

**THE MALL OF CYPRUS (MC) PLC**  
**UNAUDITED CONDENSED INTERIM**  
**FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2024**

# THE MALL OF CYPRUS (MC) PLC

## UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

For the six months ended 30 June 2024

CONTENTS	PAGE
Board of Directors and other officers	1
Management Report	2 - 4
Declaration of the members of the Board of Directors and the company officials responsible for the preparation of the financial statements	5
Condensed interim statement of comprehensive income	6
Condensed interim statement of financial position	7
Condensed interim statement of changes in equity	8
Condensed interim statement of cash flows	9
Notes to the financial statements	10 - 28

# THE MALL OF CYPRUS (MC) PLC

---

## BOARD OF DIRECTORS AND OTHER OFFICERS

<b>Board of Directors:</b>	Martin Olivier John George Mavrokordatos Siphamandla Joseph Mbonane (appointed on 4 June 2024) Kypros Hadjistyllis (appointed on 10 September 2024)
<b>Company Secretary:</b>	Montrago Services Limited
<b>Legal Advisers:</b>	Elias Neocleous & Co LLC Ioannides Demetriou LLC A.G. Paphitis & Co LLC
<b>Registered office:</b>	3 Verginas Street The Mall of Cyprus Strovolos 2025, Nicosia Cyprus
<b>Bankers:</b>	Bank of Cyprus Public Company Ltd Eurobank Cyprus Ltd
<b>Registration number:</b>	HE3941

# THE MALL OF CYPRUS (MC) PLC

## MANAGEMENT REPORT

The Board of Directors of The Mall of Cyprus (MC) Plc (the "Company") presents to the members its Management Report and unaudited condensed interim financial statements of the Company for the 6 months ended 30 June 2024

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

The principal activity of the Company, which is unchanged from last year, 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.

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

The Company's revenue for the 6 months ended 30 June 2024 was €9,795,143 compared to €9,613,757 for the corresponding period ended 30 June 2023. The operating profit of the Company for the period ended 30 June 2024 was €7,225,766 (period ended 30 June 2023: €6,301,266).

The net profit for the year after tax amounted to €4,442,866 (30 June 2023: €3,685,582).

At 30 June 2024 the total assets of the Company were €318,223,797 (31 December 2023: €230,884,578) and the net assets of the Company were €115,044,016 (31 December 2023: €119,208,899). The financial position and performance of the Company as presented in these financial statements are considered satisfactory.

### Principal uncertainties

The uncertainties faced by the Company are disclosed in note 27 of the condensed interim financial statements

### Future developments of the Company

The Board of Directors does not expect any significant changes or developments in the operations, financial position and performance of the Company in the foreseeable future.

### Existence of branches

The Company does not maintain any branches.

### Use of financial instruments by the Company

The Company is primarily exposed to interest rate risk, credit risk, liquidity risk and capital risk.

Risk management is carried out by Management and approved by the Board of Directors. Management identifies, evaluates and hedges financial risks in close cooperation with the Company's operating units. The Board provides written principles and / or oral 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.

### 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. Majority of the borrowings as at 30 June 2024 are at variable rates.

As at 30 June 2024, the Company's liabilities which bore variable interest rates amounted to €86,661,698 (2023: €88,713,560). 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, contractual cash flows of debt instruments carried at amortised cost, as well as credit exposures to tenants, including outstanding receivables and committed transactions. Credit risk also arises from intragroup guarantee arrangements that the Company participates in.

Management assesses the credit quality of the lessees, taking into account its financial position, past experience and other factors. Individual credit limits and credit terms are set based on the credit quality of the lessee in accordance with limits set by the Board. The utilisation of credit limits is regularly monitored.

As at 30 June 2024 the Company's credit risk arises from trade and other receivables amounting to €1,204,031 (net, after cumulative expected credit losses of €1,041,379 (2023: €1,380,733, net after cumulative expected credit losses of €763,576) and bank balances amounting to €2,563,386 (2023: €4,881,661)

# THE MALL OF CYPRUS (MC) PLC

---

## MANAGEMENT REPORT

### 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 loans and based on budgeted forecasts. Management believes that it is successful in managing the Company's liquidity risk.

