



**HILI
PROPERTIES**

Hili Properties plc
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COMPANY ANNOUNCEMENT

The following is a Company Announcement issued by **Hili Properties p.l.c.** (the “**Company**”) pursuant to the Capital Markets Rules issued by the Malta Financial Services Authority in accordance with the provisions of the Financial Markets Act (Chapter 345 of the Laws of Malta), as amended from time to time.

QUOTE

The Company hereby announces that the Board of Directors has approved the Company’s half yearly financial report and unaudited Interim Financial Statements for the period ending June 30, 2024.

The Financial Statements are attached herewith and are also available for viewing on the Company’s website:

<https://hiliproperties.com/companys-financial-statements/>

UNQUOTE

BY ORDER OF THE BOARD

Adrian Mercieca
Company Secretary
August 28, 2024



Hili Properties p.l.c.

Interim Financial Report (Unaudited)

For the period 1 January 2024 to 30 June 2024

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Hili Properties p.l.c.

Interim Directors' Report Pursuant to the Capital Market Rules 5.75.2

For the period ended 30 June 2024

Pursuant to the Capital Market Rules 5.75.2 for period 1 January to 30 June 2024

The directors present their interim report, together with the unaudited interim condensed financial statements of the Company and its subsidiaries (the “group”) (“the condensed interim financial statements”) for the period from 1 January 2024 to 30 June 2024.

Principal activities

The principal activity of the Hili Properties p.l.c. group is to hold and rent immovable property. Hili Properties p.l.c. also acts as a holding company. The details of the subsidiaries of the holding company are listed in note

Business model

Hili Properties is a strategic investor in commercial real estate in Europe’s most thriving cities and up-and-coming locations. In line with its mission to build value and returns through expert, effective asset management, Hili Properties is focused on realizing potential, enhancing tenant the experience and nurturing relationships with communities.

Performance review

The published figures have been extracted from the unaudited management financial statements for the half-year ended 30 June 2024 and its comparative period in 2023.

The Group

During the period under review, the group registered an operating profit of €5,895,300 (June 2023: €5,648,897) on revenues of €7,612,112 (June 2023: €7,602,532).

After accounting for finance costs and investment losses, the group registered a profit before tax of €2,552,661 (June 2023: €2,731,146).

The group’s net assets at the end of the period amounted to €129,173,115 compared to €127,144,950 as of 31 December 2023. The outlook of the operating activity of the Group is expected to remain positive.

Earnings before interest, tax and depreciation (EBITDA) for the period amount to Eur5,932,308 when compared to Eur5,696,434 in the same period in 2023. The higher EBITDA achieved this year is attributable to lower expenses incurred in the properties being managed.



Hili Properties p.l.c.

Interim Directors' Report Pursuant to Capital Market Rules 5.75.2 (continued)

For the period ended 30 June 2024

Performance review (continued)

In February the group disposed of a retail complex in Dzelzavas Street, Riga, Latvia, for seven million Euro (€7,000,000). This sale unlocked the value generated since acquiring this asset.

The company

During the period ended 30 June 2024, the company registered a loss before tax of €836,630 (June 2023: loss of €940,331). The net assets of the company at the end of the period amounted to €98,265,940 compared to €99,197,956 as at 31 December 2023.

Future outlook

The group's role remains to proactively manage the property portfolio. Property acquisitions and divestitures continue to be its focus, aligning with evolving real-estate trends. Looking ahead, the group remains vigilant, conscious of the prevailing economic conditions and the global surge in inflation in the EU, where the group's properties are located. operations are centred. As per the Harmonized Index of Consumer Prices (HICP) inflation is expected to continue exceeding historical averages, impacting consumer and business sentiment.

While navigating these economic dynamics, and fully acknowledging the impact of external factors beyond the company's control, including regulatory shifts, geopolitical developments, and financial market conditions, the group remains cautiously optimistic. It is important to note the potential impact of interest rate fluctuations, a key factor which could affect the group's operations. In addition, management also remain mindful of potential tax implications arising from such changes.

These variables may contribute to fluctuations in the valuation of the property portfolio. It is worth highlighting that despite these macroeconomic considerations, the group holds a robust portfolio of real estate assets that has consistently delivered substantial cashflow. Building upon past accomplishments, including the acquisition of prestigious assets in the preceding year, the team continuous to explore responsible and sustainable portfolio management across Europe.

Post balance sheet events

Following the end of the reporting period, the group successfully acquired the remaining 25% of the issued share capital in Baneasa Real Estate S.R.L., the company which owns and operates the MIRO Office Building in Bucharest, Romania.



Hili Properties p.l.c.

