

Half-Yearly Report for the period ended 30 June 2018

The following Half-Yearly Report is being published pursuant to the terms of Chapter 5 of the Malta Financial Services Authority Listing Rules. The condensed interim financial information has been extracted from the group's unaudited financial statements for the six months ended 30 June 2018. The financial information has been prepared in accordance with IAS 34 'Interim Financial Reporting' as adopted by the European Union. The accounting policies used in the preparation of the Half-Yearly Report are consistent with those used in the annual financial statements for the year ended 31 December 2017, with the exception of the adoption of IFRS 9, 'Financial instruments' which the Group adopted on 1 January 2018. The impact on the Group's Half-yearly financial information relates to fair value gains of Eur16,000 transferred from the revaluation reserve to retained earnings in accordance with the standard's transition criteria. Further details on this newly adopted accounting policy have been already disclosed in the annual financial statements for the year ended 31 December 2017. This Half-Yearly Report has not been audited nor reviewed by the company's independent auditors.

Interim Directors' report

The Directors have the pleasure of reporting the company's financial results for the six months ending 30 June 2018.

Principal activities

The Group's principal activity, which is unchanged since last year, is to lease, manage and market the Plaza Shopping and Commercial Centre (owned by the Parent Company) and the Tigne Place Commercial Property (owned by the subsidiary, Tigne Place Limited).

Group Financial results

The Group generated revenue for the period was €1,560,698 (2017: €1,478,723) an increase of 5.54%, whilst EBITDA increased by 1.21% to €1,238,009 (2017: €1,223,193). The revenue increase was not fully reflected in the EBITDA, due to the higher administrative costs (due to some one off charges incurred during this period) and the Group's higher contribution to marketing and maintenance cost, given the lower occupancy levels. Profit before tax decreased by 7.26% to €740,823 (2017: €798,860) also impacted by higher depreciation charge and lower income from investment. The Group occupancy at 30 June 2018 was 87% (30 June 2017: 91%). An improvement in occupancy levels is expected in the last quarter of the year as the Group completes the planned renovation.

The majority of the refurbishment of the offices at Tigne Place has been completed and the subsidiary company is contributing more towards the group's revenues. Management is now focusing on new opportunities at the Plaza Shopping Centre where a number of renovations are taking place at different levels of the Centre. This programme of redevelopment means a period of lower occupancy levels. However, the capital investment is expected to enhance Plaza's offering and a higher return for the Group in the coming years.

The Directors do not anticipate a significant change in the company's performance in the next six months, although they remain alert to external market factors.

The Board of Directors does not recommend the payment of an interim dividend (2017: Nil)

Condensed Statement of Financial Position

	As at 30 June 2018	As at 31 December 2017	As at 30 June 2018	As at 31 December 2017
	Group		Company	
	€	€	€	€
ASSETS				
Non current assets - property, plant and equipment	43,879,506	43,835,591	34,062,433	34,000,000
Other non-current assets	-	-	5,367,307	5,361,363
Current assets	732,959	1,046,090	883,635	1,046,139
Total assets	44,612,465	44,881,681	40,313,375	40,407,502
EQUITY AND LIABILITIES				
Capital and reserves	27,338,056	27,624,854	27,331,773	27,649,611
Non-current liabilities	15,386,406	15,624,271	12,002,461	12,001,874
Current liabilities	1,888,003	1,632,556	979,141	756,017
Total liabilities	17,274,409	17,256,827	12,981,602	12,757,891
Total equity and liabilities	44,612,465	44,881,681	40,313,375	40,407,502

