

# **THE ONA PROPERTY DEVELOPMENT LTD**

**FINANCIAL STATEMENTS**

***FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2025***

**Company No. C- 101370**

# THE ONA PROPERTY DEVELOPMENT LTD

## DIRECTORS' REPORT

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# THE ONA PROPERTY DEVELOPMENT LTD

## DIRECTORS' REPORT

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|                    |   |
|--------------------|---|
| Directors:-        | Ms. Cliona Muscat<br>Mr. Justin Cutajar (resigned on 30 January 2026)   |
| Company secretary: | Ms. Cliona Muscat   |
| Company number:    | C-101370  |
| Registered Office: | AC Hotel St. Julians<br>13, Lourdes Lane<br>San Giljan, STJ 3311<br>Malta   |
| Bankers:           | MeDirect Bank (Malta) p.l.c.<br>The Centre,<br>Tigné Point,<br>Sliema, Malta<br><br>Izola Bank P.L.C<br>53/58 East Street,<br>Valletta, Malta |
| Auditors:          | VCA Certified Public Accountants<br>Finance House, First Floor,<br>Princess Elizabeth Street<br>Ta' Xbiex XBX 1102<br>Malta                   |

# THE ONA PROPERTY DEVELOPMENT LTD

## DIRECTORS' REPORT

FOR THE YEAR ENDING 31 DECEMBER 2025

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The Directors present their report and the audited financial statements of The Ona Property Development Ltd for the year ended 31st December 2025.

### Principal activities

The principal activity of the Company, which is unchanged since last year, is the holding of property held for development and resale through direct investment and through its subsidiary Acnus Property Development Limited and the holding of investment property.

### Review of business

During the year under review, the Company registered an operating profit of €640,477 (2024: operating loss of €10,486) on €2,873,200 revenue (2024: €Nil). After the deduction of finance costs and loss on impairment of investment property in FY 2024, the Company made a profit before taxation of €542,451 (2024 loss before taxation: €1,056,732).

### Results and dividends

The results for the year are shown in the statement of comprehensive income on page 4. The Directors do not recommend the payment of a final dividend and propose to transfer the retained profit to reserves.

### Directors

The Directors in office at the end of the year are listed above.

The Directors served on the board throughout the year and in accordance with the Company's memorandum and articles of association, all the Directors are to remain in office

# THE ONA PROPERTY DEVELOPMENT LTD

## DIRECTORS' REPORT

FOR THE YEAR ENDING 31 DECEMBER 2025

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### Directors' Responsibilities

The Directors are required by the Companies Act (Chap. 386) to prepare financial statements in accordance with International Financial Reporting Standards as adopted by the EU which give a true and fair view of the state of affairs of the Company at the end of each financial year and of the profit or loss for the year then ended.

In preparing the financial statements, the director should: -

Select suitable accounting policies and apply them consistently.

Make judgements and estimates that are reasonable; and

Prepare the financial statements on a going concern basis, unless it is inappropriate to presume that the Company will continue in business as a going concern.

The Directors are responsible for ensuring that proper accounting records are kept which disclose with reasonable accuracy at any time the financial position of the Company and which enable the Directors to ensure that the financial statements comply with the Companies Act (Chap. 386). This responsibility includes designing, implementing and maintaining 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. The Directors 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

A resolution to reappoint VCA Certified Public Accountants as auditor of the company will be proposed at the forthcoming annual general meeting.

This report was approved by the board of Directors and authorized for issue on 29 April 2026 and signed on its behalf by:



Ms. Gliona Muscat  
Director

# THE ONA PROPERTY DEVELOPMENT LTD

## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2025

|  |              | Company<br>2025<br>€ | Company<br>2024<br>€ |
|--|--------------|----------------------|----------------------|
|  | <i>Notes</i> |                      |                      |
| Revenue  | 3.1          | 2,873,200            | -                    |
| Cost of sales  | 3.3          | (2,050,011)          | -                    |
| Direct costs   | 3.3          | (149,372)            | -                    |
| <b>Gross profit</b>                                    |              | <b>673,817</b>       | -                    |
| Administrative expenses                                | 3.3          | (33,340)             | (10,486)             |
| <b>Operating profit/(loss)</b>                         |              | <b>640,477</b>       | <b>(10,486)</b>      |
| Finance costs  | 8.5          | (98,026)             | (94,787)             |
| Other operating income                                 | 12.2         | -                    | 48,541               |
| Impairment loss on investment property                 | 10           | -                    | (1,000,000)          |
| <b>Profit/ (loss) before taxation</b>                  |              | <b>542,451</b>       | <b>(1,056,732)</b>   |
| Tax (charge)/ credit                                   | 12.1         | (221,975)            | 72,719               |
| <b>Profit/ (loss) after taxation</b>                   |              | <b>320,476</b>       | <b>(984,013)</b>     |
| <b>Total comprehensive profit/ (loss) for the year</b> |              | <b>320,476</b>       | <b>(984,013)</b>     |
| <b>Profit/ (loss) attributable to:</b>                 |              |                      |                      |
| Equity holders of the Company                          |              | <b>320,476</b>       | <b>(984,013)</b>     |

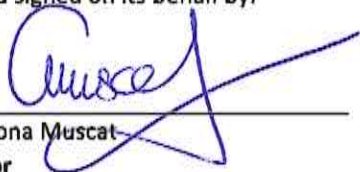
# THE ONA PROPERTY DEVELOPMENT LTD

## STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025

|  | Notes | Company<br>2025<br>€ | Company<br>2024<br>€ |
|--|-------|----------------------|----------------------|
| <b>ASSETS</b>                              |       |                      |                      |
| <b>Non-current assets</b>                  |       |                      |                      |
| Investment property                        | 10    | -                    | 1,700,000            |
| Investment in associates and joint venture | 5     | <b>3,655,913</b>     | 152,500              |
| Trade and other receivables                | 7.6   | -                    | 2,578,898            |
|  |       | <b>3,655,913</b>     | <b>4,431,398</b>     |
| <b>Current assets</b>                      |       |                      |                      |
| Inventories                                | 4.1   | <b>8,433,016</b>     | 7,165,723            |
| Trade and other receivables                | 7.6   | <b>2,063,006</b>     | 1,500,111            |
| Cash at bank and in hand                   |       | <b>929,263</b>       | 53,751               |
|  |       | <b>11,425,285</b>    | <b>8,719,585</b>     |
| <b>TOTAL ASSETS</b>                        |       | <b>15,081,198</b>    | <b>13,150,983</b>    |
| <b>EQUITY AND LIABILITIES</b>              |       |                      |                      |
| <b>Equity</b>                              |       |                      |                      |
| Share capital                              | 14.1  | <b>1,200</b>         | 1,200                |
| Retained earnings                          |       | <b>1,035,205</b>     | 714,729              |
| <b>Total equity</b>                        |       | <b>1,036,405</b>     | <b>715,929</b>       |
| <b>Liabilities</b>                         |       |                      |                      |
| <b>Non-current liabilities</b>             |       |                      |                      |
| Long term borrowings                       | 8.4   | <b>648,969</b>       | 4,555,206            |
| Other financial liabilities                | 8.4   | <b>4,850,000</b>     | 4,850,000            |
| Deferred tax liability                     | 12.1  | -                    | 136,000              |
|  |       | <b>5,498,969</b>     | <b>9,541,206</b>     |
| <b>Current liabilities</b>                 |       |                      |                      |
| Short term borrowings                      | 8.4   | <b>5,479,873</b>     | 1,297,507            |
| Trade and other payables                   | 8.7   | <b>1,927,617</b>     | 1,035,338            |
| Other financial liabilities                | 8.4   | <b>1,115,668</b>     | 538,337              |
| Current tax liability                      | 12.1  | <b>22,666</b>        | 22,666               |
|  |       | <b>8,545,824</b>     | <b>2,893,848</b>     |
| <b>Total liabilities</b>                   |       | <b>14,044,793</b>    | <b>12,435,054</b>    |
| <b>TOTAL EQUITY AND LIABILITIES</b>        |       | <b>15,081,198</b>    | <b>13,150,983</b>    |

