

## The Mall of Cyprus (MC) Plc

The board of directors of the public company “The Mall of Cyprus Mc Plc” (the “**Company**”), on the 26 September 2019, approved the unaudited condensed interim financial statements for the period from 1 January 2019 to 30 June 2019 (the “**Six-month report**”).

Copies of the Six-month report can be obtained from the registered office of the Company at the Mall of Cyprus 3, Vergina str., Strovolos, Nicosia, Cyprus or by sending an email request to [christos.kafouris@neo.law](mailto:christos.kafouris@neo.law) without any charge. The Six-month report will be sent to all the shareholders of the Company.

The Mall of Cyprus (MC) Plc



Montrago Services Limited

Secretary

Date: 27 September 2019

**THE MALL OF CYPRUS (MC) PLC**  
UNAUDITED CONDENSED INTERIM FINANCIAL  
STATEMENTS  
FOR THE PERIOD FROM 1 JANUARY 2019 TO  
30 JUNE 2019

# THE MALL OF CYPRUS (MC) PLC

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## UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JANUARY 2019 TO 30 JUNE 2019

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# THE MALL OF CYPRUS (MC) PLC

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## BOARD OF DIRECTORS AND OTHER OFFICERS

**Board of Directors:**

Takis Christodoulou  
John George Mavrokordatos  
George Mouskides  
Martin Olivier

**Company Secretary:**

Montrago Services Limited  
Arch. Makariou III, 195  
Neocleous House  
3030 Limassol  
Cyprus

**Registered office:**

3 Verginas Street  
The Mall of Cyprus  
Strovolos  
2025, Nicosia  
Cyprus

# THE MALL OF CYPRUS (MC) PLC

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## MANAGEMENT REPORT

The Board of Directors of The Mall of Cyprus (MC) Plc (the "Company") presents its Management Report together with the unaudited condensed interim financial statements of the Company for the period from 1 January 2019 to 30 June 2019.

### Principal activities and nature of operations of the Company

The principal activity of the Company, which is unchanged from the previous period, is the leasing/granting of rights of use of space of its property, the Shacolas Emporium Park which includes a Shopping Mall, an IKEA store and other building developments for retail/commercial purposes.

### Changes in Company structure

There were no changes in the Company structure during the period from 1 January 2019 to 30 June 2019. The Company does not intend to proceed with any acquisitions or mergers. As of 30 June 2019 and the date of this report, there have been certain amendments in the composition of the main shareholders of the Company. Such changes are stated in note 20 to the condensed interim financial statements.

### Review of current position, future developments and performance of the Company's business

During the period ended 30 June 2019 the Company had a slight increase in revenue earned. The net profit after tax for the period attributable to the shareholders of the Company amounted to €3,429,962 (period ended 30 June 2018: €3,534,902). On 30 June 2019 the total assets of the Company were €210,029,344 (31 December 2018: €200,479,030) and the net assets of the Company were €89,356,084 (31 December 2018: €85,926,122).

The financial position, development and performance of the Company as presented in these unaudited condensed interim financial statements are considered satisfactory.

### Principal risks and uncertainties

The principal risks and uncertainties faced by the Company are disclosed in Note 1 of the condensed interim financial statements.

The Cypriot economy has recorded positive growth in 2018 and 2019 after overcoming the economic recession of recent years. The overall economic outlook of the economy remains favorable, however there are still downside risks emanating from the still high levels of non-performing loans, the public debt ration as well as possible deterioration of the external environment for Cyprus. This operating environment has a significant impact on the Company's operations and financial position. Management is taking necessary measures to ensure sustainability of the Company's operations. However, the future effects of the current economic situation are difficult to predict and management's current expectations and estimates could differ from actual results.

### Use of financial instruments by the Company

The Company's activities expose it to a variety of financial risks: market risk (including fair value interest rate risk and cash flow interest rate risk), credit risk and liquidity risk.

The Company's risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance. Risk management is carried out by a central treasury department under policies approved by the Board of Directors. Management identifies, evaluates and hedges financial risks in close co-operation with the Company's operating units. The Board provides written and/or oral principles for overall risk management, as well as written and/or oral policies covering specific areas, such as interest rate risk, credit risk, and investment of excess liquidity.

