

Ref: TML 108/2022

COMPANY ANNOUNCEMENT

The following is a Company Announcement issued by Tigné Mall plc (C35139) (“the Company”) pursuant to the Capital Markets Rules issued by the Malta Financial Services Authority.

Quote

During a meeting of the Board of Directors of the Company held today, the board considered and approved the unaudited condensed interim financial statements of the Company for the six months ended 30 June 2022. The said unaudited condensed interim financial statements are attached herewith and are also available for viewing in the Investors Relations section on the Company’s website: www.thepointmalta.com

The Directors have also declared an interim net dividend payment of €750,000 equivalent to €0.013 per nominal €0.50 share. This dividend will be paid on 2 September 2022 to shareholders on the Company’s register at the Central Securities Depository of the Malta Stock Exchange at close of business on 19 August 2022.

Unquote



Daniela Fenech
Company Secretary

4th August 2022

TIGNÉ MALL p.l.c.

Condensed Interim Financial Statements (unaudited)
30 June 2022

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Interim Directors' Report pursuant to Listing Rule 5.75.2

This condensed interim report is published in terms of the Malta Financial Services Authority Listing Rules Chapter 5 and the Prevention of Financial Market Abuse Act, 2005. The interim financial information included in this respect has been extracted from Tigné Mall plc.'s unaudited financial information for the six months ended 30 June 2022 prepared in accordance with IAS 34 'Interim Financial Reporting'. In terms of Listing Rule 5.75.5, this interim report has not been audited or reviewed by the Company's independent auditors.

Principal activities

The Company's principal activity, which is unchanged since last year, is the ownership and management of 'The Point Shopping Mall' and its car park.

Review of the business

During the period under review, the Company continued with its normal trading activities without interruption. The preceding two years both saw a lockdown of around a month and a half in the first half of each year. Therefore, the first half of 2022 represented a return to normality for the business albeit business was a bit slower than in 2021, when shoppers were redeeming Government-issued retail vouchers.

During the period under review, the Company registered a profit after tax of €1,599,450 (30 June 2021: €757,858). As expected, this represents a significant improvement on the past two years when retail was hit with two successive Covid-19 lockdowns. More importantly, the profitability attained also represents an improvement on 2019 results (30 June 2019: €1,193,424). This improvement is mainly the result of uninterrupted collection of rent, higher revenues from the car park and lower finance costs.

Earlier in 2021, the Company had entered into an agreement with the Classic group to replace Debenhams whose operations were wound up in June 2021. Similarly, the Company also entered into an agreement with Spar to replace the previous operator – Chain food store. This has meant that The Point has traded with these two key outlets closed for refurbishment during the period under review. Looking forward, the Company eagerly awaits the opening of these two new outlets in the latter half of the year.

The Company's senior management team has compiled financial projections for the year ending 30 June 2023. These comprise historical financial information up to the date of authorisation for issue of these financial statements and forecast financial information for the period. These cash flow projections show that the Company is expected to continue having sufficient liquidity and financial resources to meet its obligations and expected cash outflows. Based on the outcome of the cash flow projections as referred to above, the Directors and senior management consider the going concern assumption in the preparation of the Company's financial statements as appropriate as at the date of authorisation for issue of the 2022 interim financial statements. They also believe that no material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern exists as at that date.

Interim Directors' Report pursuant to Listing Rule 5.75.2 - continued

Review of the business - continued

The Board of Directors is well-aware that the Covid-19 pandemic remains an on-going challenge. Likewise, prevailing inflationary pressures may have an impact on consumer purchasing power. Nevertheless, the Company retains a robust financial position and looks forward to considering any growth opportunities as they may arise, support the tenants, and continue to deliver long-term growth for its shareholders.

In support of this, the Board of Directors is declaring an interim net dividend of €750,000. This will be paid on 2nd September 2022 to shareholders on the Company's register at the Central Securities Depository of the Malta Stock Exchange at close of business on 19th August 2022.