These financial statements on pages 4 to 26 were approved and authorised for issue by the board of Directors on the 29 April 2026 and signed on its behalf by:



Ms. Cliona Muscat  
Director

# THE ONA PROPERTY DEVELOPMENT LTD

## STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2025

|                                    | Share<br>Capital<br>€ | Fair value<br>Gain reserve<br>€ | Retained<br>Earnings<br>€ | Total<br>€       |
|------------------------------------|-----------------------|---------------------------------|---------------------------|------------------|
| <b>As at 1 January 2024</b>        | 1,200                 | 836,052                         | 862,690                   | 1,699,942        |
| Cancelled upon impairment of IP    | -                     | (836,052)                       | 836,052                   | -                |
| Loss for the year                  | -                     | -                               | (984,013)                 | (984,013)        |
| <b>Balance at 31 December 2024</b> | <b>1,200</b>          | <b>-</b>                        | <b>714,729</b>            | <b>715,929</b>   |
| <u>Comprehensive income</u>        |                       |                                 |                           |                  |
| Profit for the year                | -                     | -                               | 320,476                   | 320,476          |
| <b>Balance at 31 December 2025</b> | <b>1,200</b>          | <b>-</b>                        | <b>1,035,205</b>          | <b>1,036,405</b> |

# THE ONA PROPERTY DEVELOPMENT LTD

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2025

|  | Note | 2025<br>€          | 2024<br>€          |
|--|------|--------------------|--------------------|
| <b>Cash flows from operating activities</b>                        |      |                    |                    |
| Profit/ (loss) before taxation                                     |      | 542,451            | (1,056,732)        |
| <i>Adjustments for:</i>  |      |                    |                    |
| Finance costs  |      | 98,026             | 94,787             |
| Impairment of investment property                                  |      | -                  | 1,000,000          |
| <b>Operating profit before working capital changes</b>             |      | <b>640,477</b>     | <b>38,055</b>      |
| Movement in receivables  | 7.6  | (3,928,204)        | 697,852            |
| Movement in payables   | 8.7  | 892,277            | 488,712            |
| <b>Cash (used in)/ generated from operations</b>                   |      | <b>(2,851,451)</b> | <b>1,224,619</b>   |
| Income tax paid  | 12.1 | (357,975)          | (18,069)           |
| Income tax refund  | 12.1 | -                  | 15,385             |
| Interest paid  | 8.5  | (98,026)           | (94,787)           |
| <b>Net cashflows generated from operating activities</b>           |      | <b>(2,851,451)</b> | <b>1,127,148</b>   |
| <b>Cash flows from investing activities</b>                        |      |                    |                    |
| Investment in joint venture  |      | -                  | (150,000)          |
| Investment Property  |      | 1,700,000          | -                  |
| Acquisition of property held for resale                            |      | (1,267,293)        | (2,102,711)        |
| <b>Net cashflows generated from/(used in) investing activities</b> |      | <b>432,707</b>     | <b>(2,252,711)</b> |
| <b>Cash flows from financing activities</b>                        |      |                    |                    |
| Related parties  |      | 3,018,125          | 41,670             |
| Movement in bank loans   |      | 245,101            | 1,007,690          |
| <b>Net cashflows generated from financing activities</b>           |      | <b>3,263,226</b>   | <b>1,049,360</b>   |
| <b>Net movement in cash and cash equivalents</b>                   |      | <b>844,482</b>     | <b>(76,203)</b>    |
| Cash and cash equivalents at the beginning of the year             |      | (1,151,638)        | (1,075,434)        |
| <b>Cash and cash equivalents at the end of the year</b>            | 7.8  | <b>(307,156)</b>   | <b>(1,151,637)</b> |

# THE ONA PROPERTY DEVELOPMENT LTD

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

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### 1. Basis of preparation

#### 3.1. Information about the Company

The Ona Property Development Ltd (the 'Company') is a limited liability company domiciled and incorporated in Malta. The registered office of the company is AC Hotel St. Julians 13, Lourdes Lane, San Giljan STJ 3311, Malta.

These financial statements were approved for issue by the Directors on 29 April 2026.

The Company forms part of a Group of companies, the ultimate beneficial owner being The Ona p.l.c.

#### 3.2. Basis of preparation

##### **Compliance with IFRS and with the Maltese Companies Act**

The financial statements of the Company and the consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and in accordance with the requirements of the Companies Act (Cap. 386) of the Laws of Malta.

##### **Cost convention and presentation currency**

These financial statements have been prepared under the historical cost convention and are presented in euro ("€"), which is also the Company's functional currency and the currency in which its share capital is denominated.

##### **Voluntary change in accounting policy**

With effect from these financial statements, the Company has elected to present its notes by giving prominence to the areas of its activities that the directors consider to be most relevant to an understanding of the Company's financial performance and financial position. This change in accounting policy has impacted the systematic manner in which notes are grouped within the financial statements, but has not had any impact on the amounts recognised within the financial statements. Prior to the change in accounting policy, the notes to the financial statements were grouped following the order of the line items in the statement of financial position, income statements and statements of other comprehensive income and cash flows. Comparative information has been presented and disclosed in a manner that complies with this year's presentation.

##### **Use of judgements and estimates**

The preparation of financial statements requires the use of accounting estimates which, by definition, will likely differ from the actual results. Management also needs to exercise judgement in applying the group's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to final outcomes deviating from estimates and assumptions made. Information about key judgements made in applying accounting policies, together with estimates made at the reporting date, that have the most significant effects on the amounts recognised in these consolidated financial statements is disclosed in the following notes:

- a) Credit risk: estimates and assumptions made in measuring expected credit loss allowances on loans and advances. Note 7.9
- b) Taxes: judgement made in determining the amount of deferred tax asset that can be recognised. Note 12.1
- c) NRV of inventories – estimates and assumptions made in determining the NRV of properties held for re-sale. Note 4

#### 3.3. Going concern basis

As at the date of signing these financial statements, based on the information currently available, the Directors confirm that they have reasonable expectation that the Company have adequate resources to continue in operation for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing these financial statements.

