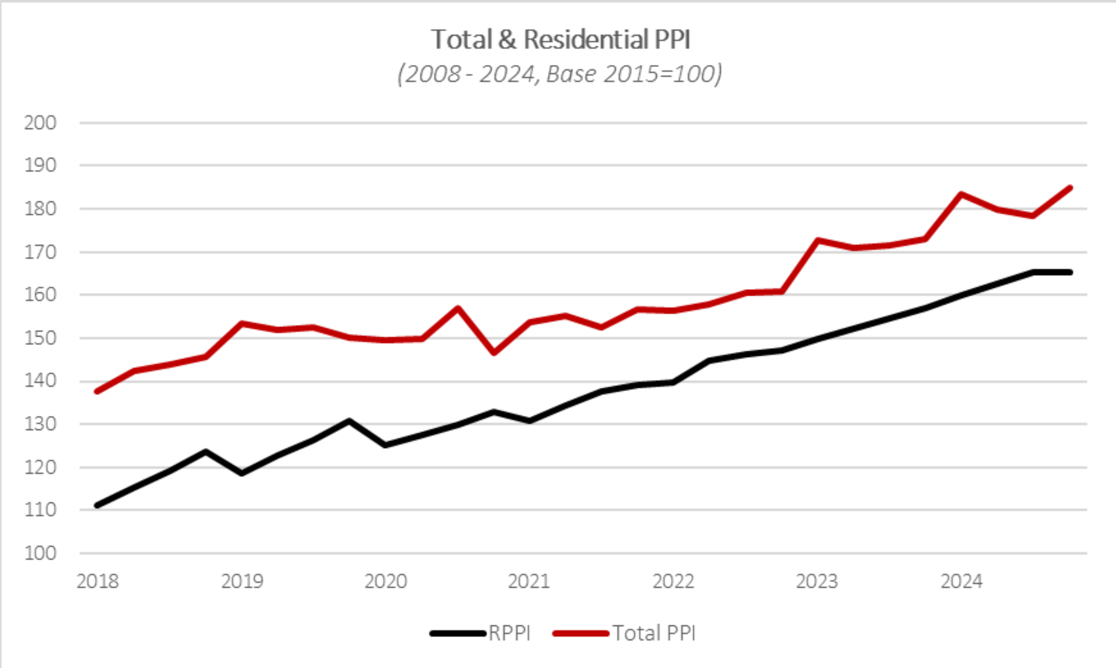
4. Market Overview

The Property Market

The construction and real estate sectors have traditionally been key pillars of the local economy and have also been the drivers of growth. In fact, the positive correlation between the performances of the local economy and the construction and real estate sectors has been particularly evident over the years.

The Residential Property Market in Malta

Following the disruption in the local economic momentum caused by COVID-19, data indicates that the construction and real estate sector has since completely recovered and reembarked on a growth trajectory.



The Property Price Index (PPI) published by the Central Bank of Malta, based on published prices, continued its upward trend in 2024, increasing by 5.6% to 181.6 points. This reflects sustained growth, although slightly moderated compared to the 8.3% rise in 2023.

A similar trend was also evident from the Residential Property Price Index (RPPI), published by the National Statistics Office (NSO), which includes data related to residential properties, i.e. apartments, houses and maisonettes, excluding other types of units. The RPPI reached 165.22 points in Q4 2024, marking a 5.2% year-on-year increase. This growth reflects ongoing demand in the housing market, with prices showing resilience despite broader economic uncertainties.

The underlying strength of the local residential property market is also evidenced by the number of approved development permits which increased by 7.4% to 8,716 compared to8,112 in 2023. Moreover, promise of sale agreements signed in 2024 amounted to 13,588, up from 13,185 in 2023 and the value of final deeds of sale in 2024 was up by 7.1% from 2023, to reach almost €3.5 billion in 2024.

The Commercial Property Market in Malta

In 2024, Malta's commercial real estate market continued to evolve amid changing work habits, tourism recovery, and rising sustainability awareness.

Market dynamics varied depending on the commercial use as described below.