On behalf of the board



Joseph Zammit Tabona
Chairman



David Demarco
Director

4 August 2022

Condensed statement of financial position

	30 June 2022 (unaudited) €	As at 31 December 2021 (audited) €
ASSETS		
Non-current assets		
Property, plant and equipment	81,810,429	81,400,000
Right-of-use assets	3,894,039	3,940,872
	85,704,468	85,340,872
Current assets		
Trade and other receivables	3,076,648	2,981,236
Cash and cash equivalents	2,579,985	2,826,649
	5,656,632	5,807,885
	91,361,100	91,148,757
EQUITY		
Capital and reserves	58,354,142	56,754,692
LIABILITIES		
Non-current liabilities		
Trade and other payables	703,867	695,642
Borrowings	8,385,792	10,011,094
Lease liabilities	4,196,179	4,167,270
Deferred tax liabilities	13,171,628	13,216,202
	26,457,466	28,090,208
Current liabilities		
Trade and other payables	4,081,260	3,531,832
Borrowings	1,790,883	1,787,234
Lease liabilities	88,803	88,803
Current tax liabilities	588,546	895,988
	6,549,492	6,303,857
	33,006,958	34,394,065
	91,361,100	91,148,757

The condensed interim financial information on pages 3 to 10 was authorised for issue by the board of directors on 4 August 2022 and was signed on its behalf by:


Joseph Zammit Tabona
Chairman


David Demarco
Director

Condensed statement of comprehensive income

	Six months ended 30 June	
	2022 (unaudited) €	2021 (unaudited) €
Revenue	3,837,608	2,626,596
Cost of sales		
- Depreciation	(1,024,169)	(922,045)
- Other expenses	(148,958)	(120,261)
Gross profit	2,664,481	1,584,290
Administrative expenses	(306,686)	(223,317)
Operating profit	2,357,795	1,360,973
Finance income	508	-
Finance costs	(232,375)	(302,665)
Profit before tax	2,125,928	1,058,308
Tax expense	(526,478)	(300,450)
Profit for the period – total comprehensive income	1,599,450	757,858
Earnings per share	0.028	0.013

Condensed statement of changes in equity

	Share capital €	Revaluation reserve €	Retained earnings €	Total €
Balance at 1 January 2021	27,766,888	14,108,925	7,096,745	48,972,558
Comprehensive income				
Profit for the period – total comprehensive income	-	-	757,858	757,858
Other movements				
Reclassification from revaluation reserve to retained earnings	-	(90,283)	90,283	-
Balance at 30 June 2021	27,766,888	14,018,642	7,944,886	49,730,416
Balance at 1 January 2022	27,766,888	19,275,233	9,712,571	56,754,692
Comprehensive income				
Profit for the period – total comprehensive income	-	-	1,599,450	1,599,450
Other movements				
Reclassification from revaluation reserve to retained earnings	-	(143,013)	143,013	-
Balance at 30 June 2022	27,766,888	19,132,220	11,455,034	58,354,142

Condensed statement of cash flows

	Six months ended 30 June	
	2022 (unaudited) €	2021 (unaudited) €
Net cash generated from operating activities	1,374,989	825,181
Net cash used in financing activities	(1,621,653)	(909,001)
Net movement in cash and cash equivalents	(246,664)	(83,820)
Cash and cash equivalents at beginning of period	2,826,649	2,599,032
Cash and cash equivalents at end of period	2,579,985	2,515,212

Notes to the condensed interim financial information

1. General information

Tigné Mall p.l.c. is a public limited liability company with its principal activity being to own and manage 'The Point Shopping Mall' and its car park. The Company's ordinary shares were admitted to listing on the Malta Stock Exchange on 2 May 2013.

This condensed interim financial information has been extracted from the Company's unaudited half yearly financial statements. It has not been subject either to an audit in accordance with the requirements of International Standards on Auditing nor to a review in accordance with the requirements of ISRE 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity'.