# THE ONA PROPERTY DEVELOPMENT LTD

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

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### 2. Standards, interpretations and amendments to published standards that are not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

#### IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 *Presentation of Financial Statements*. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new. The standard requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and it also includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements (PFS) and the notes.

In addition, narrow-scope amendments have been made to IAS 7 *Statement of Cash Flows*, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest.

In addition, there are consequential amendments to several other standards. IFRS 18, and the amendments to the other standards, are effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively.

The Company is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements. The initial expected material impacts on Company's financial statements are, as follows:

- a) New disclosure will be added:
  - a. management-defined performance measures;
  - b. specified expense by nature if expenses are presented by function in the operating category of the statement of profit or loss;
  - c. a reconciliation for each line item in the statement of profit or loss between the restated amounts presented applying IFRS 18 and the amounts previously presented applying IAS 1.
- b) Interest received and interest paid will be classified in the investing activities and financing activities, respectively, on the statement of cash flows.

#### IFRS 19 Subsidiaries without Public Accountability

In May 2024, the IASB issued IFRS 19, which allows eligible entities to elect to apply its reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in IFRS 10, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares consolidated financial statements, available for public use, which comply with IFRS accounting standards. IFRS 19 will become effective for reporting periods beginning on or after 1 January 2027, with early application permitted.

As the Company forms part of a Group that has instruments which are publicly traded, it is not eligible to elect to apply IFRS 19.

# THE ONA PROPERTY DEVELOPMENT LTD

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 2. Standards, interpretations and amendments to published standards that are not yet effective – continued

#### Amendments to the Classification and Measurement of Financial Instruments—Amendments to IFRS 9 and IFRS 7

In May 2024, the IASB issued *Amendments to IFRS 9 and IFRS 7, Amendments to the Classification and Measurement of Financial Instruments* (the Amendments). The Amendments include:

- A clarification that a financial liability is derecognised on the 'settlement date' and the introduction of an accounting policy choice (if specific conditions are met) to derecognise financial liabilities settled using an electronic payment system before the settlement date
- Additional guidance on how the contractual cash flows for financial assets with environmental, social and corporate governance (ESG) and similar features should be assessed
- Clarifications on what constitute 'non-recourse features' and what are the characteristics of contractually linked instruments
- The introduction of disclosures for financial instruments with contingent features and additional disclosure requirements for equity instruments classified at fair value through other comprehensive income (OCI)

The Amendments are effective for annual periods starting on or after 1 January 2026 with early adoption permitted for classification of financial assets and related disclosures only.

The Company does not anticipate that the amendments will have a material effect on the Company's financial statements.

### 3. Revenue from contracts with customers

The Company earns revenue from operations within the property industry. Revenue is recognised in accordance with the policies set out below. Wherever the Company collects the transaction price in advance of providing the related service or good, the Company does not adjust the transaction price for a significant financing component, as the period between receipt of payment and transfer of services or goods is typically less than one year.

#### Real estate and development

Sale of completed property constitutes a single performance obligation and the Company has determined that this is satisfied at the point in time when control transfers. For unconditional exchange of contracts, this generally occurs when legal title transfers to the customer. For conditional exchanges, this generally occurs when all significant conditions are satisfied. Payments are generally received when legal title is transferred.

#### 3.1. Disaggregation of revenue from contracts with customers

|                    | 2025             | 2024 |
|--------------------|------------------|------|
|                    | €                | €    |
| <b>Real estate</b> |                  |      |
| Sale of property   | <u>2,873,200</u> | -    |

#### 3.2. Liabilities related to contracts with customers

The Company has recognised the following liabilities relating to contracts with customers:

|  | 2025           | 2024 |
|--|----------------|------|
|  | €              | €    |
| <b>Contract liabilities</b>                        |                |      |
| Advanced deposits – Real estate segment (note 8.7) | <u>520,690</u> | -    |

# THE ONA PROPERTY DEVELOPMENT LTD

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 3.3. Expenses by nature

|                             | 2025             | 2024          |
|-----------------------------|------------------|---------------|
|                             | €                | €             |
| Cost of property sold       | 2,050,011        | -             |
| Commission on property sold | 149,372          | -             |
| Audit fees                  | 5,723            | 3,200         |
| Professional fees           | 18,742           | 2,012         |
| Other expenses – Note i     | 8,875            | 5,274         |
|                             | <b>2,232,723</b> | <b>10,486</b> |

#### Note i – other expenses

Other expenses comprise of various expenditure items with the largest expense amounting to €6,140 (2024: €2,041 in relation to bank charges) in relation to water and electricity for the Company.

### 4. Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the weighted average method and comprises expenditure incurred in acquiring the inventories and other costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated price at which stocks can be sold in the course of business less anticipated costs of selling. The Group's inventories comprises properties held for resale in the ordinary course of the business and the hotel's operating stock.

#### Properties held for re-sale

The costs incurred in bringing each property to its present location and condition includes:

- i. Freehold and leasehold rights for land
- ii. Amounts paid to contractors for development and finishings
- iii. Planning and design costs, costs of site preparation, professional fees for legal services, property transfer taxes, borrowing costs, development overheads and other related costs

When an inventory property is sold, the carrying amount of the property is recognised as an expense in the period in which the related revenue is recognised. The carrying amount of inventory property recognised in profit or loss is determined with reference to the directly attributable costs incurred on the property sold and an allocation of any other related costs based on the sales price of the property sold.

#### 4.1. Make up of inventory items

|                                    | 2025             | 2024             |
|------------------------------------|------------------|------------------|
|                                    | €                | €                |
| <u>Properties held for sale</u>    |                  |                  |
| Cost of land and development costs | 6,975,146        | 6,311,582        |
| Capitalised borrowing costs        | 1,457,870        | 854,141          |
|                                    | <b>8,433,016</b> | <b>7,165,723</b> |

Inventories recognised as an expense during the year ended 31st December 2025 amounted to €2,050,011 (2024: Nil). These were included in operating expenses.

# THE ONA PROPERTY DEVELOPMENT LTD

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 4. Inventories – continued

#### 4.2. Capitalised borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of bank and bond interest and other costs that the Company incurs in connection with the borrowing of funds.

During the year, the Company continued the construction of previously acquired development projects and commenced construction on new projects. These projects are financed through a bond issue and bank borrowings.

Borrowing costs capitalised during the year amounted to €603,729 (2024: €558,893). The capitalisation rates used to determine the amount of borrowing costs eligible for capitalisation were 7.2% for the related party borrowings and 5% - 5.2% for bank borrowings, representing the effective interest rates of the respective specific borrowings.

#### 4.3. Estimates and judgements

Inventories include properties held for sale which are measured at the lower of cost and net realisable value in accordance with IAS 2 Inventories. Net realisable value represents the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

The determination of net realisable value requires the use of management judgement and estimates. In assessing the recoverability of property inventory, management considers a number of factors including recent market transactions for comparable properties, current market conditions, expected selling prices, stage of completion of the properties and estimated costs required to complete and sell the properties. These estimates are reviewed at each reporting date and adjusted where necessary to reflect current market conditions and available information. Where the net realisable value of a property is lower than its carrying amount, a write-down is recognised in profit or loss.