### Cash flow and fair value interest rate risk

The Company's interest rate risk arises from long term borrowings. Borrowings issued at variable rates expose the Company to cash flow interest rate risk. Borrowings at fixed rates expose the Company to fair value interest rate risk.

As at 30 June 2019, the Company's liabilities which bore variable interest rates amounted to €95,028,480. The Company's management monitors the interest rate fluctuations on a continuous basis and acts accordingly. The Company does not apply hedge accounting for cash flow interest rate risk.

### Credit risk

Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions, as well as credit exposure to tenants, including outstanding receivables and committed transactions.

For banks and financial institutions, only those that are highly rated by the Board of Directors are accepted. Management assesses the credit quality of the users of space, taking into account its financial position, past experience and other factors.

# THE MALL OF CYPRUS (MC) PLC

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## MANAGEMENT REPORT

At 30 June 2019, Company's credit risk arises from trade receivables amounting to €2.246.887, other receivables amounting to €92.885, and bank balances amounting to €1.554.564. The amount of provisions for impairment of receivables was €488.638 as of 30 June 2019 (31 December 2018: €488.638). The individually impaired receivables mainly relate to tenants, which are in an unexpectedly difficult economic situation.

### **Liquidity risk**

Management monitors the current liquidity position of the Company based on expected cash flows and expected revenue receipts. On a long-term basis, liquidity risk is defined based on the expected future cash flows at the time of entering into new credit facilities or leases and based on budgeted forecasts. Management believes that it is successful in managing the Company's liquidity risk.

### **Future developments of the Company**

As at 30 June 2019, the Company substantially completed the project for the expansion of the Mall of Cyprus by about an additional area of circa 5.500m<sup>2</sup> on the first and ground floor, the use of which is for retail, entertainment and cultural purposes in order to meet the demands of its customers/visitors and also increase the variety of offerings at the mall. With the expansion, about an additional 200 parking places were created as well. Full completion of the works, is projected to be achieved by the end of calendar year 2019.

### **Results**

The Company's results for the period are set out on page 6. The profit for the period is retained.

### **Share capital**

There were no changes in the share capital of the Company.

### **Board of Directors**

There were no changes in the Company's Board of Directors during the period.

### **Branches**

The Company did not operate through any branches during the period.

### **Events after the reporting period**

Any significant events that occurred after the end of the reporting period are described in note 20 to the financial statements.

### **Director's interests in the Company's share capital**

The members of the Board of Directors did not control directly or indirectly any part of the share capital of the Company, at 30 June 2019 and as at the date of this report.

Except from the balance and transactions disclosed in Note 17 of the financial statements, there were no other significant contracts with the Company or related companies, in which a Director or related parties has a significant interest.

# THE MALL OF CYPRUS (MC) PLC

## MANAGEMENT REPORT

### Main shareholders

The following shareholders of the Company held directly or indirectly over 5% of the Company's issued share capital:

	30 June 2019 Percentage of shareholding	26 September 2019 Percentage of shareholding
	%	%
<b>Direct shareholder:</b>		
Atterbury Cyprus Limited	99,67	99,67
<b>Indirect shareholders (through their indirect holdings in Atterbury Cyprus Limited):</b>		
RMH Property Holdco 2 (Pty) Ltd (South Africa)	48,59	36,44
Business Venture Investments No 1360 (Pty) Ltd (South Africa)	-	24,29
Atterbury Onroerend Goed Houdster Europa Cooperatief U.A (Netherlands)	48,59	36,44

By order of the Board of Directors,

  
Montrago Services Limited  
Secretary

MONTRAGO SERVICES LIMITED

Nicosia, 26 September 2019

## THE MALL OF CYPRUS (MC) PLC

### DECLARATION OF THE MEMBERS OF THE BOARD OF DIRECTORS AND THE COMPANY OFFICIALS RESPONSIBLE FOR THE PREPARATION OF THE FINANCIAL STATEMENTS

In accordance with Article 10 sections (3c) and (7) of the 'Transparency Requirements (Traded Securities in Regulated Markets) Law 2007 (N 190 (I)/2007) ("the Law") we, the members of the Board of Directors and other officers responsible for the financial statements of The Mall of Cyprus (MC) Plc (the "Company") for the 6 month period ended 30 June 2019, we confirm that, according to our knowledge:

(a) The financial statements of the Company which are presented on pages 6 to 17:

(i) have been prepared in accordance with the applicable International Financial Reporting Standards as adopted by the European Union and the provisions of Article 10, section (4) of the law, and

(ii) provide a true and fair view of the particulars of assets and liabilities, the financial position and profit or loss of the Company included in the financial statements as a whole and

b) The management report provides a fair view of the developments and the performance as well as the financial position of the Company as a whole, together with a description of the main risks and uncertainties which they face.