### Capital risk management

The Company's objectives in managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings minus cash and cash equivalents. Total capital is calculated as "equity" as shown in the statement of financial position plus net debt. As at 30 June 2024 the Company's net debt amounted to €86.105.200 (31 December 2023: €83.825.510) and total equity of €115.044.016 (31 December 2023: €119.208.899) leading to a gearing ratio of 42,81%% (31 December 2023: 41,29%).

### Results

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

### Dividends

The Board of Directors does not recommend the payment of a dividend.

### Share capital

Refer to Note 19 for an overview of the changes in the share capital during the period under review.

### Operating Environment of the Company

A level of uncertainty exists from challenges such as inflationary pressures stemming from geopolitical tensions like the Russia-Ukraine conflict, which might impact the stability of the Cyprus economy. Consequently, making reliable predictions about the ultimate outcomes is challenging, and there exists a possibility of variance between Management's present expectations and estimates and the actual results. As discussed in Note 1, the directors are of the view that the Company's going concern status and outlook is not compromised.

### Board of Directors

The members of the Company's Board of Directors as at 30 June 2024 and at the date of this report are presented on page 1. All of them were members of the Board of Directors throughout the 6 months ended 30 June 2024, except as disclosed on page 1.

In accordance with the Company's Articles of Association all Directors presently members of the Board continue in office.

There were no significant changes in the assignment of responsibilities and remuneration of the Board of Directors.

# THE MALL OF CYPRUS (MC) PLC

## MANAGEMENT REPORT

### Main shareholders and related party transactions

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

	30 June 2024 Percentage of shareholding %	27 September 2024 Percentage of shareholding %
<b>Direct shareholder:</b>		
Atterbury Cyprus Limited (Cyprus)	29,87	29,87
Pareto Limited (South Africa)	70,03	70,03
<b>Indirect shareholders (through their indirect holdings in Atterbury Cyprus Limited):</b>		
Pareto Limited (South Africa)	7,47	7,47
Business Venture Investments No 1360 (Pty) Ltd (South Africa)	7,47	7,47
Brightbridge Real Estate Ltd	14,94	14,94

By order of the Board of Directors,

MONTRAGO SERVICES LIMITED

Montrago Services Limited  
Secretary

Nicosia, 27 September 2024

## 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 9 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 the Company official responsible for the financial statements of The Mall of Cyprus (MC) Plc (the "Company") for the 6 months ended 30 June 2024, on the basis of our knowledge, declare that:

(a) The interim financial statements of the Company which are presented on pages 6 to 28:

(i) have been prepared in accordance with the International Accounting Standards (IAS) 34 "Interim Financial Reporting".

(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 it faces.

#### Members of the Board of Directors:

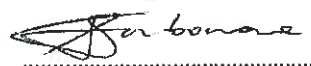
Martin Olivier - Director

  
.....

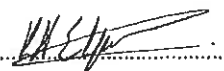
John George Mavrokordatos - Director

  
.....

Siphamandla Joseph Mbonane - Director

  
.....

Kypros Hadjistyllis - Director

  
.....

#### Responsible for drafting the financial statements

Antonia Constantinou (Financial Controller)

  
.....

