



COMPANY ANNOUNCEMENT
THE ONA P.L.C.

Reference:

ONA 24

Announcement date:

30 August 2024

The following is a Company Announcement being made by **THE ONA P.L.C.** (the "Company") pursuant to the Capital Markets Rules issued by the Malta Financial Services [CMR 5.16.20 & 5.74.].

QUOTE

The Board of Directors of The Ona plc has approved the attached unaudited Consolidated Half Yearly Report of the Company ending 30 June 2024.

This report can also be viewed on the Company's website: <https://theonagroup.mt/investor-relations/>

UNQUOTE

BY ORDER OF THE BOARD

A handwritten signature in blue ink, appearing to read "K. Coppini".

Dr. Karen Coppini
Company Secretary

The Ona p.l.c.
Reg. No. C 101370

AC Hotel St. Julians,
13, Lourdes Lane,
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THE ONA p.l.c.

UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

30th June 2024

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INTERIM DIRECTORS' REPORT PURSUANT TO CAPITAL MARKET RULES 5.75.2

FOR THE PERIOD ENDED 30th JUNE 2024

Interim Directors' report pursuant to Capital Market Rules 5.75.2

The published figures for the reporting period have been extracted from the unaudited consolidated financial statements of The ONA p.l.c. ("the Group") for the six months ended 30 June 2024 and the comparative period in 2023. Comparative balance sheet information as at 31 December 2023 has been extracted from the audited financial statements of the Group for the year ended on that date.

This is being published in terms of Capital Markets Rule 5.74 issued by the Listing Authority and has been prepared in accordance with the applicable Capital Markets Rules and 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 by the Group's independent auditors.

Principal Activities

The principal activity of the Company is that of a finance company to raise finance for Group requirements.

As a Group it has subsidiaries involved in three distinct business segments – hotel operations, property development and property rentals.

Review of business

During the period under review the Group generated turnover amounting to Eur1,930,991 from the hotel operations and Eur812,000 from the sale of property. After deducting direct cost amounting to Eur1,621,951 and administrative costs of Eur518,194, the Group registered an operating profit prior to other income, finance income, finance costs, depreciation and share of associate companies of Eur602,845.

Adding the other operating income and finance income and deducting depreciation, finance costs and the share of results of associated companies, the Group ended the interim period with a net profit before tax of Eur179,838 and a net profit after tax of Eur108,881.

DIRECTORS' REPORT - continued

Ongoing Projects

AC Hotel by Marriott

The 4-star Hotel has been in operation since 23rd May 2023 and had a very good performance during the period ended 30th June 2024.

The residential projects

Waterbank - M' Scala

The Marsascala project development which consists of 16 residential units was all sold by the end of June 2024.

The Birkirkara project

The Birkirkara site was acquired on 29th July 2022 and works have been completed in Q1 2024.

The Birkirkara development consists of 19 residential units, 15 garages and 1 parking space. As at June 2024, 3 units had been contracted and 14 units are on promise of sale.

The St. Paul's Bay Project

The acquisition of the St.Paul's site was acquired on 11th October 2023 and works have commenced in Q2 of 2024.

The development consists of 39 residential units and 36 lock-up garages. The Group expects the project to be completed by Q1 2026.

The Mosta project

The acquisition of the Mosta site was acquired on the 14th September 2023 and works have commenced in Q1 2024. The development consists of 12 residential units and 2 street-level garages. The Group expects the project to be completed by Q4 2024

Bonds and Notes

Pursuant to a prospectus published on the 31st May 2022, The Ona p.l.c. issued €16,000,000 4.5% Secured Bonds 2028 - 2034, having a nominal value of €100 per Bond and issued at par. The Bonds were admitted to listing on the Official List of the Malta Stock Exchange on 28th June 2022 and trading commenced on 30th June 2022.

Pursuant to a prospectus published on the 1st June 2023, The Ona p.l.c. issued €5,000,000 6.5% Unsecured Notes 2028, having a nominal value of €1,000 per note and issued at par. This offer has been fully subscribed.

DIRECTORS' REPORT - continued

Principal risks and uncertainties

The hotel is now in operation and the directors are aware that the company is still subject to several financial risk factors including the market, economic, counter-party, credit and liquidity risks amongst others that may affect the operations. The directors are confident that the company has robust measures in place to mitigate the likely possible effects of inflationary pressures. Where possible, the board provides principles for the overall risk management as well as policies to mitigate these risks in the most prudent way.

Results and dividends

The results for the period ended 30th June 2024 are shown in the Statement of Comprehensive Income on page 5.

The directors do not recommend the payment of a dividend.

