

COMPANY ANNOUNCEMENT

MALITA INVESTMENTS P.L.C
(THE "COMPANY")

Approval of unaudited condensed Interim Financial Statements

Date of Announcement	23rd August 2022
Reference	101/2022
Capital Markets Rule	5.16.4

QUOTE

The Board of Directors of Malita Investments p.l.c (the "**Company**") hereby announces that today, the 23rd August 2022, it approved the Company's unaudited condensed Interim Financial Statements for the six-month period ended 30th June 2022. The Interim Financial Statements are attached herewith and are also available for viewing at the Company's registered office or electronically at <https://malitainvestments.com/investor-category/financial-statements/>.

The Directors of the Company have also approved the payment of a gross interim dividend of €1,955,026 or €0.0132 per share equating to a net interim dividend of €1,661,772 or €0.0112 per share, payable on the 29th September 2022 to the shareholders of the Company on the Company's share register at the Malta Stock Exchange as at close of business on 6th September 2022.

UNQUOTE

By Order of the Board

Signed



Donald Vella
Company Secretary

MALITA INVESTMENTS P.L.C.

Condensed Interim Financial Statements (Unaudited)
30 June 2022

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Interim Directors' report

The Directors present their report together with the condensed interim financial statements for the period ended 30 June 2022.

Principal activities

The Company's principal activities include the financing, acquisition, development, management and operation of immovable property, in particular, projects of national and/or strategic importance, and the investment in local stocks and shares.

Review of the business

The Company registered a loss for the period from January to June 2022 of €27,191,610 (June 2021: loss €14,981,818). The operating profit excluding any fair value movements for the period amounts to €3,936,538 (June 2021: €4,073,647).

During the period under review, the Company continued receiving lease income in respect of the Open Air Theatre and Parliament Building in City Gate, Valletta and ground rent from the MIA and VCP properties.

As explained in Note 4, the result for the period includes a negative movement in the fair value of the MIA and VCP properties as well as the Parliament Building and Open Air Theatre amounting to €16,538,000 and €15,989,138 respectively. This negative fair value movement came about due to the upward movement of interest rates. This has been transferred to a non-distributable fair value reserve (net of deferred tax).

In 2017 the Company entered into two credit facility agreements for a 25-year term amounting to €53,700,000 with the European Investment Bank (EIB) and the Council of Europe Development Bank (CEB) for the purpose of financing the construction of a number of affordable housing units in Malta. Furthermore, the Company had also entered into an emphyteutical deed with the Housing Authority to acquire sixteen property sites in a number of locations across Malta for the purpose of developing affordable housing units in Malta. Lastly in 2018, the Company entered into sixteen (16) availability agreements with Government whereby the Company will make available sixteen (16) property sites consisting of around 768 units in a number of locations across Malta for a period of 25 years once complete. To date the Company effected disbursement amounting to €46,400,000 from this EIB and CEB facility.

The Affordable Housing project has entered a new phase where some of the sites have been completed and have started welcoming tenants after the period under review. Excavation of all the property sites have been completed whilst Luqa and Zebbug sites are in progress. In 2022 the Company issued further invitations to tender for Luqa civil works, Msida finishes works, Zebbug excavation works and various lift tenders. Invitations to tender will continue to be issued in respect of the works required on the remaining sites. The capitalised cost to date on this development amounts to €35,343,164 and is reflected in these financial statements as a contract asset.

In 2022 the Company issued an expression of interest to all owners or emphyteuta of immovable properties located around Malta and Gozo who lease such immovable property for use as a band club to participate in a scheme. The scheme consists of the sale of the immovable property or of the emphyteutical rights over such immovable property by the Band Club Owner to Malita. The Company has received offers to purchase band clubs and these are currently in negotiation stage.

Interim Directors' report - continued

Review of the business - continued

It is always on the agenda of the Board of Directors to analyse and assess other possible investment opportunities.

Result and dividends

The condensed statement of comprehensive income is set out on page 7. On 23rd August 2022, the Directors declared the payment of an interim gross dividend of €1,955,026 or €0.0132 per share (June 2021: €1,955,026 or €0.0132 per share) equating to an interim net dividend of €1,661,772 or €0.0112 per share (June 2021: €1,661,772 or €0.0112 per share) payable on 29th September 2022.

Directors

The Directors of the Company who held office during the period were:

Kenneth Farrugia (resigned 22nd June 2022)

Marlene Mizzi

Paul Mercieca

Robert Suban

Eric Schembri

Victor Carachi

Tania Brown

Miguel Borg (appointed 22nd June 2022)

The Company's Articles of Association require Directors to retire after three years in office, but they are eligible for re-appointment.

Statement of Directors' responsibilities for the financial statements

The Directors are required by the Maltese Companies Act (Cap. 386) to prepare financial statements which give a true and fair view of the state of affairs of the Company as at the end of each reporting period and of the profit or loss for that period.

In preparing the financial statements, the Directors are responsible for the following matters:

- ensuring that the financial statements have been drawn up in accordance with International Financial Reporting Standards as adopted by the EU;
- selecting and applying appropriate accounting policies;
- making accounting estimates that are reasonable in the circumstances;
- ensuring that the financial statements are prepared on the going concern basis unless it is inappropriate to presume that the Company will continue in business as a going concern.

The Directors are also responsible for designing, implementing and maintaining internal controls as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error, and that comply with the Maltese Companies Act (Cap. 386). They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The financial statements of Malita Investments p.l.c. for the period ended 30 June 2022 are included in the Condensed Interim Financial Statements – 30 June 2022, which is available on the Company's website. The Directors are responsible for the maintenance and integrity of the Company's website.