- **Office Space:** Demand for premium office space in urban centres like Valletta, Sliema, and St. Julian's increased, with rental rates rising by 7%. However, hybrid work models persist, leading to reduced demand and higher vacancy rates in suburban areas such as Mosta and Birkirkara. Refurbished offices with modern amenities are maintaining stronger occupancy and pricing.
- **Retail Property:** Tourism has driven retail growth, particularly in Valletta, St. Julian's, and emerging hubs like Gżira and Ta' Xbiex. Rents in prime areas have increased by 9%. Suburban retail remains challenged, with vacancy rates above 15%.
- **Industrial & Logistics:** Ongoing supply shortages have pushed rents up by 8–10%, especially in key zones like Hal Far and Marsa. There is rising demand for energy-efficient and green-certified industrial facilities.
- **Hospitality:** The rebound in tourism is boosting demand for hospitality spaces in urban and coastal regions. Premium locations are commanding higher rates, with interest growing in eco-conscious and themed venues.

Sustainability is an emerging theme in the local commercial property space which is gaining traction as developers are increasingly integrating sustainable building practices. While demand for green-certified spaces is rising, Malta's overall real estate transparency remains low, with further progress needed in sustainability metrics and data availability.

Sources:

Central Bank of Malta – Property Prices Index - February 2025 [link]

NSO – Residential Property Price Index (RPPI) – Q4 2024 [link]

NSO – Residential Property Transactions – December 2024 [link]

QLC Real Estate Blog - "Malta Commercial Real Estate Market Update 2024" [link]

Times of Malta - "Perry Commercial Hub – Property Outlook 2024" [link]

Statista – Malta Commercial Real Estate Market Overview [link]

PwC Malta – Real Estate Transparency Report 2024 - "A Focus on Real Estate Transparency in Malta" [link]

5. REVIEW OF THE INCOME STATEMENT

<u>Note on revenue recognition from sale of property:</u> In terms of accounting standards, revenue arising from the Company's sale of property can only be recognised in its income statement when significant risks and rewards of ownership of the property being sold are effectively transferred to the buyer.

This means that while the Company has entered into a number of promise of sale agreements in relation to the 'Fortress Gardens' residential units and received the relative deposits. Nevertheless, such cash flows cannot be recognised as revenue until the deed of sale is published for each of the apartments, i.e. when the ownership of the property is completely transferred from the Company to the new owners.

	ACTUAL FY2022 €'000	ACTUAL FY2023 €'000	ACTUAL FY2024 €'000	FORECAST FY2025 €'000
Revenue	3,415	4,071	3,345	36,135
Cost of Sales	(1,113)	(1,234)	(1,437)	(27,045)
Gross Profit	**2,302**	**2,837**	**1,908**	**9,090**
Other net operating costs	(2,424)	(2,597)	(2,586)	(2,604)
EBITDA	**(122)**	**240**	**(678)**	**6,486**
Depreciation	(235)	(257)	(237)	(207)
Impairment on Inventories (Development Project)	-	(1,110)	(2,000)	-
Changes in fair value attributable to investment property	(1,050)	-	-	-
Results from operating activities	**(1,407)**	**(1,127)**	**(2,915)**	**6,279**
Net finance costs	(2,701)	(2,488)	(2,509)	(2,617)
Share of profit of joint venture	1,984	1,559	1,723	1,903
(Loss) / Profit before tax	**(2,124)**	**(2,057)**	**(3,701)**	**5,565**
Tax income / (expense)	(152)	538	(76)	(3,204)
(Loss) / Profit for the period	**(2,276)**	**(1,518)**	**(3,777)**	**2,361**

FY2024 REVIEW

The Group's revenue streams are divided into two main segments: (a) the development and sale of property, which comprises primarily the construction and sale of residential units within Tigné Point; and (b) rental and management of commercial property, which involves the leasing and management of retail space at Pjazza Tigné and the catering units situated at the foreshore at Tigné Point, income from the carpark (which is managed by a third party but which is subject to a fixed fee and a revenue sharing agreement), income from the Manoel Island Marina which is operated by a third party, as well as the operation of an HVAC centralised system and access control services at Tigné Point.

Revenue and Other Income Analysis by Operating Segment

	ACTUAL FY2022 €'000	ACTUAL FY2023 €'000	ACTUAL FY2024 €'000
Development and sale of property	229	888	128
Rental and management of commercial property	3,186	3,183	3,217
Total Revenue	**3,415**	**4,071**	**3,345**

Similar to FY2022 and FY2023, in FY2024, MIDI had no inventory of residential apartments which were subject to a promise of sale agreement and which could be delivered to their prospective owners. The revenue from 'development and sale of property' stood at €0.1 million reflecting the sale of car spaces within the Tigné complex. The Company launched the Q3 development, comprising 58 apartments and 5 penthouses. To date, 92% of these are subject to a promise of sale agreement. However, since revenue can be recorded in the Company's income statements once the final deeds are signed (commencing in FY2025) there was no revenue recorded pertaining to this development in FY2024.

