

D SHOPPING MALLS FINANCE P.L.C.

CONDENSED INTERIM FINANCIAL STATEMENTS
For the period 1 January 2023 to 30 June 2023

D SHOPPING MALLS FINANCE P.L.C.

Company Information

Directors : Ms Diane Izzo
Mr Karl Izzo
Mr Edwin Pisani
Mr Joseph C Schembri
Dr Kevin Deguara

Secretary : Mr Kenneth Abela

Company number : C 87809

Registered office : Dizz Buildings
Carob Street
St. Venera
Malta

Banker : Bank of Valletta P.L.C.
58, Zachary Street,
Valletta VLT 1130
Malta

D SHOPPING MALLS FINANCE P.L.C.

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Interim Directors' Report

For the period 1 January 2023 to 30 June 2023

This report is published in terms of the Prospectus MTF Rules and the Prevention of Financial Markets Abuse Act 2005. The underlying accounting policies are the same as those adopted by D Shopping Malls Finance P.L.C. ('the Company') in its published annual report. The interim financial information included in this report has been extracted from the company's unaudited accounts for the six months ended 30 June 2023, as approved by the board of directors on 24 August 2023 and are prepared in accordance with IAS 34 'Interim Financial Reporting'.

Principal activity

The principal activity of D Shopping Malls Finance P.L.C. (the Company) is to act as a finance company and its business is limited to the raising of capital and the lending of such capital to D Shopping Malls Limited (the Guarantor), the collection of interest from the Guarantor and the settlement of interest payable on capital raised from third parties. The activities of the Company are expected to remain consistent for the foreseeable future.

Principal risks and uncertainties

The Company is mainly dependent on the business prospects of the D Shopping Malls Limited, and consequently, the operating results of D Shopping Malls Limited have a direct effect on the Company's financial position and performance, including the ability of the Company to service its payment obligations under the issued bonds. In turn, D Shopping Malls Limited rents property to related parties (Dizz Group of Companies Limited and its subsidiaries) and third parties.

The Company's main assets consist of loans receivable issued to related companies, with the principal loan issued to D Shopping Malls Limited. Therefore, the ability of these companies to effect payments to the Company under such loans will depend on their respective cash flows and earnings which may be restricted by:

- changes in applicable laws and regulations;
- the terms contained in the agreements to which they are or may become party, including the indenture governing their existing indebtedness, if any; or
- other factors beyond the control of the Company.

Review of business

During the period under review the Company registered a profit before taxation of € 15,898 (2022: € 2,701).

The directors consider that in the prevailing circumstances the period under review was satisfactory.

D SHOPPING MALLS FINANCE P.L.C.

Interim Directors' Report (continued)

For the period 1 January 2023 to 30 June 2023

Dividends and reserves

The directors do not recommend the payment of a dividend and propose to transfer the profit for the period to retained earnings.

Directors

The following have served as directors of the Company during the period under review:

Ms Diane Izzo
Mr Karl Izzo
Mr Edwin Pisani
Mr Joseph C Schembri
Dr Kevin Deguara

Directors' interest

The Directors do not hold direct shares in D Shopping Malls Finance P.L.C as at 30 June 2023, however Ms Diane Izzo and Mr Karl Izzo, as directors, are also the Ultimate Beneficial Owners of Dizz Group of Companies Limited.



Ms Diane Izzo
Chairperson & CEO



Mr Joseph C Schembri
Director

24 August 2023

D SHOPPING MALLS FINANCE P.L.C.

Statement pursuant to prospects MTF rule 4.11.12

For the period 1 January 2023 to 30 June 2023

We hereby confirm that to the best of our knowledge:

- The condensed interim financial statements give a true and fair view of the financial position of the company as at 30 June 2023, and of its financial performance and its cash flows 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'); and
- The interim Directors' report comprises a fair review of the information required in terms of Prospects MTF Rule 4.11.12.

ON BEHALF OF THE BOARD



Ms Diane Izzo
Chairperson & CEO



Mr Joseph C Schembri
Director

24 August 2023

D SHOPPING MALLS FINANCE P.L.C.

Condensed Interim Statement of Profit or Loss and Other Comprehensive Income

For the period 1 January 2023 to 30 June 2023

	Note	Period Jan 23–Jun23 (unaudited) €	Period Jan 22–Jun22 (unaudited) €
Revenue		202,297	205,975
Other income		30,269	15,000
Administrative expenses			
Administrative expenses		(13,252)	(12,815)
Finance costs		(203,416)	(205,459)
		<hr/>	<hr/>
Profit before tax		15,898	2,701
Income tax		-	(2,430)
		<hr/>	<hr/>
Profit for the period		15,898	271
		<hr/>	<hr/>
Total comprehensive income for the period		15,898	271
		<hr/>	<hr/>
Earnings per share	3	0.32	0.01
		<hr/>	<hr/>

D SHOPPING MALLS FINANCE P.L.C.

Condensed Interim Statement of Financial Position

As at 30 June 2023

	Note	As at 30 June 2023 (Unaudited) €	As at 31 December 2022 (Audited) €
Assets			
Loas receivable		7,417,230	7,417,230
Total non-current assets		7,417,230	7,417,230
Trade and other receivables		1,877,344	2,268,927
Total current assets		1,877,344	2,268,927
Total assets		9,294,574	9,686,157
Equity			
Issued capital		50,000	50,000
Retained earnings		90,597	74,699
Total equity		140,597	124,699
Liabilities			
Borrowings	4	6,831,027	7,451,789
Total non-current liabilities		6,831,027	7,451,789
Borrowings		5	1,434
Trade and other payables		2,322,945	2,108,235
Total current liabilities		2,322,950	2,109,669
Total liabilities		9,153,977	9,561,458
Total equity and liabilities		9,294,574	9,686,157

The financial statements on pages 4 to 11 were authorised and approved by the board of directors on 24 August 2023 and were signed on its behalf by:



Ms Diane Izzo
Chairperson & CEO



Mr Joseph C Schembri
Director

D SHOPPING MALLS FINANCE P.L.C.