Directors and Company Secretary

The current Board consist of the following:

Cliona Muscat - Executive Chairman

Justin Cutajar - Executive Director

Francis X Gouder - Independent non executive Director

Alfred Attard - Independent non executive Director

Dr Ann Marie Agius - Independent non executive Director

Dr Karen Coppini - Company Secretary

In accordance with the Company's Memorandum and Articles of Association the Directors remain in office.

DIRECTORS' REPORT - continued

Statement Pursuant to Capital Markets Rule 5.75.3

We confirm that to the best of our knowledge:

- the interim financial statements give a true and fair view of the financial position of The Ona p.l.c. as at 30th June 2024, 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.

Approved by the Board of Directors on behalf of the Board hereunder:



Cliona Muscat
Executive Chairman



Justin Cutajar
Executive Director

AC Hotel St. Julians
13, Lourdes Lane
St. Julians STJ 3311
Malta
Date: 30th August 2024

CONDENSED CONSOLIDATED INCOME STATEMENT & STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30th June 2024

	<u>Group</u> Jan - Jun 2024 €	<u>Group</u> Jan - Jun 2023 €	<u>Company</u> Jan - Jun 2024 €	<u>Company</u> Jan - Jun 2023 €
Revenue				
Revenue	1,930,991	585,906	-	-
Property Sales	812,000	764,000	-	-
Interest Income	-	-	601,291	429,291
	<u>2,742,991</u>	<u>1,349,906</u>	<u>601,291</u>	<u>429,291</u>
Costs				
Cost of Sales	(1,621,951)	(802,055)	-	-
Gross Profit	<u>1,121,039</u>	<u>547,851</u>	<u>601,291</u>	<u>429,291</u>
Administrative Expenses	(518,194)	(227,513)	(52,616)	(36,770)
Operating profit	<u>602,845</u>	<u>320,338</u>	<u>548,675</u>	<u>392,521</u>
Other Operating Income	48,541	58,480	-	-
Finance Income	18,014	-	18,014	-
Finance Costs	(9,973)	(71,516)	(552,558)	(391,622)
Share of profit of equity-accounted investees net of tax	(37,288)	-	-	-
Depreciation	(442,301)	(68,327)	-	-
Profit before taxation	<u>179,838</u>	<u>238,975</u>	<u>14,131</u>	<u>899</u>
Income tax expense	(70,957)	(59,062)	(2,702)	-
Profit after taxation	<u>108,881</u>	<u>179,913</u>	<u>11,429</u>	<u>899</u>
Earnings per share	<u>0.01</u>	<u>0.02</u>	<u>0.00</u>	<u>0.00</u>

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION - 30th JUNE 2024

	<u>Group</u> 30-Jun-24 €	<u>Group</u> 31-Dec-23 €	<u>Company</u> 30-Jun-24 €	<u>Company</u> 31-Dec-23 €
ASSETS				
Non-current assets				
Property, plant and equipment	25,226,356	25,285,517	-	-
Deferred tax asset	-	-	663	663
Investment Property	2,700,000	2,700,000	-	-
Investment in associate	2,044,111	1,623,279	-	-
Investment in subsidiaries	-	-	4,062,486	4,062,486
Trade and other receivables	-	-	22,119,645	19,491,929
Total Non-Current Assets	<u>29,970,466</u>	<u>29,608,796</u>	<u>26,182,794</u>	<u>23,555,078</u>
Current assets				
Inventories	9,452,824	9,174,505	-	-
Trade and other receivables	382,635	1,053,451	2,325,394	3,493,493
Financial assets through OCI	-	991,504	-	991,504
Cash and bank balances	683,478	1,460,387	1,728	552,860
Total Current Assets	<u>10,518,937</u>	<u>12,679,847</u>	<u>2,327,123</u>	<u>5,037,857</u>
Total Assets	<u>40,489,400</u>	<u>42,288,643</u>	<u>28,509,917</u>	<u>28,592,935</u>

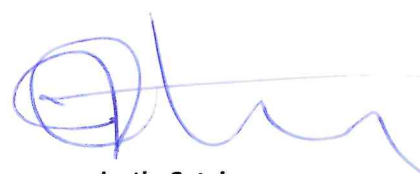
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION - 30th JUNE 2024