**Interim Directors' Report Pursuant to Capital Market Rules 5.75.2
(continued)**

For the period ended 30 June 2024

Preparation of the Condensed Consolidated Interim Financial Statements

This report is being published in terms of the Listing Rule 5.75.2 of the Capital Market Rules issued by the Listing Authority and has been prepared in accordance with the applicable Capital Market Rules and International Accounting Standard 34 - Interim Financial Reporting. This half-yearly report comprises the reviewed (but not audited) condensed consolidated interim financial statements. The financial statements published in this half-yearly report have been condensed in accordance with the requirements of IAS 34. These financial statements have been reviewed in accordance with the requirements of ISRE 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity'. The comparative statements have been extracted from the audited financial statements for the year ended 31 December 2023 and the management accounts for the period ending 30 June 2024.

Approved by the board of directors and signed on its behalf on the 28th of August 2024 by:

Pier Luca Demajo
Chairman

Georgios Kakouras
Managing Director



Hili Properties p.l.c.

Condensed Statement of Profit or Loss and Other Comprehensive Income

For the period ended 30 June 2024

	Group		Holding Company	
	1 Jan - 30 Jun 2024	1 Jan - 30 Jun 2023	1 Jan - 30 Jun 2024	1 Jan - 30 Jun 2023
	Unaudited	Unaudited	Unaudited	Unaudited
	€	€	€	€
Revenue	7,612,112	7,602,532	50,006	49,998
Cost of Sales	(784,656)	(521,825)	(28,701)	(12,660)
Other operating income	380,299	31,867	-	-
Administrative expenses	(1,312,385)	(1,463,677)	(789,193)	(751,150)
Operating profit/ (loss)	5,895,300	5,648,897	(767,888)	(713,812)
Net investment losses	(139,190)	-	-	-
Finance income	397,734	279,711	918,306	836,927
Finance costs	(3,601,183)	(3,197,462)	(987,048)	(1,063,447)
Profit/(loss) before taxation	2,552,661	2,731,146	(836,630)	(940,331)
Income tax (expense)/credit	(501,014)	(474,278)	(95,386)	(22,603)
Profit/(loss) for the period	2,051,647	2,256,868	(932,016)	(962,934)
Other comprehensive income for the period:				
Exchange differences on translation of foreign operation	(23,482)	35,638	-	-
Total comprehensive income/(expense) for the period	2,028,165	2,292,506	(932,016)	(962,934)
Profit attributable to:				
Owners of the company	1,672,093	1,975,573		
Non-controlling interests	379,554	281,295		
	2,051,647	2,256,868		
Total comprehensive income attributable to:				
Owners of the company	1,648,611	2,011,211		
Non-controlling interests	379,554	281,295		
	2,028,165	2,292,506		



Hili Properties p.l.c.

Condensed Statement of Financial Position

As at 30 June 2024

		Group		Holding Company	
		30 June	31 December	30 June	31 December
		2024	2023	2024	2023
	Notes	Unaudited	Audited	Unaudited	Audited
		€	€	€	€
ASSETS AND LIABILITIES					
Non-current assets					
Intangible assets		15,665	15,665	15,665	15,665
Property, plant and equipment		105,889	120,635	990	1,414
Investment property	5	229,078,654	228,815,823	2,525,000	2,525,000
Investment in subsidiaries	6	-	-	79,096,407	79,096,407
Property held for sale		3,700,000	3,700,000	3,700,000	3,700,000
Loans and receivables		-	547,413	59,290,347	43,645,629
Trade and other receivables	7	2,162,679	2,332,474	-	-
Derivative Financial Instruments		354,468	334,991	-	-
Deferred tax assets		380,646	490,008	-	-
Right-of-use asset		315,953	333,008	-	-
Restricted cash		1,217,078	1,217,078	-	-
Total non-current assets		237,331,032	237,907,095	144,628,409	128,984,115
Current assets					
Property held for sale		-	7 000 000	-	-
Loans and receivables		610,996	1,043,305	551,684	18,188,985
Trade and other receivables	7	3,425,777	3,150,260	207,998	427,565
Current tax assets		17,941	81,509	-	-
Short term investments		790,000	-	-	-
Cash and cash equivalents		14,744,098	6,397,621	2,874,505	216,953
Total current assets		19,588,812	17,672,695	3,634,187	18,833,503
Total assets		256,919,844	255,579,790	148,262,596	147,817,618



Hili Properties p.l.c.