Meanwhile, the 'rental and management of commercial property' segment contributed €3.2 million to the revenue of the Company for FY2024, similar to that generated by this segment in the previous year.

After deducting cost of sales of €1.4 million, the Group recorded a gross profit of €1.9 million, compared to €2.8 million in FY2023, during which revenue included the result of the sale of a large storeroom.

Other operating costs remained relatively unchanged from previous year, at €2.6 million. EBITDA was negative in FY2024, at €0.7 million, due to the lack of revenue sufficient to cover the operating expenses for the year. Depreciation charge for the year stood at €0.2 million (FY2023: €0.3 million).

In FY2024, MIDI carried out a review of the carrying amounts of its investment property and inventory portfolio. Taking into account the developments that took place during the financial year under review, the directors concluded that it would be prudent to write down the carrying value of inventory by €2 million, in the form of an impairment charge. The Company had net finance costs of €2.6 million in FY2024 and a share of profit from MKH (the owner and operator of several floors of The Centre) of €1.7 million. The latter sold the north facing office space at ground level during the financial year under review, although the impact on the income statement was not material, given the company held the investment property already at fair value on its statement of financial position. After accounting for these items, the loss before tax for the year stood at €3.7 million. Taxation was less than €0.1 million, reflecting the low levels of revenue, and the loss after tax stood at €3.8 million.

FORECASTS FY2025

FY2025 is expected to be characterised by the delivery of a good number of Q3 Fortress Gardens residential units (excluding the penthouses, which will all be available for delivery in 2026). The delivery of these units means that the Company would be in a position to sign the deed of sale on these apartments, which will, in turn, feature as revenue in the income statement for FY2025.

Related costs (including commissions and other related costs to this development) will be expensed in the current financial year, resulting in an EBITDA of €6.5 million. After deducting depreciation of €0.2 million, the result from operating activities for the year are expected to stand at €6.3 million. Net finance costs for the year are anticipated to be in the region of €2.6 million, reflecting a marginal increase in interest payable on borrowings drawn down by the Company during FY2025 in relation to the ongoing operations of the Group. Meanwhile, the share of profit from MKH for FY2025 is expected to be in the region of €1.9 million, up from €1.7 million in FY2024, largely as a result of contractual increases in rent.

After three consecutive years of net losses, the Group is expected to report a profit for the year of €2.4 million, net of €3.2 million of tax.

The FY2025 forecast income statement is not impacted by any activity related to the Manoel Island project phase.

6. Review of Cash Flows Statement

	ACTUAL	ACTUAL	ACTUAL	FORECAST
	FY2022	FY2023	FY2024	FY2025
	€'000	*€'000*	*€'000*	*€'000*
Net cash from / (used for) operating activities	(9,307)	18,029	(10,909)	(8,710)
Net cash from investing activities	1,563	5,299	2,358	900
Free Cash Flow	**(7,745)**	**23,328**	**(8,551)**	**(7,810)**
Net cash from / (used for) financing activities	2,997	(6,729)	198	2,000
Net movements in cash and cash equivalents	**(4,748)**	**16,599**	**(8,353)**	**(5,810)**
Cash and cash equivalents at beginning of the year	9,750	5,002	21,600	13,247
Cash and cash equivalents at end of year	**5,002**	**21,600**	**13,247**	**7,437**

FY2024 Review

The Group's cash flows statement for FY2024 was characterised by the continued works at Q3. The cashflows used in operations reflect the increase in the use of cash flows in the build up of inventory, primarily, net of the decrease in trade and other payables as the development neared its completion stages. The net cash used for operations during FY2024 amounted to just under €11 million.

Meanwhile, net cash from investing activities included primarily the dividend received from MKH, of €2.4 million. Cashflows from financing activities reflect the effect of drawdowns on bank borrowings of €4 million, net of repayments of €1.8 million and dividends paid amounting to €1.9 million.

After taking into account the opening cash balances for the year of €21.6 million, the closing cash for the year was €13.2 million.

Forecasts FY2025

During FY2025, the Group is expected to complete the Q3 development, resulting in a further build-up of inventory and the movements in working capital reflecting the recognition of revenue from the delivery of the units. Expected net cash used for operations is expected to amount to €8.7 million.

Net cash from investing activities are anticipated to amount to €0.9 million, reflecting the dividend from MKH for the year. Meanwhile, net cash flows from financing activities are anticipated to amount to €2 million, reflecting additional drawdowns of the Q3 development loan and additional usage of the general revolving facility.

