

Press Release for immediate release

Valletta, 24th April 2025

VBL Plc. announces audited financial reports for the year-end 31st December 2024, delivering significantly improved financial performance

On the 24th April 2025, VBL's Board of Directors have released the Group's audited financial statements for the year-end 2024, confirming the delivery on the expected projected growth and key financial parameters. The published audited financial statements confirm VBL's achievement of yet another year of remarkable growth and very strong profits and revenues.

As earlier projected by the Company, VBL has delivered the forecasted growth and achieved excellent revenues, in line with earlier announced projections during last year's bond issue. The recently published audited financial results were driven by the consistent implementation of the Company's declared strategy and continuous execution of its property regeneration and renovation plans.

On the 24th April 2025, VBL Group's Directors released the audited consolidated financial statements for the period ending 31st December 2024, declaring revenues of €4,065,367 (up from €3,245,679 in 2023), and EBITDA of €3,721,746 (up from €2,574,729 in 2023) an increase of 45%. The increase in revenues and profits are driven by the continuous implementation of the Company's long-standing growth strategy and execution of real estate development and regeneration projects. The financial statements are reflecting the realisation of significant investment income, reaching €2,558,543 (up from €2,042,475 in 2023), the positive result of VBL's development programme and the favourable market conditions.

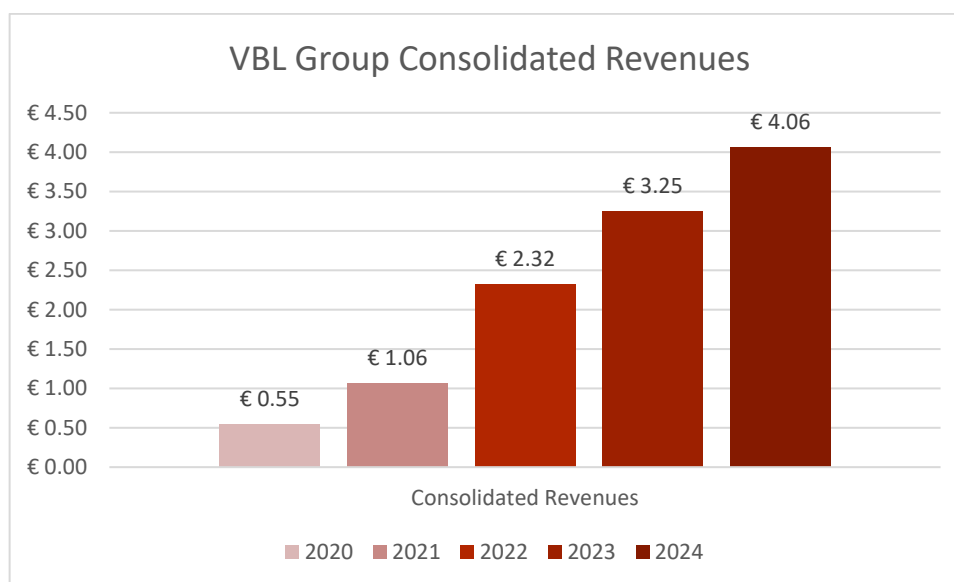
The announced results are overall in line with the earlier disclosed projections, with investment income growth reflecting an increase of €1.54 million compared to the latest Company projections, driven by the revaluation of the ongoing development projects, also impacting positively the EBITDA level. Removing the impact of the investment income increase, the Company has still slightly outperformed its projections. The increase in operational EBITDA of €0.51 million, compared to the projections, is driven by increased service revenues and overall better operational performance during year 2024, which has favourably impacted the operational costs, resulting in savings of €0.2 million (14%) compared to the latest projections.

VBL Group today has achieved a high level of diversification in terms of management of both owned and third-party assets in Valletta. The diversification has significantly widened the spectrum of asset categories the Group manages, resulting in stabilised and diversified revenue streams, supporting its long-term profitability. This continuous operational diversification is a result of the implementation of the VBL Group's growth strategy declared from the inception of the Company and has proven the Company's adaptability to changing market trends and conditions, resulting in continuously increasing asset values, growing revenues and profitability.

Until today, the VBL Group is generating revenues from approx. a mere 30% of its owned portfolio, while most of the remaining assets are still under renovation or being prepared for regeneration. The completion of the Silver Horse Block (Phase 2) development – currently planned for year 2026 – is envisaged to significantly increase the share of revenue generating assets within the total portfolio.

In summarising the Company's key financial achievements, based on the latest consolidated audited financial statements, VBL outlined the following main achievements:

- **Revenue Growth:** The Company's operating revenues have consistently grown, following the pandemic, seeing consolidated revenue increase from €1.06 million (2021), to €2.32 million in 2022 (an increase of 118%), a further increase to €3.25 million in 2023 (an increase of 40% compared to 2022) and €4.06 million in 2024, equating to a sizable increase of 25% compared to 2023. This growth reflects the expansion of the operating part of the portfolio and the results of the development and regeneration activity of the Company. The general improvement in the relevant market conditions have also supported the positive impact on the delivery of these results.



