

JUEL HOSPITALITY LIMITED

Financial Statements
For the year-ended 31 December 2025

JUEL HOSPITALITY LIMITED

Financial Statements for the year ended 31 December 2025

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JUEL HOSPITALITY LIMITED

Financial Statements for the year ended 31 December 2025

General Information

Directors: -	Mr. Adrian Muscat
Company Secretary: -	Mr. Adrian Muscat
Company number: -	C-100482
Registered Office: -	Hyatt Centric Malta Triq Santu Wistin San Giljan, SWQ 3312 Malta
Banker: -	Bank of Valletta plc 58 Zachary Street Valleta VLT 1130 Malta APS Bank plc APS Centre, Tower Street Birkirkara, BKR 4012 Malta
Auditors: -	VCA Certified Public Accountants Finance House, First Floor, Princess Elizabeth Street Ta' Xbiex XBX 1102 Malta

JUEL HOSPITALITY LIMITED

Financial Statements for the year ended 31 December 2025

DIRECTOR'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2025

The director presents his report and the audited financial statements of Juel Hospitality Limited for the year ended 31st December 2025.

Principal Activities

The principal activity of the company, which is unchanged since last year is the operation of a hotel. The director does not envisage any changes to the Company's principal activities in the foreseeable future.

Review of business

The Statement of profit or loss and other comprehensive income and the Statement of financial position for the year are set out on Page 4 and Page 5 respectively.

Hyatt Centric

Juel Hospitality Limited commenced operations in November 2024 with the opening of the Hyatt Centric Malta in St. Julian's. The hotel, comprising 170 guest rooms, generated €8,743,293 in revenue during the reporting year, marking a successful entry into the hospitality sector. The Director anticipates that, as the hotel continues to establish its presence in the market, it will contribute positively to the Group's revenue streams in the forthcoming periods.

Principal risks and uncertainties

A detailed review of these risks and uncertainties faced by the Company is included in Note 9 of the financial statements.

Results and dividends

The results for the year are shown in the Statement of Profit or Loss and Other Comprehensive Income on page 4.

The Director does not recommend the payment of a final dividend.

Director

The Director of the company as at 31st December 2025 who held office throughout the year was:-

Adrian Muscat

In accordance with the company's memorandum and articles of association the Director remains in office.

Auditors

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

JUEL HOSPITALITY LIMITED

Financial Statements for the year ended 31 December 2025

DIRECTOR'S RESPONSABILITIES

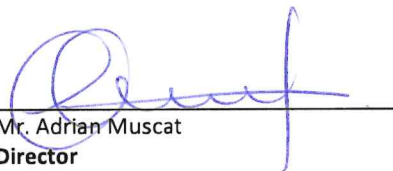
The Director is required by the Companies Act (Chap. 386) to prepare financial statements in accordance with International Financial Reporting Standards as adopted by the EU which give a true and fair view of the state of affairs of the Company at the end of each financial period and of the profit or loss for the period 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 Director is 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 Director 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 Director determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Director is 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.

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



Mr. Adrian Muscat
Director

JUEL HOSPITALITY LIMITED

Financial Statements for the year ended 31 December 2025

Statement of Profit or Loss and Comprehensive Income

	Notes	2025 €	2024 €
Revenue	4.1	8,743,293	612,738
Operating expenses	4.3	(5,526,055)	(636,005)
Administrative expenses	4.3	(703,822)	(144,167)
Earnings before interest, tax, depreciation & amortisation		2,513,416	(167,434)
Depreciation	5.2	(3,525,549)	(514,772)
Finance costs	8.5	(2,346,963)	(150,000)
Loss before tax		(3,359,096)	(832,206)
Income tax credit/ (charge)	10.1	3,138,569	(1,579)
Loss for the year – Total comprehensive income		(220,527)	(833,785)