Due to the inherent uncertainty involved in estimating selling prices and future costs, actual outcomes may differ from these estimates.

### 5. Interest in subsidiaries and other entities

Investments in subsidiaries and other entities comprise:

|                             | 2025             | 2024           |
|-----------------------------|------------------|----------------|
|                             | €                | €              |
| Investment in joint venture | <u>3,655,913</u> | <u>152,500</u> |

The Company has 50% interest and voting rights in Acmus P.L.C.

The results and assets and liabilities of the joint venture are incorporated in these financial statements using the equity method of accounting. In the Company's financial statements, investments in associates are accounted for on the basis of the direct equity interest. No dividends were distributed from associates and joint ventures during the year.

|   | 2025             | 2024           |
|---|------------------|----------------|
|   | €                | €              |
| As At 1 January   | 152,500          | 1,656,398      |
| Transfer from/(to) investment to loan receivable – Note i | 3,503,413        | (1,653,898)    |
| Additions   | -                | 150,000        |
| As at 31 December   | <u>3,655,913</u> | <u>152,500</u> |

# THE ONA PROPERTY DEVELOPMENT LTD

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 5. Interest in subsidiaries and other entities – continued

#### Note i – Transfer from loans and advances

During the financial year, the terms of a loan previously recognised as a receivable were amended. Under the original agreement, the loan was contractually receivable. Following the amendment to the agreement, the Company has the contractual right to call for repayment with such obligation to be settled by the issuance of shares in the Joint Venture. In view of this change in contractual terms, and considering the substance of the revised arrangement, the balance has been reclassified from a receivable to investment in the financial statements with effect from the date of the amended agreement.

#### Group re-organisation

In July 2025, as part of a group reorganisation of Acmus P.L.C. group, the Company transferred its entire shareholding in Acmus Property Development Limited to Acmus P.L.C – a new Company formed on 19 February 2025 by way of a share-for-share exchange. The fair value of the consideration received, based on the value of shares issued by Acmus P.L.C, amounted to €3,075,926.

The transaction forms part of a group restructuring under common control, as the ultimate ownership and control of the underlying entities remained unchanged before and after the reorganisation. Accordingly, the investment in Acmus P.L.C has been recognised at the carrying amount of the investment in Acmus Property Development Limited transferred, being €152,000. No gain or loss has been recognised in the statement of profit or loss as a result of this transaction.

The substance of the acquisition was that of a group restructuring and the accounting treatment adopted is consistent with the principles applicable to transactions under common control, whereby assets exchanged are recorded at their existing carrying amounts.

The following table illustrates the summarised financial information of the Group's investment in these entities:

|                         | 2025       | 2024       |
|-------------------------|------------|------------|
|                         | €          | €          |
| <b>Associates</b>       |            |            |
| Current assets          | 34,849,218 | 14,760,972 |
| Non-current assets      | 48,068     | 42,306     |
| Current liabilities     | 6,380,966  | 314,721    |
| Non-current liabilities | 26,257,351 | 14,403,609 |
| Revenue                 | 1,413,000  | -          |
| Loss for the year       | (87,219)   | (153,801)  |

The joint venture has no contingent liabilities as at 31 December 2025 and 31 December 2024.

### 6. 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 liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

### 7. Financial assets other than interest in subsidiaries and other entities

#### 7.1. Initial recognition and measurement

At initial recognition, the Company classifies their financial assets as subsequently measured at amortised cost. Financial assets at amortised cost are measured using the effective interest method and are subject to impairment. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. At initial recognition, the Company measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.

# THE ONA PROPERTY DEVELOPMENT LTD

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

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### 7. Financial assets other than interest in subsidiaries and other entities – *continued*

#### 7.1. Subsequent measurement

Financial assets at amortised cost are subsequently measured using the effective interest rate (“EIR”) method and are subject to impairment in accordance with the expected credit loss model. Gains and losses are recognised in profit or loss when the financial asset is derecognised, modified or impaired.

#### 7.2. Debt instruments

The Company’s financial assets measured at amortised cost comprise other receivable balances, deposits paid on promise of sale agreements for the acquisition of properties, deposits on furnishings and finishings relating to property development projects recognised within inventories, amounts due from commonly controlled entities outside the Company.

#### 7.3. Derecognition

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a ‘pass-through’ arrangement; and either the Company has transferred substantially all the risks and rewards of the asset, or the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a passthrough arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of its continuing involvement.

#### 7.4. Impairment

Further disclosures relating to impairment of financial assets are also provided in the following notes:

- Disclosures for significant assumptions and credit exposure in note 7.9

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms. ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

# THE ONA PROPERTY DEVELOPMENT LTD

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 7. Financial assets other than interest in subsidiaries and other entities – *continued*

#### 7.5. Trade and other receivables

|  | 2025             | 2024             |
|--|------------------|------------------|
|  | €                | €                |
| <b>Non-Current</b>                                     |                  |                  |
| <u>Loans and receivables</u>                           |                  |                  |
| Amounts due from Joint venture – Note i                |                  | + 2,578,898      |
|  | <b>2025</b>      | <b>2024</b>      |
|  | €                | €                |
| <b>Current</b>   |                  |                  |
| <u>Trade and other receivables</u>                     |                  |                  |
| Amounts owed by commonly controlled entities – Note ii | 1,634,815        | 1,496,711        |
| Trade receivables                                      | 4,191            | 3,400            |
| Other receivables                                      | 424,000          | -                |
|  | <b>2,063,006</b> | <b>1,500,111</b> |

#### Note i – Amounts due from joint venture

This loan is unsecured, interest free and repayable on demand with 12 months' notice period.

In current year, there was a group re-organisation, as explained in note 5, and the loan was reclassified from receivables to investments.

#### Note ii – Amounts due from commonly controlled entities

These amounts are interest free, unsecured and repayable on demand

#### 7.6. Estimates and judgements

The Company measures expected credit losses ("ECLs") on amounts due owed by commonly controlled entities, and other funds advanced to finance the acquisition, development and construction of property projects. These balances are subject to impairment using the general approach under IFRS 9.

#### Amounts owed by commonly controlled entities

Under the general approach, the Company measure ECLs using a probability-weighted estimate of credit losses determined by applying estimates of probability of default (PD), loss given default (LGD) and exposure at default (EAD). The ECL assessment incorporates reasonable and supportable forward-looking information, including assumptions regarding the expected performance of the underlying property development projects and broader economic conditions. The estimation of PDs reflects the likelihood that the subsidiaries will be unable to meet their repayment obligations, taking into consideration factors such as the subsidiaries' financial position, expected cash flows from property developments, project completion timelines and prevailing market conditions. LGD estimates reflect the expected recoverability of amounts advanced, including consideration of the value of underlying assets and projects being financed.