Condensed Income Statements

	Six months ended 30 June			
	2018	2017	2018	2017
	Group		Company	
	€	€	€	€
Revenue	1,560,698	1,478,723	1,251,670	1,215,409
Marketing, maintenance and administrative costs	(322,689)	(255,530)	(302,572)	(226,790)
Operating profit before depreciation	1,238,009	1,223,193	949,098	988,619
Depreciation	(262,540)	(230,830)	(188,249)	(173,916)
Operating profit	975,469	992,363	760,849	814,703
Investment and other related income	(2,800)	37,276	(2,800)	37,276
Net finance costs	(231,846)	(230,779)	(64,980)	(64,503)
Profit before tax	740,823	798,860	693,069	787,476
Tax expense	(196,509)	(194,192)	(179,795)	(178,156)
Profit for the year	544,314	604,668	513,274	609,320
Earnings per share (cents)	1c9	2c1		

Condensed Statements of Comprehensive Income

	Six months ended 30 June			
	2018	2017	2018	2017
	Group		Company	
	€	€	€	€
Profit of the year	544,314	604,668	513,274	609,320
Other comprehensive income:				
Items that may be subsequently reclassified to profit or loss	-	22,447	-	22,447
Total comprehensive income for the interim period	544,314	627,115	513,274	631,767

Condensed Statement of Changes in Equity

Group	Share capital	Share premium	Revaluation reserve	Retained earnings	Total Equity
	€	€	€	€	€
Balance at 1 January 2017	5,648,400	3,094,868	15,056,600	2,380,214	26,180,082
Total comprehensive income for the interim period	-	-	16,823	610,292	627,115
Dividends relating to 2016	-	-	-	(829,650)	(829,650)
Balance at 30 June 2017	5,648,400	3,094,868	15,073,423	2,160,856	25,977,547
Balance at 1 January 2018	5,648,400	3,094,868	16,050,702	2,830,884	27,624,854
Total comprehensive income for the interim period	-	-	(21,619)	565,933	544,314
Dividends relating to 2017	-	-	-	(831,112)	(831,112)
Balance at 30 June 2018	5,648,400	3,094,868	16,029,083	2,565,705	27,338,056

Condensed Statement of Changes in Equity

Company	Share capital	Share premium	Revaluation reserve	Retained earnings	Total Equity
	€	€	€	€	€
Balance at 1 January 2017	5,648,400	3,094,868	15,056,600	2,399,360	26,199,228
Total comprehensive income for the interim period	-	-	16,823	614,944	631,767
Dividends relating to 2016	-	-	-	(829,650)	(829,650)
Balance at 30 June 2017	5,648,400	3,094,868	15,073,423	2,184,654	26,001,345
Balance at 1 January 2018	5,648,400	3,094,868	16,050,702	2,855,641	27,649,611
Total comprehensive income for the interim period	-	-	(21,619)	534,893	513,274
Dividends relating to 2017	-	-	-	(831,112)	(831,112)
Balance at 30 June 2018	5,648,400	3,094,868	16,029,083	2,559,422	27,331,773

Condensed Statement of Cash Flows

	Six months ended 30 June			
	2018	2017	2018	2017
	€	€	€	€
	Group		Company	
Net cash generated from operating activities	1,348,505	1,234,168	985,277	885,025
Net cash used in investing activities	(306,455)	(346,522)	(256,627)	(192,225)
Net cash used in financing activities	(1,164,350)	(914,867)	(831,115)	(829,650)
Net movement in cash and cash equivalents	(122,300)	(27,221)	(102,465)	(136,850)
Cash and cash equivalents at beginning of interim period	503,400	265,644	256,817	210,523
Cash and cash equivalents at end of interim period	381,100	238,423	154,352	73,673

Statement Pursuant to Listing Rule 5.75.3 issued by the Listing Authority

We confirm that to the best of our knowledge:

- The condensed interim financial information gives a true and fair view of the financial position of the company as at 30 June 2018, and of its financial performance and cash flows for the period then ended in accordance with International Financial Reporting Standards as adopted by the European Union applicable to 'Interim Financial Reporting' (IAS 34);
- The Interim Directors' Report includes a fair review of the information required in terms of Listing Rules 5.81 to 5.84.



Charles J. Farrugia
Chairman of the Board of Directors
24 July 2018



Etienne Sciberras
Chairman of the Audit Committee