Overall, the Group is anticipating a net cash outflow of €5.8 million and as a result its cash balance is expected to drop from €13.2 million as at the end of FY2024 to €7.4 million as at the end of FY2025.

The FY2025 forecast cash flows do not include any flows attributable to the Manoel Island project.

7. Review of Statement of Financial Position

	ACTUAL	ACTUAL	ACTUAL	FORECAST
	FY2022	FY2023	FY2024	FY2025
	€'000	€'000	€'000	€'000
ASSETS				
Property, plant and equipment	2,026	1,917	1,722	1,515
Right of Use Asset	12,485	12,314	12,168	12,261
Investment property	36,232	36,232	36,232	36,232
Investment in joint ventures	31,929	28,095	27,438	28,441
Available-for-sale financial assets	447	453	455	455
Loans receivable from joint ventures	-	-		
Deferred tax assets	57	695	676	676
Total non-current assets	**83,175**	**79,706**	**78,689**	**79,580**
Inventories - development project	140,571	150,369	163,329	150,780
Trade and other receivables	3,102	3,066	3,411	3,077
Current tax asset	-	-		
Cash and cash equivalents	5,002	21,601	13,248	7,437
Total current assets	**148,675**	**175,036**	**179,988**	**161,294**
Total assets	**231,850**	**254,742**	**258,677**	**240,874**
LIABILITIES				
Borrowings	62,667	57,535	59,752	-
Lease Liabilities	14,238	14,923	15,440	15,440
Trade and other payables	3,577	34,825	24,116	-
Total non-current liabilities	**80,483**	**107,283**	**99,308**	**15,440**
Borrowings	-	-	-	61,898
Lease Liabilities	1,265	633	1,265	1,265
Trade and other payables	48,828	47,507	64,718	66,523
Total current liabilities	**50,093**	**48,140**	**65,983**	**129,686**
Total liabilities	**130,576**	**155,423**	**165,291**	**145,126**
EQUITY				
Share capital	42,832	42,832	42,832	42,832
Share premium	15,879	15,879	15,879	15,879
Other reserves	2,455	2,018	1,789	1,789
Retained earnings	40,109	38,591	32,887	35,248
Total equity	**101,275**	**99,320**	**93,386**	**95,748**
Total equity and liabilities	**231,850**	**254,742**	**258,677**	**240,874**

FY2024 Review

MIDI's asset base at the end of FY2024 stood at €258.7 million (FY2023: €254.7 million). The split remained largely unchanged. Non-current assets were marginally lower at €78.7 million (FY2023: €79.7 million), reflecting the dividend paid by MKH, which led to the value of the investment in MIDI's books to decline to €27.4 million (FY2023: €28.1 million).

While the composition of current assets remained unchanged, the value of the components thereof was varied when compared to previous year. The value of inventory increased (to €163.3 million from €150.4 million a year earlier), reflecting the additional work undertaken by the Group, primarily related to the development of the Fortress Gardens through the deployment of available cash balances, which declined from €21.6 million to €13.2 million by the end of FY2024.

The Group's borrowings increased by just over €2 million by the end of FY2024, reflecting a drawdown on the Group's revolving credit facility, which falls outside the scope of Q3 development. The lease liability increased during FY2024.

There was a further increase in total trade and other payables, primarily reflecting deposits received on account, which at the end of FY2024 amounted to €37.2 million (FY2023: €31.2 million). There was a shift of a substantial part of these deposits from non-current to current liabilities, reflecting the Company's plans to start delivering the units at Fortress Gardens within 12 months from year end, during FY2025.

The Group's equity declined from €99.3 million at the end of FY2023 to €93.4 million at the end of FY2024, reflecting the losses made during the year and the dividends paid.

Forecasts FY2025

FY2025 is the year when MIDI is expected to start signing deed of sale of the units at Q3 - Fortress Gardens, which will entail the recognition of revenue thereof as well as the reduction of the asset base following the sale of said units. In fact, by the end of FY2025, the Company's total asset value is expected to decline to €240.9 million, with most of the reduction recorded in inventory and cash which is used for both the finishing works of the Q3 development as well as part settlement of associated bank funding.

The delivery of these units will affect the level of the trade payables, where the deposits for the remaining units will shift from non-current to current as the said units are set to be delivered during the course of FY2026.

The Group's bank borrowings dedicated for the Fortress Gardens, as well as the bond issue will also become due during FY2026, and as such, the balances have been moved to current liabilities.