At each reporting date, the Company assesses whether there has been a significant increase in credit risk since initial recognition and update the assumptions used in estimating PD, LGD and EAD accordingly. The measurement of ECLs on amounts due from subsidiaries requires significant estimates. Changes in assumptions regarding project cash flows, property market conditions, development timelines and broader economic factors may result in material adjustments to the recognised ECL allowance.

#### 7.7. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, and short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows and are presented in current liabilities on the statement of financial position.

# THE ONA PROPERTY DEVELOPMENT LTD

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 7. Financial assets other than interest in subsidiaries and other entities – continued

#### 7.7. Cash and cash equivalents – continued

For the purposes of the statement of cash flows, cash and cash equivalents comprise the following

|                           | 2025             | 2024               |
|---------------------------|------------------|--------------------|
|                           | €                | €                  |
| Cash at bank and in hand  | 929,263          | 53,751             |
| Bank overdraft (note 8.4) | (1,236,419)      | (1,205,388)        |
|                           | <u>(307,156)</u> | <u>(1,151,637)</u> |

The balances of cash and cash equivalents are available for use by the Company in their entirety.

#### 7.8. Credit risk exposure from financial assets

Credit risk arises from cash and cash equivalents as well as credit risk exposures to customers, including outstanding receivables and committed transactions. The carrying amount of the financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

|                             | 2025             | 2024             |
|-----------------------------|------------------|------------------|
|                             | €                | €                |
| <b>Carrying amounts</b>     |                  |                  |
| Trade and other receivables | 2,063,006        | 4,079,009        |
| Cash and cash equivalents   | 929,263          | 53,751           |
| <b>At 31 December</b>       | <u>2,992,269</u> | <u>4,132,760</u> |

The Company has no concentration of credit risk that could materially impact on the sustainability of its operations. However, in common with similar business concerns, the failure of specific large customers could have a material impact on the Company's results.

The above assets are subject to an expected credit loss ("ECL") model for the purposes of providing for credit losses. The general ECL model requires management to make complex judgments and estimates about the credit risk of counterparties and the expected future recoverability of financial assets. The model incorporates a forward-looking view of credit losses, using historical data, current conditions, and reasonable and supportable forecasts of future economic conditions.

ECLs are measured on either a 12-month or lifetime basis depending on whether there has been a significant increase in credit risk since initial recognition. The assessment involves:

- Evaluating the financial health and repayment ability of counterparties
- Considering historical loss experience
- Incorporating macroeconomic indicators such as GDP growth, interest rates, and industry outlook
- Applying probability-weighted scenarios where appropriate

Where balances are with related parties, additional qualitative factors are considered, including:

- The related party's financial position and liquidity
- Strategic or operational importance of the relationship
- Any indications of restructuring, dispute, or repayment delays

The Company applies IFRS 9's general impairment model to other financial assets at amortised cost. This model requires an assessment as to whether the counterparty has experienced a significant increase in credit risk since initial recognition. This assessment forms the basis as to whether lifetime ECL should be recognised and is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

Amounts owed by related undertakings that do not form part of the Company are unsecured; therefore, the failure of the related undertakings could have an impact on the Company's results.

# THE ONA PROPERTY DEVELOPMENT LTD

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

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### 7. Financial assets other than interest in subsidiaries and other entities – *continued*

#### 7.9. Credit risk exposure from financial assets – *continued*

The Company monitors intra-group credit exposures at individual entity level on a regular basis and ensure timely performance of these assets in the context of its overall liquidity management. The loss allowances for these financial assets are based on assumptions about risk of default and expected loss rates. The Company's management uses judgement in making these assumptions, based on the counterparty's past history, existing market conditions, as well as forward-looking estimates at the end of each reporting period. No other counterparty making up the above balances has experienced a significant increase in credit risk since origination.

As at 31 December 2025 and 2024, the majority of loans with related parties were on terms that allowed the Company to request repayment of the balance as at reporting date (i.e. repayable on demand). In such cases, when assessing the ECL, the directors base their assessment on the assumption that the loan is demanded at the reporting date.

Where the counterparties' financial position suggests that it does not have sufficient liquid assets at balance sheet date to repay the loan if this is demanded, the probability of default is deemed to be 100%. Given that most of the related party relationships of such balances are between entities under common control, the directors assess the loss given default of the balance by analysing recovery strategies that the Company would allow, taking cognisance of such related party relationship. These recovery strategies typically include a projection of the net cash flows emanating from allowing the counterparty to operate, incorporating multiple forward-looking scenarios that take into account all reasonable and supportable information available to the Company.

After making this analysis, the directors concluded that the resulting loss-given-default rates are low, such that when applied to the exposure to calculate the IFRS 9 ECL allowance, the resulting impairment allowance to be recognised in the statement of profit and loss for the year was deemed to be immaterial.

#### Trade receivables and accrued income

The Company assesses the credit quality of its customers taking into account financial position, past experience and other factors. Standard credit terms are in place for individual clients, however, wherever possible, new corporate customers are analysed individually for creditworthiness before the Company's standard payment and service delivery terms and conditions are offered. The Company's review includes external credit worthiness databases when available.

The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and accrued income. To measure the expected credit losses, trade receivables and accrued income have been grouped based on shared credit risk characteristics and the days past due. The Company has concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the accrued income since they have substantially the same characteristics.

The expected loss rates are based on the payment profiles of sales over a period of 12 months before 31 December 2024 and 31 December 2023 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

Based on the assessment carried out in accordance with the above methodology, the identified expected credit loss allowance on trade receivables and accrued income was deemed immaterial. The movement in loss allowances as at 31 December 2025 and 2024 is also deemed immaterial by management. On this basis, the information pertaining to loss rates and loss allowances in the Group's provisions matrix, which would have otherwise been required by IFRS 7, is not presented as at 31 December 2025 and 2024.

Trade receivables and accrued income are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments for a period of greater than 1 year past due.

# THE ONA PROPERTY DEVELOPMENT LTD

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

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### 7. Financial assets other than interest in subsidiaries and other entities – *continued*

#### 7.9. Credit risk exposure from financial assets – *continued*

##### Cash at bank and deposits

The Company's companies bank only with local financial institutions with high quality standing or rating.

The Company's cash, include cash and cash equivalent and is placed with reputable financial institutions, such that management does not expect any institution to fail to meet repayments of amounts held in the name of the companies within the Group. While cash and cash equivalents and deposits are also subject to the impairment requirements of IFRS 9, the identified impairment loss was insignificant. No bank which the Company banks with has experienced a significant increase in credit risk since origination.

### 8. Financial liabilities recognition, measurement and presentation

The Company recognises a financial liability when it becomes a party to the contractual provision of the instrument. The Company's financial liabilities are classified as financial liabilities which are not at fair value through profit or loss. These financial liabilities are recognised initially at fair value, being the fair value of consideration received, net of transactions costs that are directly attributable to the acquisition or the issue of the financial liability. They are subsequently measured at amortised cost. The Company derecognises a financial liability from its statement of financial position when the obligation specified in the contract or arrangement is discharged, cancelled or expired.

