



JD Capital plc
HHF 303/304,
Hal Far Industrial Estate,
Buzzebbuga BBG 3000
Malta

Date: 24th August 2022

Reference: 47/2022

COMPANY ANNOUNCEMENT

PUBLICATION OF UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30TH JUNE 2022

The following is a company announcement issued by JD Capital plc (the “Company”), having company registration number C 82098, issued in terms of the Prospectus Rules, the market regulated as a multi-lateral trading facility operated by the Malta Stock Exchange (“Prospectus MTF”).

QUOTE

The Board of Directors of the Company announces that it met on 24th August 2022 and considered and approved the Company’s Unaudited Interim Consolidated Financial Statements for the six-month period ended 30th June 2022. The latter are reproduced below and are also available for viewing on the Company's website:

<https://www.jsdimech.com/investor-relations/>

UNQUOTE

By order of the board

Dr. Jesmond Manicaro
Company Secretary



JD CAPITAL PLC

**Condensed Interim Consolidated Financial Statements
(Unaudited)**

for the six months period ended 30 June 2022

Company registration No.: C 82098



Condensed Interim Consolidated Financial Statements (Unaudited)
For the Six Months Period Ended 30 June 2022

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INTERIM DIRECTORS' REPORT

This Half-Yearly report is being published in terms of Chapter 4 of the Prospectus Rules of the Malta Stock Exchange and the Prevention of Financial Markets Abuse Act, 2005. The Half-Yearly Report comprises the condensed interim consolidated financial statements for the six months ended 30 June 2022 prepared in accordance with the International Accounting Standard (IAS) 34, *Interim Financial Reporting* of the International Financial Reporting Standards (IFRS) as adopted by the European Union (EU).

Principal Activity

The principal object of JD Capital PLC ("the Company") is that of a parent holding company and financing company for its subsidiaries. The Company has two subsidiaries, namely, JD Operations Limited and JD Birkirkara Limited (collectively, referred to as "the Group").

The main operation of the Group is with JD Operations Limited. JD Operations Limited is involved in the manufacture and installation of steel and aluminium works for large scale projects relating to the construction industry. Therefore, projects tend, on average, to be undertaken over an extended period, and final invoicing will be made after this reporting period. The Group also holds an investment property which is registered under its subsidiary JD Birkirkara Limited, a property holding company.

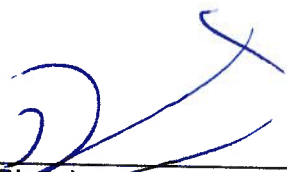
Review of the Business and Results

During the six months period ended 30 June 2022, the Group posted an unaudited pre-tax loss of €18,708, while pre-tax profit of €349,117 was posted in the same period last year. Also, during this period, the Company paid €248,367 in interest to its Bond Holders. The Directors expect the general level of operating activity to be improved in the forthcoming six months.

Events after the end of the reporting period

There were no events after the end of the reporting period that materially affected the financial position of the Group or of the Company, or that require mention in this report.

Approved by the Board of Directors on 24 August 2022 and signed on its behalf by



Josef Dimech
Director

Stephen Muscat
Director



JD CAPITAL PLC

Condensed Interim Consolidated Financial Statements (Unaudited)
For the Six Months Period Ended 30 June 2022


DIRECTORS' DECLARATION

We hereby confirm that to the best of our knowledge:

- The condensed consolidated interim financial statements give a true and fair view of the financial position of the Group as at 30 June 2022, and of its financial performance and cash flows for the six-month period then ended in accordance with IAS 34, *Interim Financial Reporting*; and
- The Interim Directors' Report includes a fair review of the information required in terms of Prospects Rule 4.11.12.



Josef Dimech
Director



Stephen Muscat
Director

24 August 2022

CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	01.01.2022 to 30.06.2022 (Unaudited) €	01.01.2021 to 30.06.2021 (Unaudited) €
Revenue	4,524,331	8,211,192
Cost of sales	(3,873,183)	(7,218,925)
Gross profit	651,148	992,267
Selling and distribution expenses	(47,449)	(75,066)
General and administrative expenses	(400,152)	(356,393)
Other income	98,431	416
Operating profit	301,978	561,224
Finance income	20,749	108,188
Finance costs	(300,462)	(221,264)
Other losses	(221)	-
Impairment on financial assets	(40,752)	(99,031)
(Loss)/profit before tax	(18,708)	349,117
Tax	(91,548)	(122,337)
(Loss)/profit for the year	(110,256)	226,780
Other comprehensive income		
<i>Items that will not be reclassified subsequently to profit or loss</i>		
Revaluation of land and buildings, net of tax	141,666	-
Total comprehensive income for the year	31,410	226,780
Earnings per share	(0.01)	0.93