Nicosia, 27 September 2024

## THE MALL OF CYPRUS (MC) PLC

### CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2024

	Note	Six months ended 30 June 2024 €	Six months ended 30 June 2023 €
<b>Rights for use of space and other revenue</b>	5	<b>9.795.143</b>	9.613.757
Valuation gain on financial assets at fair value through profit or loss	16	<b>67.704</b>	3.154
Other operating income	6	<b>538.448</b>	1.051.855
Fair value losses on investment property	7	<b>43.533</b>	(549.402)
Gain on reversal of impairment of trade and other receivables	15	<b>5.416</b>	290.504
Administration and other operating expenses	8	<b>(3.224.478)</b>	(4.108.602)
<b>Operating profit</b>		<b>7.225.766</b>	6.301.266
Finance income	9	<b>413</b>	79.538
Finance costs	9	<b>(2.663.774)</b>	(2.394.870)
Other gain/(loss) on loan modification	20	<b>(45.693)</b>	3.331
<b>Profit before tax</b>		<b>4.516.712</b>	3.989.265
Tax expense	10	<b>(73.846)</b>	(303.683)
<b>Profit for the period</b>		<b>4.442.866</b>	3.685.582
<b>Other comprehensive income</b>		<b>-</b>	-
<b>Total comprehensive income for the period</b>		<b>4.442.866</b>	3.685.582
<b>Earnings per share attributable to equity holders (cent)</b>	11	<b>2.20</b>	3.69

The notes on pages 10 to 28 form an integral part of these financial statements.




# THE MALL OF CYPRUS (MC) PLC

## CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2024

	Note	30 June 2024 €	31 December 2023 €
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property and equipment	12	278.424	313.311
Investment property	13	223.284.970	223.284.970
Prepayments and other assets	17	29.997	30.000
		<u>223.593.391</u>	<u>223.628.281</u>
<b>Current assets</b>			
Trade and other receivables	15	91.081.977	1.381.012
Financial assets at fair value through profit or loss	16	916.955	849.251
Prepayments and other assets	17	58.912	134.609
Refundable taxes	24	-	3.375
Cash at bank and in hand	18	2.572.562	4.888.050
		<u>94.630.406</u>	<u>7.256.297</u>
<b>TOTAL ASSETS</b>		<u>318.223.797</u>	<u>230.884.578</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	19	3.336.834	50.000.000
Capital Reduction Fund		45.555.417	-
Retained earnings		66.151.765	69.208.899
<b>Total equity</b>		<u>115.044.016</u>	<u>119.208.899</u>
<b>Non-current liabilities</b>			
Borrowings	20	83.339.763	85.416.703
Trade and other payables	23	2.184.126	1.325.259
Deferred tax liabilities	21	17.742.692	18.075.634
		<u>103.266.581</u>	<u>104.817.596</u>
<b>Current liabilities</b>			
Trade and other payables	23	94.083.267	3.462.774
Borrowings	20	5.337.999	3.296.857
Current tax liabilities	24	393.482	-
Provisions for other liabilities and charges		98.452	98.452
		<u>99.913.200</u>	<u>6.858.083</u>
<b>Total liabilities</b>		<u>203.179.781</u>	<u>111.675.679</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>318.223.797</u>	<u>230.884.578</u>

On 27 September 2024 the Board of Directors of The Mall of Cyprus (MC) Plc authorised these financial statements for issue.

  
John George Mavrokordatos  
Director

  
Martin Olivier  
Director

The notes on pages 10 to 28 form an integral part of these financial statements.

## THE MALL OF CYPRUS (MC) PLC

### CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2024

	Note	Share capital €	Share premium €	Capital reduction reserve fund €	Retained earnings €	Total €
<b>Balance at 1 January 2023</b>		<b>50.000.000</b>	-	-	<b>71.264.758</b>	<b>121.264.758</b>
<b>Comprehensive income</b>						
Net profit for the period		-	-	-	3.685.582	3.685.582
<b>Transactions with owners</b>						
Dividends		-	-	-	(4.200.000)	(4.200.000)
<b>Balance at 30 June 2023</b>		<b>50.000.000</b>	-	-	<b>70.750.340</b>	<b>120.750.340</b>
<b>Balance at 1 January 2024</b>		<b>50.000.000</b>	-	-	<b>69.208.899</b>	<b>119.208.899</b>
<b>Comprehensive income</b>						
Net profit for the period		-	-	-	4.442.866	4.442.866
<b>Transactions with owners</b>						
Restructuring of share capital	19	(49.000.000)	-	49.000.000	-	-
Issue of share capital	19	2.336.834	87.516.939	-	-	89.853.773
Dividends		-	-	-	(7.500.000)	(7.500.000)
Reduction of share premium and capital reduction reserve	19	-	(87.516.939)	(2.629.883)	-	(90.146.822)
Transaction costs for raising new equity		-	-	(814.700)	-	(814.700)
<b>Balance at 30 June 2024</b>		<b>3.336.834</b>	-	<b>45.555.417</b>	<b>66.151.765</b>	<b>115.044.016</b>