#### 8.1. Initial recognition, measurement and presentation

Financial liabilities are classified, at initial recognition, as loans and borrowings or payables as appropriate. All financial liabilities are recognised initially at fair value net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables and borrowings comprising bank borrowings and bonds.

#### 8.2. Subsequent measurement

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss. This category generally applies to interest-bearing loans and borrowings.

#### 8.3. Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

#### 8.4. Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost. Any difference between the proceeds and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method unless the effect of discounting is immaterial.

Borrowings are classified as current liabilities unless the companies within the Group have an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Subsequent to initial recognition, interest-bearing bank overdrafts are carried at face value in view of their short-term maturities.

# THE ONA PROPERTY DEVELOPMENT LTD

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 8. Financial liabilities recognition, measurement and presentation – continued

#### 8.4 Borrowings – continued

The following borrowings were outstanding at 31<sup>st</sup> December 2025 and 2024:

|                                     | 2025              | 2024              |
|-------------------------------------|-------------------|-------------------|
|                                     | €                 | €                 |
| <b>Current</b>                      |                   |                   |
| Bank loans – Note i                 | 4,243,454         | 92,119            |
| Bank overdraft – Note ii            | 1,236,419         | 1,205,388         |
| Loan from Parent company – Note iii | 840,366           | 263,035           |
| Loan from shareholder – Note iv     | 275,302           | 275,302           |
|                                     | <b>6,595,541</b>  | <b>1,835,844</b>  |
|                                     |                   |                   |
|                                     | 2025              | 2024              |
|                                     | €                 | €                 |
| <b>Non-current</b>                  |                   |                   |
| Bank loans – Note i                 | 648,969           | 4,555,206         |
| Loan from Parent company – Note iii | 4,850,000         | 4,850,000         |
|                                     | <b>5,498,969</b>  | <b>9,405,206</b>  |
|                                     |                   |                   |
| <b>Total borrowings</b>             | <b>12,094,510</b> | <b>11,241,050</b> |

#### i. Bank loans

The Company's bank loan facilities as at 31 December 2025 amounted to €6,128,842 (2024: €6,068,713). These facilities are secured by general hypothecs and special hypothecs over the Company's assets. The interest rate charged as at year end is 5.25% (2024: 5%) per annum. Repayment of loans is to be done from proceeds of sale.

#### ii. Bank overdraft

The bank overdraft is secured by general hypothecs and a special privilege over the Company's assets. The Company's overdraft banking facility carries an interest rate of 5.5% (2024: 5.5%) per annum.

#### iii. Loan from parent company

By virtue of the Prosepectus dated 4<sup>th</sup> June 2023. The Ona p.l.c. issued for subscription 5,000 global notes having a nominal value of €1,000 each for an aggregate amount of €5,000,000.

€4,850,000 of these amounts have been loaned from the Parent Company to The Ona Property Development Limited at an annual rate of 7.2%.

These loans are unsecured and to be repaid in full by 23 June 2028.

The Company is the guarantor in respect of the Parent Company bond issue and has undertaken to pay all amounts of principal and interest that will become due and payable by the Parent company to the holders of the global notes.

The current loan from parent company is unsecured, interest free and repayable on demand. The carrying amount of the loan is considered a reasonable approximation of its fair value.

#### iv. Loan from shareholder

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

# THE ONA PROPERTY DEVELOPMENT LTD

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 8. Financial liabilities recognition, measurement and presentation – continued

#### 8.5 Finance costs

Borrowing costs include the costs incurred in obtaining external financing. Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised from the time that expenditure for these assets and borrowing costs are being incurred and activities that are necessary to prepare these assets for their intended use or sale are in progress. Borrowing costs are capitalised until such time as the assets are substantially ready for their intended use or sale. Borrowing costs are suspended during extended periods in which active development is interrupted. All other borrowing costs are recognised as an expense in profit or loss in the period in which they are incurred.

|  | 2025           | 2024           |
|--|----------------|----------------|
|  | €              | €              |
| <u>Included in profit or loss</u>                              |                |                |
| Interest on bank borrowings                                    | 98,026         | 94,787         |
| <u>Interest capitalised in statement of financial position</u> |                |                |
| Bond Interest included in inventory                            | 349,200        | 349,200        |
| Bank interest and charges included in inventory                | 231,595        | 179,003        |
|  | <u>580,795</u> | <u>528,203</u> |

#### 8.6 Reconciliation of liabilities arising from financing activities

The table below details changes in the Company's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Statement of Cash Flows as cash flows from financing activities.

|                          | As at 1<br>January<br>2025 | Cash flows     | Other<br>liability<br>related<br>changes | As at 31<br>December<br>2025 |
|--------------------------|----------------------------|----------------|--|------------------------------|
|                          | €                          | €              | €  | €                            |
| Bank borrowings          | 4,647,325                  | 245,098        | -  | 4,892,423                    |
| Related party borrowings | 5,388,337                  | 577,331        | -  | 5,965,668                    |
|                          | <u>10,035,662</u>          | <u>822,429</u> | <u>-</u>                                 | <u>10,858,091</u>            |

|                          | As at 1<br>January<br>2024 | Cash flows       | Other<br>liability<br>related<br>changes | As at 31<br>December<br>2024 |
|--------------------------|----------------------------|------------------|--|------------------------------|
|                          | €                          | €                | €  | €                            |
| Bank borrowings          | 3,639,638                  | 1,007,687        | -  | 4,647,325                    |
| Related party borrowings | 4,265,175                  | 1,123,162        | -  | 5,388,337                    |
|                          | <u>7,904,813</u>           | <u>2,130,849</u> | <u>-</u>                                 | <u>10,035,662</u>            |

# THE ONA PROPERTY DEVELOPMENT LTD

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 8. Financial liabilities recognition, measurement and presentation – continued

#### 8.7 Trade and other payables

Trade payables are classified within current liabilities unless payment is not due within 12 months from the reporting period. They are initially recognised at fair value and are subsequently measured at amortised cost using the effective interest method.

|                   | 2025             | 2024             |
|-------------------|------------------|------------------|
|                   | €                | €                |
| Other payables    | 523,075          | 422,830          |
| Advanced deposits | 520,690          | -                |
| Accruals          | 883,852          | 612,508          |
|                   | <u>1,927,617</u> | <u>1,035,338</u> |

#### 9. Liquidity risk exposure from financial liabilities

The Company is exposed to liquidity risk in relation to meeting future obligations associated with its financial liabilities, which comprise principally trade and other payables and interest-bearing borrowings disclosed in notes 8.7. Prudent liquidity risk management includes maintaining sufficient cash and committed credit lines to ensure the availability of an adequate amount of funding to meeting the Company's obligations.

The director monitors liquidity risk by means of cash flow forecasts on the basis of expected cash flows over a twelve-month period, in order to ensure that adequate funding is in place in order for the Company to be in a position to meet its commitments as and when they will fall due.

As at 31 December 2025, the Company is in a net current liability position of €2.89m (2024: net current liability position of €5.82m). However, in light of the facilities in place, management believe that the Group has adequate resources to meet its obligations as and when they fall due for the foreseeable future. Accordingly, these financial statements are prepared on a going concern basis.