Condensed Statement of Financial Position (continued)

As at 30 June 2024

	Notes	Group		Holding Company	
		30 June 2024 Unaudited €	31 December 2023 Audited €	30 June 2024 Unaudited €	31 December 2023 Audited €
Current liabilities					
Trade and other payables	8	4,434,413	4,194,892	1,537,925	1,156,174
Other financial liabilities		34,211	38,470	-	3,753,115
Lease liability		37,298	44,111	-	-
Bank loans	9	4,564,292	7,915,801	-	-
Current tax liability		569,665	546,452	256,112	175,786
Total current liabilities		9,639,879	12,739,726	1,794,037	5,085,075
Non-current liabilities					
Other financial liabilities		7,796	25,023	10,737,648	6,107,720
Bank loans	9	73,784,582	70,999,196	-	-
Other payables	8	1,124,912	1,499,293	-	-
Debt securities in issue	10	36,900,813	36,862,709	36,900,813	36,862,709
Lease liability		275,653	295,799	-	-
Deferred tax liabilities		6,013,094	6,013,094	564,158	564,158
Total non-current liabilities		118,106,850	115,695,114	48,202,619	43,534,587
Total liabilities		127,746,729	128,434,840	49,996,656	48,619,662
Net assets		129,173,115	127,144,950	98,265,940	99,197,956
EQUITY					
Share capital		80,178,540	80,178,540	80,178,540	80,178,540
Legal reserve		159,535	159,535	-	-
Other reserve		(496,331)	(496,331)	(496,331)	(496,331)
Share premium		6,973,027	6,973,027	6,973,027	6,973,027
Loss offset reserve		748,427	748,427	748,427	748,427
Foreign exchange reserve		(197,828)	(174,346)	-	-
Retained earnings		31,877,819	30,205,726	10,862,277	11,794,293
Equity attributable to owners of the company		119,243,189	117,594,578	98,265,940	99,197,956
Non-controlling interests		9,929,926	9,550,372	-	-
Total equity		129,173,115	127,144,950	98,265,940	99,197,956

Pier Luca Demajo
Chairman

Georgios Kakouras
Managing Director

Hill Properties p.l.c.

Condensed Statement of Changes in Equity

For the period ended 30 June 2024

Group	Share capital €	Loss offset reserve €	Legal Reserve €	Other reserve €	Share premium €	Currency translation reserve €	Retained earnings €	Attributable to owners of the parent €	Non-controlling interest €	Total €
Balance at 1 January 2023	80,178,540	748,427	173,174	(496,331)	6,973,027	(273,000)	28,934,623	116,238,460	8,691,190	124,929,650
Profit for the period	-	-	-	-	-	-	5,600,744	5,600,744	826,331	6,427,075
Other comprehensive expense	-	-	-	-	-	98,654	-	98,654	32,851	131,505
Dividends Paid	-	-	-	-	-	-	(4,329,641)	(4,329,641)	-	(4,329,641)
Transfer to legal reserve	-	-	(13,639)	-	-	-	-	(13,639)	-	(13,639)
Balance at 31 December 2023	80,178,540	748,427	159,535	(496,331)	6,973,027	(174,346)	30,205,726	117,594,578	9,550,372	127,144,950
Other comprehensive expense	-	-	-	-	-	(23,482)	-	(23,482)	-	(23,482)
Profit for the period	-	-	-	-	-	-	1,672,093	1,671,093	379,554	2,051,647
Balance at 30 June 2024	80,178,540	748,427	159,535	(496,331)	6,973,027	(197,828)	31,877,819	119,243,189	9,929,926	129,173,115

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Condensed Statement of Changes in Equity (continued)

For the period ended 30 June 2024

Holding	Share capital €	Loss offset reserve €	Other reserve €	Share premium €	Accumulated losses €	Total €
Balance at 1 January 2023	80,178,540	748,427	(496,331)	6,973,027	4,442,172	91,845,835
Dividends paid	-	-	-	-	(4,329,641)	(4,329,641)
Loss for the period	-	-	-	-	11,681,762	11,681,762
Balance at 31 December 2023	80,178,540	748,427	(496,331)	6,973,027	11,794,293	99,197,956
Loss for the period	-	-	-	-	(932,016)	(932,016)
Balance at 30 June 2024	80,178,540	748,427	(496,331)	6,973,027	10,862,277	98,265,940



Hili Properties p.l.c.

