FINANCIAL ANALYSIS SUMMARY 2025

GOLDEN TRIANGLE P.L.C.

06 JUNE 2025

PREPARED BY
CALAMATTA CUSCHIERI INVESTMENT SERVICES LIMITED

The Directors
Golden Triangle p.l.c.
22, Europa Centre, John Lopez Street, Floriana,
Malta

06 June 2025

Dear Board Members,

In accordance with your instructions, and in line with the requirements of the MFSA Listing Policies, we have compiled the Financial Analysis Summary (the "**Analysis**") set out on the following pages and which is being forwarded to you together with this letter.

The purpose of the financial analysis is that of summarising key financial data appertaining to the Issuer and the Guarantor.

The data is derived from various sources or is based on our own computations as follows:

a) The forecast data for the financial years 2025 to 2027 has been provided by management.

b) Our commentary on the Issuer's and Guarantor's results and financial position has been based on the explanations provided by management.

c) The ratios quoted in this Analysis have been computed by us applying the definitions set out in section 4 of the Analysis.

d) The principal relevant market players listed in section 3 of this Analysis have been identified by management. Relevant financial data in respect of competitors has been extracted from public sources such as the websites of the companies concerned or financial statements filed with the Registrar of Companies.

The Analysis is meant to assist investors in the Issuer's securities and potential investors by summarising the more important financial data of the Company and is meant to complement, and not replace, the contents of the full prospectus.

The Analysis does not contain all data that is relevant to investors or potential investors. The Analysis does not constitute an endorsement by our firm of any securities of the Issuer and should not be interpreted as a recommendation to invest in any of the Issuer's securities. We shall not accept any liability for any loss or damage arising out of the use of the Analysis. As with all investments, potential investors are encouraged to seek professional advice before investing in the Issuer's securities.

Yours sincerely,

Patrick Mangion
Head of Capital Markets

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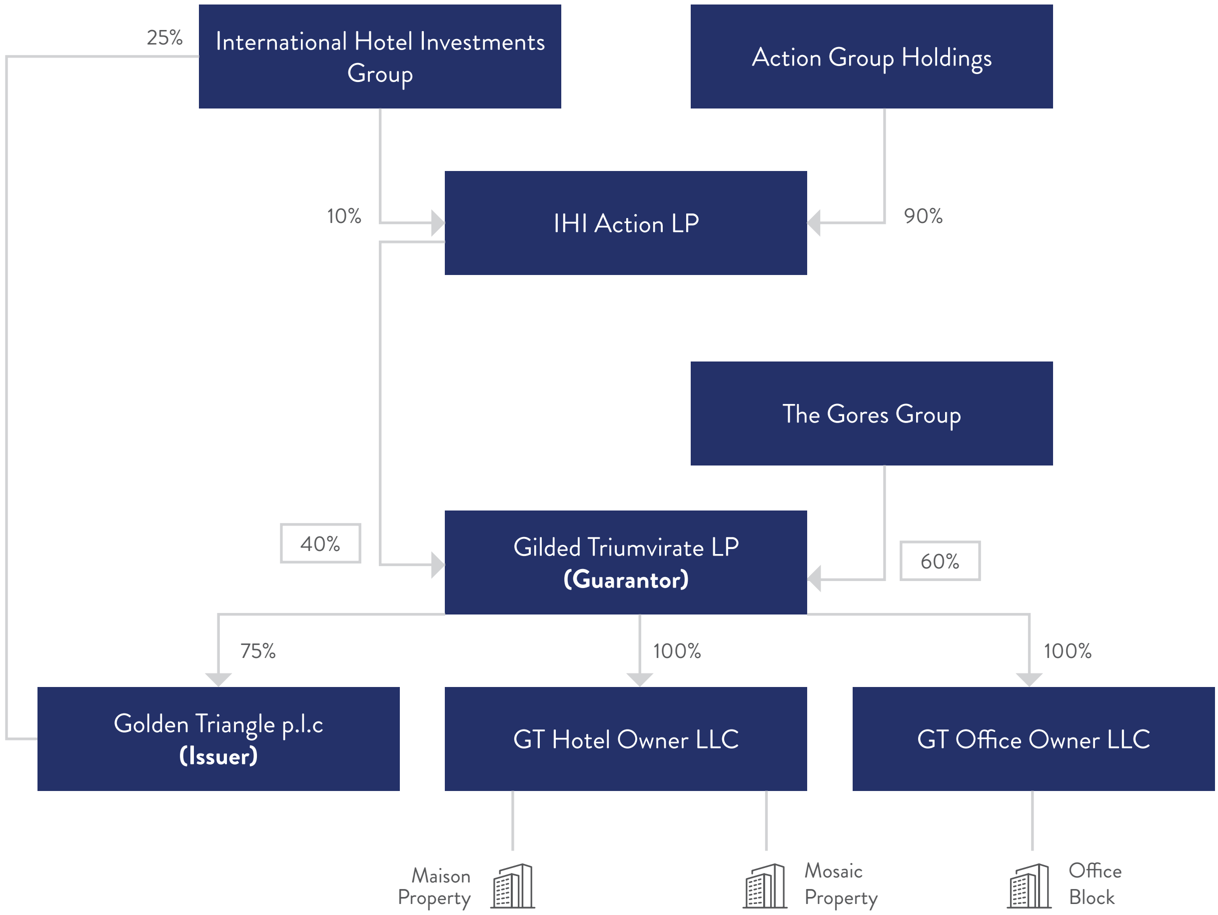
PART 1 INFORMATION ABOUT THE GROUP

1.1 GROUP'S KEY ACTIVITIES AND STRUCTURE

The final group structure will be as follows after concluding all the below described phases of the proposed transaction:



The transaction entails the formation of a strategic joint venture (the "**JV**") among three corporate entities—International Hotel Investments p.l.c., Action Group Holdings, and The Gores Group—with the objective of capitalising on a significant investment opportunity in Beverly Hills, Los Angeles, California.

The principal focus of the joint venture will be the acquisition, ownership, and operation of a portfolio of prime real estate assets located in Beverly Hills, comprising two high-profile hotel properties (the "**Hotel Properties**") and a premium office building (the "**Office Block**"), collectively referred to as (the "**BH Properties**").

Through this JV structure, the three partners will pool their respective financial resources, operational expertise, and strategic capabilities to acquire, manage, and enhance the long-term value of the BH Properties. The collaboration is designed to leverage each party's strengths in hospitality, real estate investment, and asset management to maximise value creation and deliver sustainable returns.

1.1.1 INTERNATIONAL HOTEL INVESTMENTS

International Hotel Investments p.l.c. ("**IHI p.l.c.**") is a public limited liability company incorporated in Malta and listed on the Official List of the Malta Stock Exchange. IHI p.l.c. is engaged in the ownership, development, and operation of luxury hotels, serviced residential complexes, and commercial real estate, primarily under its proprietary Corinthia brand. As an Issuer of listed debt securities and a company with shares admitted to listing and trading on the Malta Stock Exchange plc, IHI p.l.c. has conducted several public offerings since 2009, establishing a strong track record in the capital markets.

The IHI Group operates across the global hospitality and real estate sectors, with a diversified portfolio of assets and operations spanning both domestic and international markets. Its flagship Corinthia Brand, founded in 1968 with the opening of the Corinthia Palace Hotel in Attard, Malta, has since evolved into a globally recognised name in the luxury hospitality space. In 2024, IHI p.l.c. launched the Verdi Hotels brand through the rebranding of several properties within its portfolio, complementing its brand architecture with a modern, upscale offering.

Today, the IHI Group's operations encompass the full value chain of the luxury hospitality and real estate sector—investment, development, ownership, and management. Through its wholly owned management company, Corinthia Hotels Limited (**"CHL"**), the Group currently operates 17 hotels, including:

- 10 hotels under the Corinthia Brand;
- 5 hotels under the Verdi Brand; and
- 2 hotels under the Radisson Brand.

In addition, the Group has a development pipeline of nine new hotels, all slated to operate under the Corinthia Brand, in key international markets.

The Corinthia Brand maintains a strong presence across three continents, with landmark properties in destinations such as London, Lisbon, Budapest, Brussels, New York, and Bucharest, and upcoming openings in Rome, Doha, Riyadh, Maldives, and Turks & Caicos. While rooted in the Mediterranean, IHI p.l.c.'s strategic vision remains focused on global expansion and the continued elevation of its brands within the upper-upscale and luxury hospitality segments.

Beyond hospitality, IHI p.l.c also engages in the development, ownership, and sale of office, retail, and residential properties, often as part of mixed-use real estate projects, further strengthening its diversified business model and long-term growth platform.

1.1.2 THE GORES GROUP

The Gores Group (**"TGG"**) is a global investment firm headquartered in Beverly Hills, California, with a strong track record of identifying, acquiring, and revitalising businesses across a wide range of industries. Founded in 1987 by Alec E. Gores, a seasoned entrepreneur and the firm's current CEO, the Group has built its reputation on partnering with companies that can benefit from deep operational expertise and strategic guidance.

