

## Half-Yearly Report for the period ended 30 June 2023

The following Half-Yearly Report is published in terms of Chapter 5 of the Malta Financial Services Authority Capital Markets Rules. The condensed interim financial information has been extracted from the company's unaudited financial statements for the six months ended 30 June 2023 and 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 2022. This Half-Yearly Report has not been audited or reviewed by the company's independent auditors.

### Interim directors' report

The directors have the pleasure of reporting the company's interim results for the six months ended 30 June 2023.

The company's principal activity is to carry on the business of a finance and investment company in connection with ownership, development, operation and financing of the business activities of the companies forming part of the Mizzi Organisation. The proceeds from the bonds issued by the company for subscription by the general public have been advanced by the company to its parent company, Mizzi Organisation Limited (C-813), in accordance with the provisions of section 4.1 of the securities note forming part of the prospectus published by the company on 24 September 2021.

Interest income, principally receivable from its parent company, earned by the company during the six month period ended 30 June 2023 amounted to €956,652 (2022: €954,450). Interest payable and similar charges amounting to €849,762 (2022: €848,445) mainly represent the interest payable on the €45,000,000 3.65% unsecured bonds 2028-2031 issued in the last quarter of 2021 by the company. Profit before taxation for the period amounted to €38,633 (2022: €41,679), after deducting administrative expenses of €68,257 (2022: €64,326). Furthermore, the directors are not anticipating any significant changes during the forthcoming six months.

The directors do not recommend the payment of an interim dividend for the period ended 30 June 2023.

### Condensed statement of comprehensive income

	Six months ended 30 June	
	2023 (unaudited) €	2022 (unaudited) €
Interest receivable, principally from related parties	956,652	954,450
Interest payable and similar charges	(849,762)	(848,445)
<b>Net interest income</b>	<b>106,890</b>	106,005
Administrative Expenses	(68,257)	(64,326)
<b>Profit before tax</b>	<b>38,633</b>	41,679
Tax expense	(13,521)	(14,588)
<b>Profit for the period - total comprehensive income</b>	<b>25,112</b>	27,091

### Condensed statement of changes in equity

	Share capital €	Retained earnings €	Total €
Balance as at 1 January 2022	302,818	(19,446)	283,372
Profit for the six months ended 30 June 2022	-	27,091	27,091
- total comprehensive income	-	27,091	27,091
Balance as at 30 June 2022	302,818	7,645	310,463
Balance as at 1 January 2023	302,818	18,687	321,505
Profit for the six months ended 30 June 2023	-	25,112	25,112
- total comprehensive income	-	25,112	25,112
<b>Balance as at 30 June 2023</b>	<b>302,818</b>	<b>43,799</b>	<b>346,617</b>

## Half-Yearly Report for the period ended 30 June 2023

### Condensed statement of financial position

	As at 30 June 2023 (unaudited) €	As at 31 December 2022 (audited) €
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, Plant and Equipment	2,472	4,944
Loans and advances to Parent Company	44,100,000	44,100,000
Total non-current assets	<u>44,102,472</u>	<u>44,104,944</u>
<b>Current assets</b>		
Loans and advances to Parent Company	500,000	500,000
Receivables	1,329,653	387,836
Cash and Cash Equivalents	135,150	150,291
Total current assets	<u>1,964,803</u>	<u>1,038,127</u>
<b>Total assets</b>	<u>46,067,275</u>	<u>45,143,071</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and reserves</b>		
	<u>346,617</u>	321,505
<b>Non-current liabilities</b>		
Borrowings	<u>44,314,691</u>	44,279,484
<b>Current liabilities</b>		
Payables	<u>1,405,967</u>	542,082
Total liabilities	<u>45,720,658</u>	44,821,566
<b>Total equity and liabilities</b>	<u>46,067,275</u>	<u>45,143,071</u>

### Condensed statement of cash flows

	Six months ended 30 June	
	2023	2022
Net cash used in operating activities	(15,141)	(386,032)
<b>Movement in cash and cash equivalents</b>	<u>(15,141)</u>	<u>(386,032)</u>
<b>Cash and cash equivalents at beginning of interim period</b>	<u>150,291</u>	398,537
<b>Cash and cash equivalents at end of interim period</b>	<u>135,150</u>	12,505

### Notes to the interim financial information

This condensed interim financial information for the six months ended 30 June 2023 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 2022, which have been prepared in accordance with IFRSs as adopted by the EU. The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2022, as described in those financial statements.

Non-current loans and advances as at 30 June 2023 amounting to €44,100,000 (31 December 2022: €44,100,000) are the net Bond proceeds raised by the Bond issue that have been advanced to Mizzi Organisation Limited for the purposes, and subject to the terms and conditions, set out in the prospectus dated 24 September 2021. In summary, these funds were raised by the company for the purposes of: part refinancing of existing bank debt of Mizzi Organisation Limited and a fellow subsidiary thereof; the partial financing of the 'Hofra Project'; the partial financing of the refurbishment of Arkadia Gozo; and for other general corporate funding purposes of the Mizzi Organisation. As at 30 June 2023, the related interest receivable from the parent company amounted to €1,275,169 (31 December 2022: €318,517).

Non-current borrowings as at 30 June 2023 amounting to €44,314,691 (31 December 2022: €44,279,484) represent the amortised cost and carrying amount of the €45,000,000 3.65% unsecured bonds 2028-2031 which the company issued to the general public in the last quarter of 2021. Such bonds are redeemable at par (€100 per bond) and are due for redemption by not later than 15 October 2031, unless they are redeemed earlier in whole or in part at the company's sole discretion on any date falling between and including 15 October 2028 and 14 October 2031 (early redemption dates).

## Half-Yearly Report for the period ended 30 June 2023

### Directors' statement pursuant to Capital Markets Rule 5.75.3

We confirm that, to the best of my knowledge:

1. The condensed interim financial statements give a true and fair view of the financial position of the company as at 30 June 2023 and of its financial performance and its cash flows for the 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').
2. The interim directors' report includes a fair review of the information required in terms of Capital Markets Rules 5.81 to 5.84.



Mr Maurice F. Mizzi  
Director

27 July 2023



Mr Kenneth C. Mizzi  
Director