	<u>Group</u> <u>30-Jun-24</u> €	<u>Group</u> <u>31-Dec-23</u> €	<u>Company</u> <u>30-Jun-24</u> €	<u>Company</u> <u>31-Dec-23</u> €
Capital and reserves				
Called up issued share capital	7,271,693	7,271,693	7,271,693	7,271,693
Other reserves	(3,386,933)	(3,386,933)	373,153	373,153
Fair value gain reserve	836,052	836,052	-	-
Retained Earnings	4,160,232	4,051,351	51,435	40,006
Total equity	<u>8,881,044</u>	<u>8,772,163</u>	<u>7,696,281</u>	<u>7,684,852</u>
Non-current liabilities				
Long term borrowings	26,085,283	26,474,373	20,371,500	20,331,765
Deferred tax liability	324,081	324,081	-	-
Total non-current liabilities	<u>26,409,364</u>	<u>26,798,454</u>	<u>20,371,500</u>	<u>20,331,765</u>
Current liabilities				
Short term borrowings	1,681,276	1,446,124	26,850	-
Other financial liabilities	1,035,405	276,338	-	-
Trade and other payables	2,456,393	4,976,012	413,803	574,835
Current tax liability	25,918	19,552	1,483	1,483
Total current liabilities	<u>5,198,993</u>	<u>6,718,026</u>	<u>442,136</u>	<u>576,318</u>
Total liabilities	<u>31,608,356</u>	<u>33,516,480</u>	<u>20,813,636</u>	<u>20,908,083</u>
Total equity and liabilities	<u>40,489,400</u>	<u>42,288,643</u>	<u>28,509,917</u>	<u>28,592,935</u>

The financial information on pages 5 to 9 were approved by the board of directors and were signed on its behalf by:



Cliona Muscat
Executive Chairman



Justin Cutajar
Executive Director

Date: 30th August 2024

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 30th JUNE 2024

	Share Capital €	Other Equity €	Fair Value gain reserve €	Retained Earnings €	Total €
Group					
Balance at 1st January 2023	7,271,693	(3,386,933)	836,052	3,728,200	8,449,012
Comprehensive income					
Profit for the period	-	-	-	323,151	323,151
Balance at 31st December 2023	7,271,693	(3,386,933)	836,052	4,051,351	8,772,163
Comprehensive income					
Profit for the period	-	-	-	108,881	108,881
Balance at 30th June 2024	7,271,693	(3,386,933)	836,052	4,160,232	8,881,044
	Share Capital €	Other Equity €	Fair Value gain reserve €	Retained Earnings €	Total €
Company					
Balance at 1st January 2023	7,271,693	373,153	-	26,650	7,671,496
Comprehensive income					
Profit for the period	-	-	-	13,356	13,356
Balance at 31st December 2023	7,271,693	373,153	-	40,006	7,684,852
Comprehensive income					
Profit for the period	-	-	-	11,429	11,429
Balance at 30th June 2024	7,271,693	373,153	-	51,435	7,696,281

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED 30th JUNE 2024

	Group	Group	Company	Company
	Jan - June	Jan - June	Jan - June	Jan - June
	2024	2023	2024	2023
	€	€	€	€
Cash flows from operating activities				
Net profit / (loss) before taxation	179,838	378,818	14,131	(7,101)
<i>Adjustments for:</i>				
Finance costs	9,973	71,516	552,558	-
Depreciation	442,301	68,327	-	-
Other income	(48,541)	(58,480)	-	-
Equity-accounted investees	37,288	-	-	-
Operating profit/(loss) before working capital changes	620,859	460,181	566,689	(7,101)
Trade and other receivables	670,816	(3,914,465)	(1,459,618)	3,689,937
Inventory	(278,319)	(222,096)	-	-
Trade and other payables	(1,760,551)	7,014,191	(161,032)	(318,230)
Cash generated from/(used in) operations	(747,196)	3,337,811	(1,053,961)	3,364,606
Interest payable	(9,973)	(71,516)	(552,558)	-
Income tax paid	(64,591)	8,859	(2,702)	-
Other income	48,541	58,480	-	-
<i>Net cash from/(used in) operating activities</i>	(26,024)	(4,177)	(555,260)	-
Cash flows from investing activities				
Investment	991,504	-	991,504	-
Purchase of fixed assets	(383,140)	(5,851,455)	-	-
Impact to cash on acquisition of associates	(458,119)	-	-	-
<i>Net cash from/(used in) investing activities</i>	150,245	(5,851,455)	991,504	-
Cash flows from financing activities				
Bank loans (net)	1,133,204	284,433	-	-
Related parties	-	-	-	(6,445,148)
Bonds and debentures	66,585	4,885,271	66,585	4,885,271
<i>Net cash from/(used in) financing activities</i>	1,199,789	5,169,704	66,585	(1,559,877)
Movement in cash and cash equivalents	576,815	2,651,883	(551,132)	1,804,729
Cash and cash equivalents at beginning of the period	106,663	2,296,435	552,860	1,314,625
Cash and cash equivalents at end of the period	683,478	4,948,318	1,728	3,119,354

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS - 30th JUNE 2024**1 General information**

The Ona p.l.c. (the "Company") is a limited liability company and is incorporated in Malta, with its registered address at AC Hotel St. Julians, 13 Lourdes Lane, St. Julians. STJ 3311.