Condensed Statement of Cash Flows

For the period ended 30 June 2024

	Group		Holding Company	
	1 Jan - 30 Jun 2024 Unaudited €	1 Jan - 30 Jun 2023 Unaudited €	1 Jan - 30 Jun 2024 Unaudited €	1 Jan - 30 Jun 2023 Unaudited €
Cash flows from operating activities				
Cash flow generated from/ (used in) operations	5,723,335	5,433,458	(202,062)	(418,497)
Interest paid	(3,375,367)	(3,147,969)	-	(172,554)
Interest received	223,029	12,216	-	12,216
Income tax paid	(245,489)	(233,386)	(15,000)	206,409
Net cash flows from/ (used in) operating activities	2,325,508	2,064,319	(217,062)	(372,426)
Cash flows from investing activities				
Additions to investment property	(262,831)	(534,223)	-	-
Security deposits invested	(790,000)	-	-	-
Cash passed on during acquisition	(59,988)	-	-	-
Proceeds from disposal of investment property	7,021,143	-	-	-
Net cash flows used in investing activities	5,908,324	(534,223)	-	-
Cash flows from financing activities				
Proceeds from bank loans	4,500,000	1,506,769	-	-
Proceeds from loans from related parties	-	-	2,874,615	3,389,063
Repayment of bank loans	(5,441,686)	(2,257,284)	-	-
Proceeds received from parent and related companies	1,077,813	-	-	-
Transfers to restricted cash	-	1,126,275	-	-
Net cash flows from financing activities	136,127	375,760	2,874,615	3,389,063
Net movement in cash and cash equivalents	8,369,959	1,905,856	2,657,552	3,016,637
Cash and cash equivalents at the beginning of the year	6,397,621	10,982,981	216,953	2,033,895
Effects of translation from functional currency to presentation currency	(23,482)	-	-	-
Cash and cash equivalents at the end of the period	14,744,098	12,888,837	2,874,505	5,050,532



Hili Properties p.l.c.

Notes to the condensed interim financial statements

For the period ended 30 June 2024

1. Basis of preparation

The condensed interim financial statements for the six months ending on 30 June 2024 have been extracted from the unaudited management accounts of the Group and the Company and have been prepared in accordance with IAS 34 - *Interim Financial Reporting*.

Hili Properties p.l.c. is the group's ultimate parent company and is a public limited company incorporated in Malta with registration number C57954. The registered address of the holding company is Nineteen Twenty-Three, Valletta Road, Marsa. As disclosed in note 9, it has bonds issued on the Malta Stock Exchange.

2. Significant accounting policies

The condensed consolidated interim financial statements as at end of 30 June 2024 have been prepared in accordance with International Financial Reporting Standards as adopted by the EU applicable to interim financial reporting (International Accounting Standard 34, "Interim Financial Reporting"). The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the group's and holding company's annual financial statements for the year ended 31 December 2023, and corresponding interim period.

(i) Other pronouncements

Other accounting pronouncements which have become effective from 1 January 2024 and have therefore been adopted do not have a significant impact on the group's and holding company's financial results or position.

Standards, amendments, and Interpretations to existing Standards that are not yet effective and have not been adopted early by the Group

Several new, but not yet effective, standards, amendments to existing standards, and interpretations have been published by the IASB. None of these standards, amendments or Interpretations have been adopted early by the Group. Management anticipates that all relevant pronouncements will be adopted for the first period beginning on or after the effective date of the pronouncement. New standards, amendments and interpretations neither adopted nor listed by the Group have not been disclosed as they are not expected to have a material impact on the Group's financial statements.

3. Judgements and estimates

When preparing the condensed consolidated interim financial statements, management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses.



Hili Properties p.l.c.

Notes to the condensed interim financial statements

For the period ended 30 June 2024

3. Judgements and estimates (continued)

The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results. The judgements, estimates and assumptions applied in the condensed consolidated interim financial statements, including the key sources of estimation uncertainty, were the same as those applied in the group's and holding company's annual financial statements for the year ended 31 December 2023.

4. Segmental Reporting

The segment reporting of the group is made in terms of the location which it conducts its business in, as the risks and rates of return are affected predominantly by differences in the services provided in the different locations. The group is currently organised into five main business segments: Malta, Latvia, Estonia, Lithuania and Romania. Each of these operating segments is managed separately as each of these lines requires local resources. All inter segment transfers for management services are carried out on a cost basis.

The accounting policy for identifying segments is based on internal management reporting information that is regularly reviewed by the chief operating decision maker.

Each of these operating segments is managed separately as each of these lines requires local resources. All inter segment transfers for management services are carried out on a cost basis.

Revenue reported below represents revenue generated from external customers. There were no intersegment sales in the period. The group's reportable segments under IFRS 8 are direct sales attributable to each line of business.

Measurement of operating segment profit or loss, assets and liabilities

Segment profit represents the profit earned by each segment after allocation of central administration costs based on services provided. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

The accounting policies of the reportable segments are the same as the group's accounting policies. Reconciliations of reportable segment revenues, profit or loss, assets and liabilities to consolidated totals are reported below:



Hili Properties p.l.c.