Interim Directors' report - continued

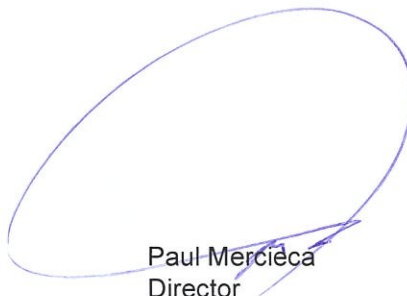
Statement of Directors' responsibilities for the financial statements - continued

Access to information published on the Company's website is available in other countries and jurisdictions, where legislation governing the preparation and dissemination of financial statements may differ from requirements or practice in Malta.

On behalf of the board



Mariene Mizzi
Chairperson



Paul Mercieca
Director

Registered office:
Clock Tower
Level 1
Tigne` Point
Sliema
Malta

23 August 2022



Report on review of interim financial information

To the shareholders and board of directors of Malita Investments p.l.c.

Introduction

We have reviewed the accompanying condensed interim balance sheet of Malita Investments p.l.c. as at 30 June 2022 and the related condensed interim statements of comprehensive income, changes in equity and cash flows for the six-month period then ended, and explanatory notes. Management is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with International Accounting Standard 34, 'Interim financial reporting'. Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, 'Review of interim financial information performed by the independent auditor of the entity'. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information is not prepared, in all material respects, in accordance with International Accounting Standard 34, 'Interim financial reporting'.

Emphasis of matter

We draw attention to Notes 2 and 6 to the condensed consolidated interim financial information, which explain the developments relating to the process being undertaken by the Company to renegotiate financing and revenue streams for the affordable housing project. This matter is considered to be of fundamental importance to the users' understanding of these condensed interim financial statements. Our conclusion is not modified in respect of this matter.

PricewaterhouseCoopers

78 Mill Street
Zone 5, Central Business District,
Qormi
Malta

A blue ink signature of Steve Mamo, written in a cursive style.

Steve Mamo
Partner

23 August 2022

Condensed statement of financial position

	Notes	As at 30 June 2022 € (unaudited)	As at 31 December 2021 € (audited)
ASSETS			
Non-current assets			
Property, plant and equipment		32,501	22,194
Investment property	4	167,619,027	200,146,165
Contract asset	6	35,343,164	31,810,603
		202,994,692	231,978,962
Current assets			
Trade and other receivables		2,173,632	449,770
Cash and cash equivalents		18,646,352	10,963,244
		20,819,984	11,413,014
Total assets		223,814,676	243,391,976
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	7	73,295,143	73,295,143
Retained earnings	8	10,866,579	10,403,860
Non-distributable reserve - fair	9	23,164,420	53,145,073
Non-distributable reserve - other	10	4,107,753	3,880,120
Total equity		111,433,895	140,724,196
Non-current liabilities			
Borrowings	11	83,478,646	71,291,103
Lease liability	5	3,320,443	3,305,516
Provision on restoration	5	5,433,743	5,321,476
Deferred tax liabilities	16	13,027,504	15,573,991
		105,260,336	95,492,086
Current liabilities			
Borrowings	11	2,204,476	2,164,288
Lease liability	5	115,763	57,881
Capital creditor for acquisition of property	12	566,183	2,457,793
Trade and other payables		3,570,975	2,092,017
Current tax liabilities		663,048	403,715
		7,120,445	7,175,694
Total liabilities		112,380,781	102,667,780
Total equity and liabilities		223,814,676	243,391,976

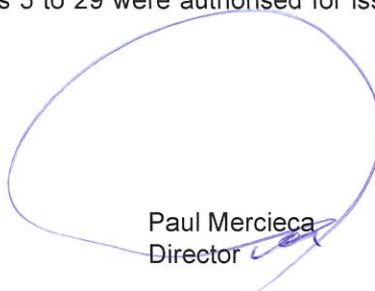
Condensed statement of financial position - continued

The notes on pages 10 to 29 are an integral part of these condensed interim financial statements.

The condensed interim financial statements on pages 5 to 29 were authorised for issue by the Board on 23 August 2022 and were signed on its behalf by:



Marlene Mizzi
Chairperson



Paul Mercieca
Director

Condensed statement of comprehensive income

		Period from 1 January to 30 June 2022 € (unaudited)	Period from 1 January to 30 June 2021 € (unaudited)
	Notes		
Revenue	13	4,114,603	4,114,603
Revenue from service concession arrangements	6	3,110,439	5,461,882
Costs related to service concession arrangements	6	(3,019,844)	(5,302,798)
Administrative expenses		(268,660)	(200,040)
Operating profit		3,936,538	4,073,647
Change in fair value of investment property	4	(32,527,138)	(19,288,246)
Finance income		422,124	308,476
Finance costs		(761,655)	(793,253)
Loss before tax		(28,930,131)	(15,699,376)
Tax credit	15	1,738,521	717,558
Loss for the period - total comprehensive loss		(27,191,610)	(14,981,818)
Loss per share in cents	17	(18.36)	(10.12)

The notes on pages 10 to 29 are an integral part of these condensed interim financial statements.

Condensed statement of changes in equity

				Non-distributable reserves		
	Notes	Share capital €	Retained earnings €	Fair value movements €	Other €	Total €
Balance at 1 January 2021		73,295,143	8,990,133	78,800,715	3,421,180	164,507,171
Comprehensive income						
Loss for the period		-	(14,981,818)	-	-	(14,981,818)
Transactions with owners						
Transfer within owners' equity	9	-	17,774,255	(17,774,255)	-	-
Transfer within owners' equity	10	-	(232,488)	-	232,488	-
Dividends to equity shareholders	18	-	(2,098,691)	-	-	(2,098,691)
Balance at 30 June 2021 (unaudited)		73,295,143	9,451,391	61,026,460	3,653,668	147,426,662
Balance at 1 July 2021		73,295,143	9,451,391	61,026,460	3,653,668	147,426,662
Comprehensive income						
Profit for the period		-	(5,040,694)	-	-	(5,040,694)
Transactions with owners						
Transfer within owners' equity	9	-	7,881,387	(7,881,387)	-	-
Transfer within owners' equity	10	-	(226,452)	-	226,452	-
Dividends to equity shareholders		-	(1,661,772)	-	-	(1,661,772)
Balance as at 31 December 2021 (audited)		73,295,143	10,403,860	53,145,073	3,880,120	140,724,196
Balance at 1 January 2022		73,295,143	10,403,860	53,145,073	3,880,120	140,724,196
Comprehensive income						
Loss for the period		-	(27,191,610)	-	-	(27,191,610)
Transactions with owners						
Transfer within owners' equity	9	-	29,980,653	(29,980,653)	-	-
Transfer within owners' equity	10	-	(227,633)	-	227,633	-
Dividends to equity shareholders	18	-	(2,098,691)	-	-	(2,098,691)
Balance as at 30 June 2022 (unaudited)		73,295,143	10,866,579	23,164,420	4,107,753	111,433,895

The notes on pages 10 to 29 are an integral part of these condensed interim financial statements.

