



## MIDI PLC

### COMPANY ANNOUNCEMENT

*The following is a company announcement issued by MIDI plc ("the Company") pursuant to the Malta Financial Services Authority Listing Rules.*

#### **Quote**

#### Interim Directors' Statement

In preparing this Statement the Directors have taken regard of the material events and transactions that have taken place during the period commencing 1 January 2013 till the date of this Statement.

The Relevant Period has seen development works at Tigné Point resume with the commencement of construction works on the T17 East block (38 apartments) in February 2013. The Company is planning to launch these apartments during the last quarter of 2013 when the Company is envisaging to have completed the relevant show flat, with ensuing delivery of apartments commencing in the first quarter of 2015 upon completion of the same.

In view of the severe delays suffered with the issue of full development permits in respect of the next phases namely, T17E block, T14 Business Centre (c. 14,000 sq.m.) and the T17W block (64 apartments) the Company had very limited stock of apartments remaining from its previous launch of T10 apartments in 2008 and Piazza apartments at Pjazza Tigné in late 2011. The Company's Directors are satisfied with the current demand for both residential and commercial properties. During the first months of this financial year the Company has delivered five apartments and has entered into a promise of sale agreement on another apartment. This will leave the Company with a total of only six apartments available for sale. In view of this lack of stock, the Company is projecting a loss for the current financial year.

During the Relevant Period, the Company realised its investment in Tigné Mall plc (C35139) whereby pursuant to an Initial Public Offering by the latter, the Company and Tigné Contracting Limited (a wholly owned subsidiary) offered their entire shareholding in the formerly wholly owned subsidiary. The shares offered by the Company were entirely subscribed to by a number of institutional investors and shareholders of the Company, resulting in the release of substantial capital (circa €20.9million) back into the Company. It follows that Tigné Mall plc is thus no longer part of the MIDI Group as from the 2 May 2013. Proceeds from this disposal have

***cont'd***

been used by the Company to significantly decrease its bank borrowings and to settle intercompany accounts balances with Tigné Mall plc. Hence the Group's consolidated bank borrowings have decreased by €50 million through both the proceeds and the fact that TML p.l.c. no longer forms part of the Group. The Board of Directors are of the opinion that such a transaction has substantially strengthened the Company's financial capabilities, enabling the Company to raise the necessary bank funding to pursue the continued development at Tigné North and accordingly enable the Company to pursue its core objectives of developing and subsequently selling off residential and commercial property at Tigné Point and in the future Manoel Island.

The Board will continue to examine any options that could contribute towards the improved use of the Company's existing capital resources.

**Unquote**



**Dr. Darren Azzopardi LL.D.**  
*Company Secretary*

**15 May 2013**