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the end of the reporting period to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

|                             | Carrying amount   | Contractual cash flows | Within one year  | Two to five years | More than five years |
|-----------------------------|-------------------|------------------------|------------------|-------------------|----------------------|
|                             | €                 | €                      | €                | €                 | €                    |
| <b>31 December 2025</b>     |                   |                        |                  |                   |                      |
| Trade and other payables    | 1,927,617         | 1,927,617              | 1,927,617        | -                 | -                    |
| Other financial liabilities | 5,965,668         | 6,833,818              | 1,464,868        | 5,368,950         | -                    |
| Bank borrowings             | 4,892,423         | 5,082,242              | 294,124          | 1,786,854         | -                    |
|                             | <u>12,785,708</u> | <u>13,843,677</u>      | <u>3,686,609</u> | <u>7,155,804</u>  | <u>-</u>             |
| <b>31 December 2024</b>     |                   |                        |                  |                   |                      |
| Trade and other payables    | 1,035,338         | 1,035,338              | 1,035,338        | -                 | -                    |
| Other financial liabilities | 5,388,337         | 6,605,687              | 887,537          | 5,718,150         | -                    |
| Bank borrowings             | 4,647,325         | 5,082,242              | 294,124          | 4,788,118         | -                    |
|                             | <u>11,071,000</u> | <u>12,723,267</u>      | <u>2,216,999</u> | <u>10,506,268</u> | <u>-</u>             |

The amount of trade and other payables classified as repayable within one year in the table above are contractually repayable on demand.

# THE ONA PROPERTY DEVELOPMENT LTD

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 10. Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property comprises freehold and leasehold land and buildings, and land and buildings held under long term operating leases.

Investment property is initially measured at cost, including transaction costs. Subsequent to initial recognition, investment property is stated at fair value at the end of the reporting period. Gains or losses arising from changes in the fair value of investment property are recognised in profit or loss in the period in which they arise.

The fair value of investment property reflects, among other factors, rental income from current leases and assumptions about rental income from future leases in the light of current market conditions. The fair value also reflects, on a similar basis, any cash outflows that could be expected in respect of the property.

Subsequent expenditure is charged to the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the profit loss account during the financial period in which they are incurred.

|   | 2025        | 2024        |
|---|-------------|-------------|
|   | €           | €           |
| <u>At Fair value</u>                          |             |             |
| At 1 January                                  | 1,700,000   | 2,700,000   |
| Decrease in fair value of investment property | -           | (1,000,000) |
| Disposal                                      | (1,700,000) | -           |
| At 31 December                                | -           | 1,700,000   |

#### Measuring investment property at fair value

Investment property principally land and buildings, are held for long-term rental yields and are not occupied by the Company. These are valued annually on 31 December comprising open market value approved by the directors on the basis of a professional valuation prepared by an independent architect.

### 11. Financial risk management

The Company's activities potentially expose it to a variety of financial risks on its financial assets and financial liabilities. The key components of financial risks to the Company are market risk (namely, cash flow interest rate risk and fair value interest rate risk), credit risk and liquidity risk. The Company's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

The exposures to credit risk and to liquidity risk, together with the management thereof, are disclosed in notes 7.9 and 9 respectively. This note provides information about market risk.

Market risk is the risk that changes in market prices, such as interest rates, and quoted prices, will affect the Company's income or financial position. The objective of the Company's market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

#### Cash flow and fair value interest rate risk

The company's interest rate risk arises on its interest-bearing borrowings, deposits held with banks, and debt investments. Borrowings issued at variable rates, comprising bank borrowings, expose the Company to cash flow interest rate risk. The Company's bank borrowings are subject to an interest rate that varies according to revisions made to the Bank's Base Rate and three-month Euribor. The directors monitor the level of floating rate borrowings as a measure of cash flow risk taken on.

A shift in interest rates on borrowings at variable rates will however have an impact on profit or loss. The directors consider the potential impact on the Group's profit or loss of a defined interest rate shift of 1.5%, that is reasonably possible, at the end of the reporting period keeping all other variables constant, to amount to +/- €73,786 (2024: +/- €69,710). The impact of a reasonably possible shift in interest rates is not expected to impact the fair value of FVOCI financial assets materially and therefore the directors believe that the potential impact of such a shift on other comprehensive income is immaterial.

# THE ONA PROPERTY DEVELOPMENT LTD

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

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### 11. Financial risk management – *continued*

#### Financial instruments not measured at fair value

At 31<sup>st</sup> December 2025 and 31<sup>st</sup> December 2024, the carrying amounts of payables, receivables and short-term borrowings approximated their fair values due to the short-term maturities of these assets and liabilities. The fair values of long-term borrowings, together with the related fair value disclosures, are presented in note 8.4.

### 12. Income tax and other income and expenditure

#### 12.1 Income tax

Current and deferred tax is recognised in profit or loss, except when it relates to items recognised in other comprehensive income or directly in equity, in which case the current and deferred tax is also dealt with in other comprehensive income or in equity, as appropriate.

Current tax is based on the taxable result for the period. The taxable result for the period differs from the result as reported in profit or loss because it excludes items which are non-assessable or disallowed and it further excludes items that are taxable or deductible in other periods. It is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. However, deferred tax is not accounted for if it arises from the initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled.

The deferred tax liability in relation to investment property that is measured at fair value is determined assuming the property will be recovered entirely through sale.

Deferred tax in relation to the revaluation of land and buildings is charged or credited to other comprehensive income (to the extent that the revaluation is recognised in other comprehensive income). For buildings, deferred tax is recognised on the basis that the tax will be recovered through use (i.e. the corporate rate of tax in Malta), whilst land is expected to be recovered through sale. Deferred income tax on the difference between the actual depreciation on the property and the equivalent depreciation based on the historical cost of the property is realised through the income statement.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets, including deferred tax assets for unused tax losses and unused tax credits carried forward, are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences (or the unused tax losses and unused tax credits) can be utilised to the period when the asset is realised or the liability is settled based on the tax rates that have been enacted by the balance sheet date. Deferred tax assets and liabilities are offset when the Group's Companies have a legally enforceable right to settle its current tax assets and liabilities on a net basis.

|   | 2025           | 2024            |
|---|----------------|-----------------|
|   | €              | €               |
| <i>Current income tax:</i>                        |                |                 |
| Income tax on taxable income at 15%               | -              | 7,281           |
| Income tax on sale of property                    | 221,975        | -               |
| <i>Deferred tax credit:</i>                       |                |                 |
| Deferred tax on impairment of investment property | -              | (80,000)        |
|   | <u>221,975</u> | <u>(72,719)</u> |

# THE ONA PROPERTY DEVELOPMENT LTD

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 12. Income tax and other income and expenditure – continued