Since its inception, The Gores Group has completed over 120 acquisitions, focusing on underperforming or undervalued businesses with untapped potential. The firm's investment philosophy is hands-on and value-driven, with an emphasis on operational improvements, sustainable growth, and long-term value creation.

The Group's diverse portfolio includes businesses in sectors such as technology and telecommunications, media and entertainment, healthcare, consumer products, transportation, and business services—a reflection of its broad investment mandate and adaptability across market cycles.

In recent years, The Gores Group has also become a prominent player in the special purpose acquisition company (**"SPAC"**) space. Under the Gores Holdings banner, the firm launched its first SPAC IPO in 2015 and has since successfully completed 11 business combinations, further cementing its role as an innovative force in the private equity and capital markets landscape.

The Gores Group continues to leverage its institutional knowledge, entrepreneurial spirit, and operational focus to build long-term partnerships and deliver value across its investments.

1.1.3 THE ACTION GROUP

Action Real Estate is a closed shareholding company incorporated in Kuwait, and serves as the dedicated real estate arm of Action Group Holdings—a diversified, family-owned conglomerate founded by H.E. Sheikh Mubarak Abdullah Al Mubarak Al Sabah in 2004. Since its establishment, Action Real Estate has grown into a key player in the regional property market, driving the real estate strategy and portfolio management for the wider Group.

Action Group Holdings boasts a track record spanning over three decades, with successful investments across all six GCC countries—Kuwait, Saudi Arabia, the United Arab Emirates, Bahrain, Qatar, and Oman—and a growing presence in international markets. Its operational reach extends to more than 12 countries, including Australia, the United Kingdom, Germany, and France, with business interests spanning real estate, investments, trade and FMCG, hospitality, energy services, and technology consulting.

Real estate remains the cornerstone of the Group's portfolio, with Action Real Estate at the helm. The company manages a broad mix of commercial, residential, office, mixed-use, and hospitality developments, with a strong concentration in Kuwait and the wider Gulf region.

Since inception, Action Real Estate has successfully developed over 300,000 square meters of built-up property, including major residential, industrial, and commercial projects. Its operations encompass the full lifecycle of real estate investment—from development and construction to ongoing asset management and operations—across both domestic and regional markets.

With a strong foundation in the Gulf and an expanding international outlook, Action Real Estate continues to play a pivotal role in shaping the Group's real estate footprint and long-term investment strategy.

1.1.4 TRANSACTION BACKGROUND

The transaction is being executed in multiple phases and centres on the formation of a joint venture and the sequential acquisition of hotel and office real estate assets in Beverly Hills, California.

Phase 1: Formation of IHI Action LP and Hotel Acquisition

On 27 January 2025, International Hotel Investments p.l.c. entered into a joint venture agreement with Action Group Holdings to establish a new limited partnership named IHI Action LP, with ownership stakes of 10% held by IHI p.l.c. and 90% by Action Group.

The first phase of the transaction involves the acquisition of the Hotel Properties by IHI Action LP for a total cash consideration of $41.75 million. The acquisition will be funded as follows:

- $15 million in equity contributions from the JV partners (with additional equity of $3m will be raised to support the proposed refurbishment of Hotel Maison).
- $26.75 million in vendor financing, structured as a bridge facility pending the issuance of long-term debt.

The joint venture formed the Guarantor - Gilded Triumvirate LP - on 24 February 2025 - and its subsidiary - GT Hotel Owner LLC - purchased the two hotels located in Beverly Hills, California: the Maison 140 Hotel and the Mosaic Hotel (the Hotel Properties) on 24 February 2025, the Hotel Acquisition Date.

Phase 2 : Bond issuance and Refinancing

Following the acquisition of the Hotel Properties, a newly formed Maltese subsidiary, Golden Triangle plc (the "Issuer"), will raise €42 million via a proposed bond issuance. The Issuer will be guaranteed by Gilded Triumvirate LP (the "Guarantor"), the holding entity within the JV structure.

- €40.6 million will be channelled through intra-group loans to group companies. These funds will be used by the Guarantor to:
    - *Circa* €15.9 million (equivalent to $18 million) (the Gores Cash Payment) shall be paid to the Gores Group pursuant to the Office Contribution and Inducement Agreement whereby the Gores Group will contribute ownership of the Office Block to GT Office Owner LLC (Phase 3 point a).
    - *Circa* €23.7 million (equivalent to $26.75 million) shall be paid to the Hotel Vendors as full settlement for the Vendor Loan;
    - €1.0 million (equivalent to $1.13 million) for general operational requirements of the Group.

All conversions from US Dollar ($) to Euro (€) in this section and throughout the document have applied the following exchange rate: $1.13 to €1.00.

Phase 3: Office Block Acquisition and Finalisation of the JV

The final phase of the transaction involves the contribution of the Office Block by TGG to the Guarantor, for a total consideration of $45 million. This consideration will be settled as follows:

a. $18 million in cash; and
b. The issuance of 60% shareholding in the Guarantor to TGG.

The agreed consideration reflects the net value of the Office Block after deducting $55 million in existing bank borrowings, which will be assigned to and assumed by the Guarantor as part of the transaction.

1.2 TARGETED ASSETS OF THE GUARANTOR

The Golden Triangle: The targeted assets of the Guarantor consist of the Office Block and Hotel Properties, both of which are located within the renowned Golden Triangle in the City of Beverly Hills, Los Angeles County, California. Beverly Hills, widely recognised as a symbol of wealth, sophistication, and luxury, is known for its high-end shopping, iconic landmarks, celebrity residences, and upscale dining. The city spans approximately 5.7 square miles and has long been a global destination for the elite, further enhanced by its favourable climate, meticulously maintained streets and landscaping, and proximity to the world-famous beaches and landmarks such as Hollywood, Malibu, and Santa Monica.

The assets are situated at the southwest corner of the Golden Triangle, a highly coveted commercial district defined by its prime location at the intersection of Santa Monica Boulevard, Wilshire Boulevard, and Rodeo Drive. The Golden Triangle's small, well-defined footprint makes it exceptionally accessible and pedestrian-friendly, while its central location ensures ease of connectivity to major thoroughfares, including the 405 Freeway, and close proximity to Los Angeles International Airport (LAX).

This area is home to several prestigious landmarks such as Beverly Hills City Hall, Beverly Hills Garden Park, and the luxurious Waldorf Astoria Beverly Hills. Though not within the immediate Golden Triangle, the iconic Beverly Hills Hotel, known as "The Pink Palace," located on Sunset Boulevard, further enriches the area's cultural and historical significance. Opened in 1912, the Beverly Hills Hotel has become a symbol of the city's legacy.

Due to the limited size of Beverly Hills and its real estate constraints, properties within the Golden Triangle are highly sought after, contributing to high rental rates for commercial space. This scarcity, coupled with the area's proximity to desirable locations and its globally recognised reputation, makes the Golden Triangle an attractive environment for businesses in the entertainment industry, luxury retail, public relations, media agencies, law firms, and production companies. The combination of location, prestige, and market demand establishes the Golden Triangle as one of the most desirable and profitable areas for both commercial and hospitality investments.

1.2.1 THE OFFICE BLOCK

The Office Block comprises two office buildings strategically positioned with direct access to Spalding Drive and Wilshire Boulevard in Beverly Hills, California. These buildings, interconnected by a sky bridge, offer a total of approximately 60,000 square feet of rentable space.

The first office building, located at 121 S Spalding Drive, was constructed in 2014 on a 12,200 square foot plot. This four-storey structure is primarily designed for vehicle parking, featuring parking spaces on each floor. The ground and fourth floors include a reception area, an office space of 9,260 square feet, as well as essential facilities including bathrooms and mechanical spaces.

The second office building, located at 9800 Wilshire Boulevard, was built in 1958 on a 14,175 square foot site. This three-storey building spans over 35,000 square feet of interior space, with a combination of offices, meeting rooms, and a lounge area. Additionally, it includes a restaurant space and a 7,000 square foot rooftop deck, offering expansive views of the surrounding area.

Currently owned by GCIP Holdings II, LLC, a subsidiary of the Gores Group, the Office Block is set to be transferred to the Guarantor of even date with the Gores Cash Payment once the Office Contribution and Inducement Agreement takes effect. Following this, the property will be contributed to GT Office Owner LLC, a subsidiary of the Guarantor, which will assume responsibility for holding and managing the asset.

GT Office Owner LLC was specifically established for the purpose of owning the Office Block and subsequently leasing the property to both BH Club Owner LLC and the Gores Group, facilitating ongoing management and operational functions.

1.2.2 THE HOTEL PROPERTIES

The GT Hotel Owner LLC purchased the two hotels located in Beverly Hills, California: the Maison 140 Hotel and the Mosaic Hotel (the Hotel Properties) on 24 February 2025, the Hotel Acquisition Date.

1.2.2.1 The Mosaic Hotel

The Mosaic Hotel is situated on an 11,250 square foot site along South Spalding Drive in Beverly Hills, California. The property features a four-storey building with 49 guest rooms, complemented by a parking area offering 45 parking spaces. Under the terms of the Hotel Purchase Agreement, the previous management agreement with the hotel's prior operator was terminated by Boutique Hotel Company - Beverly Hills LLC, the vendor. The Mosaic Hotel is now owned by GT Hotel Owner LLC, which is fully owned by the Guarantor. Following the acquisition, the hotel was leased to BH Hotel Tenant LLC, a wholly owned affiliate of IHI p.l.c.