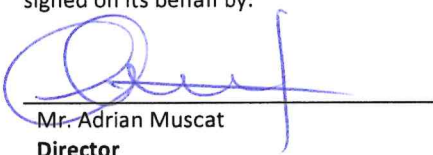
JUEL HOSPITALITY LIMITED

Financial Statements for the year ended 31 December 2025

Statement of financial position

	Notes	2025 €	2024 €
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment	5.2	49,045,505	50,435,388
Deferred tax asset	10.1	3,137,588	-
		<u>52,183,095</u>	<u>50,435,388</u>
Current Assets			
Inventories	6.1	367,111	312,148
Trade and other receivables	7.6	824,110	728,283
Cash at bank and in hand	7.8	338,397	1,598,436
		<u>1,529,618</u>	<u>2,638,867</u>
Total Assets		<u>53,712,713</u>	<u>53,074,255</u>
Equity and Liabilities			
Equity			
Share capital	12.1	20,000	20,000
Retained earnings		(1,074,470)	(853,943)
		<u>(1,054,470)</u>	<u>(833,943)</u>
Non-Current liabilities			
Borrowings	8.4	39,968,805	37,047,199
Trade and other payables	8.7	3,115,078	1,000,000
		<u>43,083,883</u>	<u>38,047,199</u>
Current liabilities			
Borrowings	8.4	510,295	150,000
Trade and other payables	8.7	11,173,005	15,710,999
		<u>11,683,300</u>	<u>15,860,999</u>
Total Liabilities		<u>54,767,183</u>	<u>53,908,198</u>
Total Equity and Liabilities		<u>53,712,713</u>	<u>53,074,255</u>

These financial statements on pages 3 to 16 were approved and authorised for issue by the Director on the **29 April 2026** and signed on its behalf by:


Mr. Adrian Muscat
Director

JUEL HOSPITALITY LIMITED

Financial Statements for the year ended 31 December 2025

Statement of Changes in Equity

	Share Capital €	Retained Earnings €	Total €
Balance at 1 January 2024	20,000	(20,158)	(158)
Loss for the year	-	(833,785)	(833,785)
Balance at 31 December 2024	20,000	(853,943)	(833,943)
Loss for the year	-	(220,527)	(220,527)
Balance at 31 December 2025	20,000	(1,074,470)	(1,054,470)

JUEL HOSPITALITY LIMITED

Financial Statements for the year ended 31 December 2025

Statement of Cashflow

	Notes	2025 €	2024 €
Cashflow from operating activities			
Loss before taxation		(3,359,095)	(832,206)
<u>Adjustments for:</u>			
Depreciation	5.2	3,525,548	514,772
Finance costs	8.5	2,346,963	150,000
Finance income		-	(10,524)
Net cash from operating activities		2,513,416	(177,958)
Movement in inventory	6.1	(54,963)	(312,148)
Movement in trade and other receivables	7.6	(58,067)	653,396
Movement in trade and other payables	8.7	947,568	6,344,548
Cash generated from operations		3,347,654	6,507,838
Finance costs	5.2	(2,346,963)	(150,000)
Income tax	10.1	981	(1,579)
Cash generated from/(used in) operating activities		1,001,972	6,356,259
Cashflow from investing activities			
Purchase of fixed assets	5.2	(2,135,666)	(24,002,725)
Finance income		-	10,524
Net cashflows (used in)/ generated from investing activities		(2,135,666)	(23,992,201)
Cashflow from financing activities			
Movement in related party balances	8.4	(286,640)	11,013,426
Movement in third party loans	8.4	(150,000)	2,000,000
Movement in other financial liabilities	8.4	-	5,556,137
Net cashflows (used in)/ generated from financing activities		(436,640)	18,569,560
Net movement in cash and cash equivalents		(1,570,334)	933,618
Cash and cash equivalents at beginning of year		1,598,436	664,818
Cash and cash equivalents at end of year	7.8	28,102	1,598,436

Notes to the financial statements**1. General Information****1.1. Information about the company**

Juel Hospitality Limited (C-100482) is a limited liability Company and is incorporated and domiciled in Malta. Its registered office is disclosed in the Report of the Directors.

1.2 Basis of preparation***Compliance with IFRS and with the Maltese Companies Act***

The financial statements of the Company 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 Group and 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) Note 7.9, credit risk: estimates and assumptions made in measuring expected credit loss allowances on loans and advances.
- b) Note 10.1, taxes: judgement made in determining the amount of deferred tax asset that can be recognised.

