

VBL Plc (C56012)
("the Company")
COMPANY ANNOUNCEMENT
Information to the Market

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This is a company announcement made by the Company in compliance with the Capital Markets Rules.

The VBL Group expects to deliver further improvements in its key performance indicators, and strong financial results at the end of the year, based on already strong first half-year (unaudited) results and continuously improving performance in the second half of the year.

VBL Group has already announced, in its 1H2025 (unaudited) financial report, realised strong first-half financial results, which are expected to support and contribute to the year-end delivery of the financial projections and operational results. This is in parallel to ongoing development projects, which are progressing to plan, with the inevitable challenges arising from renovation of historic, classic properties, being continuously and satisfactorily resolved in the process.

Current expectations, considering the known facts and the expected project development process, suggest that in the following period the Silver Horse Block development would overcome the past declared interim delays and will keep on successfully resolving the upcoming challenges, allowing for completion and handover materially in line with originally projected deadlines. All major administrative conditions relevant to the Company's major development have been so far successfully met. Along the originally planned, VBL Group expects to complete this development in the second half of year 2026, resulting in an 88-room internationally branded hotel. From this development, following handover, the Company shall be generating an additional €2.0-2.5 million of recurring operational EBITDA per annum, driven by the execution of the already signed lease agreement. This would result in significantly improved liquidity and better recurring financial indicators and increased free cash-flows for the Company. The VBL Group's hospitality operations deliver diversified revenues and show growth though all subsegments. Based on current projections, the revenue split for the hospitality operations would remain diversified and follow year 2024 split, when hotels delivered approximately 41%, own rented properties 32%, managed assets 12%, while other revenues and management fees respectively 13% and 2% of the total revenues at year end.

In its half-yearly report, the VBL Group reported strong interim gross profit (excluding investment income) of €1.36 million, which is a significant increase since the listing of the Company (compared to €0.44 million in first-half 2022, the first comparable period, post-IPO).



VBL Group

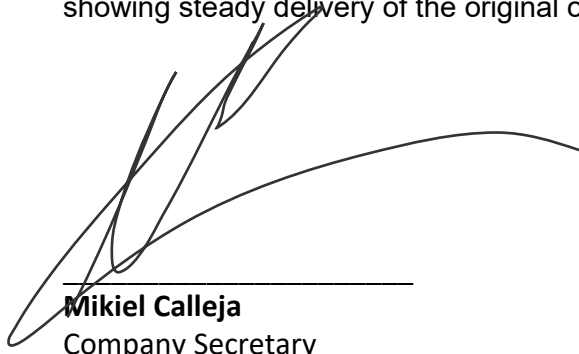


According to the current management projections, the VBL Group's 2025 end-of-year financial outlook is in line with projected figures, including forecasted book value of investment property in the range of €90 million, total revenues at around €4.3 million, of which predominant part would be derived from rental operations, in line with the VBL Group's reported revenue structure of the previous periods.

Operational property yields are expected to reflect the improving operational results as well, projecting to be in the 7.0-7.1% range for the period, while total debt remains at conservative level, at around €22 million, corresponding to an approximately 23% debt to equity ratio, which the Company considers very low compared to its peers and general market standards. The increase of the overall debt is in line with the VBL Group's announced ambitious development programme implemented throughout the year.

As a result of the progress of the ongoing development projects during year 2025 and with the expected further growth opportunities from new additions, the Company's existing owned portfolio is expected to exceed the 17,500 square meter threshold, after completion of the development of the currently owned properties and possibly some new additions. This estimated figure is exclusive of the leased third-party managed properties and properties under promise of sale, which the Group is managing on the hospitality and rental markets today.

Since its initial public offering (IPO) on the Malta Stock Exchange (MSE) in 2021, the VBL Group has achieved very significant revenue and EBITDA growth. Based on the current end of year management projections and the Company's past consolidated audited results, the revenue growth since year 2021 is estimated at 4.06 times, while the EBITDA growth forecasted is expected to be ca. 6.44 times, showing steady delivery of the original operational and development plans of the VBL Group.



Mikiel Calleja
Company Secretary