

TIGNÉ MALL p.l.c.

Condensed interim financial statements (unaudited)  
30 June 2018

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## Interim directors' report pursuant to Listing Rule 5.75.2

This condensed interim report is published in terms of the Malta Financial Services Authority Listing Rules Chapter 5 and the Prevention of Financial Market Abuse Act, 2005. The interim financial information included in this respect has been extracted from Tigné Mall p.l.c.'s unaudited financial information for the six months ended 30 June 2018 prepared in accordance with IAS 34 'Interim Financial Reporting'. In terms of Listing rule 5.75.5, this interim report has not been audited or reviewed by the company's independent auditors.

### Principal activities

The company's principal activity, which is unchanged since last year, is to own and manage 'The Point Shopping Mall'.

### Review of the business

During the first six months of the current year, the company continued with its normal trading activities and the shopping mall remained fully let. During this period the mall started trading on Sundays throughout the year and this has resulted in an increase in footfall and tenant sales. This, coupled with robust inbound tourism numbers, has had a positive effect on the total revenue and has strengthened the financial results of the company. The directors anticipate this level of activity to be maintained during the latter half of the year.

During the period under review, the company registered a profit after tax of €1,130,924 (30 June 2017: €1,050,131). This increase over the corresponding period last year is primarily attributed to an increase in rental revenue and an element of savings on finance costs.

As at 30 June 2018, the company's current liabilities exceeded its current assets by €1,545,299 (31 December 2017: €1,607,666). The company has managed this difference during the course of the period through a programme of active liquidity management and consequently cash and cash equivalents at the end of the period continued to improve by €241,209 from €1,616,477.

The Board is declaring an interim net dividend of €726,150 (2017: €726,150). This will be paid on the 31 August 2018 to shareholders on the company's register at the Central Securities Depository of the Malta Stock Exchange at close of business on 17 August 2018.

On behalf of the board



Mr. Joseph Zammit Tabona  
Chairman



Mr. David Demarco  
Director

3 August 2018

## Condensed statement of financial position

	As at	
	30 June 2018 (unaudited) €	31 December 2017 (audited) €
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	73,539,984	74,158,938
<b>Current assets</b>		
Trade and other receivables	2,346,030	2,516,232
Cash and cash equivalents	1,857,686	1,616,477
<b>Total current assets</b>	<b>4,203,716</b>	<b>4,132,709</b>
<b>Total assets</b>	<b>77,743,700</b>	<b>78,291,647</b>
<b>EQUITY</b>		
<b>Capital and reserves</b>	<b>45,985,021</b>	<b>45,580,247</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Trade and other payables	759,289	756,339
Borrowings	14,830,694	15,843,525
Deferred tax liabilities	10,419,681	10,371,161
<b>Total non-current liabilities</b>	<b>26,009,664</b>	<b>26,971,025</b>
<b>Current liabilities</b>		
Trade and other payables	3,215,315	3,186,780
Borrowings	1,650,000	1,792,100
Current tax liabilities	883,700	761,495
<b>Total current liabilities</b>	<b>5,749,015</b>	<b>5,740,375</b>
<b>Total liabilities</b>	<b>31,758,679</b>	<b>32,711,400</b>
<b>Total equity and liabilities</b>	<b>77,743,700</b>	<b>78,291,647</b>

The condensed interim financial information on pages 2 to 8 was authorised for issue by the board of directors on 3 August 2018 and was signed on its behalf by:



Mr. Joseph Zammit Tabona  
Chairman



Mr. David Demarco  
Director

## Condensed statement of comprehensive income

	<b>Six months ended 30 June</b>	
	<b>2018</b> <b>(unaudited)</b> €	2017 (unaudited) €
Revenue	<b>3,095,317</b>	2,927,260
Cost of sales		
- Depreciation	<b>(833,967)</b>	(720,050)
- Other expenses	<b>(85,035)</b>	(78,333)
<b>Gross profit</b>	<b>2,176,315</b>	2,128,877
Administrative expenses	<b>(215,215)</b>	(205,998)
<b>Operating profit</b>	<b>1,961,100</b>	1,922,879
Net finance costs	<b>(303,586)</b>	(366,614)
<b>Profit before tax</b>	<b>1,657,514</b>	1,556,265
Tax expense	<b>(526,590)</b>	(506,134)
<b>Profit for the period – total comprehensive income</b>	<b>1,130,924</b>	1,050,131
Earnings per share	<b>€0.020</b>	€0.019

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### Condensed statement of changes in equity

	Share capital €	Revaluation reserve €	Retained earnings €	Total €
Balance at 1 January 2017	27,766,888	5,749,064	2,207,070	35,723,022
<b>Comprehensive income</b>				
Profit for the period – total comprehensive Income	-	-	1,050,131	1,050,131
<b>Transactions with owners</b>				
Dividend paid to shareholders	-	-	(705,000)	(705,000)
Reclassification adjustment on property, plant and equipment	-	(34,221)	34,221	-
<b>Balance at 30 June 2017</b>	<b>27,766,888</b>	<b>5,714,843</b>	<b>2,586,422</b>	<b>36,068,153</b>
Balance at 1 July 2017	27,766,888	5,714,843	2,586,422	36,068,153
<b>Comprehensive income</b>				
Profit for the period	-	-	1,268,244	1,268,244
<b>Other comprehensive income</b>				
Revaluation surplus on land and buildings arising during the year, net of deferred tax	-	8,970,000	-	8,970,000
<b>Transactions with owners</b>				
Dividend paid to shareholders	-	-	(726,150)	(726,150)
Reclassification adjustment on property, plant and equipment	-	(34,220)	34,220	-
<b>Balance at 31 December 2017</b>	<b>27,766,888</b>	<b>14,650,623</b>	<b>3,162,736</b>	<b>45,580,247</b>
Balance at 1 January 2018	27,766,888	14,650,623	3,162,736	45,580,247
<b>Comprehensive income</b>				
Profit for the period – total comprehensive Income	-	-	1,130,924	1,130,924
<b>Transactions with owners</b>				
Dividend paid to shareholders	-	-	(726,150)	(726,150)
Reclassification adjustment on property, plant and equipment	-	(57,367)	57,367	-
<b>Balance at 30 June 2018</b>	<b>27,766,888</b>	<b>14,593,256</b>	<b>3,624,877</b>	<b>45,985,021</b>

