SP FINANCE p.l.c

No. 89, The Strand,
Sliema,
Malta.

Co. Registration No. C-89462

Ref: SPF - 76

COMPANY ANNOUNCEMENT

The following is a Company Announcement issued by SP Finance p.l.c. a company registered under the laws of Malta with company registration number C-89462 (the "Company") pursuant to Capital Markets Rules issued by the Malta Financial Services Authority.

Approval and Publication of Interim Financial Statements 2026

Quote

At a meeting held on the 31st August 2026, the Board of Directors of SP Finance p.l.c., approved the Company's Interim Unaudited Financial Statements for the six-month financial period ended 30th June 2026.

A copy of the Interim Financial Statements is attached to this announcement. The report is also available for viewing on the Company's website: https://pebbleshotelmalta.com/investor-relations/

Unquote

Dr. Andrea Micallef
Company Secretary
31st August 2026

SP FINANCE P.L.C.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDING 30TH JUNE 2026

Company Registration Number: C 89462

SP FINANCE P.L.C.

Condensed Consolidated Interim Financial Statements (unaudited) for the period ended 30 June 2026

CONTENTS

INTERIM DIRECTORS' REPORT

The directors hereby present their interim report together with the condensed consolidated interim financial statements of SP Finance p.l.c. and its fully owned subsidiaries (the "Group") for the period from 1 January 2026 to 30 June 2026.

The interim directors' report is being published in terms of Capital Markets Rule 5.75.2 issued by the Malta Financial Services Authority and the Prevention of Financial Markets Abuse Act, Chapter 476 of the Laws of Malta.

Principal Activities

The Group's principal activities consist in the ownership and operation of the Pebbles Boutique Aparthotel in Sliema and the operation of the Pebbles Resort in St. Paul's Bay. As from 1 April 2023 the Group operates several catering and entertainment establishments comprising the MedAsia Fusion Lounge, the MedAsia Playa and the Noodle Box, all situated in Sliema, the MedAsia Golden Sands in Golden Bay and all the bar and restaurant venues located in the Pebbles Resort in St. Paul's Bay. A fully owned subsidiary, MedAsia Branding Ltd. – C89612 (formerly Pebbles St. Julians Limited) owns and exploits intellectual property rights.

In the beginning of January 2024, the Pebbles Boutique Aparthotel in Sliema closed for a 3-year conversion project which will transform it into a Class 3B Hotel with a total of 149 units consisting of 31 standard rooms and 118 self-catering units in addition to ground floor and rooftop Class 4D restaurants and rooftop pool, amongst other facilities.

Review of Business

The Group's revenue during the period amounted to €4,170,296 compared to €4,368,191 in the corresponding period of 2025 (-5%), while the profit before tax in 2026 was €209,669 compared to a loss of €170,820 in 2025. These are the first interim financial statements in which the Group reports a profit before tax.

The improvement in the Group's profitability which amounts to €380,489 compared to the corresponding period of 2025 is principally the result of a mix of the following factors:

• A decrease in the Group's **revenue** by €197,895. The revenue generated by the accommodation side of the business increased by 13.1%, but this was not sufficient to compensate for a decrease in the revenue generated by the catering arm of the business which decreased by 16%. This decrease is mostly due to the temporary closure of the MedAsia Fusion Lounge in Sliema in April 2026 which was necessary in view of the overlying construction works on the new Pebbles Boutique Aparthotel.

• A marked improvement in the **gross profit margin** which stood at 26% in 2025 and increased to 33% in 2026. This was mostly due to an increased portion of the revenue mix that is attributable to the accommodation business which enjoys higher gross profit margins compared to the catering business. This resulted in a 20% increase in Gross Profit which in 2026 stood at €1,387,202 compared to €1,153,713 in 2025.

• A decrease in **administrative expenses** from €222,300 in 2025 to €162,373 in 2026 (- 27%); a decrease in **depreciation** from €843,294 in 2025 to €771,107 in 2026 (-9%) and a decrease in **finance costs** from €292,310 in 2025 to €260,923 in 2026 (-11%).

As in previous years, the Pebbles Resort / Bora Bora Ibiza Malta situated in St. Paul's Bay continued to perform well, exceeding both last year's results as well as projections for these six months. Actual performance for July and August 2026 as well as bookings for the remaining months of the year augur well for another positive year. The reconstructed Pebbles Boutique Aparthotel in Sliema is expected to re-open in the first quarter of 2027 and will significantly strengthen the Group's offering and performance in the accommodation sector.