Equity is anticipated to increase in FY2025 to €95.7 million, reflecting the profit for the year.

The forecast FY2025 statement of financial position continues to reflect the carrying amount of inventories attributable to the Manoel Island project phase. The recovery of these amounts is influenced by the outcome of the negotiations with Government as referred to previously.

NET ASSET VALUE

	ACTUAL FY2022	ACTUAL FY2023	ACTUAL FY2024	FORECAST FY2025
Total Equity	101,275	99,320	93,386	95,748
Number of Shares in Issue	214,159,922	214,159,922	214,159,922	214,159,922
NAV per Share	**0.473**	**0.464**	**0.436**	**0.447**

The Group's net asset value for FY2024 was reflective of the net loss recognised during the said financial year. The NAV at the end of FY2025 is expected to reflect the profitability anticipated in the said financial year following the delivery of a number of units at Q3 - Fortress Gardens.

8. Ratio Analysis

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

Note: where the ratios were non-comparable because of a negative return or a negative result, the ratio has been recorded as 'n/a'.

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.

	ACTUAL	*ACTUAL*	*ACTUAL*	*FORECAST*
for the year ended 31 December	**FY2022**	**FY2023**	**FY2024**	**FY2025**
Gross Profit margin *(Gross Profit / Revenue)*	67.41%	69.68%	57.04%	25.16%
EBITDA margin *(EBITDA / Revenue)*	n/a	5.90%	n/a	17.95%
Operating Profit margin *(Operating Profit / Revenue)*	n/a	n/a	n/a	17.38%
Net Profit margin *(Profit for the period / Revenue)*	n/a	n/a	n/a	6.53%
Return on Equity *(Profit attributable to owners of the Company / Average Equity attributable to owners of the Company)*	n/a	n/a	n/a	2.50%
Return on Capital Employed *(Profit for the period / Average Capital Employed)*	n/a	n/a	n/a	1.52%
Return on Assets *(Profit for the period / Average Assets)*	n/a	n/a	n/a	0.95%

Given that no property sales were executed in FY2024, MIDI's performance weakened considerably as explained in section 5. As a result, in FY2024, the Group reported a loss for the year thereby the above ratios could not be estimated. Given the delivery of a significant amount of units from the Q3-Fortress Gardens development in FY2025, the Group is anticipating a profit for the current financial year. This means that the performance-related ratios will turn positive, reflecting a return to the Company accordingly.

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	*ACTUAL*	*ACTUAL*	*FORECAST*
for the year ended 31 December	FY2022	FY2023	FY2024	FY2025
Current Ratio *(Current Assets / Current Liabilities)*	2.97x	3.64x	2.73x	1.24x
Cash Ratio *(Cash & cash equivalents / Current Liabilities)*	0.10x	0.45x	0.20x	0.06x

The weakening of the liquidity ratios in FY2024 are primarily reflective of the shift of the deposits in connection with the Q3 development from non-current to current liabilities

During FY2025, the said ratios are expected to become even weaker, as in addition to the shift of the remaining deposits from non-current to current liabilities, there will also be a lower level of inventory (reflecting the sale of a substantial amount of units at Fortress Gardens), and the shift of the borrowings (both bank and bond) to current liabilities as these become due within less than 12 months from year-end FY2025.

Solvency Ratios

NB – solvency ratios are computed without taking into account the leases as a financing liability.

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

	ACTUAL	*ACTUAL*	*ACTUAL*	*FORECAST*
	FY2022	FY2023	FY2024	FY2025
Interest Coverage ratio *(EBITDA / Net finance costs)*	n/a	0.10x	n/a	2.48x
Gearing Ratio *(Net debt / [Net Debt + Total Equity])*	0.36x	0.27x	0.33x	0.36x
Gearing Ratio (2) *[Total debt / (Total Debt plus Total Equity)]*	38.23%	36.68%	39.02%	39.26%
Net Debt to EBIDTA *(Net Debt / EBIDTA)*	n/a	149.71x	n/a	8.40x

EBITDA generation by the Group in FY2024 was negative and as such, the ratios using the said metric could not be computed.

Meanwhile, the Group's gearing remained at strong levels in FY2024, despite the reduction in cash balances as the Company utilised cash balances to continue with the finishing works of Q3 - Fortress Gardens, and that total borrowings increased by just over €2 million during the said financial year.

