

TIGNÉ MALL p.l.c.

Condensed Interim Financial Statements (unaudited)
30 June 2021

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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 plc.'s unaudited financial information for the six months ended 30 June 2021 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 the ownership and management of 'The Point Shopping Mall' and its car park.

Review of the business

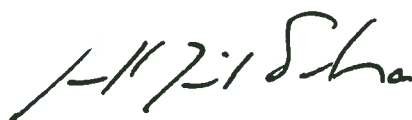
During the period under review, in line with the directives issued by the National Health Authorities to non-essential retailers, The Point Shopping Mall was closed for business for 46 days between 11th March and 25th April 2021. In 2020, the mall was closed for 42 days during the same period. As expected, this closure has yet again had a significant impact on the Company's operations during the first six months of 2021 and on the financial results achieved for the period, with a material adverse impact on profitability, cash flows and the financial position of the Company.

During the period under review, the Company registered a profit after tax of €757,858 (30 June 2020: €197,712), a significant improvement on 2020 but nonetheless still below 2019 (30 June 2019: €1,193,424). This improvement is a result of a lower element of rent concessions granted during the first six months of 2021 when compared to the equivalent period in 2020. When the mall re-opened on the 26th of April, unlike 2020, footfall was immediately at a healthy level and rent abatement could be contained.

Malta's high levels of vaccinations and the lifting of the main COVID-19 restrictions with respect to retail and catering outlets has generally led to a positive impact on the business. Economic activity in general and consumer confidence are likewise showing signs of improvement and there are early signs that an economic recovery is underway. In spite of this, it is expected that business will still be shrouded by a level of uncertainty in months to come.

In this prevailing volatility, the Board continues to monitor the situation on an on-going basis and will continue to ensure that the Company retains as robust a financial and liquid as it possibly can in the circumstances. Conscious of the fact that no dividends were paid during 2020 and the improved results achieved so far in the six month period to 30 June 2021, the Board of Directors is declaring an interim net dividend of €378,929 representing half of the profits after tax generated during this interim period. This will be paid on 3rd September 2021 to shareholders on the Company's register at the Central Securities Depository of the Malta Stock Exchange at close of business on 20th August 2021.

On behalf of the board



Joseph Zammit Tabona
Chairman



David Demarco
Director

5 August 2021

Condensed statement of financial position

	30 June 2021 (unaudited) €	As at 31 December 2020 (audited) €
ASSETS		
Non-current assets		
Property, plant and equipment	73,993,756	74,774,774
Right-of-use assets	3,969,896	3,991,623
	77,963,652	78,766,397
Current assets		
Trade and other receivables	2,148,980	2,212,427
Cash and cash equivalents	2,515,212	2,599,032
Total current assets	4,664,192	4,811,459
Total assets	82,627,844	83,577,856
EQUITY		
Capital and reserves	49,730,416	48,972,558
LIABILITIES		
Non-current liabilities		
Trade and other payables	695,642	758,678
Borrowings	11,815,489	12,929,677
Lease liabilities	4,001,061	3,974,504
Deferred tax liabilities	10,409,591	10,475,506
Total non-current liabilities	26,921,783	28,138,365
Current liabilities		
Trade and other payables	3,219,486	3,542,212
Borrowings	2,210,004	2,004,817
Lease liabilities	225,707	225,707
Current tax liabilities	320,448	694,197
Total current liabilities	5,975,645	6,466,933
Total liabilities	32,897,428	34,605,298
Total equity and liabilities	82,627,844	83,577,856

The condensed interim financial information on pages 2 to 9 was authorised for issue by the board of directors on 5 August 2021 and was signed on its behalf by:



Joseph Zammit Tabona
Chairman



David Demarco
Director

Condensed statement of comprehensive income

	Six months ended 30 June	
	2021 (unaudited) €	2020 (unaudited) €
Revenue	2,626,596	2,091,776
Cost of sales		
- Depreciation	(922,045)	(920,451)
- Other expenses	(120,261)	(116,919)
Gross profit	1,584,290	1,054,406
Administrative expenses	(223,317)	(233,990)
Operating profit	1,360,973	820,416
Finance income	-	3,759
Finance costs	(302,665)	(378,469)
Profit before tax	1,058,308	445,706
Tax expense	(300,450)	(247,994)
Profit for the period – total comprehensive income	757,858	197,712
Earnings per share	0.013	0.004