Risks and uncertainties for the remaining six months of 2026

The temporary closure of the Pebbles Boutique Aparthotel in Sliema in early 2024, which is now expected to re-open in the first quarter of 2027, signifies that by the end of the current financial year, the Group would have operated, for three consecutive years, only one of the two hotels it owns - the Pebbles Resort / Bora Bora Ibiza Malta in St. Paul's Bay. This means that during this period, the Group's financial results for the accommodation arm of its business were totally dependent on the performance of this hotel.

In the first six months of 2026 this hotel's performance again exceeded the results of the corresponding period of 2025 and projections for this period. These strong results contributed to the Group's overall satisfactory performance, managing to report a profit before tax in its interim financial statements for the first time since inception.

Management's 'hands on' approach and constant focus to deliver a unique user experience is reflected in excellent customer reviews on the main travel booking websites. This, coupled with strong long-term business relationships with music events organizers augurs well for a strong performance for the whole of 2026, in line with the preliminary results for July and August as well as bookings for the rest of the year.

It is therefore expected that the Pebbles Resort / Bora Bora Ibiza Malta's strong performance for the whole of 2026 should be more than sufficient to offset the results in the catering arm of the business which, while still contributing to about half of the Group's revenue and pre-tax profits, is currently affected by strong competition in this sector and not experiencing the same growth trajectory as the accommodation arm of the business.

In early 2026 the Group has also secured adequate bank financing to finish the reconstruction of the Pebbles Boutique Aparthotel in Sliema.

Dividends

The Directors do not propose the payment of an interim dividend.

Approved by the Board of Directors on 31 August 2026 and signed on its behalf by:

Mr Joseph Casha
Director

Mrs Josephine Casha
Director

Directors' Statement Pursuant to Capital Markets Rule 5.75.3 Issued by the Malta Financial Services Authority

We confirm that to the best of our knowledge:

1. The condensed consolidated interim financial statements give a true and fair view of the assets, liabilities and financial position of the Group as at 30 June 2026 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 applicable to Interim Financial Reporting (IAS 34).

2. The interim directors' report includes a fair review of the information required in terms of Capital Markets Rules 5.81 to 5.84.

The condensed consolidated interim financial statements have not been audited or reviewed by the Company's auditors.

Mr Joseph Casha
Director

Mrs Josephine Casha
Director

31st August 2026

CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE 6 MONTHS ENDING 30th JUNE 2026

	30 June 2026 €	30 June 2025 €
Revenue	**4,170,296**	4,368,191
Cost of sales	**(2,783,094)**	(3,214,478)
Gross profit	**1,387,202**	1,153,713
Administrative expenses	**(162,373)**	(222,300)
Other operating income	**16,870**	33,371
Profit before interest, tax and depreciation	**1,241,699**	964,784
Depreciation	**(771,107)**	(843,294)
Operating profit/(loss)	**470,592**	121,490
Finance costs	**(260,923)**	(292,310)
Profit/(Loss) before taxation	**209,669**	(170,820)
Tax credit	**(73,384)**	59,786
Profit/(Loss) for the period	**136,285**	(111,034)
Other comprehensive income	-	-
Total comprehensive income/(loss)	**136,285**	(111,034)

The notes on pages 8 to 10 are an integral part of these condensed consolidated interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30th JUNE 2026

	Notes	**30 June 2026** €	31 December 2025 €
ASSETS			
Non-current assets		**54,784,548**	52,428,021
Current assets		**4,332,594**	2,971,379
Total assets		**59,117,142**	55,399,400
EQUITY		**28,921,422**	28,785,137
LIABILITIES			
Non-current liabilities	4	**22,956,582**	18,551,918
Current liabilities		**7,239,138**	8,062,345
Total liabilities		**30,195,720**	26,614,263
Total equity and liabilities		**59,117,142**	55,399,400

The notes on pages 8 to 10 are an integral part of these condensed consolidated interim financial statements.