Condensed statement of cash flows

		Period from 1 January to 30 June 2022 € (unaudited)	Period from 1 January to 30 June 2021 € (unaudited)
	Notes		
Cash flows from operating activities			
Cash generated from operations	19	5,041,582	6,925,774
Interest received		-	-
Interest paid and similar charges		(6,689)	(11,237)
Income taxes paid		(548,632)	(343,864)
Payments on lease liability		-	(55,125)
Net cash generated from operating activities		4,486,261	6,515,548
Cash flows from investing activities			
Purchase for property, plant and equipment		(17,462)	(5,602)
Payments to acquire contract asset		(4,070,599)	(6,233,714)
Net cash used in investing activities		(4,088,061)	(6,239,316)
Cash flows from financing activities			
Repayment of borrowings		(1,072,269)	(1,039,861)
Interest paid on borrowings		(1,203,279)	(637,046)
Dividends paid to equity holders	18	(1,739,544)	(417,892)
Transfer to term deposit		(2,000,000)	-
Proceeds from borrowings	11	13,300,000	2,500,000
Net cash from / (used in) financing activities		7,284,908	405,201
Net movement in cash and cash equivalents		7,683,108	681,433
Cash and cash equivalents at beginning of period		10,963,244	202,444
Cash and cash equivalents at end of period		18,646,352	883,877

The notes on pages 10 to 29 are an integral part of these condensed interim financial statements.

Notes to the condensed interim financial statements

1. Summary of significant accounting policies

The Board has adopted the following principal accounting policies which it believes cover most of the type of activities it will undertake in the foreseeable future. Accordingly, not all the accounting policies set out below would necessarily apply as at the date of this report.

1.1 Basis of preparation

These condensed interim financial statements for the six months ended 30 June 2022 have been prepared in accordance with IAS 34, 'Interim financial reporting'. They have been prepared under the historical cost convention as modified by fair valuation of investment property.

The condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2021, which have been prepared in accordance with IFRS.

The condensed interim financial statements have been reviewed, not audited.

The preparation of financial statements in conformity with IFRSs as adopted by the EU requires the use of certain accounting estimates. It also requires Directors to exercise their judgement in the process of applying the Company's accounting policies (see note 2 – Critical accounting estimates and judgements).

The financial statements have been prepared on a going concern basis that assumes that the Company will continue in operational existence for the foreseeable future.

Standards, interpretations and amendments to published standards effective in 2022

The Company adopted new standards, amendments and interpretations to existing standards that are mandatory for the Company's accounting period beginning on 1 January 2022. 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.

Standards, interpretations and amendments to published standards that are not yet effective

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 2022. The Company has not early adopted these revisions to the requirements of IFRSs as adopted by the EU.

1. Summary of significant accounting policies - continued

1.2 Investment property

Investment property is held for long-term rental yields or for capital appreciation or both, and is not occupied by the Company. Investment property also includes property that is being constructed or developed for future use as investment property, when such identification is made.

Investment property is measured initially at its historical cost, including related transaction costs and borrowing costs. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Borrowing costs which are incurred for the purpose of acquiring or constructing a qualifying investment property are capitalised as part of its cost, in accordance with Note 1.12. After initial recognition, investment property is carried at fair value. Given that there is no active market for the investment property held by the Company, the Company establishes fair value by using valuation techniques, particularly discounted cash flow analysis.

Investment property that is being redeveloped for continuing use as investment property continues to be measured at fair value. Fair value measurement on property under construction is only applied if the fair value is considered to be reliably measurable. The fair value of investment property reflects, among other things, rental income from current leases and assumptions about rental income from future leases in the light of current market conditions. The fair value also reflects, on a similar basis, any cash outflows that could be expected in respect of the property.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to profit or loss during the financial period in which they are incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Changes in fair values are recognised in the income statement. Investment properties are derecognised either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal.

1.3 Contract asset

The Company is recognising a contract asset in its statement of financial position to account for the Affordable housing project during its construction period. The carrying amount of the contract asset is equal to the total costs incurred on this project, profit on the completed construction and financing revenue.

1. Summary of significant accounting policies - continued

1.4 Financial assets

1.4.1 Classification

The classification of financial assets depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition. The Company's financial assets consist of receivables. Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Company provides money, goods or services directly to a debtor with no intention of trading the asset. They are included in current assets, except for maturities greater than twelve months after the end of the reporting period. The latter are classified as non-current assets. The Company's receivables comprise trade and other receivables and cash and cash equivalents in the statement of financial position (Notes 1.6 and 1.7). Cash and cash equivalents includes cash in hand, deposits held with banks with original maturities of six months or less.

1.4.2 Recognition and measurement

The Company recognises a financial asset in its statement of financial position when it becomes a party to the contractual provisions of the instrument. Financial assets are initially recognised at fair value plus transaction costs. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership or has not retained control of the asset.

The Company's financial assets measured at amortised cost are subsequently carried at amortised cost using the effective interest method. Amortised cost is the initial measurement amount adjusted for the amortisation of any difference between the initial and maturity amounts using the effective interest method.