Originally opened in 1959, the hotel has undergone several renovations over the years. Since the inception of the Mosaic Hotel Management Agreement (HMA), the manager has provided transition services and continues to oversee the day-to-day operations, including white-label hotel management and food & beverage services.

The hotel boasts a variety of amenities, including a restaurant, lounge, outdoor pool, fitness center, and business services. Guests can enjoy high-speed internet access throughout the property, including in the guest rooms and public spaces. Guest rooms are located on the second, third, and fourth floors, accessible via a passenger elevator. Each room measures approximately 337 square feet and is equipped with essential amenities such as a work area, dresser, nightstand, and coffee machine, television, and internet facilities.

Additionally, the Mosaic Hotel features a restaurant located on the ground floor, adjacent to the lobby and the swimming pool, further enhancing the guest experience.

1.2.2.2 Maison 140 Hotel

The Maison 140 Hotel is located on a 16,875 square foot site along S Lasky Drive in Beverly Hills, California. The property consists of a four-storey building featuring 44 guest rooms and a parking area with 45 parking spaces. Originally built in 1937, the hotel has undergone multiple renovations over the years to maintain its appeal.

Under the terms of the Hotel Purchase Agreement, Boutique Hotel Company Beverly Hills LLC, as the vendor, terminated the previous management agreement. The Maison 140 Hotel is now owned by GT Hotel Owner LLC, which is fully owned by the Guarantor. After the acquisition, the hotel was leased to BH Hotel Tenant LLC, a wholly owned affiliate of IHI p.l.c.

This acquisition marks another strategic addition to the Guarantor's portfolio, with the Maison 140 Hotel continuing to benefit from the management and operational expertise of its new affiliate under the lease arrangement.

1.3 DIRECTORS AND KEY EMPLOYEES

Board of Directors - Issuer

As of the date of this Analysis, the following persons constitute the board of directors of the Issuer:

NAME	OFFICE DESIGNATION
Carmel *sive* Charles Borg	Independent non-executive director
Abdulaziz Al Humaidhi	Executive director
Simon Naudi	Non-executive director
Ravi Raghunathan	Executive director
Michael Warrington	Independent non-executive director

The business address of all of the directors is the registered office of the Issuer.

Mr Stephen Bajada is the company secretary of the Issuer.

The board of the Issuer is composed of five directors who are entrusted with its overall direction and management. The executive directors are in charge of the decision-making and the day-to-day management of the Issuer, whereas the non-executive directors, all of whom are independent of the Issuer, monitor the executive activity of the Issuer and contribute to the development of its corporate strategy, by providing objective and impartial scrutiny.

Management Committee – Guarantor

NAME
Mr Alexander Chazkel
Mr Marcus Pisani
Mr Shaikh Mubarak Alsabah
Mr Abdulaziz Al Humaidhi

Unless otherwise stipulated in the Gilded Triumvirate LP Agreement, the general partner shall be responsible for overseeing and managing the daily business and affairs of the Guarantor. This management and operation shall be conducted under the strategic direction and oversight of the Guarantor's management committee, ensuring alignment with the overarching goals and objectives of the group.

1.4 USE OF PROCEEDS

The proceeds from the Bond Issue shall be used by the Issuer for the following purposes, in the amounts set out below:

- An amount of €40.6 million shall be loaned to Group companies and utilised as follows:
    - *Circa* €15.9 million (equivalent to $18 million) to be paid to the Gores Group pursuant to the Office Contribution and Inducement Agreement, under which the Gores Group will contribute ownership of the Office Block to GT Office Owner LLC, a wholly owned subsidiary of the Guarantor.
    - *Circa* €23.7 million (equivalent to $26.75 million) to be paid to the Hotel Vendors as full settlement of the Vendor Loan.
    - *Circa* €1.0 million (equivalent to $1.13 million) for general operational requirements of the Group.
- An amount of €1.4 million to be utilised for general corporate funding.

PART 2 HISTORICAL PERFORMANCE AND FORECASTS

Sub-sections 2.1. to 2.6. of this Analysis include the projected performance of the Issuer and Guarantor for the periods ending 31 December 2025, 2026 and 2027.

The projected financial statements detailed below relate to events in the future and are based on assumptions which the Company believes to be reasonable. Consequently, the actual outcome may be adversely affected by unforeseen situations and the variation between forecast and actual results may be material.

Revenues will be governed by 3 Lease agreements, the below explains the respective key parties to the Group's income generation :

LEASE AGREEMENTS:

1. Hotels:

The Hotel Properties are currently being leased by GT Hotel Owner LLC (as lessor) to BH Hotel Tenant, LLC an affiliate of IHI plc (as lessee) for a period of five years commencing on 24 February 2025.

The consideration due under said lease (for both Hotels) consists of a fixed annual rent of $3 million, subject to an annual increase at the rate of 3% of the prior year's fixed rent. The annual rate shall be paid in advance, in equal monthly instalments of $250,000. In addition to the fixed rent, the lessee is also obliged to pay additional rent to cover operating expenses and taxes associated with the lessee's use of the Hotels.

Pursuant to the above-described lease agreement, the lessee has agreed to use the leased hotels for hotel purposes, short term accommodation, and any ancillary uses.

Throughout the term of the lease, the lessor shall, at its own expense, make or cause to be made all repairs, restorations, alterations and replacements to the structural portions and all base service systems of the Property, including, without limitation, the mechanical systems; electrical systems; common area heating, ventilating and air conditioning ('HVAC') systems; telephone, data transmitting and other communications systems; elevators; plumbing systems; sanitary systems;

Class "E" life safety system; sprinklers and the horizontal distribution systems within and servicing the Property. Throughout the term of the lease, the lessee shall, at its own cost and expense, keep and maintain the non-structural portions of the leased premises (including interior, exterior, landscaped areas, driveways, parking lots, fences and signs) in good order, condition and repair. The lessee's maintenance obligations shall include restorations, replacements and renewals when necessary to keep the non-structural portions of the leased premises in good order, condition and repair.

2. Office:

a. The Office Lease:

GCIP Holdings II, LLC (as lessor) and the BH Club Owner LLC (as lessee) are parties to a lease agreement dated 3 February 2025 whereby BH Club Owner LLC agreed to lease the Property (excluding a portion of the third floor of the Property subject to the Gores Lease) (the "Office Lease"). The premises leased under the Office Lease comprises an area of approximately 35,000 square feet. The term of the Office Lease commenced on 3 February 2025 and shall expire on 31 December 2034.

The consideration due under said lease comprises an initial annual rent of $3 million which shall be paid in advance, in equal monthly instalments of $250,000. In addition to the fixed rent, the lessee is also obliged to pay additional rent to cover operating expenses and taxes associated with its use of the Office Lease as well as a fixed monthly charge for all electricity consumed within the leased premises. Throughout the term of the Office Lease, the lessee may use the leased premises as office space, a for-profit members club, co-working and events space and any ancillary uses thereto. The premises leased under the Office Lease shall be operated as a private members club known as "Spring Place".

All repairs, restorations, alterations and replacements to the structural portions of the leased premises and all base service systems including, mechanical systems; electrical systems; heating, ventilating and air conditioning ('HVAC') systems; telephone, data transmitting and other communications systems; elevators; plumbing systems; sanitary systems; Class "E" life safety system; sprinklers and the horizontal distribution systems within and servicing the leased premises or any other portion of the Property shall be the responsibility of the lessor. Pursuant to the Office Lease, the lessee shall maintain the non-structural portions (including all interior, exterior, landscaped areas, systems, equipment, facilities, driveways, parking lots, fences, and signs) in good order, condition and repair. Obligations of the lessee in this respect include restorations, replacements and renewals.

The term of the Office Lease began on 3 February 2025 and is set to expire on 31 December 2034. Upon the effective date of the Office Contribution and Inducement Agreement and the Gores Group's membership in the Guarantor, the Office Block will be transferred to GT Office Owner LLC. As a result, GT Office Owner LLC will assume the rights and obligations of the lessor under the Office Lease. Except for the change in the lessor, the terms of the lease will remain unchanged, and BH Club Owner LLC will continue to lease the premises for the remaining term.

b. The Gores Lease:

A portion of the third floor of the Property measuring 7,611 square feet is currently being leased by GCIP Holdings II, LLC (as lessor) and The Gores Group, LLC (as lessee) (the "Gores Lease"). The term of the Gores Lease commenced on 3 February 2025 and shall expire on 31 December 2034. The consideration due under the lease comprises an initial annual rent due for the first year of the term amounts to of $3 million, subject to a (which carries with it an obligation to pay a service charge of $2 million, resulting in a net annual rent income of $1 million). The said annual rent which shall be paid in equal monthly installments of $250,000 each.