2. Basis of preparation

The condensed interim financial information for the six-month period ended 30 June 2022 has been prepared in accordance with IAS 34, 'Interim financial reporting'. The interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2021, which have been prepared in accordance with IFRSs as adopted by the EU.

Accounting policies

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2021, as described in those financial statements.

Standards, interpretations and amendments to published standards effective in 2022

In 2022, the Company adopted new 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 impacting the Company's financial performance and position.

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

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, and the Company's Directors are of the opinion that there are no requirements that will have a possible significant impact on the Company's financial statements in the period of initial application.

3. Earnings per share

	Six months ended 30 June	
	2022	2021
Net profit attributable to equity holders of the Company	€1,599,450	€757,858
Number of ordinary shares in issue	56,400,000	56,400,000
Earnings per share	€0.028	€0.013

4. Fair values of financial instruments

At 30 June 2022 and 31 December 2021 the carrying amount of certain financial instruments, comprising cash at bank, receivables, payables, accrued expenses and short-term borrowings, is equivalent to their fair values in view of the nature of the instruments or their short-term maturity. The fair value of the non-current financial liabilities, comprising borrowings, for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Company for similar financial instruments. The estimated fair value of the Company's bank borrowings as at the end of the reporting period is not materially different from the carrying amounts. The current market interest rates utilised for discounting purposes, which were almost equivalent to the respective instruments' contractual interest rates, are deemed observable and accordingly these fair value estimates have been categorised as Level 2.

5. COVID-19 pandemic

During the period under review, the Company continued with its normal trading activities without interruption. The preceding two years both saw a lockdown of around a month and a half in the first half of the year. Therefore, the first half of 2022 represented a return to normality for the business albeit business was a bit slower than in 2021, when locals were redeeming Government-issued retail vouchers. Incoming tourism numbers are still below 2019 levels and being that most tourists visit the islands using low-cost carriers, their spend on retail locally tends to be somewhat constrained.

The Board of Directors remains well-aware that the Covid-19 pandemic remains an on-going challenge and continues to monitor developments in this respect. Nevertheless, the Company retains a robust financial position and looks forward to considering any growth opportunities as they may arise, support the tenants, and continue to deliver long-term growth for its shareholders.

In the process of preparing these condensed financial statements, the Company's management team has revised and updated the financial projections for the forthcoming twelve months to 30 June 2023. These projections comprise historical financial information up to the date of authorisation for issue of these condensed financial statements and forecast financial information for the residual period, incorporating the impact of the above on the projected financial results, cash flows and financial position of the Company.

The Board continues to monitor the situation closely to ensure that the Company retains a robust financial position going forward.

6. Related party transactions

MSV Life plc, HSBC Life Assurance Ltd and Bank of Valletta p.l.c., by virtue of the extent of their shareholding in the Company, are considered to be related parties. All companies owned or controlled by these entities, together with all companies forming part of the same groups of companies of which these shareholders form part, are also deemed to be related parties. Tigné Mall p.l.c.'s Directors, close members of their families and all entities owned or controlled by these individuals, are considered to be related parties of Tigné Mall p.l.c.

Principal balances with related parties

	30 June 2022 (unaudited) €	31 December 2021 (audited) €
Bank borrowings:		
Current	1,790,883	1,787,234
Non-current	8,385,792	10,011,094
	10,176,675	11,808,328

Principal transactions with related parties

	Six months ended 30 June	
	2022 (unaudited) €	2021 (unaudited) €
Bank interest payable	155,984	215,231
	155,984	215,231

Directors' Statement pursuant to Listing Rule 5.75.3

We hereby confirm that to the best of our knowledge:

- The condensed interim financial information gives a true and fair view of the financial position of the Company as at 30 June 2022 and of its financial performance and its cash flow for the six-month period then ended in accordance with International Financial Reporting Standards as adopted by the EU applicable to interim financial reporting (IAS 34, 'Interim Financial Reporting').
- The Interim Directors' Report includes a fair review of the information required in terms of Listing Rules 5.81 to 5.84.



Joseph Zammit Tabona
Chairman



David Demarco
Director

4 August 2022