1.5 Service Concession Arrangements

Under the terms of IFRIC 12, 'Service Concession Arrangements', a concession operator has a twofold activity:

- a construction activity in respect of its obligations to design, build and finance a new asset that it delivers to the grantor: revenue is recognised over time in accordance with IFRS 15;
- an operating and maintenance activity in respect of concession assets: revenue is recognised in accordance with IFRS 15.

In return for its activities as operator, the Company will receive remuneration from the grantor and therefore IFRIC 12's financial asset model applies. Under this model, the operator has an unconditional contractual right to receive payments from the concession grantor, irrespective of the amount of use made of the infrastructure.

The operator recognises a financial asset, attracting interest, in its Statement of financial position, in consideration for the services it provides (design, construction, etc.). Such financial assets are recognised in the Statement of financial position as a contract asset, in an amount corresponding to the fair value of the infrastructure on first recognition and subsequently at amortised cost. The receivable will in substance, be settled by the operator's right to retain all rental payments to be effected by users upon completion of construction; such payments will be received partly from users and partly from the grantor. Finance income calculated on the basis of the effective interest method is recognised under finance income in the Statement of comprehensive income.

1. Summary of significant accounting policies - continued

1.5 Service Concession Arrangements - continued

The part of the investment that is covered by an unconditional contractual right to receive payments from the grantor (in the form of rental) is recognised as a contract asset up to the amount guaranteed.

1.6 Trade and other receivables

Trade receivables comprise amounts due from customers for ground rents and lease of property. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. In the opinion of the Directors, the recorded book value in the company's books of trade and other receivables and their value measured at amortised cost using the effective interest method, less provision for impairment are not materially different. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the income statement. When a receivable is uncollectible, it is written off against the allowance account for trade and other receivables. Subsequent recoveries of amounts previously written off are credited against profit or loss.

As at 30 June 2022 the amount for trade and other receivables includes a term deposit account maturing within less than twelve months.

1.7 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at face value. In the statement of cash flows, cash and cash equivalents includes cash in hand, deposits held at call with banks and when applicable bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

1.8 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares are shown in equity as a deduction, net of tax, from the proceeds.

1.9 Trade and other payables

Trade payables comprise obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

1.10 Current and deferred tax

The tax expense for the year comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is also recognised in other comprehensive income or in equity.

1. Summary of significant accounting policies - continued

1.10 Current and deferred tax - continued

Deferred tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting, nor taxable profit or loss. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

1.11 Revenue recognition

Revenue comprises the fair value for ground rents received or receivable as per contracts entered into, leases of the Parliament Building on the initial and additional investment and the lease of the Open Air Theatre. Moreover, the Company is recognising revenue in relation to the Service concession arrangement (Note 6) as performance obligations are satisfied.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of the Company's activities as described below.

(a) Interest income

Interest income is recognised for all interest-bearing instruments using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating the interest income over the relevant period.

(b) Rental income from investment property

Rental income from investment property is recognised in profit or loss on a straight-line basis over the term of the lease.

1.12 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are expensed. Borrowing costs are recognised for all interest-bearing instruments on an accrual basis using the effective interest method. Borrowing costs include the effect of amortising any difference between initial net proceeds and redemption value in respect of interest-bearing borrowings.

1. Summary of significant accounting policies - continued

1.13 Dividend distributions

Dividend distributions to the Company's shareholders are recognised as a liability in the Company's financial statements in the period in which the dividends are approved by the Company's Directors.

2. Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(a) Valuation of investment properties

The Company's investment property comprises the MIA and VCP properties as well as the Parliament Building and Open Air Theatre. The fair value of the Company's investment property has been determined based on projected future cash flows, appropriately discounted by a risk adjusted discount rate. As explained in Note 4 – Investment Property, the valuation was determined using discounted cash flow projections considering, *inter alia*, the projected future cash flows to be generated from the transfer of the dominium directum in respect of the MIA and VCP properties, the Parliament Building and Open Air Theatre, ongoing maintenance needs, and other relevant market factors.

A key variable used in the determination of the fair value of the Investment Property is the discount rate. The discount rate used for fair valuing the Investment Property is primarily based on the yield to maturity on the longest term available Malta Government Stock (MGS), plus a risk premium. Due to the continuous low interest rate environment in the prior years, the fair value of the investment properties was increasing at each period, and fair value gains were being recognised as a result. On the contrary, when interest rates increase, the fair value of the investment properties will decrease. Movement resulting from the said revaluation process are treated as non-distributable fair value gains (see Note 9). For the period under review, the increase in interest rates has in fact led to a negative fair value movement for the MIA and VCP properties.

The Audit Committee and the Board have been holding continuous discussions around the estimates and judgements applied to the fair value mechanism and related inputs. The Board continues to be confident that the mechanism is the most appropriate method to derive fair valuation of the respective investment properties in the Statement of Financial Position. As explained in note 4, the Board elected to revise the risk premium to reflect the current period. This risk premium will be updated on a periodic basis going forward. As at June 2022 this risk premium stands at 2% (June 2021: 2.32%) and 3.5% (June 2021: 3.82%) for MIA and VCP properties and Parliament Building and Open Air Theatre respectively.

(b) Service concession arrangements

The analysis on whether the IFRIC 12, Service Concession Arrangements, applies to certain contracts and activities involves various complex factors and it is significantly affected by legal interpretation of certain contractual agreements or other terms and conditions with public sector entities.

2. Critical accounting estimates and judgements - continued

(b) Service concession arrangements - continued

The application of IFRIC 12 requires extensive judgment in relation with, amongst other factors, (i) the identification of certain infrastructures (and not contractual agreements) in the scope of IFRIC 12, (ii) the understanding of the nature of the payments in order to determine the classification of the infrastructure as a financial asset or as an intangible asset and (iii) the recognition of the revenue from construction and concessionary activity.