In addition to the fixed rent, the lessee is also obliged to pay additional rent to cover operating expenses and taxes associated with its use of the Gores Lease as well as a fixed monthly charge for all electricity consumed within the leased premises. Throughout the term of the lease, the lessee may use the leased premises as office space and any ancillary uses.

Throughout the term of the Gores Lease, the lessor shall make or cause to be made all repairs, restorations, alterations and replacements to the structural portions of the leased premises and the Property and all base service systems of the Property, including, without limitation, the mechanical systems; electrical systems; heating, ventilating and air conditioning ('HVAC') systems; telephone, data transmitting and other communications systems; elevators; plumbing systems; sanitary systems; Class "E" life safety system; sprinklers and the horizontal distribution systems within and servicing the leased premises or any other portion of the Property. Throughout the term of the Gores Lease, the lessee shall, at its own cost and expense, keep and maintain the interior of the leased premises in good order, condition and repair. The lessee's maintenance obligations shall include restorations, replacements and renewals when necessary to keep the leased premises in good order, condition and repair.

Once the Office Contribution and Inducement Agreement becomes effective and The Gores Group is admitted as a member of the Guarantor, the Office Block will be transferred to GT Office Owner LLC, at which point GT Office Owner LLC will assume the rights and obligations of the lessor under the Gores Lease. Except for the change in lessor, the terms of the Gores Lease will remain unchanged, and The Gores Group, LLC will continue to lease the premises for the remainder of the term.
3. Recap of lease agreements:

a. Hotel Master Lease agreement :

Parties:
- GT Hotel Owner LLC (Landlord)
- BH Hotel Tenant LLC (Tenant)

Rent:
- $3m annually paid monthly at $250k
- Rent increase 3% annually

b. The Office Lease (Offices) :

Parties:
- GT Office Owner LLC (Landlord) (Once the Office Contribution and Inducement Agreement becomes effective)
- BH Club Owner LLC (Tenant)

Rent:
- $3m annually paid monthly in advance at $250k
- Rent increase 3% annually

c. The Gores Lease (1 Floor Offices) :

Parties:
- GT Office Owner LLC (Landlord) (Once the Office Contribution and Inducement Agreement becomes effective)
- TGG (Tenant)

Rent:
- $3m annually paid monthly in advance at $250k (subject to a $2million service charge - netting $1 million income)
- Rent increase 3% annually

2.1 ISSUER'S INCOME STATEMENT

INCOME STATEMENT for the year ending 31 December	2025F 6 months	2026P	2027P
	€000s	€000s	€000s
Revenue (interest income)	1,315	2,630	2,630
Corporate costs	(50)	(52)	(53)
EBITDA	**1,265**	**2,578**	**2,577**
Amortisation of bond issue costs	(133)	(273)	(290)
Finance costs	(1,113)	(2,226)	(2,226)
Profit Before Tax	**19**	**79**	**61**
Taxation	(15)	(30)	(30)
Profit After Tax	**4**	**49**	**31**

The Issuer carries on the business of a finance company in connection with, the ownership, development, and operation of real estate located in Beverly Hills, California. The Issuer was incorporated for the purposes of financing the acquisition of the Hotel Properties and the Office Block.

The Issuer does not carry out any trading activities of its own and does not have any Subsidiaries. The Issuer's income is based on financial arrangements with other entities within the Group. Accordingly, the Issuer is dependent on the performance and financial results of such companies.

The Issuer does not actively participate in the day-to-day operations of the operating Group companies and its main function is limited to raising funds through capital markets and subsequently on-lending such funds to other Group and affiliate companies. Income received by the Issuer from other Group and affiliate companies shall be applied for the purpose of servicing the Secured Bonds until the Redemption Date.

Following the issuance of the proposed bond, the Issuer will deploy €40.6 million via two long-term loans to affiliated companies within the Group:

- *Circa* €15.9 million (equivalent to $18 million) to be paid to the Gores Group pursuant to the Office Contribution and Inducement Agreement, under which the Gores Group will contribute ownership of the Office Block to GT Office Owner LLC, a wholly owned subsidiary of the Guarantor.
- *Circa* €23.7 million (equivalent to $26.75 million) to be paid to the Hotel Vendors as full settlement of the Vendor Loan.
- *Circa* €1.0 million (equivalent to $1.13 million) for general operational requirements of the Group.

Both facilities are structured as 5-year bullet loans, maturing in 2030, and bear an annual interest rate of 6.475% (5.3% + 1.175%). This structure is expected to generate a stable annual interest income of approximately €2.6 m, forming the principal revenue stream of the Issuer.
The projected income statement reflects the pass-through nature of the Issuer's operations. The most material balances are:

- Interest income earned on intra-Group loans, and
- Finance costs incurred on the bonds issued to fund these loans.

The lending margin—set at approximately 1.175% above the assumed bond coupon of 5.3 %—is designed to recover the company's annual corporate overheads and the non-cash amortisation of bond issuance costs. This structured margin results in an interest spread of around €0.4m per annum, which enables the company to cover its administrative and financing-related expenses.

Recurring corporate costs are modest, averaging around €50k–€53k annually, while non-cash amortisation of bond issuance costs is forecast as close to €300k per annum over the bond term.

As a result, the company is expected to report modest but positive net profits of €4k in 2025, rising to €49k in 2026, before slightly declining to €31k in 2027. This outcome aligns with management's objective to operate on a breakeven basis, maintaining financial neutrality by passing through interest expenses to Group companies while ensuring sufficient coverage for administrative and issuance-related costs.

The projected results confirm the company's role as a conduit entity, structured to ensure both funding efficiency and risk containment within the Group's financing ecosystem.

2.2 ISSUER'S STATEMENT OF FINANCIAL POSITION

BALANCE SHEET as at 31 December	2025F	2026F	2027F
	€000s	€000s	€000s
Assets			
Non-current assets			
Loans and receivables	40,619	40,619	40,619
Total non-current assets	**40,619**	**40,619**	**40,619**
Current assets			
Other receivables	1,315	1,315	1,315
Cash and cash equivalents	81	418	739
Total current assets	**1,396**	**1,733**	**2,054**
Total assets	**42,015**	**42,352**	**42,673**
Equity and liabilities			
Equity			
Share capital	250	250	250
Retained earnings	4	53	84
Total equity	**254**	**303**	**334**
Liabilities			
Non-current liabilities			
Debt securities in issue	40,633	40,906	41,196
Total non-current liabilities	**40,633**	**40,906**	**41,196**
Current liabilities			
Tax liabilities	15	30	30
Other payables	1,113	1,113	1,113
Total current liabilities	**1,128**	**1,143**	**1,143**
Total liabilities	**41,761**	**42,049**	**42,339**
Total equity and liabilities	**42,015**	**42,352**	**42,673**
Financial gearing (Net Debt/Net Debt + Equity)	99%	99%	99%
Asset cover over bond ((Total assets - Total current liabilities) / Proposed bond issue)	1.01x	1.01x	1.01x

The Issuer's projected balance sheet reflects its clearly defined role as a financing vehicle within the Group. Total assets are consistently reported at approximately €42m, fully funded by a single bond issuance and designed to support long-term intra-Group lending.

The Issuer's non-current assets, totalling €40.6m throughout the projected period, are composed of long-term loans extended to group companies using the proceeds of the proposed bond issue. The stable value of these financial assets underpins the Group's capital allocation strategy and reflects the Issuer's core purpose: to serve as a dedicated financing conduit.

Over the period FY2025 to FY2027, the Issuer maintains a consistent asset base of €42.0m to €42.7m, reinforcing its alignment with a long-term funding strategy and ensuring full capital deployment. The growth in cash and cash equivalents, from €81k in FY2025 to €739k in FY2027, reflects a modest but steady improvement in liquidity, consistent with prudent cash flow management and the annual receipt of interest income exceeding annual costs.

Share capital is set at €250k and remains unchanged across the forecast horizon, providing the company with a minimal equity buffer in line with its limited-risk operational model. Retained earnings grow modestly from €4k to €84k, reflecting the breakeven operating strategy whereby interest charged on intra-Group loans is calibrated to offset bond coupon payments and administrative costs.

The primary liability on the balance sheet consists of non-current debt securities in issue, which rise marginally from €40.6m to €41.2m over the forecast period. These balances represent the Issuer's core funding source, aligned with the 5-year term of the intra-Group loans. The reliance on long-term debt financing underscores the Group's strategy of centralised funding with predictable repayment profiles.

Current liabilities are limited to other payables and tax provisions (reflecting the straightforward tax position arising from modest taxable profits).

The financial gearing ratio remains consistent throughout the forecast period, which is an expected feature of the Issuer's balance sheet given its single-purpose funding role and minimal equity contribution. The asset cover ratio is maintained at 1.01x. The coverage is primarily supported by the loan receivables and gradually accumulating cash balances, net of accrued interest and current tax liabilities.