Notes to the condensed interim financial statements

For the period ended 30 June 2024

4. Segmental Reporting (continued)

	Group	
	1 January to 30 June 2024	1 January to 30 June 2023
	Unaudited	Unaudited
	€	€
Profit before taxation		
Total profit for reportable segments	5,207,493	3,915,112
Elimination of inter segment profits	(1,285,184)	-
Unallocated amounts:		
Finance costs	(1,542,874)	(1,262,254)
Other unallocated amounts	173,226	78,288
	2,552,661	2,731,146
Assets	30 June 2024	31 December 2023
	Unaudited	(Audited)
	€	€
Total assets for reportable segments	249,125,416	249,405,992
Elimination of inter segment receivables	(65,961,741)	(70,264,947)
Unallocated amounts		
Non-current assets held for sale	3,700,000	6,225,000
Other financial assets	16,653	17,080
Loans and receivables	66,770,163	69,368,623
Trade and other receivables	384,888	586,378
Cash and Cash equivalents	2,884,465	241,664
	256,919,844	255,579,790
Liabilities	30 June 2024	31 December 2023
	Unaudited	(Audited)
	€	€
Total liabilities for reportable segments	138,412,992	138,897,126
Elimination of inter segment payments	(94,480,278)	(92,429,104)
Unallocated amounts		
Trade and other payables	1,687,338	1,224,176
Other financial assets	44,398,402	43,139,990
Current tax liabilities	263,304	175,785
Debt securities in issue	36,900,813	36,862,709
Deferred tax liabilities	564,158	564,158
	127,746,729	128,434,840

The Group's revenue and results from continuing operations and information about its net assets by reportable segment are detailed below:

Hill Properties p.l.c.

Notes to the condensed interim financial statements

For the period ended 30 June 2024

4. Segmental reporting (continued)

1 January to 30 June 2024	Malta	Latvia	Estonia	Lithuania	Romania	Total	Unallocated	Eliminations adjustments	Consolidated
Revenue	€ 598,810	€ 1,943,140	€ 54,998	€ 869,208	€ 4,095,950	€ 7,562,107	€ 50,006	-	€ 7,612,112
Profit (loss) before tax	225,429	2,170,071	43,697	258,185	2,480,111	5,207,493	(1,369,648)	(1,285,184)	2,552,661
Depreciation and amortisation	-	(13,576)	-	-	(12,517)	(26,093)	(425)	-	(26,518)
Finance cost	(171,777)	(489,400)	-	(314,790)	(1,759,160)	(2,735,127)	(866,056)	-	(3,601,183)
Income tax expense	(171,129)	(337)	-	(7,273)	(226,889)	(405,628)	(95,386)	-	(501,014)
Segment assets	63,816,073	64,808,004	1,664,330	31,810,677	90,348,615	252,447,699	76,820,904	(72,348,759)	256,919,844
Investment property	54,347,999	45,186,001	1,536,693	24,300,332	103,707,629	229,078,654	-	-	229,078,654
Additions to investment property	23,000	141,487	-	-	98,344	262,831	-	-	262,831
Segment liabilities	17,219,015	41,117,508	323,473	29,504,225	50,248,771	138,412,992	83,814,015	(94,480,278)	127,746,729

Hill Properties p.l.c.

Notes to the condensed interim financial statements

For the period ended 30 June 2024

4. Segmental reporting (continued)

1 January to 30 June 2023	Malta	Latvia	Estonia	Lithuania	Romania	Total	Unallocated	Eliminations adjustments	Consolidated
	€	€	€	€	€	€	€	€	€
Revenue	784,025	1,964,128	54,998	846,025	3,903,358	7,552,534	49,998	-	7,602,532
Profit (loss) before tax	634,930	857,513	50,314	313,131	2,059,224	3,915,112	(1,183,966)	-	2,731,146
Depreciation and amortisation	(86)	(31,961)	-	-	(15,050)	(47,097)	(440)	-	(47,537)
Finance cost	(245,387)	(995,022)	-	(645,002)	(1,491,272)	(3,376,683)	(1,262,254)	1,441,475	(3,197,462)
Income tax expense	(262,448)	(526)	-	(6,027)	(182,674)	(451,675)	(22,603)	-	(474,278)
Segment assets	71,812,333	74,008,493	1,559,454	33,055,659	89,955,186	270,391,125	71,009,380	(82,907,438)	258,493,067
Investment property	51,150,000	52,706,032	1,510,000	24,990,000	99,951,191	230,307,223	2,525,000	-	232,832,223
Additions to investment property	141,032	-	-	-	393,191	534,223	-	-	534,223
Segment liabilities	25,540,873	51,597,067	326,542	30,479,009	53,078,952	161,022,443	75,427,995	(105,179,526)	131,270,912

Hili Properties p.l.c.