- **Investment Income** (Real Valuation Gain): The Company's investment income mainly reflects the increase in the book value of investment properties held within its portfolio through development and market revaluations, contributing to the total income and profit, and reflecting the development activity, new acquisition and market fluctuations. Since the IPO, the Investment Income has also grown consistently, and amounted to €6.34 million in 2021, €6.87 million in 2022, €2.04 million in 2023 and €2.56 million in 2024. This highlights the impact of acquisition activities (in 2021 and 2022) and the development activities (more relevant to years 2023 and 2024), reflecting the impact of real estate

market valuations on the Company's reported results. The realised investment income for the reporting year has significantly outperformed the earlier projections, resulting in increase of €1.54 million (150 %) higher than the projections, which is a result of the impact of the independent asset valuation of the ongoing regeneration/renovation projects. These interim fluctuations are believed to balance out in the mid- and long-term, as the Company keeps delivering on its long-term plans.

- **Profitability (EBITDA and Net Profit):** The Company's operational EBITDA (excluding the impact of real estate revaluations) also shows continuous increase since the Company's IPO, recording €0.18 million (2021), €0.26 million (2022), €0.53 million (2023) and achieving €1.16 million (2024). The growth reflected in the total Consolidated EBITDA (including revaluation gains), follow the trend and shows an increase, reflecting the investment income and resulting in €6.52 million (2021), €7.13 million (2022), €2.57 million, (2023) and €3.72 million in 2024. The Consolidated EBITDA in the last financial year is reflective of the renovation and regeneration activity, based on the Company's strategy. Net profits after tax are following the similar trajectory with €5.79 million in 2021, €6.32 million in 2022, €1.70 million in 2023 and €2.48 million, in the last financial year. The increase of €0.51 million (78%) in operational EBITDA to the latest projections of the Company, is reflecting the positive operational results, improved market conditions, and the result of unplanned service revenues realised during the reporting period. The interim, periodical fluctuations, however, are expected to even out on the mid- and long-term.

- **Assets and Equity:** The Group's total assets also keep growing consistently, increasing from €55.2 million, at the end of 2020 (last year prior to the IPO), to €95.38 for the year ending 2024.

As a result, the earnings per share (EPS) in the reporting period have also shown an increase from €0.0068 (in 2023) to €0.0100 (in 2024). This increase of 47% is primarily the result of developments and revaluations and the implementation of the overall growth strategy continuously declared by the VBL Group.

- **Dividends:** VBL has been paying dividends consistently for the past ten years. The dividends approved and paid for the period since the IPO are continuously growing, both as total amount and as dividend per share. The respective amounts were €160,000 for 2021, to €180,000 for 2022, and €200,000 for year 2023, representing an annual increase of over 10% year-on-year. The Company's declared dividend policy aims to pay out 30-50% of regular free cash flow. Dividends for year 2024 will be proposed and decided at the Annual General Meeting, announcements on which will be made in due course.

Overall, the audited financial statements and data show that the Company is successfully growing its operating income base since the pandemic and is continuously increasing its asset value through implementing its declared strategy and development programme. Based on the last annual audited results, Management and Directors are at the opinion that the Company is on the right track to continue delivering its value growth derived from its fully owned property portfolio, while systematically delivering increasing portfolio yields, and eventually exceeding those of comparable peers in the broader EU.

OUTLOOK

VBL Group has committed to continue implementing its declared asset renovation and regeneration programme. Previously announced project completion schedule is considered to remain realistic, and Management is of the opinion that the main milestones are on track, with the next landmark

development to be completed in 2026. The Company's existing financial facilities (bank loan and bond financing) are considered sufficient for the current financing requirements of the ongoing development projects. VBL's very strong balance sheet and relatively low gearing reflects its conservative approach to leverage. In the meantime, in line with the previously announced plans, the Company will continue exploring available financing options, with a view to further develop the Group, increasing shareholder value and ensuring continuous expansion within its core market. In this context, VBL continues to evaluate possible strategic options for raising further capital from strategic and/or financial investors or carrying out other equity transaction(s) within the Company's disclosed development plans.

About the VBL Group

The VBL Group is the leading private owner and manager of real estate in Valletta, focused on achieving continuous capital growth and continuous dividend distribution for its Shareholders, along with continuous growth and appreciation of the Company's owned assets. VBL has established itself as an expert in renovation and regeneration projects, with specific focus on preserving heritage and historic values and high standards of professional property management services. VBL is a committed supporter of cultural and historic events across the city of Valletta.

VBL's continuous past and future growth is funded on clearly defined and focused business strategy, firmly based on strong asset portfolio. VBL's sustainable capital appreciation is resulting from regeneration and revival of historic properties located in Valletta, into high-quality, functional revenue generating assets. VBL Group is proud of its proven capability of preserving and restoring national heritage, with great attention to the environmental and social fabric of the city of Valletta. By retaining its focus of investment and operations on Valletta, VBL ensures that it maintains its significant role and focus on the Valletta property market.

VBL Plc shares are listed on the main market of the Malta Stock Exchange (MSE, ticker "VBL"). The Company is as an active player on the local equity and bond markets and continuously expands its activity with the support of its investors.
