



Mediterranean
Investments
Holding P.L.C.

COMPANY ANNOUNCEMENT

The following is a company announcement by Mediterranean Investments Holding p.l.c. - C37513 (the Company), pursuant to the Capital Markets Rules issued by the Malta Financial Services Authority.

Approval of the interim unaudited Financial Statements for the six-month period ended 30 June 2023

The Company's Board of Directors approved the Group's interim unaudited Financial Statements for the six-month period ended 30 June 2023. The Financial Statements are attached herewith and are also available for viewing on the Company's website through the following link: <https://mihplc.com/wp-content/uploads/2023/08/2023.06.30-MIH-Half-Yearly.pdf>.

A handwritten signature in blue ink, appearing to read 'Stephen Bajada'.

Stephen Bajada
Company Secretary

Encl.

31 August 2023

Mediterranean Investments Holding
p.l.c.

Group Half-Yearly Financial Report
(Unaudited)

For the period 1 January to 30 June 2023

Company registration number: C 37513

Contents

Half-yearly Directors' report pursuant to Capital Markets Rule 5.75.2	2
Interim Statement of total comprehensive income	4
Interim Statement of financial position	5
Interim Statement of changes in equity	6
Interim Statement of cash flows	7
Notes to the financial statements	8
Statement pursuant to Capital Markets Rule 5.75.3	9

Half-yearly Directors' Report pursuant to Capital Markets Rule 5.75.2

The directors present their report together with the unaudited consolidated financial statements of Mediterranean Investments Holding p.l.c. (MIH) for the six-month period ended 30 June 2023. The group comprises the company, its two subsidiaries, Palm City Ltd and Palm Waterfront Ltd, and its associate, Medina Tower Joint Stock Company for Real Estate Investment and Development.

Basis of preparation

The published figures have been extracted from the unaudited consolidated financial statements of Mediterranean Investments Holding Plc for the six months ended 30 June 2023 and the comparative period in 2022. Prior period marketing and administrative expenses have been reclassified in the statement of total comprehensive income in order to conform with current period presentation. The comparative Statement of Financial Position as at 31 December 2022 has been extracted from the audited financial statements for the year then ended. This report is being published in terms of Capital Markets Rule 5.74 issued by the Malta Financial Services Authority and has been prepared in accordance with the applicable Capital Markets Rules and the International Accounting Standard 34, 'Interim Financial Reporting'. In terms of Capital Markets Rule 5.75.5, the Directors are stating that this Half-Yearly Financial Report has not been audited or reviewed by the auditors of the Group.

Accounting Policies

The accounting policies adopted in the preparation of the 2023 Group Half-Yearly Report are the same as those adopted in the preparation of the audited financial statements for the year ended 31 December 2022.

Principal activities

The principal activity of the Group is to directly or indirectly acquire, develop and operate real estate projects in North Africa and invest in any related trade or business venture.

Review of the business

During the six-month period under review, the Group's revenues amounted to €13.34 million (2022 - €12.27 million), an 8.7% increase in revenue over the corresponding period the year before. The increase in revenue was driven by both a higher average occupancy percentage rate and by higher average rental rates charged on the residences during the period under review. Operating and administrative expenses remained under control so that the increase in revenue was reflected in a higher operating profit which for the period amounted to €9.32 million (2022 - €8.06 million).

Finance costs continue to decrease primarily following a reduction in the Group's debt. In July 2022, €10 million out of a maturing €40 million bond was redeemed, so the effect of the interest cost reduction was reflected in the first six months of this year compared to the corresponding period last year. Additionally, there were changes in the provision for unrealised differences on exchange, and also reduced interest costs following a gradual repayment of shareholders loans.

The profit before tax for the period under review amounted to €7.44 million (2022 - €5.65 million), a 31.7% increase over the prior period. Libya tax is being provided for on the profits generated at Palm City Ltd in these financial statements.

The average occupancy at Palm City Residences for the first six months of the year was 54.6% (2022: 50.9%).