Other variables used in the accounting for IFRIC12 include estimated project management fees during the construction phase and discount rates applied by reference to the average cost of capital for the entity to ensure that the project remains profitable and viable in the long term. Note 6 gives detail in relation to the related financing available to date and also explains the work that management is currently undertaking to obtain the remaining financing to be able to conclude the project. The Company is also negotiating with the respective stakeholders revenue streams in the form of rental income for the respective residential housing units to ensure that the project remains profitable and drives appropriate returns. This initiative stems from the increased spend being incurred as a result of more units being constructed when compared to budgeted plans, increased rates for services when compared to original budgeted rates and related increased costs driven by supply chain constraints currently present in the construction industry. The Company has to date, entered into agreements with contractors to enable the completion of around 60% of the project. Further agreements, securing construction costs for the remaining phases, will be finalised in the coming months. Should increased liquidity not be available in 2023, and should rental rates not be re-negotiated successfully into the future, the Company may face liquidity strains, including potential impairment of the asset or reducing the number of sites being developed.

Changes in one or more of the factors described above may significantly affect the conclusions as to the appropriateness of the application of IFRIC 12 and IAS 36, therefore, the results of operations or our financial position. Note 6 gives detail in relation to contract asset and service concession arrangements, and the related financing available to date.

3. Segment reporting

The Directors have reviewed the disclosure requirements of IFRS 8, 'Operating Segments' and determined that the Company effectively has one operating segment, taking cognisance of the information utilised within the Company for the purpose of assessing performance.

4. Investment property

	30 June 2022 €	31 December 2021 €
MIA and VCP properties	68,309,000	84,847,000
Parliament Building and Open Air Theatre	99,310,027	115,299,165
Carrying amount	167,619,027	200,146,165

4. Investment property - continued

i. MIA and VCP

	30 June 2022	31 December 2021
	€	€
At 1 January	84,847,000	102,681,000
Fair value movement	(16,538,000)	(17,834,000)
Carrying amount	68,309,000	84,847,000

ii. Parliament Building and Open Air Theatre

	30 June 2022	31 December 2021
	€	€
At 1 January	115,299,165	125,307,390
Fair value movement	(15,989,138)	(10,008,225)
Carrying amount	99,310,027	115,299,165

Fair values of investment property

The movement in the fair value of investment property comprises the movement in the fair value of the dominium directum of the MIA and VCP properties, as well as the Parliament Building and Open Air Theatre.

The fair value of investment property is calculated with reference to the cash flows receivable by the Company in terms of its contractual agreements, discounted to present value as at 30 June 2022.

Accordingly, the fair value of the investment property is subject to variation owing to, amongst other things, movements in market interest rates, expected inflation rates and changes in the contractual cash flows owing to the passage of time.

The Company is required to disclose fair value measurements of the following fair value measurement hierarchy for non-financial assets carried at fair value by level:

- Quoted prices (unadjusted) in active markets for identical assets (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset that are not based on observable market data for similar properties (that is, unobservable inputs) (level 3).

The Company's recurring fair value measurements are categorised as level 3 as they are based on significant unobservable inputs.

4. Investment property - continued

Valuation process

a) MIA and VCP

The valuation of the MIA and VCP properties is based on the present value of ground rents up to the expiry of the temporary emphyteutical grants and the estimated freehold value thereafter discounted to present value. The fair value of investment property is calculated with reference to the cash flows receivable by the Company in terms of its contractual agreements, discounted to present value as at 30 June 2022. The discount rate is based on the yield to maturity on the longest term available MGS (Malta Government Stock) in issue as at year end plus a premium reflecting the risk inherent in the underlying cash flows.

For the period ended 30 June 2022 the MGS benchmark referred to above increased and as a result a fair value loss of €16,538,000 (June 2021 fair value loss: €9,794,000) has been recognised in these financial statements.

In accordance with the fair value measurement hierarchy explained above, the significant unobservable inputs applied in the valuation of the Company's assets are the following:

- Ground rent, as contractually agreed which for the coming year is estimated at €2.0 million (June 2021: €2.0 million);
- Growth rate, as contractually agreed at an average of 2.53% p.a. (June 21: 2.53% p.a.) represents the estimated average growth of the Company's rentals;
- Discount rate of 5.82% (June 2021: 4.57%) based on:
 - o the risk-free rate of return being the YTM on the longest term available MGS at period end 3.32% (June 2021: 1.50%);
 - o risk premium taking into account factors such as, property illiquidity, management limitations, type, size and location of property, competition, country risk, counter-party risks and resource risks 2% (June 2021: 2.32%). The Board elected to revise this risk premium to reflect the current period and will be updated on a periodic basis going forward; and
 - o conditional premium of 0.50% (June 2021: 0.75%). When the YTM on the longest term available MGS is 2.00% or higher this conditional premium is set at 0.50%. When the YTM on the longest term available MGS is lower than 2.00% this conditional premium is set at 0.75%.

If the discount rate used in the discounted future cash flows for the MIA and VCP properties had been 0.50% higher/lower, all other things being equal, the fair value of the MIA and VCP properties would increase/decrease by €7.8 million (June 2021: €12.1 million) and €9.3 million (June 2021: €14.7 million) respectively.

b) Parliament Building and Open Air Theatre

The valuation of the Parliament Building and Open Air Theatre is based on the present value of ground rents up to the expiry of the temporary emphyteutical grant discounted to present value. The fair value of investment property is calculated with reference to the cash flows receivable by the Company in terms of its contractual agreements over the period to 2077, discounted to present value as at 30 June 2022. The discount rate is based on the yield to maturity on the longest term available Malta Government Stock (MGS) in issue at year end plus a premium reflecting the risk inherent in the underlying cash flows. On 1 January 2019 the Company adopted IFRS 16 Leases and recognised a Right-of-use asset (see Note 5). The fair value of this asset is being included with the Investment property.

4. Investment property - continued

Valuation process – continued

b) Parliament Building and Open Air Theatre - continued

Hence, the carrying amount of €99,310,027 for the Parliament Building and Open Air Theatre includes the fair value of the Right-of-use asset for such properties.