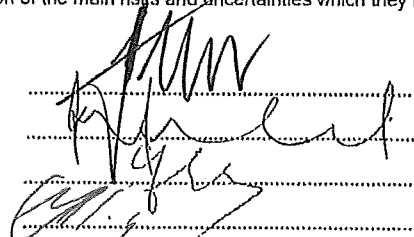
Members of the Board of Directors:

Takis Christodoulou

John George Mavrokordatos

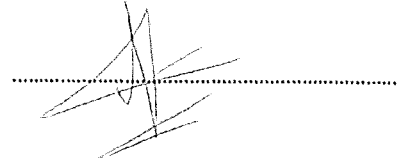
George Mouskides

Martin Olivier



Responsible for drafting the financial statements:

Antonla Constantinou - Financial Controller  
Nicosia, 26 September 2019





## THE MALL OF CYPRUS (MC) PLC

### CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD FROM 1 JANUARY 2019 TO 30 JUNE 2019

		Six months ended 30 June 2019 €	Six months ended 30 June 2018 €
	Note		
<b>Rights for use of space and other income</b>	4	<b>5.901.537</b>	5.496.289
Other income	5	<b>153.092</b>	295.469
Administration expenses		<b>(621.803)</b>	(700.552)
<b>Operating profit</b>		<b>5.432.826</b>	5.091.206
Net finance costs	6	<b>(1.615.727)</b>	(1.598.758)
<b>Profit before income tax</b>		<b>3.817.099</b>	3.492.448
Income tax (expense) / credit	7	<b>(387.137)</b>	42.454
<b>Profit and total comprehensive income for the period</b>		<b>3.429.962</b>	3.534.902
<b>Earnings per share attributable to the Company's shareholders (cents per share):</b>			
Basic and fully dilluted	8	<b>3.43</b>	3.53

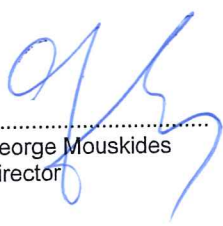
The notes on pages 10 to 17 form an integral part of these condensed interim financial statements.

# THE MALL OF CYPRUS (MC) PLC

## CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2019

	Note	30 June 2019 €	31 December 2018 (audited) €
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	9	430.055	160.840
Investment property	9	204.443.691	195.850.000
Trade receivables and other financial assets at amortised cost	10	609.235	125.000
		<u>205.482.981</u>	<u>196.135.840</u>
<b>Current assets</b>			
Trade receivables and other financial assets at amortised cost	10	2.591.373	1.670.408
Prepayments		400.426	1.205.474
Cash and cash equivalents	11	1.554.564	1.467.308
		<u>4.546.363</u>	<u>4.343.190</u>
<b>TOTAL ASSETS</b>		<u>210.029.344</u>	<u>200.479.030</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	12	50.000.000	50.000.000
Retained earnings		39.356.084	35.926.122
<b>Total equity</b>		<u>89.356.084</u>	<u>85.926.122</u>
<b>Non-current liabilities</b>			
Borrowings	13	83.717.583	78.960.281
Trade and other payables	15	2.322.622	2.343.273
Deferred tax liabilities	14	18.445.687	18.402.330
		<u>104.485.892</u>	<u>99.705.884</u>
<b>Current liabilities</b>			
Trade and other payables	15	4.499.900	4.379.011
Borrowings	13	11.310.897	10.425.398
Current tax liabilities	16	376.571	42.615
		<u>16.187.368</u>	<u>14.847.024</u>
<b>Total liabilities</b>		<u>120.673.260</u>	<u>114.552.908</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>210.029.344</u>	<u>200.479.030</u>

On 26 September 2019 the Board of Directors of The Mall of Cyprus (MC) Plc authorised these financial statements for issue.