**Condensed statement of cash flows**

	<b>Six months ended 30 June</b>	
	<b>2018</b> <b>(unaudited)</b> €	<b>2017</b> <b>(unaudited)</b> €
<b>Net cash generated from operating activities</b>	<b>1,396,140</b>	1,505,232
<b>Net cash used in financing activities</b>	<b>(1,154,931)</b>	(1,303,549)
<b>Net movement in cash and cash equivalents</b>	<b>241,209</b>	201,683
<b>Cash and cash equivalents at beginning of period</b>	<b>1,616,477</b>	867,784
<b>Cash and cash equivalents at end of period</b>	<b>1,857,686</b>	1,069,467

## Notes to the condensed interim financial information

### 1. General information

Tigné Mall p.l.c. is a public limited liability company with its principal activity being to own and manage 'The Point Shopping Mall'. The company's ordinary shares were admitted to listing on the Malta Stock Exchange on 2 May 2013.

This condensed interim financial information has been extracted from the company's unaudited half yearly financial statements. It has not been subject either to an audit in accordance with the requirements of International Standards on Auditing nor to a review in accordance with the requirements of ISRE 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity'.

### 2. Basis of preparation

The condensed interim financial information for the six month period ended 30 June 2018 has been prepared in accordance with IAS 34, 'Interim financial reporting'. The interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2017, which have been prepared in accordance with IFRSs as adopted by the EU.

#### *Accounting policies*

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2017, as described in those financial statements.

#### *Standards, interpretations and amendments to published standards effective in 2018*

In 2018, the company adopted new standards, amendments and interpretations to existing standards that are mandatory for the company's accounting period beginning on 1 January 2018. The adoption of these revisions to the requirements of IFRSs as adopted by the EU did not result in changes to the company's accounting policies.

#### *Standards, interpretations and amendments to published standards that are not yet adopted*

Certain new standards, amendments and interpretations to existing standards have been published by the date of authorisation for issue of these financial statements but are mandatory for the company's accounting periods beginning after 1 January 2018.

The company has not early adopted these revisions to the requirements of IFRSs as adopted by the EU, and the company's Directors are of the opinion that there are no requirements that will have a possible significant impact on the company's financial statements in the period of initial application.

### 3. Earnings per share

	<b>Six months ended 30 June</b>	
	<b>2018</b>	<b>2017</b>
Net profit attributable to equity holders of the company	<b>€1,130,924</b>	€1,050,131
Number of ordinary shares in issue	<b>56,400,000</b>	56,400,000
Earnings per share	<b>€0.020</b>	€0.019

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#### 4. Fair values of financial instruments

At 30 June 2018 and 31 December 2017 the carrying amount of certain financial instruments, comprising cash at bank, receivables, payables, accrued expenses and short-term borrowings, is equivalent to their fair values in view of the nature of the instruments or their short-term maturity. The fair value of the non-current financial liabilities, comprising borrowings, for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the company for similar financial instruments. The estimated fair value of the company's bank borrowings as at the end of the reporting period is not materially different from the carrying amounts. The current market interest rates utilised for discounting purposes, which were almost equivalent to the respective instruments' contractual interest rates, are deemed observable and accordingly these fair value estimates have been categorised as Level 2.

#### 5. Related party transactions

MSV Life plc, HSBC Life Assurance Ltd and Bank of Valletta p.l.c., by virtue of the extent of their shareholding in the company, are considered to be related parties. All companies owned or controlled by these entities, together with all companies forming part of the same groups of companies of which these shareholders form part, are also deemed to be related parties. Tigné Mall p.l.c.'s Directors, close members of their families and all entities owned or controlled by these individuals, are considered to be related parties of Tigné Mall p.l.c.

##### *Principal balances with related parties*

	<b>30 June 2018 (unaudited)</b>	31 December 2017 (audited)
	€	€
Bank borrowings:		
Current	1,650,000	1,792,100
Non-current	<b>14,688,594</b>	15,843,525

##### *Principal transactions with related parties*

	<b>Six months ended 30 June</b>	
	<b>2018 (unaudited)</b>	2017 (unaudited)
	€	€
Bank interest payable	<b>290,619</b>	355,881
Rental income	<b>11,204</b>	11,036

### **Directors' Statement pursuant to Listing Rule 5.75.3**

We hereby 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 its cash flow for the six-month period then ended in accordance with International Financial Reporting Standards as adopted by the EU applicable to interim financial reporting (IAS 34, 'Interim Financial Reporting').
- The Interim directors' report includes a fair review of the information required in terms of Listing Rules 5.81 to 5.84.



Mr. Joseph Zammit Tabona  
Chairman



Mr. David Demarco  
Director

3 August 2018