Condensed Interim Statement of Changes in Equity

For the period 1 January 2023 to 30 June 2023

	Issued capital €	Retained earnings €	Total €
Changes in equity for 2022			
Balance at 1 January 2022	50,000	50,909	100,909
Profit for the period	-	271	271
	<hr/>	<hr/>	<hr/>
Balance at 30 June 2022 (unaudited)	50,000	51,180	101,180
	<hr/>	<hr/>	<hr/>

	Issued capital €	Retained earnings €	Total €
Changes in equity for 2023			
Balance at 1 January 2023	50,000	74,699	124,699
Profit for the period	-	15,898	15,898
	<hr/>	<hr/>	<hr/>
Balance at 30 June 2023 (unaudited)	50,000	90,597	140,597
	<hr/>	<hr/>	<hr/>

D SHOPPING MALLS FINANCE P.L.C.

Condensed Interim Statement of Cash Flows

For the period 1 January 2023 to 30 June 2023

	Period Jan 23 – Jun 23 (unaudited) €	Period Jan 22 – Jun 22 (unaudited) €
Net cash generated from operating activities	5,580	191,394
Net cash used in financing activities	(4,151)	(181,273)
	<hr/>	<hr/>
Net movement in cash and cash equivalents	1,429	10,121
Cash and cash equivalents at beginning of the period	(1,434)	(9,144)
	<hr/>	<hr/>
Cash and cash equivalents at end of the period	(5)	977

Notes to the Condensed Interim Financial Statements

For the period 1 January 2023 to 30 June 2023

1 GENERAL INFORMATION

D Shopping Malls Finance P.L.C. is a limited liability company domiciled and incorporated in Malta on 13 August 2018.

The audited Financial Statements for the year ended 31 December 2022 are available on the company's website.

The condensed unaudited interim financial statements were approved for issue by the board of directors on 24 August 2023.

2 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 EU and comply with the Companies Act,(Cap 386). The financial statements have been prepared under the historical cost convention.

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. 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.

2.2 Assessment of going concern assumption

The directors have a reasonable expectation at the time of approving the condensed interim financial statements that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, the directors continue to adopt the going concern basis in preparation of the condensed interim financial statements.

Notes to the Condensed Interim Financial Statements (continued)

For the period 1 January 2023 to 30 June 2023

2 ACCOUNTING POLICIES (continued)

2.3 New and revised standards

2.3.1 Summary of Significant Accounting Policies

The accounting policies are consistent with those of the annual financial statements for the year 31 December 2022 as described in those financial statements.

2.3.2 Standards, Interpretations and amendments to published standards effective in 2022

During 2022, the Company has adopted revised 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 changes to the company's accounting policies.

2.3.3 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 the issue of these condensed interim financial statements that are mandatory for the company's accounting periods beginning after 1 January 2023. 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, with the exception of the below pronouncements, 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

Earnings per share is calculated by dividing the result attributable to owners of the Company by the weighted average number of ordinary shares in issue during the period:

	Period Jan 23 – Jun 23 (unaudited) €	Period Jan 22 – Jun 22 (unaudited) €
Earnings per share	0.32	0.01

Notes to the Condensed Interim Financial Statements (continued)

For the period 1 January 2023 to 30 June 2023

4 BORROWINGS

	As at 30 June 2023 (unaudited) €	As at 31 December 2022 (audited) €
5.35% Unsecured Bonds 2028	6,831,027	7,451,789
Bond outstanding at face value	6,875,100	7,500,000
Gross amount of bond issue costs	(82,770)	(82,770)
Amortisation of gross amount of Bond issue costs		
Amortised bond issue costs brought forward	34,559	26,282
Amortisation charge for the period/year	4,138	8,277
Unamortised Bond issue costs	(44,073)	(48,211)
Amortised cost and closing carrying amount	6,831,027	7,451,789

In December 2022, the guarantor of the Company disposed of the Laguna Property for a value of € 2,300,000. €611,000 of proceeds raised through the 2018 Bond issue had originally been used to finance this property acquisition and consequently, the Board set this sum aside to form part of the sinking fund. During the initial months of 2023, this sinking fund money was utilised to redeem €624,900 worth of bonds which were consequently cancelled by the Malta Stock Exchange.

5 RELATED PARTIES**5.1 Parent Company**

The Company is a wholly owned subsidiary of D Shopping Malls Limited. The registered office of the parent Company is situated at Dizz Buildings, Carob Street St. Venera, Malta.

It is the responsibility of the parent Company to prepare consolidated financial statements of the Group.

Notes to the Condensed Interim Financial Statements (continued)

For the period 1 January 2023 to 30 June 2023

5 RELATED PARTIES (continued)

5.2 Key management personnel and director transactions

The share capital of the Company is subscribed as to 1 share held by Dizz Group of Companies Limited and 49,999 shares held by D Shopping Malls Limited. Key management personnel have control over the financial and operating policies of the Company.

5.3 The loan from related company carries an interest rate of 5.6% and is repayable according to a specified loan agreement.

5.4 The amounts from/(due to) related companies are unsecured, interest-free and repayable on demand.

6 FINANCIAL RISK MANAGEMENT

The company's financial risk management objectives and policies are consistent with those disclosed in the financial statements for the year 31 December 2022.

7 CONTINGENT LIABILITIES

No events occurred since 31 December 2022 that require disclosure of any contingent liabilities as at 30 June 2023.