  
George Mouskides  
Director

  
John George Mavrokordatos  
Director

The notes on pages 10 to 17 form an integral part of these condensed interim financial statements.

## THE MALL OF CYPRUS (MC) PLC

### CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD FROM 1 JANUARY 2019 TO 30 JUNE 2019

	Share capital €	Retained earnings €	Total €
Balance at 1 January 2018	50.000.000	23.247.025	73.247.025
Comprehensive income			
Profit for the period	-	3.534.902	3.534.902
Balance at 30 June 2018	<u>50.000.000</u>	<u>26.781.927</u>	<u>76.781.927</u>
Balance at 1 January 2019	50.000.000	35.926.122	85.926.122
Comprehensive income			
Net profit for the period	-	3.429.962	3.429.962
Balance at 30 June 2019	<u>50.000.000</u>	<u>39.356.084</u>	<u>89.356.084</u>

Companies which do not distribute 70% of their profits after tax, as defined by the relevant tax law, within two years after the end of the relevant tax year, will be deemed to have distributed as dividends 70% of these profits. Special contribution for defence at 17% will be payable on such deemed dividends to the extent that the ultimate shareholders are both Cyprus tax resident and Cyprus domiciled. The amount of deemed distribution is reduced by any actual dividends paid out of the profits of the relevant year at any time. This special contribution for defence is payable by the Company for the account of the shareholders.

The notes on pages 10 to 17 form an integral part of these condensed interim financial statements.

# THE MALL OF CYPRUS (MC) PLC

## CONDENSED INTERIM STATEMENT OF CASH FLOWS FOR THE PERIOD FROM 1 JANUARY 2019 TO 30 JUNE 2019

		Six months ended 30 June 2019 €	Six months ended 30 June 2018 €
	Note		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before income tax		3,817,099	3,492,448
Adjustments for:			
Depreciation of property, plant and equipment	9	21,489	11,775
Interest expense	6	1,615,727	1,598,758
		<u>5,454,315</u>	<u>5,102,981</u>
<b>Changes in working capital:</b>			
Changes in working capital		<u>(505,796)</u>	<u>(762,900)</u>
<b>Cash generated from operations</b>		<u>4,948,519</u>	<u>4,340,081</u>
Income tax paid		-	(73,992)
<b>Net cash generated from operating activities</b>		<u>4,948,519</u>	<u>4,266,089</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
(Purchases)/ Disposals of property, plant and equipment	9	(290,704)	111,760
Purchases of investment property	9	<u>(8,230,727)</u>	<u>(5,731,215)</u>
<b>Net cash used in investing activities</b>		<u>(8,521,431)</u>	<u>(5,619,455)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from bank borrowings	13	5,804,244	13,769,098
Repayment of bank borrowings	13	<u>(2,373,552)</u>	<u>(1,933,870)</u>
Repayments of borrowings to related parties	13	<u>(62,560)</u>	<u>(9,288,288)</u>
Proceeds from loans from related parties	13	1,905,912	569,241
Interest paid		<u>(1,589,742)</u>	<u>(1,320,614)</u>
Defence tax paid on deemed dividend distribution		<u>(3,080)</u>	-
<b>Net cash generated from financing activities</b>		<u>3,681,222</u>	<u>1,795,567</u>
<b>Net increase in cash and cash equivalents</b>		<u>108,310</u>	<u>442,201</u>
Cash and cash equivalents at beginning of the period/year	11	<u>362,401</u>	<u>1,621,925</u>
<b>Cash and cash equivalents at end of the period/year</b>	11	<u>470,711</u>	<u>2,064,126</u>

The notes on pages 10 to 17 form an integral part of these condensed interim financial statements.

# THE MALL OF CYPRUS (MC) PLC

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## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JANUARY 2019 TO 30 JUNE 2019

### 1. General information

#### General

The unaudited condensed interim financial statements consist of the financial statements of The Mall of Cyprus (MC) Plc. The condensed interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2018.

#### Unaudited financial statements

The condensed interim financial statements for the six months ended on 30 June 2019, have not been audited by the external auditors of the Company.