2.3 ISSUER'S STATEMENT OF CASH FLOWS

STATEMENT OF CASH FLOWS	2025F	2026F	2027F
for the year ending 31 December	6 months		
	€000s	€000s	€000s
Profit before tax	19	79	61
Tax paid	**-**	**(15)**	**(30)**
Working capital movements	(202)	-	-
Amortisation of bond issue costs	133	273	290
Net cash used in operating activities	**(50)**	**337**	**321**
Issue of loan facilities to affiliated companies	(40,619)	-	-
Net cash used in investing activities	**(40,619)**	**-**	**-**
Bond issue	42,000	-	-
Bond issue expenses	(1,500)	-	-
Redemption of bonds	-	-	-
Issue of share capital	250	-	-
Net cash used in financing activities	**40,750**	**-**	**-**
Movement in cash and cash equivalents	**81**	**337**	**321**
Cash and cash equivalents at start of year	-	81	418
Cash and cash equivalents at end of year	**81**	**418**	**739**

In line with its function as the financing arm of the Group, the Issuer's cash flows from operating activities primarily reflect interest movements, including interest receivable from related companies and interest payable to bondholders, along with minor working capital fluctuations, particularly in relation to trade receivables.

The Issuer's operating cash flows are projected to show positive results over the forecast period, with a total net cash from operating activities of €608k for FY2025–FY2027. This projection is driven by the receipt of interest income, net of finance costs, corporate costs and taxes.

As a financing vehicle, the Issuer's investing activities are limited to the deployment of bond proceeds into loans receivable from Group companies. In FY2025, the Issuer will issue loans totalling €40.6m, which represents a substantial cash outflow for the Issuer. This investment supports the Group's long-term strategy and is financed directly through the bond issue, ensuring the efficient allocation of capital.

The Issuer's financing activities primarily involve the issuance of the proposed bond, expected to generate approximately €42m in FY2025, which is utilised to fund the intra-Group loans. Bond issue expenses amount to €1.5 m, reflecting the costs associated with raising capital.

Over the forecast period, no additional bond redemptions are projected, nor are further capital increases anticipated beyond the €250k in share capital issued in FY2025.Reflecting the Issuer's conservative liquidity management approach, its cash and cash equivalents are expected to grow steadily from €81k at the end of FY2025 to €739k by FY2027. This improvement underscores the company's ability to maintain a positive liquidity position while servicing its financial obligations and supporting its financing activities.

2.4 GUARANTOR'S INCOME STATEMENT

INCOME STATEMENT	2025 6 months	2026F	2027F
	$000s	$000s	$000s
Revenue	5,250	9,158	9,432
Service costs	(1,000)	(2,030)	(2,091)
Corporate costs	(207)	(213)	(219)
EBITDA	**4,044**	**6,915**	**7,122**
Amortisation of bond issue costs	(150)	(309)	(328)
Net finance costs	(3,116)	(5,348)	(5,348)
Profit Before Tax	**778**	**1,258**	**1,446**
Taxation	(206)	(326)	(379)
Profit After tax	**571**	**932**	**1,068**

RATIO ANALYSIS	2025 6 months	2026F	2027F
Profitability			
Growth in Revenue (YoY Revenue Growth)	-	74.4%	3.0%
EBITDA Margin (EBITDA / Revenue)	77.0%	75.5%	75.5%
Net Margin (Profit for the year / Revenue)	10.9%	10.2%	11.3%
Return on Common Equity (Net Income / Average Equity)	-	2.0%	2.3%
Return on Assets (Net Income / Average Assets)	-	0.6%	0.7%
Return on capital employed (EBITDA/ Total Assets - Current Liabilities)	-	4.7%	4.7%

The Guarantor was formed as a limited partnership without legal personality under the laws of the British Virgin Islands. Besides being the parent of the Issuer, the Guarantor indirectly holds through its Subsidiaries the Office Block and the Hotel Properties. The Guarantor does not carry out any trading activities of its own and its main source of revenue consists of future dividends (if any) received from its Subsidiaries. For such reasons, the Guarantor is dependent on the performance and financial results of other Group companies, namely its Subsidiaries

The Guarantor's projected financial performance over the period FY2025 to FY2027 is fundamentally underpinned by recurring lease income derived from its real estate holdings. These comprise hotel and office assets that are leased to affiliated entities, with lease agreements structured on multi-year terms and incorporating annual inflation-linked escalation clauses. In aggregate, lease income is forecast to amount to approximately $9.2m in FY2026, with a 3% annual escalation assumed through to FY2027. A significant share of this lease income—approximately 66%—is contracted with IHI-affiliated tenants, reflecting the integrated nature of the Group's operations, while maintaining operational independence through management agreements concluded with third-party hotel operators.

The hotel portfolio, acquired during the forecast horizon and consisting of the Mosaic Hotel and the Maison Hotel, will be leased to BH Hotel Tenant LLC under a five-year lease agreement commencing at $3.0m per annum. Simultaneously, the office portfolio is leased under two separate agreements: one with BH Club Owner LLC and another with TGG, each initially generating $3.0m in annual lease income. While the former contributes directly to Group-level earnings, the latter delivers a net income of $1.0m per annum after accounting for underlying contractual terms. All leases include a 3% annual escalation, supporting predictable top-line growth and reinforcing the Guarantor's ability to service its financial obligations, including its responsibilities as Guarantor of the proposed bond issue.

As a result of the lease-driven revenue structure and the disciplined cost base, the Guarantor is expected to achieve constant operating profitability. EBITDA is projected to grow from $4.0m in the six month FY2025 period to over $7.1m by FY2027. This equates to a consistently high EBITDA margin in the range of 75.5% starting from FY2026, reflecting the high-margin nature of passive lease income relative to low operating overheads.

After deducting interest costs associated with the financing of property acquisitions, related to

- (i) the Proposed Bond Issue ($47.5m, USD equivalent of €42m), at a coupon rate of 5.3%; and
- (ii) the Bank Loan ($55m) at a rate of 5.15% per annum,

and after accounting for amortisation of bond issue costs, the company expects to report steady growth in profit before tax, increasing from $777k in the six month FY2025 period to $1.4m in FY2027. Tax charges follow suit, leaving net profit figures of $580k, $932k, and $1.1m respectively over the projection horizon.

Profitability ratios further support this trajectory. The net margin improves year-on-year from 10.2% in FY2026 to 11.3% by FY2027, indicating greater efficiency in converting lease income to bottom-line results. Returns on equity and assets remain constant, averaging 2.1% and 0.7% respectively. Return on capital employed stabilised in the level of 4.7% starting from FY2026.

Overall, the income statement presents a consistent model consisting of a Guarantor's financial structure built on reliable lease income flows, carefully managed costs, and sufficient operating surplus to support its obligations. The steady profitability growth, coupled with prudent financial management, reinforces the Guarantor's position as a credible backer of the Issuer's bond programme.

2.5 GUARANTOR'S STATEMENT OF FINANCIAL POSITION

STATEMENT OF FINANCIAL POSITION	2025F	2026F	2027F
	$000s	$000s	$000s
Assets			
Non-current assets			
Investment property	144,750	144,750	144,750
Total non-current assets	**144,750**	**144,750**	**144,750**
Current assets			
Cash and cash equivalents	3,271	4,820	6,561
Total current assets	**3,271**	**4,820**	**6,561**
Total assets	**148,021**	**149,570**	**151,311**
Equity and liabilities			
Equity			
Share capital	45,000	45,000	45,000
Retained earnings	570	1,488	2,547
Equity non-controlling interests	72	86	94
Total equity	**45,642**	**46,574**	**47,641**
Liabilities			
Non-current liabilities			
Bank borrowings	55,000	55,000	55,000
Deferred tax liabilities	189	481	825
Debt securities in issue	45,915	46,224	46,552
Total non-current liabilities	**101,104**	**101,705**	**102,377**
Current liabilities			
Current tax liabilities	17	34	34
Other payables	1,258	1,258	1,258
Total current liabilities	**1,275**	**1,292**	**1,292**
Total liabilities	**102,379**	**102,997**	**103,669**
Total equity and liabilities	**148,021**	**149,570**	**151,311**

RATIO ANALYSIS	2025F	2026F	2027F
Financial Strength			
Gearing 1 (Net Debt / Net Debt and Total Equity)	68.4%	67.7%	66.9%
Gearing 2 (Total Liabilities / Total Assets)	69.2%	68.9%	68.5%
Gearing 3 (Net Debt / Total Equity)	216.7%	209.7%	202.0%
Net Debt / EBITDA	-	14.1x	13.5x
Interest Coverage (EBITDA / Finance costs)	1.3x	1.3x	1.3x

The Guarantor's projected balance sheet for the period FY2025 to FY2027 reflects a stable structure, with total assets gradually increasing from $148.0m in FY2025 to $151.3m by FY2027. The majority of assets are concentrated in non-current assets, specifically investment properties, which remain constant at $144.8m throughout the forecast period. This stability in non-current assets indicates that no additional properties are anticipated to be acquired or disposed of during this period.

Current assets, primarily consisting of cash and cash equivalents, show a steady increase, rising from $3.3m in FY2025 to $6.6m in FY2027.

On the equity side, share capital will remain stable at $45m, while retained earnings are projected to grow from $570k in FY2025 to $2.5m by FY2027, reflecting the profit retention over the period.