JD CAPITAL PLC

Condensed Interim Consolidated Financial Statements (Unaudited)
For the Six Months Period Ended 30 June 2022

CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	30.06.2022 (Unaudited)	31.12.2021 (Audited)
Note	€	€
ASSETS		
Non-current assets		
Property, plant and equipment	23,468,568	23,627,306
Investment property	4,676,700	4,522,715
Intangible assets	224,497	224,497
Financial assets at amortised cost	1,443,282	1,618,922
Trade and other receivables	3,356,809	1,084,518
	<u>33,169,856</u>	<u>31,077,958</u>
Current assets		
Financial assets at amortised cost	3,969,411	3,150,896
Inventories	2,981,753	1,529,296
Contract assets	5,590,207	4,514,034
Trade and other receivables	3,222,640	6,646,982
Cash and cash equivalents	526,337	361,040
	<u>16,290,348</u>	<u>16,202,248</u>
TOTAL ASSETS	<u>49,460,204</u>	<u>47,280,206</u>
EQUITY AND LIABILITIES		
Capital and reserves		
Share capital	7,546,700	7,546,700
Other equity	7,998,466	7,856,800
Retained earnings	1,073,039	1,183,295
TOTAL EQUITY	<u>16,618,205</u>	<u>16,586,795</u>
Non-current liability		
Borrowings	3 9,848,380	7,397,971
Lease liabilities	3,470,388	3,492,124
Trade and other payables	3,877,561	3,898,722
Deferred tax liabilities	1,605,107	1,592,788
Non-current tax liabilities	637,000	507,947
	<u>19,438,436</u>	<u>16,889,552</u>
Current liabilities		
Borrowings	3 2,554,818	3,602,339
Lease liabilities	39,963	36,004
Contract liabilities	5,011,848	2,212,033
Current tax liabilities	834,957	1,080,212
Trade and other payables	4,961,977	6,873,271
	<u>13,403,563</u>	<u>13,803,859</u>
TOTAL LIABILITIES	<u>32,841,999</u>	<u>30,693,411</u>
TOTAL EQUITY AND LIABILITIES	<u>49,460,204</u>	<u>47,280,206</u>

The condensed interim consolidated financial statements on pages 5 - 11 were approved and authorised for issue by the Board of Directors on 24 August 2022 and signed on its behalf by:


Josef Dimech
Director


Stephen Muscat
Director



JD CAPITAL PLC

Condensed Interim Consolidated Financial Statements (Unaudited)
For the Six Months Period Ended 30 June 2022

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital €	Other equity €	Revaluation Reserve	Retained earnings €	Total €
Six months period ended 30 June 2021:					
Balance at 1 January 2021	245,100	7,301,600	-	1,023,897	8,570,597
Total comprehensive income for the period:					
<i>Profit for the period</i>	-	-	-	226,780	226,780
Balance at 30 June 2021	245,100	7,301,600	-	1,250,677	8,797,377
Six months period ended 30 June 2022:					
Balance at 1 January 2022	7,546,700	-	7,856,800	1,183,295	16,586,795
Total comprehensive income for the period:					
<i>Loss for the period</i>	-	-	-	(110,256)	(110,256)
<i>Other comprehensive income</i>	-	-	141,666	-	141,666
Balance at 30 June 2022	7,546,700	-	7,998,466	1,073,039	16,618,205



JD CAPITAL PLC

Condensed Interim Consolidated Financial Statements (Unaudited)
For the Six Months Period Ended 30 June 2022

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

	01.01.2022 to 30.06.2022 (Unaudited) €	01.01.2021 to 30.06.2021 (Unaudited) €
Cash flows from operating activities		
(Loss)/profit before tax	(18,708)	349,117
Adjustments for:		
Finance cost	300,462	221,264
Depreciation expense	421,455	399,667
Impairment of financial assets	40,752	99,031
Amortisation of bond issue costs	5,618	5,335
Loss on disposal of property, plant and equipment	221	-
Finance income	(20,749)	(108,188)
Cash from operations before working capital changes	729,051	966,226
Increase in inventories	(1,452,457)	(854,854)
Decrease/(increase) in trade and other receivables and contract assets	1,015,665	(5,170,951)
Increase in trade and other payables and contract liabilities	991,755	3,391,010
Cash from operating activities	1,284,014	(1,668,569)
Interest paid	(58,738)	(41,940)
Income taxes paid	(207,750)	(59,838)
Net cash flows from/(used in) operating activities	1,017,526	(1,770,347)
Cash flows from investing activities		
Acquisition of property, plant and equipment and investment property	(263,517)	(96,143)
Proceeds from disposal of property, plant and equipment	579	-
Repayment of loans receivable	-	581,982
Movement in amounts due from related company	(1,602,665)	11,456
Net cash flows (used in)/from investing activities	(1,865,603)	497,295
Cash flows from financing activities		
Proceeds from short-term borrowings	2,287,050	1,468,313
Repayment of bank borrowings	(406,918)	-
Interest paid	(278,326)	(250,000)
Interest paid on lease liabilities	(87,793)	-
Payments on finance leases	(17,777)	(75,285)
Movement in amount due to ultimate shareholder and related company	-	(1,091)
Net cash flows from financing activities	1,496,236	1,141,937
Net movement in cash and cash equivalents	648,159	(131,115)
Cash and cash equivalents at beginning of period	(140,054)	10,503
Cash and cash equivalents at end of period	508,105	(120,612)

