

Plaza Centres p.l.c.

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Half-Yearly Report for the period ended 30 June 2021

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 2021. The interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2020, which have been prepared in accordance with IFRSs 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 2020. This Half-Yearly Report has not been audited nor reviewed by the company's independent auditors.

Interim Directors' report

The Directors hereby present the company's financial results for the six months ending 30 June 2021.

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).

Group Financial results

During the first six months of the year, the Group generated revenue of €1,152,621 (2020: €1,444,798) a decrease of 20.22%, whilst EBITDA decreased by 24.50% to €799,323 (2020: €1,058,751). Profit before tax decreased by 28.47% to €436,116 (2020: €609,687). In the first half of 2020, the Group was still generating rental revenue from Tigne Place before the property was eventually sold during that year. Following the disposal of Tigne Place Commercial Property owned through Tigne Place Limited, the board considered and approved placing Tigne Place Limited in voluntary liquidation. Moreover, in the first 3 months of 2020, before the Covid-19 crisis, the Group was generating full rental revenue from its retail shops. Contrarily, during the current year Plaza, like many other local and international companies, continued to face the economic challenges brought about by COVID-19 and revenue experienced the impact of further shut downs of retail shops resulting in lower rental income for the period. During the current financial period the parent company, Plaza Centres plc, received a dividend of €3,350,000 (2020: Nil) from the subsidiary company.

Current assets as at 30 June 2021 include unallocated funds amounting to Eur2,474,800 (31 December 2020: Nil) held with Bank of Valletta plc, acting as bond registrar, which amount was refunded during July 2021.

The Group's occupancy at 30 June 2021 was 83% (30 June 2020: 93%). Plaza continues to support its retail tenants, in the form of rental discounts and absorbing a higher percentage of common area costs. The Board of Directors continues to review the situation on a monthly basis and will take the necessary decisions in the best interest of our shareholders, tenants and other stakeholders.

The Board feels optimistic on the progress registered by Malta in the vaccine roll-out programme together with the reach of herd immunity, however the general challenging economic activity is expected to persist for a longer period of time. The Board remains confident that with the Group's strong financial fundamentals together with its prudent and timely measures, it can continue to withstand these unprecedented challenges and be in a position to continue creating value for its stakeholders.

Share capital of the Parent Company

As at 30 June 2021, 2,750,000 ordinary shares were re-purchased during the preceding financial year and are held by Plaza Centres p.l.c. as treasury shares. Formal notice was given to the Malta Business Registry for the cancellation of these shares and the cancellation process has been initiated by the Registrar. The shares will be cancelled by August 2021.

As at 30 June 2021, the Board of Directors does not recommend the payment of an interim dividend (30 June 2020: Nil)

Condensed Statements of Financial Position

	As at 30 June 2021	As at 31 December 2020	As at 30 June 2021	As at 31 December 2020
	Group €	€	Company €	€
ASSETS				
Non current assets - property, plant and equipment	32,367,892	32,417,246	32,367,892	32,417,246
Other non-current assets	1,785,428	1,261,833	1,885,428	1,361,833
Current assets	4,473,547	5,197,126	4,490,416	1,694,348
Total assets	38,626,867	38,876,205	38,743,736	35,473,427
EQUITY AND LIABILITIES				
Capital and reserves	26,544,244	26,677,982	26,511,561	23,290,498
Non-current liabilities	10,974,341	11,074,741	10,974,341	11,074,741
Current liabilities	1,108,282	1,123,482	1,257,834	1,108,188
Total liabilities	12,082,623	12,198,223	12,232,175	12,182,929
Total equity and liabilities	38,626,867	38,876,205	38,743,736	35,473,427

Condensed Income Statements and Statements of Other Comprehensive Income

	Six months ended 30 June			
	2021	2020	2021	2020
	Group €	€	Company €	€
Revenue	1,152,621	1,444,798	1,152,621	1,035,807
Marketing, maintenance and administrative costs	(353,298)	(386,047)	(348,477)	(368,722)
Operating profit before depreciation	799,323	1,058,751	804,144	667,085
Depreciation	(245,097)	(228,463)	(245,097)	(228,458)
Operating profit	554,226	830,288	559,047	438,627
Investment and other related income	46,633	831	3,396,633	21,824
Net finance costs	(164,743)	(221,432)	(164,763)	(62,977)
Profit before tax	436,116	609,687	3,790,917	397,474
Tax expense	(170,099)	(207,153)	(170,099)	(148,093)
Profit for the year	266,017	402,534	3,620,818	249,381
Other comprehensive income:				
<i>Items that may be reclassified to profit or loss</i>				
Gains from changes in fair value of debt instruments at FVOCI	245	-	245	-
Total comprehensive income for the period	266,262	402,534	3,621,063	249,381
Earnings per share (cents)	1c2	1c4		

Condensed Statements of Changes in Equity

Group	Share capital	Treasury shares reserve	Share premium	Revaluation reserve	Retained earnings	Total equity
	€	€	€	€	€	€
Balance at 1 January 2020	5,648,400	-	3,094,868	19,078,343	3,660,660	31,482,271
Total comprehensive income for the interim period	-	-	-	-	402,534	402,534
Balance at 30 June 2020	5,648,400	-	3,094,868	19,078,343	4,063,194	31,884,805

Balance at 1 January 2021	5,648,400	(550,000)	3,094,868	14,581,522	3,903,192	26,677,982
Total comprehensive income for the interim period	-	-	-	245	266,017	266,262
Dividends relating to 2020	-	-	-	-	(400,000)	(400,000)
Balance at 30 June 2021	5,648,400	(550,000)	3,094,868	14,581,767	3,769,209	26,544,244

Company	Share capital	Treasury shares reserve	Share premium	Revaluation reserve	Retained earnings	Total equity
	€	€	€	€	€	€
Balance at 1 January 2020	5,648,400	-	3,094,868	16,018,900	3,427,534	28,189,702
Total comprehensive income for the interim period	-	-	-	-	249,381	249,381
Balance at 30 June 2020	5,648,400	-	3,094,868	16,018,900	3,676,915	28,439,083

Balance at 1 January 2021	5,648,400	(550,000)	3,094,868	14,581,522	515,708	23,290,498
Total comprehensive income for the interim period	-	-	-	245	3,620,818	3,621,063
Dividends relating to 2020	-	-	-	-	(400,000)	(400,000)
Balance at 30 June 2021	5,648,400	(550,000)	3,094,868	14,581,767	3,736,526	26,511,561

Condensed Statements of Cash Flows

	Six months ended 30 June			
	2021	2020	2021	2020
	Group		Company	
	€	€	€	€
Net cash generated from operating activities	452,420	923,640	417,456	478,491
Net cash (used in)/ generated from investing activities	(3,170,622)	1,000,152	341,131	(394,407)
Net cash used in financing activities	(512,040)	(88,277)	(512,039)	(2,354)
Net movement in cash and cash equivalents	(3,230,242)	1,835,515	246,548	81,730
Cash and cash equivalents at beginning of interim period	4,550,583	330,757	1,073,793	302,518
Cash and cash equivalents at end of interim period	1,320,341	2,166,272	1,320,341	384,248

Statement Pursuant to Listing Rule 5.75.3 issued by the Listing Authority

We confirm that to the best of our knowledge:

1.The condensed interim financial information gives a true and fair view of the financial position of the company as at 30 June 2021, 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);

2.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
28 July 2021



Etienne Sciberras
Chairman of the Audit Committee