1.3 Going Concern

The Company registered total revenue of €8,743,293 (2024: €612,738), representing proceeds from the operations of the Hyatt Centric Hotel. The Company reported loss before tax of €3,359,095 (2024: €832,206) as shown in the Statement of profit or loss. As at 31 December 2025, the Company's current liabilities exceeded current assets by €1,137,159 (2024: €8,665,995).

JUEL HOSPITALITY LIMITED

Financial Statements for the year ended 31 December 2025

1.3 Going Concern - continued

The Director has prepared a cashflow forecast for the Juel Hospitality Limited covering 48 months from the reporting date, considering significant events and transactions that have occurred or are expected to occur subsequent to period end. The cash flow forecasts include expected earnings from hotel operations.

Based on this assessment, the Director has a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the financial statements have been prepared on a going concern basis.

2. Standards, interpretations and amendments to published standards effective in 2025

In 2025, the Group adopted new standards, amendments and interpretations to existing standards that are mandatory for the Group's accounting period beginning on 1 January 2025. The Group has applied the following amendments for the first time for its annual reporting period commencing from 1 January 2025:

- The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability – Amendments to IAS 21

The adoption of these revisions to the requirements of IFRSs as adopted by the EU did not result in substantial changes to the Group's and the Company's accounting policies.

3. 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 Group 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 Group'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:

As the Group's instruments are publicly traded, it is not eligible to elect to apply IFRS 19.

JUEL HOSPITALITY LIMITED

Financial Statements for the year ended 31 December 2025

4. Revenue and operating segments

The Company earns revenue from operations within the hospitality 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.

Hospitality

The Company generates revenue from the provision of hotel accommodation (bed nights) and food and beverage ("F&B") services to guests. Accommodation and F&B services are considered distinct performance obligations, as they are separately identifiable and can be consumed independently by customers. Revenue from this income stream is recognised when control of the services is transferred to the customer.

Accommodation revenue is recognised over time, on a straight-line basis over the period of the guest's stay, as the customer simultaneously receives and consumes the benefits. F&B revenue is recognised at a point in time when the goods or services are delivered to the customer.

In practice, both accommodation and F&B revenue are typically recognised within the same period as the guest stay.

The transaction price reflects the consideration to which the Company expects to be entitled, net of discounts, rebates and value added tax. Payments are often received in advance of the stay. Amounts received in advance of the provision of services are recognised as contract liabilities and released to revenue when the related services are provided.

Costs incurred to obtain contracts with customers, including commissions payable to online travel agents and other intermediaries, are expensed as incurred. The Company applies the practical expedient in IFRS 15 permitting such costs to be recognised as an expense when incurred, as the amortisation period of the related asset would be one year or less.

4.1 Disaggregation of revenue from contracts with customers

	2025	2024
	€	€
Hospitality		
Accommodation	7,566,932	491,283
Food and Beverage	1,114,835	111,362
Other ancillary services	61,526	10,092
	<u>8,743,293</u>	<u>612,738</u>

4.2 Liabilities related to contracts with customers

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

	2025	2024
	€	€
Advance deposits (note 8.7)	<u>15,170</u>	<u>27,350</u>

Revenue that that was included as advance deposit balance at the beginning of the period

Hospitality operations	<u>27,350</u>	-
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JUEL HOSPITALITY LIMITED

Financial Statements for the year ended 31 December 2025

4. Revenue and operating segments - *continued*

4.3 Expenses by nature

	2025	2024
	€	€
Uniforms	228,664	16,881
Laundry	197,968	13,970
Repairs and maintenance	114,915	7,320
Cost of food & beverage	498,191	90,605
Decorations	100,967	5,121
Water and electricity	296,657	33,142
Wages and salaries	2,545,867	376,543
Franchise fees	313,705	27,793
Sub-contractors	93,397	8,447
Compensations and complimentary	195,598	9,068
Insurance	56,243	8,786
Credit card commissions	127,489	41,890
Commissions	601,009	34,281
Management fees	340,171	2,052
Staff welfare and training	90,439	25,925
Other expenses	428,597	78,348
	6,229,877	780,172

Other expenses relate to various expenses with the largest expense within this category amounting to €45,278 in relation to cleaning (2024: largest expense subscriptions €22,745).