The Guarantor's total liabilities are projected to increase gradually from $102.4m in FY2025 to $103.7m in FY2027, with non-current liabilities making up the majority of this total consisting mainly by the debt securities and bank borrowings.

The Guarantor's financial strength ratios highlight the capital structure of the company. The balance sheet assets, consisting primarily of the investment property are financed by *circa* $45m equity, $100m external borrowings.

This capital structure is projected to remain constant throughout the term of the bond.

Total liabilities to total assets fluctuates between 69.2% and 68.5% over the forecast period. The interest coverage ratio, based on EBITDA over finance costs remains stable at the level of 1.3x, indicating the continued Guarantor's ability to cover its interest expenses.

Overall, the Guarantor's balance sheet reveals a capital-intensive structure primarily funded by long-term borrowings. The stable annual retained earnings and cash balances supports its capacity to meet its financial obligations over the projected period.

2.6 GUARANTOR'S STATEMENT OF CASH FLOWS

STATEMENT OF CASH FLOWS	2025 6 months	2026F	2027F
	$000s	**$000s**	**$000s**
Cash flows from operating activities			
EBT	778	1,258	1,446
Adjustments for:			
Amortisation of bank funding costs	150	309	328
Interest payable	3,116	5,348	5,348
Tax paid	0	(17)	(34)
Net cash flows generated from operating activities	**4,044**	**6,897**	**7,088**
Cash flows from investing activities			
Acquisition and disposal of investment properties	(62,750)	-	-
Net cash flows used in investing activities	**(62,750)**	**-**	**-**
Cash flows from financing activities			
Bond issue	47,460	-	-
Bond issue expenses	(1,695)	-	-
Issue of share capital	18,071	-	-
Bank loan and bond interest payments	(1,858)	(5,348)	(5,348)
Net cash flows generated from / (used in) financing activities	**61,978**	**(5,348)**	**(5,348)**
Movement in cash and cash equivalents	**3,271**	**1,550**	**1,740**
Cash and cash equivalents at start of year	-	3,271	4,820
Cash and cash equivalents at end of year	**3,271**	**4,820**	**6,560**

The Guarantor's projected cash flows for the period FY2025 to FY2027 reflect the financial impact of significant acquisitions and financing arrangements. In FY2025, the Guarantor is expected to make a major cash outflow of $62.8m, primarily for the acquisition of the BH properties. This cash outflow corresponds to the total assigned value of $145m for the properties, less the bank loans of $55m that are being transferred from TGG and a $27m contribution in kind from TGG (equity injection). The acquisition represents a pivotal investment for the Guarantor, aligning with its strategy of acquiring key real estate assets, and is the only significant cash outflow expected from investing activities during the projection period.

In terms of financing, the Guarantor will benefit from an equity contribution of $18m from its shareholders, IHI Action LLP, in FY2025. The proposed bond issue shall generate an additional $47.5 million to the Guarantor from financing activities.

The proceeds from the bond issue and the bank borrowings are anticipated to be repaid through the future disposal of the BH properties, which will form a key part of the Guarantor's exit strategy from the investment. While the Guarantor anticipates net cash inflows from financing activities in FY2025 due to the bond issuance and equity contributions, it expects outflows in FY2026 and FY2027 primarily driven by interest payments on the bond and the assigned bank loans.

Despite the anticipated financing outflows, the Guarantor is projected to maintain a positive cash balance, with an expected closing cash position of $6.6 m by FY2027. Over the forecast period, the Guarantor is expected to generate a total of $18.0m in net cash from operating activities. This cash generation reflects the ongoing lease income from the BH properties, which is expected to support the Guarantor's financing obligations and provide liquidity to cover operational costs and servicing of debt.

In summary, the Guarantor's projected cash flows for FY2025 to FY2027 reflect the execution of its investment strategy and the financing structure put in place to support its acquisitions. While the initial cash outflows for property acquisition are substantial, the financing arrangements, including the bond issue and shareholder contributions, are designed to ensure sufficient liquidity and the ability to meet ongoing financial obligations, with a solid cash position expected at the end of FY2027.

PART 3 KEY MARKET AND COMPETITOR DATA

3.1. GENERAL MARKET CONDITIONS

At the time of publication of this Analysis, management considers that generally, it shall be subject to the normal business risks associated with the industries in which the companies are involved and operate and, barring unforeseen circumstances, does not anticipate any trends, uncertainties, demands, commitments or events outside the ordinary course of business that could be deemed likely to have a material effect on the upcoming prospects of the companies and their respective businesses, at least with respect to the financial year 2025. However, investors are strongly advised to carefully read the risk factors disclosed in the Prospectus.

3.2. ECONOMIC UPDATE [1]

California's economy in 2024 has demonstrated moderate but stable growth amid a complex macroeconomic backdrop. Real Gross Domestic Product (GDP) for the state reached $3.4tn by the end of the year growing by 1.8% over the previous year. Growth has been supported by the continued expansion of the services sector—particularly leisure and hospitality, healthcare, and professional services alongside resilient consumer demand.

Tourism spending in California reached $157.3bn in 2024, marking a 3% increase over the previous year. This growth was widespread, with spending increasing in 50 of California's 58 counties. Additionally, lodging demand remained positive, with hotel lodging results in the first quarter of 2025 showing a 3% increase in demand and a 5% increase in revenue, despite challenges such as Easter timing and earlier weather impacts.[2]

As of May 2025, consumer sentiment in the United States remains subdued, with the University of Michigan's national Consumer Sentiment Index falling to 50.8—its second-lowest reading on record. While specific regional data for the West Coast is limited, high-cost states like California are likely to be disproportionately affected by persistent economic pressures. Elevated housing costs, the highest individual income tax rates in the country and a strong presence of cyclical industries contribute to a more cautious consumer outlook in the region. Although wage growth and employment conditions have remained relatively stable, high borrowing costs and inflation concerns continue to dampen overall confidence, particularly among households facing affordability challenges.

1 https://tradingeconomics.com/united-states/

2 https://industry.visitcalifornia.com/

As of April 2025, California's unemployment rate stood at 5.3%, higher than the national average of 4.2%. This disparity is partly attributed to a higher labour force participation rate and persistent mismatches in the labour market, particularly in the hospitality and service sectors. Labour shortages continue to impact operations in hotels, restaurants, and event venues, pushing up wages and pressuring profit margins. Factors such as work-life balance, employee compensation, and job insecurity significantly influence employee turnover intentions in the hospitality industry.[3]

In the Los Angeles area, the Consumer Price Index (CPI) rose by 3.0% over the past 12 months, with core inflation (excluding food and energy) increasing by 3.3%. In contrast, the San Francisco area experienced a lower overall CPI increase of 1.3% during the same period.[4]

While goods inflation has largely stabilised, services inflation remains persistent, driven by factors such as rising wages, insurance premiums, and utility costs. This trend is particularly impactful for the hospitality industry, where operating costs are sensitive to these components. Additionally, labour costs have risen, with average hourly compensation for hospitality industry employees increasing by 4.0% in 2024.

On the fiscal side, state government expenditure has been expansionary but cautious. California's 2025 budget includes increased allocations for infrastructure, public transit and homelessness programs, while maintaining a prudent reserve fund. Despite prior deficits, the budget is close to balance this year, supported by stronger-than-expected income tax revenues and federal infrastructure grants.

Interest rates, set by the Federal Reserve, remain in the 4.25–4.5% range. This has maintained upward pressure on borrowing costs, affecting corporate refinancing decisions. Hospitality firms are particularly sensitive to this environment, as higher rates elevate the cost of capital for renovation, development, and expansion projects.

California remains the most populous U.S. state, but recent years have seen modest population decline due to domestic outmigration and high living costs. While immigration and natural growth provide some support, slower population growth is beginning to temper local consumer demand, particularly in inland regions. Urban centres, however, continue to attract younger professionals and tourists, supporting hospitality demand.

3.3. ECONOMIC OUTLOOK[5]

The U.S. economy is expected to sustain steady growth over the next several years, with real Gross Domestic Product (GDP) projected to increase at an annualised rate of 1.5% to 2.0% per quarter starting in the fourth quarter of 2024. This projection reflects an improvement from earlier forecasts, which anticipated slower quarterly growth below 1.5%. The stronger-than-expected economic performance in 2024, driven by robust consumer spending and investment, is expected to carry into the near term. However, growth is likely to moderate gradually by mid-2026 as consumption and investment slow down, influenced by persistently elevated interest rates and the expiration of temporary federal incentives which had boosted manufacturing activity.

Inflation pressures have eased significantly, and the national consumer price inflation rate is forecast to stabilise around 2.2% to 2.3% beginning in 2025. This moderation is supported in part by declining gasoline prices and other deflationary factors that have reduced overall price pressures. In California, inflation is expected to remain slightly higher than the national average, settling near 2.6% over the long term due to factors such as housing costs and localised economic conditions.

California's labour market is projected to continue growing but at a slower and more measured pace compared to recent years. Nonfarm payroll employment growth is expected to decelerate to approximately 0.6% by late 2026 before gradually rebounding to around 0.7% by 2027. The labour force participation rate, especially among prime-age workers aged 25 to 54, has shown signs of stabilisation after previous declines, and this is anticipated to support moderate labour force growth averaging roughly 0.4% annually between 2026 and 2028. This forecast aligns with revised population growth projections, particularly among working-age populations.