#### 12.1 Income tax – continued

##### Current tax liability

|                       | 2025          | 2024          |
|-----------------------|---------------|---------------|
|                       | €             | €             |
| At 1 January          | 22,666        | 18,069        |
| Charge for the year   | 221,975       | 7,281         |
| Tax refund            | -             | 15,385        |
| Tax paid at source    | (221,975)     | (18,069)      |
| <b>At 31 December</b> | <b>22,666</b> | <b>22,666</b> |

The tax expense and the tax charge using the statutory income tax rate of 35% are reconciled as follows:

|   | 2025           | 2024            |
|---|----------------|-----------------|
|   | €              | €               |
| (Loss)/ Profit for the year                             | 542,451        | (1,056,732)     |
| Tax at the applicable rate of 35%                       | 189,858        | (369,856)       |
| Tax effect of:  |                |                 |
| Expenses disallowed for tax purposes                    | 781,284        | 36,845          |
| Impairment of investment property                       | -              | 270,000         |
| Difference arising on income subject to withholding tax | (749,167)      | (9,708)         |
| <b>Tax charge/(credit) for the year</b>                 | <b>221,975</b> | <b>(72,719)</b> |

##### Deferred tax (asset)/liability

Deferred taxes are calculated on all temporary differences under the liability method using a principal tax rate of 35%/ 10% (2024: 35%/10%). The movement in the deferred tax account is as follows:

|   | 2025           | 2024           |
|---|----------------|----------------|
|   | €              | €              |
| <b>Balance as the beginning of the year</b>           | <b>136,000</b> | <b>216,000</b> |
| <u>Recognised in profit or loss:</u>                  |                |                |
| Movement in fair value of investment property         | -              | (80,000)       |
| <u>Recognised in statement of financial position:</u> |                |                |
| Disposal of investment property                       | (136,000)      | -              |
| <b>Balance at the end of the year</b>                 | <b>-</b>       | <b>136,000</b> |

##### **Judgements**

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon likely timing and level of future taxable profits together with future tax planning strategies.

#### 12.2 Other operating income

|               | 2025 | 2024   |
|---------------|------|--------|
|               | €    | €      |
| Rental income | -    | 48,541 |

# THE ONA PROPERTY DEVELOPMENT LTD

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 12. Income tax and other income and expenditure – continued

#### 12.3 Fees paid to the auditors

Profit before tax for the Company is stated after charging the following fees in relation to services provided by the external auditors of the Company.

|                         | 2025         | 2024         |
|-------------------------|--------------|--------------|
|                         | €            | €            |
| Annual statutory audit  | 4,350        | 4,350        |
| Tax compliance services | 500          | 500          |
|                         | <u>4,850</u> | <u>4,850</u> |

### 13. Capital management

The Company's objectives when managing capital are to:

- Safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders, and
- To maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may issue new shares or adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. Consistent with others in the industry, the group monitors capital on the basis of the following gearing ratio:

Net debt (borrowings as presented in note 8.4) divided by total equity (as shown in the statement of financial position).

The Company manages its capital structure and make adjustments in light of changes in economic conditions. To maintain and adjust the capital structure, the Company may adjust the dividend payment to shareholders or issue new debt. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt interest bearing loans and borrowings, trade and other payables and other financial liabilities less cash and cash equivalents.

### 14. Equity

#### 14.1 Share capital

Ordinary shares issued by the Company are classified as equity instruments. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

|   | 2025         | 2024         |
|---|--------------|--------------|
|   | €            | €            |
| <b>Authorised share capital</b>                 |              |              |
| 1,200 Ordinary Shares of €1 each                | <u>1,200</u> | <u>1,200</u> |
| <b>Issued share capital</b>                     |              |              |
| 1,200 Ordinary Shares of €1 each – 100% paid up | <u>1,200</u> | <u>1,200</u> |

The following table shows the movement in the issued share capital of the Company.

|                       | 2025         | 2024         |
|-----------------------|--------------|--------------|
|                       | €            | €            |
| <b>At 1 January</b>   | <u>1,200</u> | <u>1,200</u> |
| <b>At 31 December</b> | <u>1,200</u> | <u>1,200</u> |

# THE ONA PROPERTY DEVELOPMENT LTD

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

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### 15. Other disclosures

#### 15.1 Related party transactions

During the course of the year the Company entered into transactions with related parties. These transactions have been carried at arm's length. The related party transactions in question were:

|  | 2025      | 2024      |
|--|-----------|-----------|
|  | €         | €         |
| Loan from Parent Company                               | 5,690,336 | 5,113,035 |
| Capitalised interest expense payable to Parent Company | 349,200   | 349,200   |

#### 15.2 Commitments

##### Capital expenditure:

Commitments for capital expenditure not provided for in these financial statements are as follows:

|                                 | 2025 | 2024      |
|---------------------------------|------|-----------|
|                                 | €    | €         |
| Contracted but not provided for | -    | 1,339,588 |

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## **INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF THE ONA PROPERTY DEVELOPMENT LTD**

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### **Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the financial statements of The Ona Property Development Ltd, (the Company) set out on pages 4 to 26, which comprise the Company's statement of financial position as at 31 December 2025, and the statement of profit or loss and other 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 significant accounting policies.

In our opinion, the Company's 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 period then ended in accordance with International Financial Reporting Standards as adopted by the EU and have been prepared in accordance with the requirements of the Companies Act (Cap. 386), enacted in Malta.

#### **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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Independence**

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in accordance with the Accountancy Profession (Code of Ethics for Warrant Holders) Directive issued in terms of the Accountancy Profession Act (Cap. 281) in Malta, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

#### **Other Information**

The Directors are responsible for the other information. The other information comprises the Directors' report. Our opinion on the financial statements does not cover this information, including the Directors' report. In connection with our audit of the financial statements, our responsibility is to read the other information 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.

With respect to the Directors' report, we also considered whether the Directors' report includes the disclosures required by Article 177 of the Maltese Companies Act (Cap. 386). Based on the work we have performed, in our opinion:

- The information given in the Directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- The Directors' report has been prepared in accordance with the Maltese Companies Act (Cap.386).

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we are required to report if we have identified material misstatements in the Directors' report. We have nothing to report in this regard.

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## **INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF THE ONA PROPERTY DEVELOPMENT LTD**

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### **Responsibilities of the Directors**

The Directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU, 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 has no realistic alternative but to do so.

### **Auditors' 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 auditors' 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 are 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.
  - 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.
  - 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 auditors' 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.
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## **INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF THE ONA PROPERTY DEVELOPMENT LTD**

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### **Auditors' Responsibilities for the Audit of the Financial Statements (continued)**

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.

We also provided those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

### **Report on Other Legal and Regulatory Requirements**

Under the Maltese Companies Act (Cap. 386) we are required to report to you if, in our opinion:

- We have not received all the information and explanations we require for our audit.
- Adequate accounting records have not been kept, or that returns adequate for our audit have not been received from branches not visited by us.
- The financial statements are not in agreement with the accounting records and returns.

We have nothing to report to you in respect of these responsibilities.

This copy of the audit report has been signed by:



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**MICHAEL CURMI**  
for and on behalf of  
**VCA CERTIFIED PUBLIC ACCOUNTANTS**  
29<sup>th</sup> April 2026