Notes to the condensed interim financial statements

For the period ended 30 June 2024

5. Investment property

Group	Retail/ commercial properties €	Office properties €	Other properties €	Group total €
1 January 2023 (audited)	123,709,475	82,838,525	25,750,000	232,298,000
Additions	451,864	608,656	-	1,060,520
Increase in fair value	3,561,619	1,791,344	250,000	5,602,963
Decrease in fair value	(3,145,660)	-	-	(3,145,660)
Reclass to held for sale	(7,000,000)	-	-	(7,000,000)
At 1 January 2024 (audited)	117,577,298	85,238,525	26,000,000	228,815,823
Additions	141,487	121,344	-	262,831
At 30 June 2024 (unaudited)	117,718,785	85,359,869	26,000,000	229,078,654

Holding company	Office properties €
At 1 January 2023 (audited)	2,525,000
At 1 January 2024 (audited)	2,525,000
Additions	-
At 30 June 2024 (unaudited)	2,525,000

Hili Properties p.l.c.

Notes to the condensed interim financial statements

For the period ended 30 June 2024

5. Investment property (continued)

The fair value of investment properties amounts to €232,832,223 (2022: €232,298,000). The directors are of the opinion that the fair value of the investment properties did not alter significantly from the values reported in December 2023.

6. Investment in subsidiaries

Holding Company	30 June 2024 Unaudited €	31 December 2023 Audited €
Balance at 31.12.2023/ 30.06.2024	<u>79,096,407</u>	<u>79,096,407</u>

7. Trade and other receivables

	Group		Holding company	
	30 June 2024 Unaudited €	31 December 2023 Audited €	30 June 2024 Unaudited €	31 December 2023 Audited €
Trade receivables	708,720	787,539	4,205	4,205
Other receivables	633,545	633,152	-	111,538
Amounts due from related parties	164,763	321,148	28,793	70,373
Amounts due from parent	-	32,617	175,000	175,000
Prepayments and accrued income	4,081,428	3,708,278	-	66,449
Total trade and other receivables	<u>5,588,456</u>	<u>5,482,734</u>	<u>207,998</u>	<u>427,565</u>
Less: amounts expected to be settled within 12 months	<u>(2,162,679)</u>	<u>(2,332,474)</u>	-	-
Amounts expected to be settled after 12 months (shown under non-current assets)	<u>3,425,777</u>	<u>3,150,260</u>	<u>207,998</u>	<u>427,565</u>

No interest is charged on trade and other receivables.

Hili Properties p.l.c.

Notes to the condensed interim financial statements

For the period ended 30 June 2024

8. Trade and other payables

	Group		Holding company	
	30 June 2024	31 December 2023	30 June 2024	31 December 2023
	Unaudited €	Audited €	Unaudited €	Audited €
Trade payables	371,382	777,907	24,108	69,686
Other payables	2,081,830	2,278,436	-	9,845
Accruals and deferred income	3,106,113	2,637,842	1,513,816	1,076,643
Total trade and other payables	5,559,325	5,694,185	1,537,925	1,156,174
Less: amounts expected to be settled within 12 months	(4,434,413)	(4,194,892)	(1,537,925)	(1,156,174)
Amounts expected to be settled after 12 months (shown under non-current liabilities)	1,124,912	1,499,293	-	-

No interest is charged on trade and other payables.

9. Bank loans

	Group		Holding company	
	30 June 2024	31 December 2023	30 June 2024	31 December 2023
	Unaudited €	Audited €	Unaudited €	Audited €
Bank loans	78,348,874	78,914,997	-	-
Less: amount due for settlement within 12 months (shown under current liabilities)	(4,564,292)	(7,915,801)	-	-
Amount due for settlement after 12 months	73,784,582	70,999,196	-	-

Hili Properties p.l.c.

Notes to the condensed interim financial statements

For the period ended 30 June 2024

9. Bank loans (continued)

Bank loans are payable as follows:

	Group		Holding company	
	30 June 2024 Unaudited €	31 December 2023 Audited €	30 June 2024 Unaudited €	31 December 2023 Audited €
On demand within one year	4,564,292	7,915,802	-	-
Between one and five years	55,977,111	60,541,403	-	-
After five years	17,807,471	10,457,792	-	-
	78,348,874	78,914,997	-	-

The group's bank loans facilities bear effective interest of around 5% p.a.

The facilities are secured by special hypothecs over the investment property of the group, a general hypothec over the assets of the group, guarantees provided by other related party and a pledge over rent receivable from the company's tenants.