For FY2025, the Group is anticipating a return to profitability, reflecting the delivery of units at the Fortress Gardens, thereby recognising the revenue therefrom which will result in a positive EBITDA. The gearing of the Company is anticipated to be marginally weaker, as cash balances continue to decline and additional drawdowns are made, primarily in line with the necessary funds needed to complete the finishing works at the said development.

ADDITIONAL RATIOS

The following additional ratios are being computed in relation to the listed shares of the Company:

	ACTUAL FY2022	*ACTUAL* FY2023	*ACTUAL* FY2024	*ACTUAL* FY2025
Earnings per Share (EPS) *(Net profit / No. of shares in issue)*	N/A	N/A	N/A	€0.0110
Dividend Cover *(EPS / Dividend paid per share)*	N/A	N/A	N/A	N/A
NAV per Share	**0.473**	**0.464**	**0.436**	**0.450**

The EPS can only be computed for years in which the Group registers a profit and since for the historic financial periods there was no profitability, this cannot be computed. This effects also the computation of the Dividend Cover ratio, which uses EPS. Meanwhile, the anticipation of profitability in FY2025 means that the EPS can be computed for the said financial year. There has been no declaration of a dividend during FY2025 that reflect a dividend on the FY2024 results, and as such, the dividend cover cannot be computed.

9. Variance Analysis

	FORECAST	ACTUAL	
for the year ended 31 December	FY2024	FY2024	*Variance*
	€'000	*€'000*	
Revenue	3,138	3,345	*6.6%*
Cost of Sales	(1,338)	(1,437)	*-7.4%*
Gross Profit	**1,800**	**1,908**	*6.0%*
Other net operating costs	(2,552)	(2,586)	*-1.3%*
EBITDA	**(752)**	**(678)**	*9.9%*
Depreciation	(256)	(237)	*7.4%*
Impairment on Inventories (Development Project)	-	(2,000)	*n/a*
Results from operating activities	**(1,008)**	**(2,915)**	*-189.2%*
Net finance costs	(2,449)	(2,509)	*-2.4%*
Share of (loss)/profit of joint venture	1,689	1,723	*2.0%*
(Loss) / Profit before tax	**(1,768)**	**(3,701)**	*-109.3%*
Tax income / (expense)	(361)	(76)	*78.9%*
(Loss) / Profit for the period	**(2,129)**	**(3,777)**	*-77.4%*

Variances in the income statement of MIDI for FY2024 that were in excess of 10% were two:

i) an impairment of inventory of €2 million; and

ii) utilisable tax losses that reduced the tax due for the year.

The above variances led to differences in the actual results compared to those originally forecast by the Group, principally a lower EBITDA and a higher operating loss, and a higher loss after taxation in FY2024.

SHARES

MIDI's shares have been listed on the Official List of the Malta Stock Exchange since the IPO in December 2010.

Issued Share Capital: 214,159,922 ordinary shares with a nominal value of €0.20 per share