#### Operating environment of the Company

The Cyprus economy has recorded positive growth in 2018 and 2019 after overcoming the economic recession of recent years. The overall economic outlook of the Company remains favorable, however there are still downside risks emanating from the still high levels of non-performing loans, the public debt ratio, as well as possible deterioration of the external environment of Cyprus. This operating environment has a significant impact on the Company's operations and financial position. Management is taking necessary measures to ensure sustainability of the Company's operations. However, the future effects of current economic situation are difficult to predict and management's current expectations and estimates could differ from actual results.

### 2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these condensed interim financial statements are consistent to those used in the audited financial statements for the year ended 31 December 2018, unless otherwise dated in relation to the application of the new IFRS's as from 1 January 2019.

The condensed interim financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union (EU), including International Accounting Standards (IAS) 34 "Interim Financial Reporting" and the requirements of the Cyprus Companies Law, Cap.113 and the Cyprus Stock Exchange Laws and Regulations.

### 3. Adoption of new or revised IFRS's

During the current period the Company adopted all the new and revised International Financial Reporting Standards (IFRS) that are relevant to its operations and are effective for accounting periods beginning on 1 January 2019. This adoption did not have a material effect on the accounting policies of the Company.

IFRS 16 "Leases" (issued on 13 January 2016 and effective for annual periods beginning on or after 1 January 2019) sets out the principles for the recognition, measurement, presentation and disclosure of leases. While IFRS 16 brings significant changes to lessee accounting, it substantially carries forward the lessor accounting requirements. As such, management does not expect that the new standard would have had a significant impact on its operations.

# THE MALL OF CYPRUS (MC) PLC

## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JANUARY 2019 TO 30 JUNE 2019

### 4. Rights for use of space and other income

	Six months ended 30 June 2019	Six months ended 30 June 2018
	€	€
Rights for the use of space	5.601.758	5.177.919
Lease income	299.779	318.370
	<u>5.901.537</u>	<u>5.496.289</u>

### 5. Other income

	Six months ended 30 June 2019	Six months ended 30 June 2018
	€	€
Other income	153.092	295.469
	<u>153.092</u>	<u>295.469</u>

### 6. Finance costs

	Six months ended 30 June 2019	Six months ended 30 June 2018
	€	€
<b>Finance costs</b>		
<b>Interest expense attributed to:</b>		
Bank borrowings	1.486.476	1.441.164
Bank overdraft interest	16.514	-
Loans from related parties (note 17.2)	112.737	152.002
Interest on overdue taxation	-	5.592
<b>Total interest expense</b>	<u>1.615.727</u>	<u>1.598.758</u>

### 7. Income tax expense / (Credit)

	Six months ended 30 June 2019	Six months ended 30 June 2018
	€	€
Corporation tax	337.035	284.556
Corporation tax - underprovision of prior years' taxes	-	70.637
Defence contribution - current period	6.745	7.163
Deferred tax - origination of temporary differences/(credit) (Note 14)	43.357	(404.810)
<b>Income tax expense/(credit) for the period</b>	<u>387.137</u>	<u>(42.454)</u>

## THE MALL OF CYPRUS (MC) PLC

### NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JANUARY 2019 TO 30 JUNE 2019

#### 8. Earnings per share

The basic and fully diluted earnings per share are calculated by dividing the profit attributable to the Company's shareholders by the weighted average number of issued shares during the year.

	Six months ended 30 June 2019	Six months ended 30 June 2018
Profit attributable to shareholders (€)	<u>3,429,962</u>	<u>3,534,902</u>
Weighted average number of issued shares (Note 12)	<u>100,000,000</u>	<u>100,000,000</u>
Basic and fully diluted earnings per share (cents)	<u><u>3.43</u></u>	<u><u>3.53</u></u>

#### 9. Capitalised expenditure

	Investment property €	Property, plant and equipment €	Total €
Net book amount 1 January 2019	195,850,000	160,840	196,010,840
Additions	8,593,691	290,704	8,884,395
Depreciation charge	-	(21,489)	(21,489)
Balance at 30 June 2019	<u><u>204,443,691</u></u>	<u><u>430,055</u></u>	<u><u>204,873,746</u></u>

Pledges and liens on the Company's assets are presented in Note 13.