10. Debt securities in issue

	Group and holding company	
	30 June 2024 Unaudited €	31 December 2023 Audited €
4.5% unsecured bonds redeemable 2025	36,900,813	36,862,709

In October 2015, the Company issued 370,000 4.5% unsecured bonds of a nominal value of €100 per bond. The bonds are redeemable at their nominal value in 2025. Interest on the bonds is due and payable annually on 16 October of each year.

The bonds are listed on the Official List of the Malta Stock Exchange. The carrying amount of the bond is net of direct issue costs of €766,271 which are being amortised over the life of the bond. The market value of debt securities on the last trading day before the statement of financial position date was €37,074,000 (2022: €37,555,000). The bonds are guaranteed by Harbour (APM) Investments Limited and Hili Estates Limited. The full terms of the guarantee are disclosed in the bond prospectus.

Hili Properties p.l.c.

Notes to the condensed interim financial statements

For the period ended 30 June 2024

11. Related party transactions

During the period, the Company and the group entered into transactions with related parties set out below.

Group	1 Jan - 30 Jun 2024			1 Jan - 30 Jun 2023		
	Related party activity	Total activity	%	Related party activity	Total activity	%
	€	€		€	€	
Revenue:						
Related party transactions with:						
Parent company	230,641	-		193,260	-	
Other related parties	871,088	-		1,014,131	-	
	<u>1,101,729</u>	<u>7,634,398</u>	14%	<u>1,207,391</u>	<u>7,634,398</u>	16%
Administrative expenses						
Related party transactions with:						
Parent company	700,000	-		700,000	-	
	<u>700,000</u>	<u>1,312,385</u>	53%	<u>700,000</u>	<u>789,193</u>	89%
Finance income						
Related party transactions with:						
Parent company	16,521	-		-	-	
Other related parties	12,250	-		12,216	-	
	<u>28,771</u>	<u>397,734</u>	7%	<u>12,216</u>	<u>279,711</u>	4%

Hili Properties p.l.c.

Notes to the condensed interim financial statements

For the period ended 30 June 2024

11. Related party transactions (continued)

Holding company	1 Jan - 30 Jun 2024			1 Jan - 30 Jun 2023		
	Unaudited		%	Unaudited		%
	Related party activity	Total activity		Related party activity	Total activity	
	€	€		€	€	
Administrative expenses						
Related party transactions with:						
Parent company	700,000	-		700,000	-	
	<u>700,000</u>	<u>789,193</u>	89%	<u>700,000</u>	<u>751,150</u>	93%
Finance income						
Related party transactions with:						
Parent company	16,521	-		-	-	
Other related parties	901,785	-		836,928	-	
	<u>918,306</u>	<u>918,306</u>	99%	<u>836,928</u>	<u>836,928</u>	100%
Finance cost						
Related party transactions with:						
Subsidiaries	120,992	-		144,380	-	
Other related parties	-	-		48,253	-	
	<u>120,992</u>	<u>987,048</u>	124%	<u>192,633</u>	<u>1,063,447</u>	81%

No expense has been recognised in the period for bad or doubtful debts in respect of amounts due by related parties and there are no provisions for doubtful debts in respect of outstanding amounts due by related parties.

12. Fair values of financial assets and financial liabilities

At 30 June 2024 and 31 December 2023, the carrying amounts of financial assets and financial liabilities classified with current assets and current liabilities respectively approximated their fair values due to the short-term maturities of these assets and liabilities.

Notes to the condensed interim financial statements

For the period ended 30 June 2024

12. Fair values of financial assets and financial liabilities (continued)

The fair values of the debt securities in issue are disclosed in Note 9. The fair values of the other non-current financial liabilities and the non-current financial assets are not materially different from their carrying amounts due to the fact that the interest rates are considered to represent market rates at the year end. The fair values of the financial assets and financial liabilities included in the level 2 and level 3 categories below have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

For financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the company and the group determines when transfers are deemed to have occurred between Levels in the hierarchy at the end of each reporting period.

The following table provides an analysis of financial instruments that are not measured subsequent to initial recognition at fair value, other than those with carrying amounts that are reasonable approximations of fair value, and other than investments in subsidiaries, associates and jointly controlled entities, grouped into Levels 1 to 3.

Hili Properties p.l.c.