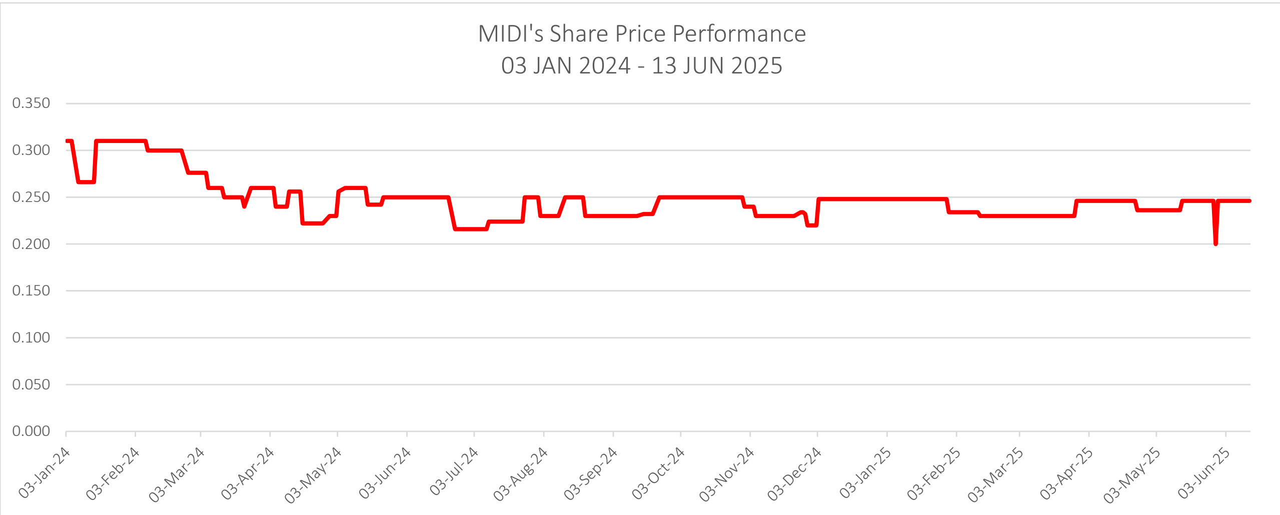
ISIN: MT0000420126

Highest price in 2024: €0.310

Lowest price in 2024: €0.216

Closing price in 2024: €0.248

Current price: €0.246 *(as at 13 June 2025)*



Enterprise Value (EV)[1]: €99.2 million

Price to Earnings (P/E) Ratio[2]: N/A

[1] *Based on the market capitalisation as at 13 June 2025 and the figures extracted from the Statement of Financial Position as at 31 December 2024.*

[2] *The Company made a loss in FY2024 and as such the P/E ratio cannot be determined.*

DEBT SECURITIES

MIDI's listed debt securities comprise:

Bond:	€50 million 4% Secured Bonds 2026
ISIN:	MT0000421223
Redemption date:	27 July 2026 at par
Prospectus dated:	28 June 2016

PART D COMPARATIVES

The table below compares MIDI's financial metrics to those of other companies which have debt securities listed on the Malta Stock Exchange with a similar maturity as that of the Company.

It is to be noted, however, that there are significant differences in the business models of each of the listed companies being compared below and an exact match to the operations and business of the Issuer is not available. Thus, while the metrics below can be used as a gauge of MIDI's financial strength against other issuers listed locally, they do not capture the quantitative factors such as the differences in business models of each issuer, their competitive position in the market, KPIs, etc.

Bond Details	Outstanding Amount	Gearing Ratio*	Net Debt to EBIDTA	Interest Cover**	YTM^
4.00% MIDI plc 2026 (Secured)	**50,000,000**	**33.2%**	**N/A**	**N/A**	**6.87%**
4.00% Int. Hotel Investments plc 2026 (Secured)	55,000,000	41.7%	8.6	1.8	4.51%
4.00% Int. Hotel Investments plc 2026 (Unsecured)	60,000,000	41.7%	8.6	1.8	4.37%
3.90% Plaza Centres plc 2026 (Unsecured)	4,900,000	15.4%	2.3	101.4	3.89%
3.25% AX Group plc 2026 (Unsecured)	15,000,000	41.6%	8.2	2.8	4.46%
3.75% Premier Capital plc 2026 (Unsecured)	65,000,000	39.0%	0.6	83.1	5.21%

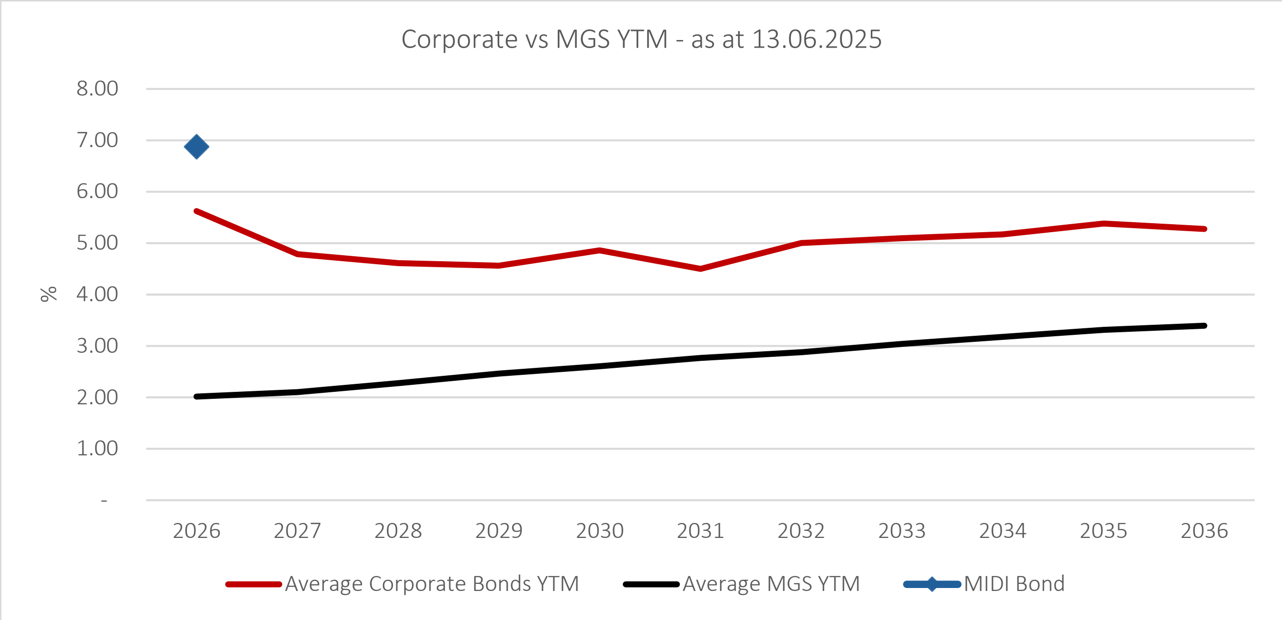
Source: Yield to Maturity from rizzofarrugia.com based on bond prices of 13 June 2025. Ratio workings and financial information quoted have been based on the respective issuers' published financial data (or their guarantors, where and as applicable) available as at 13 June 2025. Where negative, the respective ratios are marked as 'n/a' due to their incomparability.