5. Property, Plant and Equipment

5.1 Measurement of different classes of property, plant and equipment

Property, plant and equipment comprise a 170-room, hotel operating under the Hyatt Centric Malta brand, including the related building structure, guest facilities, furniture, fixtures, equipment, and other operational assets necessary for the hotel's operations.

Property, plant and equipment is initially recorded at cost and subsequently stated at historical cost less depreciation and impairment losses, if any.

Depreciation commences when the depreciable assets are available for use and is charged to profit or loss so as to write off the cost or revalued amount, less any estimated residual value, over their estimated useful lives, using the straight-line method, on the following bases:

Buildings	2%
Mechanical, electrical & installations	20%
Furniture, fixtures and fittings	10%
Equipment	7% – 20%

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Financial Statements for the year ended 31 December 2025

5. Property, Plant and Equipment

5.1 Measurement of different classes of property, plant and equipment

Freehold land is not depreciated as it is deemed to have an indefinite life. The depreciation method applied, the residual value and the useful life are reviewed, and adjusted if appropriate, at the end of each reporting period.

Assets are reclassified from property, plant and equipment to inventory when there is a change in use, evidenced by a decision to sell the assets in the ordinary course of business.

Property, plant and equipment, including furniture and fittings, is transferred to inventory when such assets are no longer held for use in the production of services but are intended for sale. These assets are reclassified at their carrying amounts at the date of transfer, which becomes their deemed cost under IAS 2 *Inventories*.

Subsequent to reclassification, such assets are measured in accordance with IAS 2 *Inventories*, at the lower of cost and net realisable value.

5.2 Analysis of balance

	Land	Buildings	Mechanical, Electrical & installations	Equipment	Furniture, fixtured and finishings	Total
	€	€	€	€	€	€
Cost						
At 1 January 2024	20,900,413	6,044,054	-	4,356	-	26,948,823
Additions	-	2,074,125	11,506,547	168,627	10,253,426	24,002,725
At 31 December 2024	20,900,413	8,118,179	11,506,547	172,983	10,253,426	50,951,548
Additions	-	211,751	325,623	22,343	1,575,949	2,135,666
As at 31 December 2025	20,900,413	8,329,930	11,832,170	195,326	11,829,375	53,087,214
Depreciation						
At 1 January 2024	-	-	-	1,388	-	1,388
Depreciation	-	76,464	266,217	5,247	166,844	514,772
At 31 December 2024	-	76,464	266,217	6,635	166,844	516,160
Depreciation	-	503,343	1,806,680	48,217	1,167,309	3,525,549
As at 31 December 2025	-	579,807	2,072,897	54,852	1,334,153	4,041,709
Net Book Value						
As at 31 December 2025	20,900,413	7,750,123	9,759,273	140,474	10,495,222	49,045,505
As at 31 December 2024	20,900,413	8,041,715	11,240,330	166,348	10,086,582	50,435,388
As at 1 January 2024	20,900,413	6,044,054	-	2,968	-	26,947,435

5.3 Security

Property, plant and equipment held by the Group, with a carrying value of €32,000,000 (2024: €32,000,000) are pledged as security for securities in issue.

JUEL HOSPITALITY LIMITED

Financial Statements for the year ended 31 December 2025

6. 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 Company's inventories comprises of the hotel's operating stock.

Hotel operating stock

Hotel operating stock consists primarily of beverages, crockery and cutlery, linen and other consumables used in the operation of the Company's hospitality activities. 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.

6.1 Make up of inventory items

	2025	2024
	€	€
Food and beverage	51,843	30,764
Crockery and linen	186,994	186,739
Consumables and others	128,274	94,645
	367,111	312,148

7. Financial assets

7.1 Initial recognition and measurement

At initial recognition, the Company classify 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 measure a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.

7.2 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.