Companies, which do not distribute 70% of their profits after tax, as defined by the Special Contribution for the Defence of the Republic Law, within two years after the end of the relevant tax year, will be deemed to have distributed this amount as dividend on the 31 of December of the second year. The amount of the deemed dividend distribution is reduced by any actual dividend already distributed by 31 December of the second year for the year the profits relate. The Company pays special defence contribution on behalf of the shareholders over the amount of the deemed dividend distribution at a rate of 17% (applicable since 2014) when the entitled shareholders are natural persons tax residents of Cyprus and have their domicile in Cyprus. In addition, from 2019 (deemed dividend distribution of year 2017 profits), the Company pays on behalf of the shareholders General Healthcare System (GHS) contribution at a rate of 2,65% (2023: 2,65%), when the entitled shareholders are natural persons tax residents of Cyprus, regardless of their domicile.

The notes on pages 10 to 28 form an integral part of these financial statements.

## THE MALL OF CYPRUS (MC) PLC

### CONDENSED INTERIM STATEMENT OF CASH FLOWS

For the six months ended 30 June 2024

		Six months ended 30 June 2024	Six months ended 30 June 2023
	Note	€	€
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before tax		4,516,712	3,989,265
Adjustments for:			
Gain on financial asset at fair value through profit or loss	16	(67,704)	(3,154)
Depreciation of property and equipment	12	39,905	35,719
Fair value (gains)/losses on investment property	13	(43,533)	549,402
Impairment gain on trade and other receivables	15	(5,416)	(290,504)
Fair value loss on modification of loans payable		45,693	(3,331)
Interest income	9	(413)	(79,538)
Interest expense and adjustments on financial liabilities	9	2,663,774	2,394,870
		<u>7,149,018</u>	<u>6,592,729</u>
<b>Changes in working capital:</b>			
Changes in working capital		<u>988,942</u>	<u>1,642,640</u>
<b>Cash generated from operations</b>		<u>8,137,960</u>	<u>8,235,369</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payment for purchase of Property and equipment	12	(5,018)	(13,424)
Payment for purchase of investment property	13	(108,222)	(646,983)
Interest received	9	413	45,761
<b>Net cash used in investing activities</b>		<u>(112,827)</u>	<u>(614,646)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayments of bank borrowings	20	(2,120,280)	(1,938,000)
Interest paid	20	(2,720,341)	(2,369,743)
Dividends paid		(5,499,747)	(4,199,851)
Defence contribution on deemed distribution paid		(253)	(149)
<b>Net cash used in financing activities</b>		<u>(10,340,621)</u>	<u>(8,507,743)</u>
<b>Net decrease in cash and cash equivalents</b>		<u>(2,315,488)</u>	<u>(887,020)</u>
Cash and cash equivalents at beginning of the period		<u>4,888,050</u>	<u>5,837,588</u>
<b>Cash and cash equivalents at end of the period</b>	18	<u>2,572,562</u>	<u>4,950,568</u>

Any significant non-cash transactions are disclosed in the notes to the financial statements.

The notes on pages 10 to 28 form an integral part of these financial statements.

# THE MALL OF CYPRUS (MC) PLC

## NOTES TO THE FINANCIAL STATEMENTS

For the six months ended 30 June 2024

### 1. Incorporation and principal activities

#### General

The Mall of Cyprus (MC) Plc (the "Company") was incorporated in Cyprus on 27 November 1971 as a private limited liability company under the provisions of the Cyprus Companies Law, Cap. 113. Since 6 August 2010 the Company is listed on the (unregulated) Emerging Companies Market of the Cyprus Stock Exchange. Its registered office is at 3 Verginas Street, The Mall of Cyprus, Strovolos, 2025, Nicosia, Cyprus.