^Yield to Maturity (YTM) based on bond prices as at 13 June 2025.

**Gearing Ratio: Net Debt / (Net Debt + Equity)*

*** Interest cover: EBITDA / Net Finance Cost excluding interest expense on lease liabilities*

The chart overleaf shows the average yield to maturity of the MIDI bond compared to other corporate bonds listed on the Malta Stock Exchange and benchmarked against the Malta Government Stock yield curve as at 13 June 2025.



At a coupon of 4.00% per annum, the MIDI Bond 2026 currently yields 6.87%, which is approximately 486 basis points over the average yield to maturity of Malta Government Stock (MGS) maturing in 2026 and at a premium of approximately 125 basis points over the average yield to maturity of corporate bonds maturing in 2026 (data correct as at 13 June 2025).

PART E GLOSSARY

INCOME STATEMENT EXPLANATORY DEFINITIONS

Revenue	Total revenue generated by the company from its business activity during the financial year.
EBITDA	Earnings before interest, tax, depreciation and amortisation, reflecting the company's earnings purely from operations.
Normalisation	Normalisation is the process of removing non-recurring expenses or revenue from a financial metric like EBITDA, EBIT or earnings. Once earnings have been normalised, the resulting number represents the future earnings capacity that a buyer would expect from the business.
EBIT	Earnings before interest and tax.
Depreciation and Amortization	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.
Finance Costs	Interest accrued on debt obligations.
Net Profit	The profit generated in one financial year.

CASH FLOW STATEMENT EXPLANATORY DEFINITIONS

Cash Flow from Operating Activities	The cash used or generated from the company's 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.
Free Cash Flow (FCF)	FCF represents the amount of cash remaining from operations after deducting capital expenditure requirements.
Cash Flow from Financing Activities	The cash used or generated from financing activities including new borrowings, interest payments, repayment of borrowings and dividend payments.

STATEMENT OF FINANCIAL POSITION EXPLANATORY DEFINITIONS

Assets	What the company owns which can be further classified in Current and Non-Current Assets.
Non-Current Assets	Assets, full value of which will not be realised within the forthcoming accounting year.
Current Assets	Assets which are realisable within one year from the statement of financial position date.
Liabilities	What the company owes, which can be further classified in Current and Non-Current Liabilities.
Current Liabilities	Obligations which are due within one financial year.

Non-Current Liabilities	Obligations which are due after more than one financial year.
Equity	Equity is calculated as assets less liabilities, representing the capital owned by the shareholders, retained earnings, and any reserves.

Profitability Ratios

Gross Profit Margin	Gross profit as a percentage of total revenue.
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	Return on equity (ROE) measures the rate of return on the shareholders' equity of the owners of issued share capital, computed by dividing profit after tax by average shareholders' equity.
Return on Capital Employed	Return on capital employed (ROCE) indicates the efficiency and profitability of a company's capital investments, estimated by dividing the profit for the period by capital employed.
Return on Assets	Return on assets (ROA) measures the rate of return on the assets of the company. This is computed by dividing profit after tax by average total assets.

Liquidity Ratios

Current Ratio	The current ratio is a financial ratio that measures whether a company has enough resources to pay its debts over the next 12 months. 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 used to finance a company's assets.
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.

Other Definitions

Yield to Maturity	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.