Additions during the period, relate to the Company's expansion plan at "The Mall of Cyprus". Investment property is carried at fair value. Certain amounts in relation to additions in Investment Property had not been settled by 30 June and were settled during the ensuing month.

#### 10. Trade receivables and other financial assets at amortised cost

	30 June 2019 €	31 December 2018 €
Trade receivables	<u>2,735,525</u>	<u>1,689,899</u>
Less: loss allowance for trade receivables	<u>(488,638)</u>	<u>(488,638)</u>
Trade receivables - net	<u>2,246,887</u>	<u>1,201,261</u>
Accrued income	<u>251,601</u>	<u>77,602</u>
Other financial assets at amortised cost	<u>702,120</u>	<u>516,545</u>
	<u>3,200,608</u>	<u>1,795,408</u>
Less non-current financial assets at amortised cost	<u>(609,235)</u>	<u>(125,000)</u>
Current portion	<u><u>2,591,373</u></u>	<u><u>1,670,408</u></u>

The fair values of trade receivables and other financial assets at amortised cost due within one year approximate to their carrying amounts.

# THE MALL OF CYPRUS (MC) PLC

## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JANUARY 2019 TO 30 JUNE 2019

### 11. Cash and cash equivalents

Cash balances are analysed as follows:

	30 June 2019	31 December 2018
	€	€
Bank balances and cash in hand	<u>1.554.564</u>	<u>1.467.308</u>
	<u>1.554.564</u>	<u>1.467.308</u>

Cash and cash equivalents include the following for the purposes of the condensed interim statement of cash flows:

	30 June 2019	31 December 2018
	€	€
Cash and bank balances	1.554.564	1.467.308
Bank overdrafts (Note 13)	<u>(1.083.853)</u>	<u>(1.104.907)</u>
	<u>470.711</u>	<u>362.401</u>

### 12. Share capital

	Number of shares in issue	Share capital €	Total €
At 1 July 2018/31 December 2018 and at 30 June 2019	<u>100.000.000</u>	<u>50.000.000</u>	<u>50.000.000</u>
	<u>100.000.000</u>	<u>50.000.000</u>	<u>50.000.000</u>

The total authorised number of shares is 171.000.000 shares (31 December 2018: 171.000.000 shares) with a nominal value of €0,50 per share.

### 13. Borrowings

	30 June 2019	31 December 2018
	€	€
<b>Current borrowings</b>		
Bank overdrafts (Note 11)	1.083.853	1.104.907
Bank loans	4.081.829	5.131.365
Loans from related party (Note 17.2)	3.722.912	1.862.329
Loan from parent entity (Note 17.2)	<u>2.422.303</u>	<u>2.326.797</u>
	<u>11.310.897</u>	<u>10.425.398</u>
<b>Non-current borrowings</b>		
Bank loans	80.577.285	75.885.641
Loans from ultimate shareholder	<u>3.140.298</u>	<u>3.074.640</u>
	<u>83.717.583</u>	<u>78.960.281</u>
<b>Total</b>	<u>95.028.480</u>	<u>89.385.679</u>



# THE MALL OF CYPRUS (MC) PLC

## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JANUARY 2019 TO 30 JUNE 2019

### 13. Borrowings (continued)

#### (a) Borrowings from parent entity:

	30 June 2019	31 December 2018
	€	€
At beginning of period	2.326.797	10.627.246
Borrowings advanced	43.553	360.447
Borrowings repaid	-	(8.838.288)
Interest charged (Note 6)	51.953	177.392
<b>Balance at 30 June/31 December</b>	<b>2.422.303</b>	<b>2.326.797</b>

#### (b) Borrowings from related party:

	30 June 2019	31 December 2018
	€	€
At beginning of period	1.862.329	1.114.303
Borrowings advanced	1.862.359	1.159.000
Borrowings assigned from related party	-	40.017
Borrowings repaid	(62.560)	(500.000)
Interest charged (Note 6)	60.784	49.009
<b>Balance at 30 June/31 December</b>	<b>3.722.912</b>	<b>1.862.329</b>

On 31 August 2017, the Company had secured borrowings from related party Atterbury Europe B.V. The loan is unsecured, bears interest at the rate of 4,5% and is repayable within 4 years from the date of the initial advance (at 31 August 2017).