#### Unaudited financial statements

The financial statements for the six months ended on 30 June 2024, have not been audited by the external auditors of the Company. The unaudited condensed interim financial statements of the Company for the six months ended on 30 June 2024, should be read in conjunction with the audited financial statements for the year ended 31 December 2023.

#### Operating Environment of the Company and assessment of Going Concern status

##### Economic indicators

A level of uncertainty exists from challenges such as inflationary pressures stemming from geopolitical tensions like the Russia-Ukraine conflict, which might impact the future of the Cyprus economy. Consequently, making reliable predictions about the ultimate outcomes is challenging, and there exists a possibility of variance between Management's present expectations and estimates and the actual results. The directors are of the view that the Company's going concern status and outlook is not compromised.

##### Going concern

Management is of the opinion that the Company's going concern status and outlook is not compromised. Principal factors in support of this conclusion include, but are not limited to:

- In order to assess the actual and potential impact on the Company's financial position, financial performance and cash flows, management has undertaken a continuous process of reassessing its cash flow and profitability forecasts by incorporating downside scenarios and the risks mentioned above (including breach of covenants) and assessed that the Company will be in a position to continue its normal course of business and to meet its obligations as they become due, for a period of at least twelve months from the date of signing these financial statements. The reassessment process will be evaluated as changes to the overall operating and economic environment evolve.
- the implementation of an all-round plan of managing relationships with tenants (involving a concession scheme and special credit granting arrangements)
- containment of operational costs

The potential scenarios which could lead to the Company not being a going concern, along with Management's evaluation, are considered to be:

##### Not having sufficient cash to meet liabilities as they fall due or meet financing obligations.

With respect to this scenario, although the Company has a negative net working capital position management is confident that the future proceeds from license fees will be sufficient to cover the short-term liabilities.

##### A non-remedied breach of the financial covenants within the Company's bank facilities

These covenants are applicable to the Company, its fellow subsidiary the Mall of Engomi (ME) Plc and the parent entity Atterbury Cyprus Limited, and are as follows:

- Debt Service Cover Ratio: no less than or equal to 1.1 times

# THE MALL OF CYPRUS (MC) PLC

## NOTES TO THE FINANCIAL STATEMENTS

For the six months ended 30 June 2024

- Debt to Equity Ratio: shall not exceed 1.4 times
- Loan to Value Ratio: shall not exceed 60%

The Company is currently in full compliance with such covenants and expects to remain so. The Company also expects that there should not be any issue concerning the Company's cross guarantee position in favour of its fellow subsidiary, as the latter's position and performance is expected to be sufficient to avoid any unfavourable developments that may burden the entity. Based on the Company's assessment, the main covenants are the debt service cover ratio and the loan to value ratio requirements. Based on the forecasts by Management, there is significant headroom before being at risk of any such breach.

### Interruption of operations and worsening of the financial position of tenants

Management acknowledges the possibility that tenants, may in future continue to face such risks. This is an issue that is being appropriately managed with continuous monitoring of the tenants' ongoing situation, and by considering options such as special repayment terms and temporary concessions.

In order to assess the actual and potential impact on the Company's financial position, financial performance and cash flows, management has undertaken a continuous process of reassessing its cash flow and profitability forecasts by incorporating downside scenarios and the risks mentioned above (including breach of covenants) and assessed that the Company will be in a position to continue its normal course of business and to meet its obligations as they become due, for a period of at least twelve months from the date of signing these financial statements. The reassessment process will be evaluated as changes to the overall operating and economic environment evolve.

### **2. Adoption of new or revised standards and interpretations**

During the current period the Company adopted all the new and revised International Financial Reporting Standards (IFRSs) that are relevant to its operations and are effective for accounting periods beginning on 1 January 2024. This adoption did not have a material effect on the accounting policies of the Company.