For the period ended 30 June 2022 the MGS benchmark referred to above increased and as a result a fair value loss of €15,989,138 (June 2021 fair value loss: €9,494,246) has been recognised in these financial statements. This fair value loss includes the fair value movement for the Right-of-use asset.

In accordance with the fair value measurement hierarchy explained above the significant unobservable inputs applied in the valuation of the Company's assets are the following:

- Rents, as contractually agreed which for the coming year is estimated at €6.26 million (2021: €6.26 million);
- Growth rate, at an average of 3.08% (June 2021: 2.84%), represents the estimated average growth of the Company's rentals;
- Discount rate of 7.32% (June 2021: 6.07%) based on:
 - o the risk-free rate of return being the YTM on the longest term available MGS at year end 3.32% (June 2021: 1.50%);
 - o risk premium taking into account factors such as, property illiquidity, management limitations, type, size and location of property, competition, country risk, counter-party risks and resource risks 3.50% (June 2021: 3.82%). The Board elected to revise this risk premium to reflect the current period and will be updated on a periodic basis going forward; and
 - o conditional premium of 0.50% (June 2021: 0.75%). When the YTM on the longest term available MGS is 2.00% or higher this conditional premium is set at 0.50%. When the YTM on the longest term available MGS is lower than 2.00% this conditional premium is set at 0.75%.

If the discount rate used in the discounted future cash flows for the Parliament Building and Open Air Theatre properties had been 0.50% higher/lower, all other things being equal, the fair value of the Parliament Building and Open Air Theatre properties would decrease/increase by €6.3 million (June 2021: €8.3 million) and 7.2 million (June 2021: €9.6 million) respectively.

5. Right-of-use asset, Lease liability and Provision on restoration

The lease liability relates to the Open Air Theatre and Parliament Building in City Gate, Valletta included within the Investment property in the Statement of financial position.

a) Measurement of lease liabilities

	30 June 2022	31 December 2021
	€	€
Lease liability recognised as at 1 January	3,363,397	3,392,240
Interest on lease liability for the period	72,809	142,136
Ground rents payable for the period	-	(170,979)
Lease liability carrying amount	3,436,206	3,363,397

5. Right-of-use asset, Lease liability and Provision on restoration - continued

a) Measurement of lease liabilities - continued

	30 June 2022	31 December 2021
	€	€
Of which are:		
Current lease liabilities	115,763	57,881
Non-current lease liabilities	3,320,443	3,305,516
Carrying amount	3,436,206	3,363,397

	30 June 2022	31 December 2021
	€	€
<i>Maturity analysis - contractual undiscounted cash flows</i>		
Less than one year	115,763	57,881
One to five years	486,347	480,414
More than five years	9,690,763	9,754,577
Total undiscounted lease liabilities	10,292,873	10,292,872

	30 June 2022	30 June 2021
	€	€
<i>Amounts recognised in profit or loss from 1 January</i>		
Interest on lease liabilities	72,809	70,345
Interest on provision on restoration	110,359	107,639
	183,168	177,984

b) Measurement of right-of-use assets

The recognised right-of-use assets relate to investment properties and are being measured at fair value in line with the underlying investment properties.

	30 June 2022	31 December 2021
	€	€
Balance as at 1 January	5,471,282	5,971,507
Fair value loss	(695,138)	(500,225)
Carrying amount	4,776,144	5,471,282

6. Contract asset and Service concession arrangements

On 29 December 2017, Malita entered into a contractual arrangement with the Housing Authority "Housing" to make available sixteen residential blocks, totalling around six hundred and eighty-four units, a number of car spaces and lock-up garages that will be used for affordable housing purposes. During the construction phase, plans have been amended and the number of units has increased to seven hundred sixty-eight. Excavation of the sites is substantially complete. The construction and finishing phases are expected to be fully completed by 2025 and thereafter the operating phase will follow with a duration of twenty-five years.

In line with the agreed terms, the Company has entitlement to cash flows from rental of the respective units, car spaces and lock-up garages. Rates are contractually agreed and will be paid by the tenant, a portion of which constitutes a subsidy from Housing. The Company's total cashflows will equate to the contractually agreed rates. The Company is actively involved in discussions with the respective stakeholders to successfully negotiate improved revenue streams in view of the increased number of units and cost overruns incurred when compared to initial budgets. The re-negotiation of financing and rental rates also caters for revised estimates in relation to phases not yet contracted.

The IFRIC 12 model prepared by management continues to be updated with the latest actual and projected costs and expected revenues to provide management and the Board with updated profitability projections, compared with original estimates. The model is discounted by applying rates with reference to the average overall cost of capital for the Company, including consideration for rates used in the market for construction projects of a similar magnitude, and also considering the likelihood of increased interest rates due to the current global climate. The current model incorporates the latest estimates supplied by specialised architectural firms and also applies further precautionary overlays ranging from 5% to 15% for contracted and not finalised and non-contracted phases and assumes negotiations are successful. The resulting project internal rate of return (IRR) is deemed acceptable by the Board of Directors.

Applying a further sensitivity on the costs of 5% for the unfinished phases and 10% on the uncontracted phases would result in an increase in costs amounting to €7.0million. The resulting stress testing would still return a positive project IRR. The Board is confident in its ability to successfully negotiate better rental rates that will ensure that the profitability of the project is in line with its original expectations despite an increase in spending.

Upon termination of the emphyteutical grant, the Company is required to hand-over ownership, management and operation of all assets relating to the sixteen construction sites to Housing. During the term of the agreement, Malita is entitled to cash-flows relating to residential units, car spaces and lock-up garages even if these are vacant – the only condition that entitles Malita plc to cash-flows is making such units and spaces available for use to Housing. The Company may not however dispose, or change the use of, the properties during the period of the concession. As at the date of signing of these condensed financial statements, a number of units have already been made available to Housing for admission of tenants.