Unemployment in California is expected to decline steadily but cautiously, moving from around 5.3% in 2024 down to 4.7% by 2028. This gradual improvement reflects ongoing, albeit modest, job gains across various sectors of the economy. Wage growth, which was notably strong at 6.4% in 2024—bolstered by substantial increases in the information technology and professional and business services sectors—is projected to moderate in the coming years, growing between 3.4% and 4.0% annually through 2028. This tempered wage growth suggests a more balanced labour market as inflation pressures ease and economic growth slows to a sustainable pace.

3 https://labourmarketinfo.edd.ca.gov/

4 https://www.bls.gov/regions/west/news-release/

5 https://ebudget.ca.gov/2025-26/pdf/BudgetSummary/EconomicOutlook

3.4. HOSPITALITY SECTOR – LOS ANGELES

The Los Angeles hospitality sector plays a crucial role in the city's economy, contributing significantly to its GDP. Over the years, the sector has demonstrated remarkable resilience, recovering robustly after setbacks, driven by substantial investments in infrastructure and a wide range of attractions that continue to draw global visitors.

Tourism is the primary driver for the hospitality industry, with the number of tourists and their spending patterns having a direct impact on performance. Between 2014 and 2019, the city saw a steady rise in tourist arrivals, from 44.2m to 50m, contributing $24.7bn to the economy in 2019. However, the COVID-19 pandemic in 2020 caused a sharp decline, with the number of visitors dropping by 50% to 25m and spending halving to $10bn. Yet, recovery began in 2021, with nearly 46m visitors, and continued into 2023, with LA welcoming 49.1m visitors and contributing about $40.4bn to the economy. The rebound has been mainly fuelled by domestic tourism, although international tourism has not yet fully returned to pre-pandemic levels.

Infrastructure development plays a vital role in the sector's strength. Los Angeles relies on robust transportation systems, high-quality accommodations, and top-tier entertainment venues to maintain its status as a global tourism hub. The city has invested heavily in upgrading its infrastructure, with projects such as the $20bn LA International Airport improvements, $8.2bn expansion of the LA Metro, and $7.5bn allocated to state-of-the-art stadium facilities. Furthermore, the LA Convention Center is undergoing a $1.4bn expansion, aiming to increase annual visitor spending.

LA's prominence in hosting world-renowned events further strengthens the hospitality market. With the city hosting several high-profile events, including eight FIFA World Cup matches in 2026 and the 2028 Summer Olympics, there is a strong expectation for increased demand for hotel rooms, higher Average Daily Rates (ADR), and increased Revenue per Available Room (RevPAR). Historically, host cities have seen significant spikes in these metrics during such events, making the future look promising for the LA hospitality market.

Despite the challenges of the past few years, LA's hospitality sector remains a significant economic engine, attracting millions of visitors annually. While occupancy rates still lag pre-pandemic levels, 2024 has seen a 25% increase in occupancy compared to 2020. Market data from CoStar shows a steady improvement in the sector, with ADR reaching $200 per room in Q1 2024, and RevPAR averaging around $148. Pricing trends have shown a steady upward trajectory, with a compound annual growth rate (CAGR) of 11% from 2014 to 2018. Although prices dipped during the pandemic, they are now recovering, and while still not at 2018 peak levels, the trend remains positive.

2023 saw lower transaction activity due to factors such as the introduction of the Mansion tax, higher interest rates, and labor strikes, with deal volumes falling to $390m from the typical $1bn range. However, a significant construction boom is underway in LA, driven by projects that were delayed during the pandemic. As of 2024, LA is home to the highest number of hotel rooms under construction in the U.S., with 2,786 rooms being developed. Key developments include Angels Landing in Downtown LA with 515 rooms, The Langham LA in Pasadena with 379 rooms, and the Kali Hotel & Rooftop in Inglewood with 300 rooms.

Overall, while the LA hospitality market faces challenges, it is showing signs of robust recovery and resilience. With strong infrastructure, a continuous flow of visitors, and major global events on the horizon, the sector is positioned for sustained growth in the coming years.

3.5. OFFICE MARKET SECTOR – LOS ANGELES

The Los Angeles (LA) office market remains a critical hub for a broad range of industries, from commerce and finance to entertainment, technology, aerospace, and tourism. The city benefits from a large, diverse population, its strategic position on the U.S. West Coast, and its strong connections to international markets, making it a central location for businesses and corporate activity.

The office market in LA is experiencing a slow recovery. The widespread adoption of work-from-home policies, coupled with high interest rates, continues to challenge office space demand. Despite this, the increasing trend towards hybrid office models is reshaping the landscape. Many businesses are opting for smaller, more flexible workspaces or reducing their physical footprints altogether. The announcement of return-to-office plans by several large employers has sparked optimism in the market, and the strong job market further supports the potential for increased demand for office space. Nonetheless, leasing activity has been subdued over the past three quarters, with vacancy rates hovering around 15.6%.[6]

6 https://kidder.com/research/

In terms of broader economic factors, lower interest rates and inflation would typically benefit the LA office market by reducing capital costs for companies and making office space financing more attractive. These factors, in turn, could stimulate demand and boost investor interest, potentially leading to higher property values and lower vacancy rates. Despite the Federal Reserve's rate hikes in 2022 and 2023 to address pandemic-induced inflation, recent cuts in 2024 are expected to spark renewed demand. However, office property sales have notably declined, from $427.1m in 2023 to $303.8m in 2024, indicating struggles within the market. The expectations are that reduced rates will eventually drive a recovery in demand across LA's diverse tenant base.

Looking at longer-term trends, the LA office market has seen fluctuations in rental and vacancy rates over the past decade. From 2014 to 2019, rental rates rose steadily, driven by strong demand and economic growth. However, the pandemic introduced hybrid work models, leading to a shift in tenant preferences and contributing to an increase in vacancy rates.

Many businesses have optimised their office space and shifted their focus to Class A buildings, leading to a gradual increase in rental rates in recent years. Despite these trends, the market is still dealing with mild fundamentals, marked by negative net absorption and the delivery of a significant number of new offices post-2020. As tenants downsize or vacate buildings at lease expiration, this trend has offset previous net absorption gains.

Leasing activity in LA reached its highest post-pandemic levels in the third quarter of 2024, with 3.8m square feet leased. However, asking rates are expected to remain flat, as much of the leasing activity has been driven by lease renewals rather than new tenants.

New office developments in LA remain focused on high-quality spaces, with around 2.8m square feet currently under construction. Notably, 97% of this new space is classified as Class A. The post-pandemic flight to quality has made Class A offices the most sought-after option, with buildings constructed after 2010 being the only ones to experience positive net absorption since 2020.