The Company was incorporated on 20th January 2022 and it acquired the entire share capital of The Ona Real Estate Ltd., The Ona Property Development Ltd., and The Ona Hospitality Ltd. on 28th April 2022.

2 Summary of material accounting policies**2.1 Basis of preparation**

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union (EU) with the requirements of the Maltese Companies Act, 1995. The financial statements are prepared under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with IFRSs requires the use of certain accounting estimates. It also requires directors to exercise their judgements in the process of applying the company's accounting policies. 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.

In the opinion of the directors, the accounting estimates and judgements made in the course of preparing these financial statements are not difficult, subjective or complex to a degree which would warrant their description as critical in terms of the requirements of IAS 1.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS - 30th JUNE 2024**2 Summary of material accounting policies - continued****2.2 Consolidation**

Subsidiary undertakings, which are those companies in which the Group, directly or indirectly, has an interest of more than one half of the voting rights or otherwise has power to govern the financial and operating policies have been consolidated. Subsidiaries are consolidated from the date on which effective control is transferred to the Group and are no longer consolidated from the date of disposal. Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group. The Group financial statements include the financial statements of the parent Company and all its subsidiaries.

In the Company's financial statements investments in subsidiaries are accounted for on the basis of the direct equity interest and are stated at cost less any accumulated impairment losses. Dividends from investments are recognised in the profit or loss.

2.3 Inventory - Development project

One of the objects of the Group is the development of land acquired for development and resale. This development is intended in the main for resale purposes, and is accordingly classified in the financial statements as Inventory. Any elements of a project which are identified for business operation or long-term investment properties are transferred at their carrying amount to Property, plant and equipment or investment properties when such identification is made and the cost thereof can reliably be segregated.

The development is carried at the lower of cost and net realisable value. Cost comprises the purchase cost of acquiring the land together with other costs incurred during its subsequent development, including:

- (i) The cost incurred on development works, including demolition, site clearance, excavation,
- (ii) The cost of various design and other studies conducted in connection with the project, together with
- (iii) Any borrowing costs, including imputed interest, attributable to the development phases of the project.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS - 30th JUNE 2024**2 Summary of material accounting policies - continued****2.3 Inventory - Development project - continued**

The purchase cost of acquiring the land represents the cash equivalent of the contracted price. This was determined at date of purchase by discounting to present value the future cash outflows comprising the purchase consideration.

Net realisable value is the estimated selling price in the ordinary course of business, less the costs of completion and selling expenses.

As stated in note 2.2 the Group accounts for business combinations using the acquisition method. Accordingly, at group level, the identifiable net assets acquired, including inventory held by the newly acquired subsidiary, are measured at fair value as at date of acquisition of subsidiary. Therefore, at consolidated group level, inventory cost represents the fair value of inventory held by the acquired subsidiary as at date of acquisition of subsidiary, together with additional development and borrowing costs incurred following date of acquisition.

3 Borrowings

In May 2022, the Company issued a Prospectus for the issue of a €16,000,000 million 4.5% secured bond at par which was fully subscribed. The bond is redeemable at par at any date falling between 21st June 2028 and 20th June 2034 at the sole discretion of the Issuer.

The bond is secured for the full nominal value of the Secured Bonds and interests thereon as follows:

- First-ranking general hypothec over all the present and future assets of the Issuer.;
- First-ranking general hypothec over all the present and future assets of the Ona Real Estate Ltd and The Ona Hospitality Ltd.;
- First-ranking special hypothec over the Hotel site in Swieqi, limits of St. Julian's (and any developments and constructions thereon); and
- First-ranking special privilege for the amount of €6 million over the Hotel site in Swieqi, limits of St. Julian's.

Pursuant to a prospectus published on the 1st June 2023, The Ona p.l.c. issued €5,000,000 6.5% Unsecured Notes 2028, having a nominal value of €1,000 per Bond and issued at par. This offer has been fully subscribed.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS - 30th JUNE 2024

4 Transactions with related parties

All companies forming part of The Ona p.l.c. are considered by the directors to be part of the group of Companies. Companies having the same shareholders and directors are considered by the directors to be related parties.

During the period ended 30th June 2024, the Company did not enter into transactions with related undertakings other than the financing of the purchase and development of the hotel.