Pursuant to IFRIC 12, when the operator has an unconditional right to receive cash or other financial assets from the grantor in remuneration for concession services, the financial asset model applies. In this context, the infrastructure managed under these contracts cannot be recorded in assets of the operator as property, plant and equipment, but are recorded as financial assets. During the construction phase, the financial asset is recorded as a contract asset. During the construction phase, a financial receivable is recognised in the Statement of Financial Position and revenue in the Statement of Comprehensive Income. The stage of completion of works was determined as the percentage of cost incurred up until the end of the reporting period relative to the total estimated cost (cost-to-cost method).

6. Contract asset and Service concession arrangements - continued

Income amounting to €3,110,439 (June 2021: €5,461,882) from the construction activity was recognized during the period ended 30 June 2022 and €35,343,164 (June 2021: €24,639,158) is cumulatively recognized in the Statement of Financial Position as a contract asset. Since the operation phase did not yet commence, no cash flows were received to date. Costs in relation to construction amounting to €3,019,844 (June 2022: €5,302,798) have been recognised in the Statement of Comprehensive Income. The difference between revenue and cost from the construction project during the period represents, in substance, project management fees as required by IFRIC 12.

Financial receivables are initially measured at the lower of fair value and the sum of discounted future cash flows and subsequently recognized at amortized cost using the effective interest method. The implied interest rate on the financial receivable is based on the derived rate implicit in the discounted cash flow model encompassing related terms and conditions within the Housing contract.

The Affordable Housing project has entered a new phase where some of the sites have been completed and have started welcoming tenants after the period under review. Excavation of all the property sites have been completed whilst Luqa and Zebbug sites are in progress. In the coming months more sites will have the construction phase completed whilst progress on other sites is well underway. Construction of Luqa, the largest site, will be starting in the next quarter.

The Company has secured financing for the project based on initial estimates. Due to variations to the initial plans for various sites and additional number of units, the Company's spend has consequently increased substantially. Management and the Board have had discussions with stakeholders to address the financing gap required to complete the project whilst ensuring that suitable returns are generated. The Board has a financing plan in place to cover the additional costs and despite that agreements are not formalised, the Board remains confident, based on ongoing discussions with stakeholders, that the Company will be able to secure the additional financing required in the coming months. The Company has entered into agreements with contractors to enable the completion of around 60% of the project. Further agreements, securing construction costs and additional financing required, for the remaining phases, will be finalised in the coming months.

The following table sets out the movement in the contract asset:

	30 June 2022	31 December 2021
	€	€
Balance as at 1 January	31,810,603	18,868,800
Additions, including finance income	3,532,561	12,941,803
Carrying amount at end of reporting period	35,343,164	31,810,603

The Company has obtained a guarantee facility in favour of CEB and EIB amounting to €61.76m to secure the performance of its financial obligations as prescribed in the loan agreements. The Company's Contract asset is held as security in favour of the respective facilities.

7. Share capital

	30 June 2022	31 December 2021
	€	€
Authorised		
150,000,000 Ordinary A shares of €0.50 each	75,000,000	75,000,000
50,000,000 Ordinary B shares of €0.50 each	25,000,000	25,000,000
	100,000,000	100,000,000
Issued and fully paid		
118,108,064 Ordinary A shares of €0.50 each	59,054,032	59,054,032
30,000,000 Ordinary B shares of €0.50 each	15,000,000	15,000,000
	74,054,032	74,054,032
Issue costs	(758,889)	(758,889)
	73,295,143	73,295,143

8. Retained earnings

The retained earnings include non-distributable earnings as a result of the Revenue from service concession arrangements recognised on the Affordable Housing project as per IFRS 15. These earnings will become distributable once the Company starts earning lease income.

	30 June 2022	31 December 2021
	€	€
Distributable	7,948,996	7,998,995
Non- distributable	2,917,583	2,404,865
	10,866,579	10,403,860

9. Non-distributable reserve - fair value movements

The reserve represents the cumulative fair value gains, net of applicable deferred tax liabilities on the Company's investment properties. These fair value movements are initially recognised in the statement of comprehensive income and because of their nature, were subsequently transferred to a non-distributable reserve.

10. Non-distributable reserve - other

As per article 82 of the Company's Articles of Association, the Directors have set aside €227,633 (June 2021: €232,488) which equals 10% of the net profit for the period excluding fair value movements net of deferred tax of the Company and allocated them to a non-distributable reserve (see Note 9). The Directors may employ the reserve in the furtherance of the business of the Company as the Directors may from time to time think fit.

11. Borrowings

The Company's loan facilities as at 30 June 2022 amounted to €92,983,122 (December 2021: €94,055,391), out of which €7,300,000 (December 2021: €20,600,000) was not utilised. This latter amount will be utilised during the year to continue financing the Affordable Housing project.

The Company's spend has increased due to the increased capital spend on the Affordable Housing brought about by variations to the initial plans and additional number of units that will be constructed. Management and the Board have had discussions to address the financing gap required to complete the project whilst ensuring that suitable returns are generated. The Board is confident that the Company will be securing the additional financing required in the coming months.

	30 June 2022	31 December 2021
	€	€
Borrowings		
Non-current	83,478,646	71,291,103
Current	2,204,476	2,164,288
	85,683,122	73,455,391

12. Capital creditor for the acquisition of property

The outstanding balance of €566,183 is related to the Affordable Housing project and is due within the coming year. Hence, it is classified as a current liability.

	30 June 2022	31 December 2021
	€	€
Capital creditor for acquisition of property	566,183	2,457,793

13. Revenue

Revenue comprises the consideration payable by MIA and VCP by way of an annual ground rent in respect of the temporary emphyteusis granted.

Lease for the Open Air Theatre is receivable by the Company pursuant to a lease agreement. Also included in the revenue figure is a lease payable by Government of Malta for the Parliament Building whose certificate of completion was issued in January 2019. Lease payments for the Parliament Building started in the 2019 as prior to the certificate of completion being issued the Company received a daily penalty broadly in line with the rental income due, had the project been completed on time.