#### (c) Bank Borrowings

The Company has three loan facilities with banking institutions amounting to €100.750.000

The first one bears interest at the Business Bank rate plus a margin of 0,95% which was amended on 13 February 2018 to 3 months Euribor plus 3,65% and is repayable on 30 May 2030. The total balance on this facility at 30 June 2019 was €58.411.248.

The second facility represents a loan of €10.000.000 which has been secured in the past and which was increased to €18.000.000 in February 2017 for the purposes of the mall expansion. On 21 September 2017, the loan was re-approved and the loan advances begun along with the start of the mall expansion. The funds would be obtained in tranches once the constructor certificates are issued by the contractor. Up to 30 June 2019, the Company had drawn €17.954.650. The loan bears interest at the business Bank rate plus margin 1,20% which was amended on 13 February 2018 to 3 months Euribor plus 3,90% and is repayable on 30 May 2032. The total balance on this facility at 30 June 2019 was €18.174.276.

On 15 March 2018, the Company secured another facility amounting to €8.750.000 which bears interest at the rate of 3 months Euribor plus 3,75% and is repayable on 12 March 2032. The total balance on this facility at 30 June 2019 was €8.073.590.

The bank loans are secured as follows:

- (i) By 1st mortgage on the Company's land and buildings for €74.000.000 (31 December 2018: €74.000.000).
- (ii) By 2nd mortgage on the Company's land and buildings for €12.000.000 (31 December 2018: €12.000.000).
- (iii) By the assignment of €86.000.000 from the rights of use of space in the Shacolas Emporium Park.

# THE MALL OF CYPRUS (MC) PLC

## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JANUARY 2019 TO 30 JUNE 2019

### 13. Borrowings (continued)

(iv) By corporate guarantees from parent company for the amount of €108,500,000 (31 December 2018: €108,500,000).

(v) By corporate guarantee from The Mall of Engomi (ME) Pic for the amount of €96,500,000 (31 December 2018: €96,500,000).

(vi) By floating charge of €86,000,000 on the assets of The Mall of Cyprus (MC) Plc.

(vii) Atterbury Cyprus Limited guaranteed the loans of the Company for the amount of €10,500,000.

The Company has the following undrawn borrowing facilities with respect to bank loans:

	30 June 2019	31 December 2018
Loan available from bank	45,350	5,804,244

In addition, the Company has secured a bank overdraft facility of up to €2 million as of 30 June 2019 (31 December 2018: €2 million). Bank overdraft balances are presented in Note 11.

### 14. Deferred income tax liabilities

The gross movement on the deferred taxation account is as follows:

	30 June 2019 €	31 December 2018 €
At beginning of period/year	18,402,330	17,253,394
Charge included in profit or loss (Note 7)	43,357	1,148,936
At end of period/year	<u>18,445,687</u>	<u>18,402,330</u>

	Difference between depreciation and wear and tear allowance €	Fair value gains on investment properties €	Total €
Balance at 1 January 2018	5,585,853	11,667,541	17,253,394
Charged/(credited) to: Statement of profit or loss and other comprehensive income (Note 7)	<u>315,912</u>	<u>833,024</u>	<u>1,148,936</u>
<b>Balance at 31 December 2018/ 1 January 2019</b>	<b><u>5,901,765</u></b>	<b><u>12,500,565</u></b>	<b><u>18,402,330</u></b>
Charged/(credited) to: Statement of profit or loss and other comprehensive income (Note 7)	<u>168,357</u>	<u>(125,000)</u>	<u>43,357</u>
<b>Balance at 30 June 2019</b>	<b><u>6,070,122</u></b>	<b><u>12,375,565</u></b>	<b><u>18,445,687</u></b>

# THE MALL OF CYPRUS (MC) PLC

## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JANUARY 2019 TO 30 JUNE 2019

### 15. Trade and other payables

	30 June 2019	31 December 2018
	€	€
Trade payables	762.925	332.264
Retentions	686.054	893.428
Other payables	2.347.198	2.150.923
Operating lease advances	1.753.901	1.706.113
Accruals	598.692	750.609
Cash guarantee	46.500	46.500
Deferred income	627.252	830.844
Payables to related parties (Note 17.1)	-	11.603
	<b>6.822.522</b>	<b>6.722.284</b>
Less non-current payables	<b>(2.322.622)</b>	<b>(2.343.273)</b>
<b>Current portion</b>	<b>4.499.900</b>	<b>4.379.011</b>

The fair values of trade and other payables due within one year approximate to their carrying amounts as presented above.