Notes to the condensed interim financial statements

For the period ended 30 June 2024

12. Fair values of financial assets and financial liabilities (continued)

Group	Level 1	Level 2	Level 3	Total	Carrying
	€	€	€	€	amount
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
2024					
Financial assets					
Loans and receivables	-	547,413	-	547,413	547,413
- receivables from related parties	-	-	164,763	164,763	164,763
- trade and other receivables	-	-	1,342,265	1,342,265	1,342,265
As at 30 June 2024	-	547,413	1,507,028	2,054,441	2,054,441
Financial liabilities					
Financial liabilities at amortised cost					
- other financial liabilities	-	-	42,007	42,007	42,007
- trade and other payables	-	-	5,559,325	5,559,325	5,559,325
- bank borrowings	-	78,348,874	-	78,348,874	78,348,874
- debt securities	37,074,000	-	-	37,074,000	36,900,813
As at 30 June 2024	37,074,000	78,348,874	5,601,332	121,024,206	120,851,019
	Level1	Level2	Level3	Total	Carrying
	€	€	€	€	amount
	Audited	Audited	Audited	Audited	Audited
2023					
Financial assets					
Deposit on the acquisition of investment	-	1,547,413	43,305	1,590,718	1,590,718
Loans and receivables	-	-	353,765	353,765	353,765
- receivables from related parties	-	-	1,420,691	1,420,691	1,420,691
- trade and other receivables	-	-	-	-	-
As at 31 December 2023	-	1,547,413	1,817,761	3,365,174	3,365,174

Hili Properties p.l.c.

Notes to the condensed interim financial statements

For the period ended 30 June 2024

12. Fair values of financial assets and financial liabilities (continued)

	Level 1	Level 2	Level 3	Total	Carrying amount
	€	€	€	€	€
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
Financial liabilities					
Financial liabilities at amortised cost					
- other financial liabilities	-	-	63,493	63,493	63,493
- trade and other payables	-	-	5,694,185	5,694,185	5,694,185
- bank borrowings	-	78,914,997	-	78,914,997	78,914,997
- debt securities	36,445,000	-	-	36,445,000	36,862,709
As at 31 December 2023	36,445,000	78,914,997	5,757,678	121,117,675	121,535,384

	Level 1	Level 2	Level 3	Total	Carrying amount
	€	€	€	€	€
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
Holding company					
2024					
Financial assets					
Loans and receivables					
- receivables from related parties	-	59,290,347	551,684	59,842,031	59,842,031
- trade and other receivables	-	-	203,793	203,793	203,793
- trade and other receivables	-	-	4,205	4,205	4,205
As at 30 June 2024	-	59,290,347	759,682	60,050,029	60,050,029

	Level 1	Level 2	Level 3	Total	Carrying amount
	€	€	€	€	€
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
Financial liabilities					
Financial liabilities at amortised cost					
- other financial liabilities	-	10,737,648	-	10,737,648	10,737,648
- trade and other payables	-	-	1,537,925	1,537,925	1,537,925
- debt securities	37,074,000	-	-	37,074,000	36,900,813
As at 30 June 2024	37,074,000	10,737,648	1,537,925	49,349,573	49,176,386

Hili Properties p.l.c.

Notes to the condensed interim financial statements

For the period ended 30 June 2024

12. Fair values of financial assets and financial liabilities (continued)

	Level 1	Level 2	Level 3	Total	Carrying amount
	€	€	€	€	€
	Audited	Audited	Audited	Audited	Audited
2023					
Financial assets					
Deposit on the acquisition of investment					
Loans and receivables	-	43,645,628	18,188,986	61,834,614	61,834,614
- receivables from related parties	-	-	245,373	245,373	245,373
- trade and other receivables	-	-	115,743	115,743	115,743
As at 31 December 2023	-	43,645,628	18,550,102	62,195,730	62,195,730
Financial liabilities					
Financial liabilities at amortised cost					
- other financial liabilities	-	9,251,457	609,378	9,860,835	9,860,835
- trade and other payables	-	-	1,156,174	1,156,174	1,156,174
- debt securities	36,445,000	-	-	36,445,000	36,862,709
As at 31 December 2023	36,445,000	9,251,457	1,765,552	47,462,009	47,879,718

Hili Properties p.l.c.

Statement Pursuant to Listing Rule 5.75.3 issued by the Listing Authority

For the period ended 30 June 2024

We confirm that to the best of our knowledge:

- a) The condensed interim financial statements give a true and fair view of the financial position of Hili Properties p.l.c. (the “company”) and its subsidiaries (the “group”) As at 30 June 2024, and the financial performance and cash flows of the company and the group for the six month period then ended, which have been prepared in accordance with International Financial Reporting Standards as adopted by the EU applicable to interim financial reporting (International Accounting Standard 34 – Interim Financial Reporting); and
- b) The interim Directors’ report includes a fair review of the information required in terms of the Capital Market Rules 5.81 to 5.84.

Approved by the Board of Directors on the 28th August, 2024 and signed on its behalf by:



Pier Luca Demajo
Chairman



Georgios Kakouras
Managing Director