The condensed consolidated interim financial statements on pages 4 to 10 were authorised for issue by the board of directors on 31 August 2026 and were signed on its behalf by:

Mr Joseph Casha
Director

Mrs Josephine Casha
Director

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE 6 MONTHS ENDING 30th JUNE 2026

	Share capital €	Share premium €	Revaluation reserve €	Fair value gain reserve €	Other reserve €	Retained earnings/ (Accumulated losses) €	Total €
Balance as at 31st December 2024	250,000	17,750,000	14,799,920	2,938,013	(12,769,910)	(3,851,049)	19,116,974
Loss for the period	-	-	-	-	-	(111,034)	(111,034)
Balance as at 30th June 2025	250,000	17,750,000	14,799,920	2,938,013	(12,769,910)	(3,962,083)	19,005,940
Profit for the period	-	-	-	-	-	379,105	379,105
Comprehensive income							
Revaluation of PPE	-	-	9,400,092	-	-	-	9,400,092
Balance as at 31st December 2025	250,000	17,750,000	24,200,012	2,938,013	(12,769,910)	(3,582,978)	28,785,137
Profit for the period	-	-	-	-	-	136,285	136,285
Balance as at 30th June 2026	**250,000**	**17,750,000**	**24,200,012**	**2,938,013**	**(12,769,910)**	**(3,446,693)**	**28,921,422**

The notes on pages 8 to 10 are an integral part of these condensed consolidated interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE 6 MONTHS ENDING 30th JUNE 2026

	30 June 2026	30 June 2026
	€	€
Cashflow from operating activities	**(1,009,570)**	2,445,005
Cashflow from investing activities	**(3,200,994)**	(1,252,139)
Cashflow from financing activities	**4,266,178**	(948,447)
Net movement in cash and cash equivalents	**55,614**	244,419
Cash and cash equivalents at beginning of period	**(610,718)**	(878,640)
Cash and cash equivalents at end of period	**(555,104)**	(634,221)

The notes on pages 8 to 10 are an integral part of these condensed consolidated interim financial statements.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1. Corporate information

SP Finance p.l.c. (the Company) is a limited liability company which was registered in Malta on 19 November 2018.

The condensed consolidated interim financial statements include the financial statements of SP Finance p.l.c. and its subsidiaries (the Group), and cover the period 1 January 2026 to 30 June 2026.

2. Basis of preparation

These condensed consolidated interim financial statements for the six month period ending 30 June 2026 have been prepared in accordance with IAS 34, 'Interim financial reporting'. They have been prepared under the historical cost convention as modified by the fair valuation of the land and buildings class of property, plant and equipment and investment property. These financial statements have not been audited nor reviewed by the company's independent auditors.

The condensed consolidated interim financial statements do not include all the notes of the type normally included in the annual financial statements. Accordingly, this report should be read in conjunction with the annual financial statements for the period ending 31 December 2025, which have been prepared in accordance with IFRSs as adopted by the EU.

3. Significant accounting policies

The accounting policies applied in the preparation of these condensed consolidated interim financial statements are consistent with those applied in the annual financial statements for the period ending 31 December 2025.

The Company has not adopted any other standard, interpretation or amendment that has been issued but is not yet effective. The changes resulting from these standards, interpretations and amendments are not expected to have a material effect on these financial statements. The Company will adopt the changes in standards on their effective date.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

4. Non-current liabilities

	30 June 2026	31 December 2025
	€	€
Borrowings:		
Bank borrowings	**5,110,611**	236,000
Bonds (note i)	**11,910,518**	11,894,727
	17,021,129	12,130,727
Lease liability long term	**1,859,237**	2,344,975
Deferred tax liability	**4,076,216**	4,076,216
	22,956,582	18,551,918

i) The debts securities are disclosed at the value of the proceeds less the net book amount of the transaction costs as follows:

	30 June 2026	31 December 2025
	€	€
Face value of bonds		
Bonds	**12,000,000**	12,000,000
Issue costs	**(315,822)**	(315,822)
Accumulated amortisation	**226,340**	210,549
	(89,482)	(105,273)
Amortised cost	**11,910,518**	11,894,727

By virtue of the Prospectus dated 8 April 2019, SP Finance p.l.c issued for subscription by the general public 120,000 secured bonds having a nominal value of €100 each for an aggregate principal amount of €12,000,000. These bonds have been issued at par.

The bonds are subject to a fixed interest rate of 4% per annum payable on the 3 May of each year up to redemption date. All bonds, unless previously purchased and cancelled, will be redeemed on 3 May 2029.

The bonds are subject to the terms and conditions in the prospectus and are listed on the Malta Stock Exchange. The quoted market price as at 30th June 2026 for the 4% secured Bonds was €98.03 (31st December 2025: €97.01).

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

5. Related party transactions

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

	30 June 2026 **€**	30 June 2025 €
Revenue		
Commonly controlled entities		
Royalties	**15,670**	-
Other operating income		
Commonly controlled entities		
Service fees	**160,750**	12,132
Other operating expenses		
Commonly controlled entities		
Direct costs	**-**	331,531
Non-current assets		
Commonly controlled entities		
Construction and finishing works	**2,604,170**	600,000