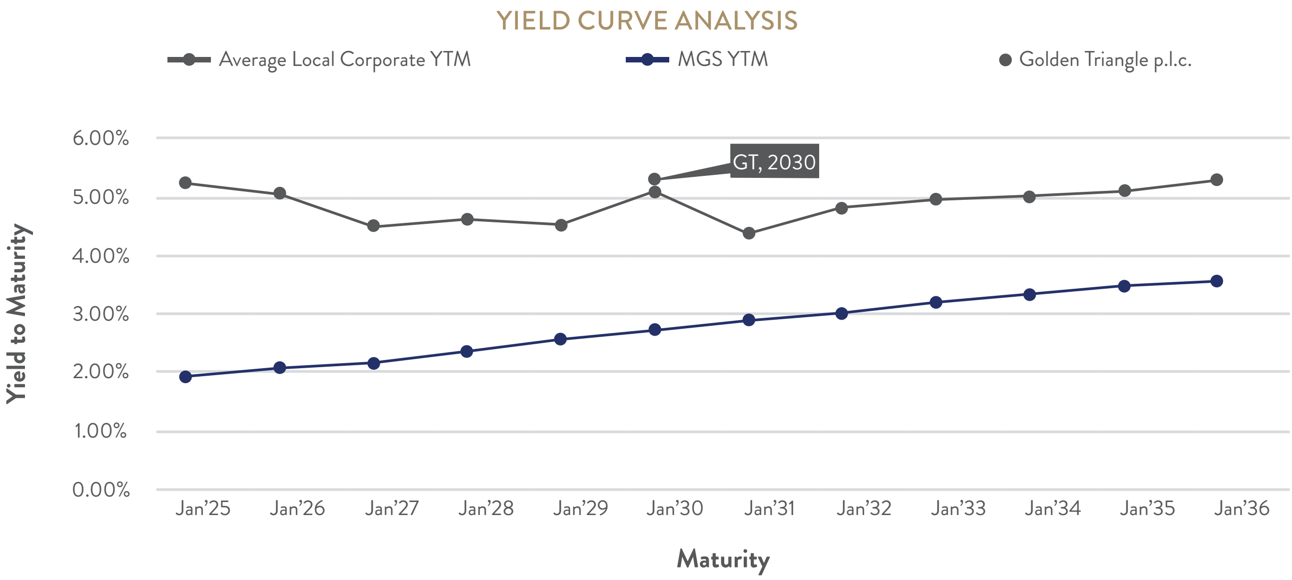
3.6. COMPARATIVE ANALYSIS

SECURITY	Nom Value	Yield to Maturity	Interest coverage (EBITDA)	Total Assets	Total Equity	Total Liabilities / Total Assets	Net Debt / Net Debt and Total Equity	Net Debt / EBITDA	Current Ratio	Return on Common Equity	Net Margin	Revenue Growth (YoY)
	€000's	(%)	(times)	(€'millions)	(€'millions)	(%)	(%)	(times)	(times)	(%)	(%)	(%)
5% CF Estates Finance plc Secured € 2028-2033	30,000	5.00%	0.0x	32.6	0.2	99.5%	99.4%	135.8x	1.1x	-59.5%	-5.2%	0.0%
4% SP Finance plc Secured € 2029	12,000	4.11%	4.0x	44.8	19.1	57.3%	48.0%	7.2x	0.6x	5.6%	10.8%	0.0%
3.75% AX Group plc Unsec Bds 2029 Series II	10,000	3.75%	2.6x	513.1	248.8	51.5%	41.6%	8.5x	1.3x	2.1%	6.1%	67.1%
4.25% Mercury Projects Finance plc Secured € 2031	11,000	4.25%	(.8)x	279.0	66.1	76.3%	73.2%	(46.3)x	0.6x	-1.8%	-12.5%	-58.8%
3.65% Mizzi Organisation Finance plc Unsecured € 2028-2031	45,000	4.10%	2.1x	308.6	95.8	69.0%	55.2%	11.4x	0.8x	0.7%	0.4%	3.7%
3.65% IHI plc Unsecured € 2031	80,000	4.73%	1.7x	1,795.3	910.4	57.5%	42.2%	8.8x	0.8x	-0.1%	-0.4%	6.6%
4.3% Mercury Projects Finance plc Secured € 2032	50,000	4.30%	(.8)x	279.0	66.1	76.3%	73.2%	(46.3)x	0.6x	-1.8%	-12.5%	-58.8%
5.85% Mediterranean Investments Holding plc Unsecured € 2028	20,000	5.15%	6.4x	318.1	212.5	33.2%	-36.1%	(2.6)x	0.9x	6.4%	41.8%	17.4%
5.75% Phoenicia Finance Company plc Unsec Bonds 2028-2033	50,000	5.37%	2.6x	128.1	47.0	63.3%	59.0%	11.9x	0.3x	0.7%	1.6%	29.9%
5.25% Qawra Palace plc Secured € 2033	25,000	4.85%	1.0x	27.9	5.5	80.2%	79.2%	31.0x	2.9x	-17.7%	-16.2%	71.9%
5.85% AX Group plc Unsecured € 2033	40,000	4.98%	2.6x	513.1	248.8	51.5%	41.6%	8.5x	1.3x	2.1%	6.1%	67.1%
6% International Hotel Investments plc 2033	60,000	5.18%	1.7x	1,795.3	910.4	57.5%	42.2%	8.8x	0.8x	-0.1%	-0.4%	6.6%
3.65% Stivala Group Finance plc Secured € 2029	15,000	4.41%	22.9x	510.6	358.9	29.7%	22.0%	1.9x	0.9x	14.0%	170.8%	-10.7%
5% Von der Heyden Group Finance plc Unsecured € 2032	35,000	5.24%	1.2x	155.9	32.7	79.0%	76.3%	22.9x	0.5x	-8.2%	-18.0%	9.6%
5.3% Mercury Projects Finance plc Secured € Bonds 2034	20,000	5.02%	(.8)x	279.0	66.1	76.3%	73.2%	(46.3)x	0.6x	-1.8%	-12.5%	-58.8%
5.30% International Hotel Investments € Unsec Bonds 2035	35,000	5.04%	1.7x	1,795.3	910.4	57.5%	42.2%	8.8x	0.8x	-0.1%	-0.4%	6.6%
5.30% Golden Triangle p.l.c. Secured € Bonds 2030	42,000	5.30%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	Average*	4.75%										

Source: Latest available audited financial statements

Last price as at 22/05/2025

*Average figures do not capture the financial analysis of the Issuer



Source: Central Bank of Malta and Malta Stock Exchange (MSE)

The above graph illustrates the average yearly yield of all local issuers as well as the corresponding yield of Malta Government Stocks (MGSs) (Y-axis) vs the maturity of both Issuers and MGSs (X-axis), in their respective maturity bucket, to which the spread premiums can be noted. The graph illustrates on a stand-alone basis, the yield on the Issuer's proposed bonds.

As at 22 May 2025, the average spread over the MGS for corporates with maturity range of 4-11 years was 174 basis points. The proposed Golden Triangle p.l.c. bond is being priced with a 5.3% coupon issued at par, meaning a spread of 257 basis points over the equivalent MGS, and therefore at a premium to the average on the market of 83 basis points

PART 4 GLOSSARY AND DEFINITIONS

INCOME STATEMENT

Revenue	Total revenue generated by the Group/Company from its principal business activities during the financial year.
Costs	Costs are expenses incurred by the Group/Company in the production of its revenue.
EBITDA	EBITDA is an abbreviation for earnings before interest, tax, depreciation and amortisation. It reflects the Group's/Company's earnings purely from operations.
Operating Profit (EBIT)	EBIT is an abbreviation for earnings before interest and tax.
Depreciation and Amortisation	An accounting charge to compensate for the decrease in the monetary value of an asset over time and the eventual cost to replace the asset once fully depreciated.
Net Finance Costs	The interest accrued on debt obligations less any interest earned on cash bank balances and from intra-Group companies on any loan advances.
Profit After tax	The profit made by the Group/Company during the financial year net of any income taxes incurred.

PROFITABILITY RATIOS

Growth in Revenue (YoY)	This represents the growth in revenue when compared with previous financial year.
EBITDA Margin	EBITDA as a percentage of total revenue.
Net Margin	Net income expressed as a percentage of total revenue.
Return on Common Equity	Return on common equity (ROE) measures the rate of return on the shareholders' equity of the owners of issued share capital, computed by dividing the net income by the average common equity (average equity of two years financial performance).
Return on Assets	Return on assets (ROA) is computed by dividing net income by average total assets (average assets of two years financial performance).
Return on Capital Employed	Return on capital employed (ROCE) measures the relative profitability of a company after taking into account the amount of capital used during a relative financial performance.
Cash Flow Statement	The profit made by the Group/Company during the financial year net of any income taxes incurred.
Cash Flow from Operating Activities (CFO)	Cash generated from the principal revenue producing activities of the Group/Company less any interest incurred on debt.
Cash Flow from Investing Activities	Cash generated from the activities dealing with the acquisition and disposal of long-term assets and other investments of the Group/Company.
Cash Flow from Financing Activities	Cash generated from the activities that result in change in share capital and borrowings of the Group/Company.
Capex	Represents the capital expenditure incurred by the Group/Company in a financial year.
Free Cash Flows (FCF)	The amount of cash the Group/Company has after it has met its financial obligations. It is calculated by taking Cash Flow from Operating Activities less the Capex of the same financial year.

BALANCE SHEET

Total Assets	What the Group/Company owns which can de further classified into Non-Current Assets and Current Assets.
Non-Current Assets	Assets, full value of which will not be realised within the forthcoming accounting year
Current Assets	Assets which are realisable within one year from the statement of financial position date.

Cash and Cash Equivalents	Cash and cash equivalents are Group/Company assets that are either cash or can be converted into cash immediately.
Total Equity	Total Equity is calculated as total assets less liabilities, representing the capital owned by the shareholders, retained earnings, and any reserves.
Total Liabilities	What the Group/Company owes which can de further classified into Non-Current Liabilities and Current Liabilities.
Non-Current Liabilities	Obligations which are due after more than one financial year.
Total Debt	All interest-bearing debt obligations inclusive of long and short-term debt.
Net Debt	Total debt of a Group/Company less any cash and cash equivalents.
Current Liabilities	Obligations which are due within one financial year.

FINANCIAL STRENGTH RATIOS

Interest Coverage Ratio	The interest coverage ratio is calculated by dividing EBITDA of one period by finance costs of the same period.
Gearing Ratio	The gearing ratio indicates the relative proportion of shareholders' equity and debt used to finance total assets.
Gearing Ratio Level 1	Is calculated by dividing Net Debt by Net Debt and Total Equity.
Gearing Ratio Level 2	Is calculated by dividing Total Liabilities by Total Assets
Gearing Ratio Level 3	Is calculated by dividing Net Debt by Total Equity.
Net Debt / EBITDA	The Net Debt / EBITDA ratio measures the ability of the Group/Company to refinance its debt by looking at the EBITDA.

OTHER DEFINITIONS

FY	Financial Year.
Yield to Maturity (YTM)	YTM is the rate of return expected on a bond which is held till maturity. It is essentially the internal rate of return on a bond and it equates the present value of bond future cash flows to its current market price.