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

These unaudited condensed interim consolidated financial statements for the six-month period ended 30 June 2022 have been prepared in accordance with International Accounting Standard (IAS) 34, *Interim Financial Reporting*.

These interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 31 December 2021, which have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU).

In addition, results for the six-month period ended 30 June 2022 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2022.

2. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted are consistent with those of the Group's financial statements for the year ended 31 December 2021. In addition, the Group has adopted the new and revised standards and amendments which are effective for annual periods beginning 1 January 2022. The application of these new standards and interpretations did not have any material impact on the amounts reported for the current and prior periods.

Use of judgements and estimates

In preparing condensed interim consolidated financial statements, the Board of Directors have made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income, and expense. Actual results may differ from these estimates.

There have been no material revisions to the nature and estimates of amounts reported in prior periods. The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements as at 31 December 2021.

Impact of accounting standards to be applied in future periods

There are a number of standards and interpretations which have been issued that are effective for periods beginning 1 January 2023 that the Group has decided not to adopt early. The Group does not believe these standards and interpretations will have a material impact on the financial statements once adopted.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS - continued

3. BORROWINGS

	30.06.21	31.12.21
	(unaudited)	(audited)
	€	€
Non-current		
€5,000,000 bonds, 5% unsecured (i)	4,922,258	4,916,640
Bank loan I (ii)	486,320	554,697
Bank loan II (iii)	538,114	838,634
Revolving facility (iv)	3,901,688	1,088,000
	9,848,380	7,397,971
Current		
Bank loan I (ii)	135,998	134,310
Bank loan II (iii)	537,534	577,243
Revolving facility (iv)	1,600,300	2,380,037
Bank overdrafts	18,232	501,094
Amounts due to the ultimate shareholder (v)	253,099	-
Amounts due to related company (v)	9,655	9,655
	2,554,818	3,602,339

- i. The bonds will mature on 21 May 2028 with annual interest payments every 21 May until maturity. The amount presented is net of unamortised bond issue costs of €77,742 (31.12.2021: €83,360).
- ii. Bank loan I pertains to a loan with a local bank under the Malta Development Bank's COVID-19 Assist Program. The loan bears interest at a fixed rate of 2.5% per annum for the first two years from the take up of the loan and thereafter at the rate of the aggregate of the margin of 2.75% per annum and the three-month EURIBOR. The loan is repayable over a period of six years inclusive of a 12-month moratorium on the principal and six-months on interest. Following the moratorium period, the loan shall be repayable in 60 monthly instalments of €12,500. The loan is secured by a first general hypothec over the Company's assets and guarantee by the ultimate shareholder.
- iii. Bank loan II is a loan with another local bank taken as well under the Malta Development Bank's COVID-19 Assist Program. The loan bears interest at the rate of the aggregate of the margin of 3.15% per annum and the three-month EURIBOR. The loan is repayable in monthly instalments of €50,917 beginning December 2020 until May 2024. The loan is secured by Malta Development Bank Guarantee for €1,800,000.
- iv. The revolving facility bears interest at the rate of 5% per annum plus the 12-month EURIBOR and is repayable in accordance with the term sheet as agreed with the bank for each drawdown. The revolving facility is of €6,000,000.

NOTES TO THE CONSENSSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS - continued**3. BORROWINGS - continued**

- v. The amounts due to the ultimate shareholder and related company are unsecured, interest free and are repayable on demand.

4. RELATED PARTY TRANSACTIONS

The Group carries out transactions with related parties on a regular basis and in the ordinary course of the business.

The following summarises the transactions with related parties that transpired during the period:

	30.06.22	30.06.21
	€	€
Revenue	46,012	49,968
Management fees	98,181	-
Recharges	(245,142)	-

Directors' remuneration during the period amounted to €151,124 (2021: €143,807).