7.3 Debt instruments

The Company's financial assets measured at amortised cost comprise of trade and other receivable balances and amounts due by the shareholder.

7.4 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.

JUEL HOSPITALITY LIMITED

Financial Statements for the year ended 31 December 2025

7. Financial assets – continued

7.5 Impairment

Further disclosures relating to impairment of financial assets are also provided 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.

7.6 Trade and other receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 90 days and therefore are all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional. The Company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. Details about the Company's impairment policies and the calculation of the loss allowance are provided in note 7.5.

		2025	2024
		€	€
Current			
Trade receivables		401,103	108,172
Other receivables		57,180	40,351
Amounts due from related parties	i	50,893	-
Amounts due from shareholder	i	207,445	-
Prepayments & accrued income		107,489	73,630
Indirect taxation		-	506,130
		824,110	728,283

Note i – Amounts due from related parties and shareholder

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

7.7 Estimates and judgements

The Company measures expected credit losses ("ECLs") on amounts due from trade receivables. These balances are subject to impairment using the simplified approach under IFRS 9.

Amounts due from subsidiaries

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 related parties will be unable to meet their repayment obligations, taking into consideration factors such as the related parties' financial position, expected cash flows 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.

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7. Financial assets – continued

7.7 Estimates and judgements - continued

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 related parties requires significant estimates. Changes in assumptions regarding cash flows, market conditions, and broader economic factors may result in material adjustments to the recognised ECL allowance.

7.8 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand which are subject to an insignificant risk of changes in value.

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

	2025	2024
	€	€
Cash at bank and in hand	338,397	1,598,436
As shown in the cashflow statement	338,397	1,598,436

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

7.9 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
	€	€
Carrying amounts		
Trade receivables	401,103	85,708
Other receivables	57,182	100,577
Amounts due from related parties	50,893	-
Amounts due from shareholder	207,445	-
Cash at hand and in bank	338,397	1,598,436
	1,055,020	1,784,721

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

7. Financial assets – continued**7.9 Credit risk exposure from financial assets - continued**

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 apply 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 are unsecured; therefore, the failure of the related undertakings could have an impact on the Company's results.

The Company monitors 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 for 31 December 2025 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.

7. Financial assets – continued**7.9 Credit risk exposure from financial assets - continued**

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 Company'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 Company, and a failure to make contractual payments for a period of greater than 1 year past due.

Cash at bank and deposits

The Company banks 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 Company. While cash and cash equivalents 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

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 third party borrowings and related party borrowings in respect to bond proceeds advanced from the parent company.

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.

JUEL HOSPITALITY LIMITED

Financial Statements for the year ended 31 December 2025

8. Financial liabilities - continued

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 Company 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 following borrowings were outstanding at 31st December 2025 and 2024:

	Note	2025 €	2024 €
Current interest-bearing borrowings			
Bank overdraft		310,295	-
Third party loans	i	200,000	150,000
Total current borrowings		510,295	150,000
Non-Current interest-bearing borrowings			
Amounts due to group companies	ii	38,318,805	35,197,199
Third party loans	i	1,650,000	1,850,000
Total non-current borrowings		39,968,805	37,047,199
Total borrowings		40,479,100	37,197,199

Note i – Third party borrowings

These loans are unsecured, bear interest rate of 2% and are repayable by November 2034 with monthly instalments

Note ii – Amounts due to group companies

The Company receives funds from its parent company "Juel Group p.l.c." primarily from the proceeds of bonds and notes issued. These balances bear interest at a fixed rate of 6.5% per annum

8.5 Finance costs

Borrowing costs primarily include the costs incurred in obtaining related party 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 €
Interest on third party loans	200,247	150,000
Interest expense on related party loan from parent company	2,146,716	-
	2,346,963	150,000

The amount of €2,241,679 interest was capitalised to PPE in financial year 2024. No interest was capitalised during the current period.

JUEL HOSPITALITY LIMITED

Financial Statements for the year ended 31 December 2025

8. Financial liabilities - continued

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.