Condensed statement of changes in equity

	Share capital €	Revaluation reserve €	Retained earnings €	Total €
Balance at 1 January 2020	27,766,888	14,289,491	5,592,099	47,648,478
Comprehensive income				
Profit for the period – total comprehensive income	-	-	197,712	197,712
Other movements				
Reclassification from revaluation reserve to retained earnings	-	(90,283)	90,283	-
Balance at 30 June 2020	27,766,888	14,199,208	5,880,094	47,846,190
Balance at 1 January 2021	27,766,888	14,108,925	7,096,745	48,972,558
Comprehensive income				
Profit for the period – total comprehensive income	-	-	757,858	757,858
Other movements				
Reclassification from revaluation reserve to retained earnings	-	(90,283)	90,283	-
Balance at 30 June 2021	27,766,888	14,018,642	7,944,886	49,730,416

Condensed statement of cash flows

	Six months ended 30 June	
	2021 (unaudited) €	2020 (unaudited) €
Net cash generated from operating activities	825,181	653,193
Net cash used in financing activities	(909,001)	(561,663)
Net movement in cash and cash equivalents	(83,820)	91,530
Cash and cash equivalents at beginning of period	2,599,032	1,727,290
Cash and cash equivalents at end of period	2,515,212	1,818,820

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' and its car park. 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 2020 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 2020, 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 2020, as described in those financial statements.

Standards, interpretations and amendments to published standards effective in 2021

In 2021, the Company adopted new standards, amendments and interpretations to existing standards that are mandatory for the Company's accounting period beginning on 1 January 2021. The adoption of these revisions to the requirements of IFRSs as adopted by the EU did not result in substantial changes to the Company's accounting policies impacting the Company's financial performance and position.

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 2021.

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

	Six months ended 30 June	
	2021	2020
Net profit attributable to equity holders of the Company	€757,858	€197,712
Number of ordinary shares in issue	56,400,000	56,400,000
Earnings per share	€0.013	€0.004

4. Fair values of financial instruments

At 30 June 2021 and 31 December 2020 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. Impact of the COVID-19 pandemic

The Point Shopping Mall was closed for business between 11th March and 25th April in line with the directives issued by the National Health Authorities to non-essential retailers. This closure had a material impact on the Company's operations during the first six months of 2021 and also on the financial results achieved for the period, with a material adverse impact on profitability, cash flows and the general financial position of the Company.

The high level of vaccination achieved in Malta and the lifting of the main COVID-19 restrictions with respect to retail and catering outlets towards the end of April 2021 have however generally led to a positive impact on the business. Economic activity in general and consumer confidence are on the path to recovery and the prospects are certainly more optimistic than they were at this time last year, even though a level of uncertainty remains.

In the process of preparing these condensed financial statements, the Company's management team has revised and updated the financial projections for the forthcoming twelve months to 30 June 2022. These projections comprise historical financial information up to the date of authorisation for issue of these condensed financial statements and forecast financial information for the residual period, incorporating the impact of the above on the projected financial results, cash flows and financial position of the Company.

5. Impact of the COVID-19 pandemic - continued

The projected financial information reflects the estimated impact under a baseline scenario prepared on a set of assumptions that capture the forecast business conditions until 30 June 2022. These assumptions centre around the high level of vaccination achieved in Malta and the resultant expected pace of recovery of the business to the pre-pandemic level. It also includes the expected revenues earned until such time, considering the long-term contractual arrangements with tenants. Under the cash flow projections, the Company is expected to have sufficient liquidity and financial resources to meet its obligations and expected cash outflows. The impact of the reduction in revenues and profitability in the period under review on the fair valuation of the Mall is not material on the basis of an analysis carried out by management, reflecting discounted cash flows for the entire term of the emphyteutical grant.

Based on the outcome of these projections, the Directors consider the going concern assumption in the preparation of the Company's interim condensed financial statements as appropriate as at the date of authorisation for issue of these financial statements. They also believe that no material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern exists as at that date. The Board continues to monitor the situation closely to ensure that the Company retains a robust financial position going forward.

6. 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

	30 June 2021 (unaudited) €	31 December 2020 (audited) €
Bank borrowings:		
Current	2,210,004	2,004,817
Non-current	11,815,489	12,929,677


Principal transactions with related parties

	Six months ended 30 June	
	2021 (unaudited) €	2020 (unaudited) €
Bank interest payable	215,231	292,749
Bank charges	2,297	590
Rental income	5,500	5,500

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 2021 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.



Joseph Zammit Tabona
Chairman



David Demarco
Director

5 August 2021