### 16. Current tax liabilities

	30 June 2019	31 December 2018
	€	€
Corporation tax	<b>376.571</b>	<b>42.615</b>
	<b>376.571</b>	<b>42.615</b>

### 17. Related party transactions

As at the date of issue of these condensed interim financial statements the main shareholder of the Company is Atterbury Cyprus Limited, registered in Cyprus, which owns 99,67% of the Company's share capital.

Atterbury Cyprus Limited is controlled by Atterbury Europe BV, incorporated in the Netherlands which owns 97,5% of the company's shares.

The ultimate controlling party of the Company as at 30 June 2019 was Brightbridge Investments Ltd, registered in Cyprus, through its indirect 87,75% shareholding in Atterbury Cyprus Limited (the "Parent Company"). As of the date of issue of these condensed interim financial statements Brightbridge Investments Limited and RMB Holdings Limited, registered in South Africa, maintain an indirect shareholding of 36,44% each. Business Venture Investments Limited No1360 (Pty) Ltd, also registered in South Africa, indirectly holds 24,29% of the Company's issued share capital.

The following transactions were carried out with related parties:

#### 17.1 Payables to related parties (Note 15)

	30 June 2019	31 December 2018
	€	€
<u>Name</u>		
Brightbridge Investments Limited	-	11.603
	<b>-</b>	<b>11.603</b>

The above balance bears no interest and is repayable on demand.

# THE MALL OF CYPRUS (MC) PLC

## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JANUARY 2019 TO 30 JUNE 2019

### 17. Related party transactions (continued)

#### 17.2 Loans from related parties (Note 13)

	30 June 2019	31 December 2018
Name	€	€
Atterbury Cyprus Limited (i) - immediate parent	2.422.304	2.326.797
The Mall of Engomi (ME) Plc (ii) - fellow subsidiary	3.722.912	1.862.329
	<u>6.145.216</u>	<u>4.189.126</u>

(i) The amount payable to the immediate parent company, Atterbury Cyprus Limited, bears interest at 3 months' Euribor plus 3,65% and a 20% mark-up, i.e 4,38% (31 December 2018: 4,38%). It is unsecured and repayable on demand.

(ii) This amount payable bears interest at 3 months' Euribor plus 3,65%, and a 20% mark-up, i.e 4,38% (31 December 2018: 4,38%). No terms or conditions have been agreed for its repayment and security.

#### 17.3 Purchases of goods and services

	six months ended 30 June 2019	six months ended 30 June 2018
	€	€
Purchase of services	979.392	1.049.667
	<u>979.392</u>	<u>1.049.667</u>

#### 17.4 Guarantees

The following guarantees were provided to the Company by its immediate parent and other related entities as security for its borrowings:

- a) Atterbury Cyprus Limited guaranteed the bank loans of the Company for the amount of €108.500.000.
- b) The Mall of Engomi (ME) Plc guaranteed the bank loans of the Company for the amount of €96.500.000.
- c) Atterbury Cyprus Limited guaranteed the bank loans of the Company for the amount of €10.500.000.

#### 17.5 Contingencies

The Company guarantees loans of Mall of Engomi (ME) Plc for the amount of €23.000.000. No liability or other form of obligations are expected to arise.

### 18. Contingent liabilities

The Company had no contingent liabilities as at 30 June 2019 other than those mentioned in note 17.5.

### 19. Capital commitments

The Company's capital commitments with respect to capital expenditure in respect of the expansion of the Mall of Cyprus, contracted for at the balance sheet date but not yet incurred, was circa €3.000.000 (31 December 2018: €11.700.000).

### 20. Events after the reporting period

During July 2019, the Group to which the Company is a part of, completed a restructuring plan, which has resulted in changes in the composition of the main shareholders, owning significant indirect ownership interests in the Company. The impact of the restructuring is stated in note 17.

Other than the above, there were no material events after the reporting period, which have a bearing on the understanding of the financial statements.