	At 1 January 2025	Cash flows	At 31 December 2025
	€	€	€
Third party borrowings	2,000,000	(150,000)	1,850,000
Related party borrowings	39,753,336	(1,434,531)	38,318,805
	41,753,336	(1,584,531)	40,168,805

	At 1 January 2024	Cash flows	At 31 December 2024
	€	€	€
Third party borrowings	-	2,000,000	2,000,000
Related party borrowings	29,099,816	10,653,520	39,753,336
	29,099,816	12,653,520	41,753,336

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.

	Note	2025	2024
		€	€
Trade and other payables – Non-Current			
Deferred income	v	963,333	1,000,000
Capital creditors	iv	2,151,745	-
		3,115,078	1,000,000
Trade and other payables - Current			
Trade payables		2,309,384	2,854,274
Amounts due to group companies	iii	5,878,931	4,729,800
VAT payable		39,885	-
Accruals	ii	457,724	102,744
Deposits received	4.2	15,170	27,350
Capital accruals	i	2,247,157	7,985,400
Other payables		224,754	11,431
		11,173,005	15,710,999
Trade and other payables		14,288,083	16,710,999

Note i - Capital accruals

Capital accruals represent costs relating to construction, development works and finishings performed on the Company's hotel property for which the related supplier invoices had not yet been received as at the reporting date. These costs are recognised based on work performed up to year end and are included within PPE as part of the cost.

The accruals are recognised in accordance with the Company's accounting policy and reflect management's best estimate of costs incurred but not yet invoiced at the reporting date.

8. Financial liabilities – continued**8.7 Trade and other payables - continued****Note ii – Accruals**

Accruals mainly comprise accrued interest on debt securities in issue and other accruals in the normal course of business.

Note iii – Amounts due to group companies

These amounts are unsecured, interest free and repayable on demand. These amounts represent interest charged to the parent company on bond and notes proceeds advanced.

Note iv – Capital creditors

Capital creditors represent amounts payable to contractors and suppliers who have performed construction and improvement works on the hotel property. The Company has entered into structured repayment arrangements with these creditors, under which outstanding balances are being settled over agreed periods in accordance with mutually agreed terms.

Note v – Deferred income

Deferred income relates to funds received from the franchisor in connection with the development of the hotel. The consideration was received upfront and is recognised as a contract liability within liabilities in the statement of financial position. The key money is recognised in profit or loss on a systematic basis over the term of the underlying arrangement, which reflects the period over which the Company satisfies its performance obligations and derives the related economic benefits from the use of the hotel asset. Management has determined that recognising the key money over the useful life of the related asset appropriately reflects the substance of the arrangement and the pattern of benefit consumption.

8.8 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 note 8.4. 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 directors monitor 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 €7.02m (2024: net current liability position of €8.67m). However, in light of the facilities in place, management believe that the Company 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.

8.9 Maturities of financial liabilities

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.

JUEL HOSPITALITY LIMITED

Financial Statements for the year ended 31 December 2025

8. Financial liabilities – continued

8.9 Maturities of financial liabilities - continued

	On demand €	Within 1 year €	2 – 5 years €	Over 5 years €	Total €
2025					
Trade and other payables	5,878,931	5,294,074	3,115,078	-	14,288,083
Third party borrowings	-	237,000	1,202,000	566,000	2,005,000
Related party borrowings	131,885	2,405,000	14,295,000	42,400,000	60,418,805
Total contractual cashflows	7,197,736	7,936,074	18,612,078	42,966,000	76,711,888
2024					
Trade and other payables	4,731,040	6,461,584	1,000,000	-	12,192,624
Third party borrowings	-	190,000	1,122,000	883,000	2,195,000
Related party borrowings	2,753,336	2,405,000	14,620,000	44,480,000	64,258,336
Total contractual cashflows	7,484,376	9,056,584	16,742,000	45,363,000	78,645,960

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

9. 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 8.8 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.

Financial instruments not measured at fair value

At 31st December 2025 and 31st 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.