State of Affairs

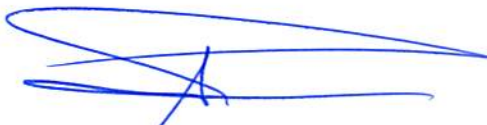
As at the end of the June 2023, the group's assets stood at €314.11 million, up from €305.97 million as at 31 December 2022 mainly due to an increase in cash and cash equivalents and to a lesser extent, increased debtor balances. The latter are cyclical in nature dependant on the terms of the contracts. Most billing is done for rental periods in advance, and this has concurrently led to an increase in current liabilities due to higher deferred income being recorded.

Outlook

On the 31st July 2023, MIH successfully issued a five-year €20 million bond carrying a 5.85% coupon rate. The new bond was offered to the holders of the maturing 5.5% €20 million bond and also to holders of the 5.25% bond maturing in 2027. The offer was heavily oversubscribed with close to €40 million received. The net proceeds were utilised to repay the maturing 5.5% bond.

At Palm City, although there has been no significant change in the political situation in Tripoli, enquiries continue to be received, with some clients willing to sign up a lease agreement faster than others, who would need to undergo longer due diligence processes before committing. Clearly, the oil and gas sector continues to be the primary driver behind such developments, and this is helped in no small part by the presence of associated industry stakeholders within the company's existing portfolio.

As always, management remains in contact with clients in an effort to understand their requirements, and measures are constantly taken in order to keep the property in pristine condition, allowing Palm City to be able to accommodate clients as soon as leases are concluded.



Alfred Pisani
Chairman



Ahmed Wahedi
Director

Registered office:
22, Europa Centre,
Floriana FRN 1400,
Malta

31 August 2023

Statement of total comprehensive income

	1 January to 30 June 2023	1 January to 30 June 2022
	€	€
Revenue	13,341,271	12,271,182
Operating expenses	(2,870,600)	(3,048,887)
Gross profit	10,470,671	9,222,295
Other income	25,000	-
Administrative expenses	(1,054,296)	(1,035,473)
Marketing expenses	(123,055)	(129,932)
Operating profit	9,318,320	8,056,890
Finance costs	(1,881,484)	(2,408,556)
Profit before tax	7,436,836	5,648,334
Tax expense		
- Current tax	(1,455,734)	(943,987)
Profit for the period	5,981,102	4,704,347
Earnings per share (basic and diluted)	0.125	0.098

Notes to the Group Half-Yearly Report

1 Bonds

	Interest Rate	Jun 2023	Dec 2022
		€	€
Bond VIII	5.50%	19,987,150	19,910,050
Bond IX	6.00%	10,996,990	10,990,970
Bond X	5.25%	29,590,058	29,544,071
		60,574,198	60,445,091
<hr/>			
Comprising:		Jun 2023	Dec 2022
		€	€
Current		19,987,150	19,910,050
Non-current		40,587,048	40,535,041
		60,574,198	60,445,091
<hr/>			

The maturity date of bond VIII is 31 July 2023. As at the date of this report, the Company successfully issued a €20 million bond bearing interest at 5.85% maturing in 2028. The funds were utilised to repay the maturing €20 million bond.

The maturity date of Bond IX which is an unlisted bond, is 3rd October 2025, with an early redemption option to redeem in part or in full on the interest payment dates in 2023 and 2024.

The maturity date of Bond X is 6 July 2027.

2 Post-reporting date events

As reported in note 1, the Company issued a €20 million bond for a five-year term at a coupon rate of 5.85%. The proceeds of the bond were utilised to redeem Bond VIII upon the redemption date in July 2023.

No other adjusting or significant non-adjusting events have occurred between the end of the reporting period and the date of authorisation by the board.

Statement pursuant to Capital Markets Rule 5.75.3 issued by MFSA

We confirm that to the best of our knowledge:

- the interim financial statements give a true and fair view of the financial position of Mediterranean Investments Holding Plc as at 30 June 2023, and of its financial performance and its cashflows for the six-month period then ended 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
- The interim Directors' Report includes a fair review of the information required in terms of Capital Markets Rules 5.81 to 5.84.



Alfred Pisani
Chairman



Ahmed Wahedi
Director