13. Revenue - continued

On 20 April 2017, a lease agreement was entered into between the Government of Malta and the Company to reflect an additional investment in the Parliament Building and as from 1 June 2017 additional rent is payable semi-annually to the Company.

14. Directors' emoluments

	Period from 1 January to 30 June 2022 €	Period from 1 January to 30 June 2021 €
Kenneth Farrugia (Chairman resigned 22 June 2022)	12,500	12,500
Paul Mercieca (Director)	7,500	7,500
Ray Sladden (Director - resigned 11 May 2021)	-	3,744
Robert Suban (Director)	7,500	7,500
Eric Schembri (Director)	5,000	5,000
Marlene Mizzi (Appointed Chairperson 22 June 2022)	5,000	5,000
Victor Carachi (Director)	3,750	1,058
Tania Brown (Director)	2,773	1,410
	44,023	43,712

15. Tax credit

The tax credit for the period is made up as follows:

	Period from 1 January to 30 June 2022 €	Period from 1 January to 30 June 2021 €
Current tax expense	807,966	796,433
Deferred tax credit (note 16)	(2,546,487)	(1,513,991)
Tax credit	(1,738,521)	(717,558)

The tax on the Company's loss before tax differs from the theoretical amount that would arise using the basic tax rate as follows:

	Period from 1 January to 30 June 2022 €	Period from 1 January to 30 June 2021 €
Loss before tax	(28,930,132)	(15,699,376)
Tax credit on loss at 35%	(10,125,547)	(5,494,782)
Tax effect of:		
Income subject to 15% final withholding tax	(196,305)	(196,305)
Income deductible for tax purposes	(179,452)	(163,646)
Expenses not deductible for tax purposes	383,333	243,866
Tax rules applicable to investment property	8,594,713	5,109,409
Maintenance allowance	(215,263)	(216,100)
Tax credit in the accounts	(1,738,521)	(717,558)

16. Deferred tax

Deferred tax is provided for using the liability method for temporary differences arising on movements in the fair value of immovable investment property of MIA and VCP and the Parliament Building and Open Air Theatre. The calculation of the deferred tax provision for the period ended 30 June 2022 is calculated on the taxation rules on capital gains upon a transfer of immovable property implemented through Act XIII of 2015, with effect from 1 January 2015, the rate of capital gains tax applicable is a final withholding tax of 8% on the value of the property.

The deferred tax balance as at 30 June 2022 represents:

	30 June 2022	31 December 2021
	€	€
Temporary differences on:		
Fair value movements	13,027,504	15,573,991

The movement for the period comprising the recognition of the above deferred tax liability has been credited to the statement of comprehensive income.

17. Earnings per share

Earnings per share is calculated by dividing the profit attributable to owners of the Company by the total number of ordinary shares in issue during the period.

	Period from 1 January to 30 June 2022	Period from 1 January to 30 June 2021
Loss for the period (€)	(27,191,610)	(14,981,818)
Total average number of ordinary shares in issue	148,108,064	148,108,064
Loss per share in cents	(18.36)	(10.12)

As explained in the Review of the Business, the Company registered a loss for the period ended 30 June 2022 solely due to the negative fair value movement of €32,527,138 (June 2021: €19,288,246) which emanates from the valuation of the Company's investment properties. If this fair value movement is excluded together with its tax implication, the results would show a profit of €2,789,041 (June 2021: €2,792,437) equating to earnings per share of €1.89 cents.

18. Dividends

	2021 Final dividend €	2020 Final dividend €
Dividends paid on ordinary shares		
Gross	3,228,756	3,228,756
Tax at source	(1,130,065)	(1,130,065)
	2,098,691	2,098,691
Dividends per share in cents	1.42	1.42

On 23 August 2022, the Board of Directors declare an interim gross dividend in respect of the period ended 30 June 2022 of €1,955,026 or €0.0132 per share equating to an interim net dividend of €1,661,772 or €0.0112 per share. The financial statements do not reflect this dividend.

19. Cash generated from operations

Reconciliation of operating profit to cash generated from operations:

	Period from 1 January to 30 June 2021 €	Period from 1 January to 30 June 2021 €
Operating profit	3,936,538	4,073,647
Adjustments for:		
Net contract asset revenue	(90,595)	(159,084)
Depreciation of property, plant and equipment	7,153	4,743
Changes in working capital:		
Trade and other receivables	276,138	564,151
Trade and other payables	912,348	2,442,317
Cash generated from operations	5,041,582	6,925,774

20. Related party transactions

The only major shareholder of the Company is the Government of Malta through its 79.75% (2021: 79.75%) shareholding. The remaining 20.25% (2020: 20.25%) of the shares are held by the public.

Other related entities are the following, since they are all Government owned and managed:

- Malta Investment Management Company Limited
- Projects Plus Limited
- Housing Authority
- Social Projects Management Limited

All because they are Government owned and managed.

The following transactions have been carried out with the above related parties during the period.

	Period from 1 January to 30 June 2022 €	Period from 1 January to 30 June 2021 €
Government of Malta		
Payment of City Gate ground rent to Government	-	(55,125)
Receipt of Parliament lease income from Government	1,917,789	3,835,578
Receipt of Open Air Theatre lease income from Government	824,434	824,434
Receipt of Parliament Building additional rent from Government	390,854	781,708
Malta Investment Management Company Limited		
Office Lease payable to Malta Investment Management Company Limited	(3,750)	(3,750)
Projects Plus Limited		
Payments to Projects Plus Limited for professional services	4,248	335,211
Housing Authority		
Payments to Housing Authority for ground rent	(73,292)	(73,292)
Social Projects Management Limited		
Payments to SPM Limited for project management services	-	(552,748)

21. Statutory information

Malita Investments p.l.c. is a public limited liability Company and is incorporated in Malta.