Risks relating to the Franchise Agreement

The Hotel operates under the "HYATT CENTRIC" brand pursuant to a Franchise Agreement with the Franchisor. Under this agreement, Juel Hospitality Ltd is required to comply with various obligations, including adherence to prescribed brand standards, operational requirements, and performance benchmarks. Any failure to meet these obligations may result in penalties and, in more severe cases, the termination or non-renewal of the Franchise Agreement. If the Franchise Agreement were to be terminated or not renewed, the Company would lose the benefits associated with the brand's reputation, marketing support, and customer loyalty, which could materially and adversely affect the Hotel's occupancy levels, revenues, and overall profitability until such time as another Franchisor is identified.

JUEL HOSPITALITY LIMITED

Financial Statements for the year ended 31 December 2025

9. Financial risk management - continued

Competition Risks

The Company's hospitality operations operate within the broader tourism sector, which is subject to a number of external factors that may affect operating performance and revenue generation.

The local hospitality industry is highly competitive, with a wide range of temporary accommodation options available in the market. The Hotel competes with local hotels, serviced apartments, and other accommodation providers offering similar lodging and related services.

While the Hotel benefits from the brand recognition and loyalty associated with the Hyatt brand, there can be no assurance that increased competition, new hotel developments, or an oversupply of hotel beds in the market will not adversely affect occupancy rates, pricing, and profitability. Competitive pressures may therefore have a material adverse effect on the Company's results of operations.

10. Income tax and other income and expense items

10.1 Income taxes

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.

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 Company has a legally enforceable right to settle its current tax assets and liabilities on a net basis.

	2025	2024
	€	€
Current tax		
Current tax (credit) / charge	(981)	1,579
Deferred tax credit	(3,137,588)	-
	(3,138,569)	1,579

JUEL HOSPITALITY LIMITED

Financial Statements for the year ended 31 December 2025

10. Income tax and other income and expense items - continued

10.1 Income taxes - continued

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

	2025	2024
	€	€
Profit before tax	(3,359,095)	(832,206)
Tax thereon at 35%	(1,175,683)	(291,272)
Other income	(981)	-
Deferred tax not recognised in prior year	(1,961,905)	292,851
Tax (credit)/ charge	(3,138,569)	(1,579)

Deferred tax

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

	As at 1 January 2025	Recognised in profit & loss	As at 31 December 2025
	€	€	€
Deferred tax asset			
Deferred tax asset on unabsorbed capital allowances and trading losses	-	3,137,588	3,137,588

Judgements

Deferred tax assets are recognised for all unused tax losses and tax credits to the extent that it is probable that taxable profit will be available against which the losses/ credits 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.

10.2 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 Group.

	2025	2024
	€	€
Audit fees	7,225	6,300
	<u>7,225</u>	<u>6,300</u>

10.3 Staff wages and employee information

	2025	2024
	€	€
Wages and salaries	1,721,837	273,433
Social security costs	117,784	16,504
Contracted	706,246	85,770
	<u>2,545,867</u>	<u>375,707</u>

The average number of persons employed by the company during the year was 51 (2024: 13)

	2025	2024
	€	€
Director's remuneration	36,000	2,052

JUEL HOSPITALITY LIMITED

Financial Statements for the year ended 31 December 2025

11. 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 company 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 manage their 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.

12. Equity

12.1 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
	€	€
Authorised		
20,000 Ordinary Shares of €1 each	<u>20,000</u>	<u>20,000</u>
Issued		
20,000 Ordinary Shares of €1 each	<u>20,000</u>	<u>20,000</u>

13. Other disclosures

13.1 Related party transactions

	Related party activity 2025	Related party activity 2024
	€	€
Finance costs charged by parent	2,146,716	-

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF JUEL HOSPITALITY LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Juel Hospitality Limited set out on pages 4 to 24, 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 accompanying 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.
-



CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF JUEL HOSPITALITY LIMITED

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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CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF JUEL HOSPITALITY LIMITED

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.

Other matters

This is the first year as auditors of the Company for the financial year ended 31 December 2025.

This copy of the audit report has been signed by:

A handwritten signature in blue ink, appearing to read 'Michael Curmi', is written over a horizontal line.

MICHAEL CURMI

for and on behalf of

VCA CERTIFIED PUBLIC ACCOUNTANTS

29 April 2026