### **3. Material accounting policies**

The material accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented in these financial statements unless otherwise stated.

Management seeks not to reduce the understandability of these financial statements by obscuring material information with immaterial information. Hence, only material accounting policy information is disclosed, where relevant, in the related disclosure notes.

#### **Dividend distribution**

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements in the year in which the dividends are appropriately authorised and are no longer at the discretion of the Company. More specifically, interim dividends are recognised as a liability in the period in which these are authorised by the Board of Directors and in the case of final dividends, these are recognised in the period in which these are approved by the Company's shareholders.

#### **Comparatives**

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year.



# THE MALL OF CYPRUS (MC) PLC

## NOTES TO THE FINANCIAL STATEMENTS

For the six months ended 30 June 2024

### 4. New accounting pronouncements

#### Standards issued but not yet effective

Up to the date of approval of the financial statements, certain new standards, interpretations and amendments to existing standards have been published that are not yet effective for the current reporting period and which the Company has not early adopted. The Board of Directors expect that the adoption of these accounting standards and amendments will have no material effect on financial statements of the Company. They are as follows:

#### (i) Issued by the IASB but not yet adopted by the European Union

##### Amendments to IAS 1 regarding classification of Liabilities as Current or Non Current (Effective for annual reporting periods beginning on or after 1 January 2024)

The amendments in Classification of Liabilities as Current or Non Current (Amendments to IAS 1) affect only the presentation of liabilities in the statement of financial position — not the amount or timing of recognition of any asset, liability income or expenses, or the information that entities disclose about those items.

They clarify that the classification of liabilities as current or non current should be based on rights that are in existence at the end of the reporting period and align the wording in all affected paragraphs to refer to the "right" to defer settlement by at least twelve months and make explicit that only rights in place "at the end of the reporting period" should affect the classification of a liability;

They clarify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability; and

They make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services

The amendments are to be applied retrospectively. Earlier application is permitted.

##### Amendments to IAS 1 regarding Non current Liabilities with Covenants (Effective for annual reporting periods beginning on or after 1 January 2024)

In November 2022, IAS 1 has been amended to specify that only covenants an entity must comply with on or before the reporting period should affect classification of the corresponding liability as current or noncurrent.

An entity is required to disclose information in the notes that enables users of financial statements to understand the risk that non current liabilities with covenants could become repayable within twelve months.

The 2022 amendments deferred the effective date of the amendments to IAS 1 Classification of Liabilities as Current or Non current published in January 2020 by one year to annual reporting periods beginning on or after 1 January 2024.

The amendments are applied retrospectively.

##### Amendments to IFRS 16 Leases: Amendments to clarify how a seller lessee subsequently measures sale and leaseback transactions (Effective for annual reporting periods beginning on or after 1 January 2024)

In November 2022, IAS 1 has been amended to specify that only covenants an entity must comply with on or before the reporting period should affect classification of the corresponding liability as current or noncurrent.

An entity is required to disclose information in the notes that enables users of financial statements to understand the risk that non current liabilities with covenants could become repayable within twelve months.

The 2022 amendments deferred the effective date of the amendments to IAS 1 Classification of Liabilities as Current or Non current published in January 2020 by one year to annual reporting periods beginning on or after 1 January 2024.

The amendments are applied retrospectively.

# THE MALL OF CYPRUS (MC) PLC

## NOTES TO THE FINANCIAL STATEMENTS

For the six months ended 30 June 2024

### 4. New accounting pronouncements (continued)

#### (i) Issued by the IASB but not yet adopted by the European Union (continued)

Amendments to IFRS 16 Leases: Amendments to clarify how a seller lessee subsequently measures sale and leaseback transactions (Effective for annual reporting periods beginning on or after 1 January 2024)

The amendments require a seller lessee to subsequently measure lease liabilities by determining "lease payments" and "revised lease payments" arising from a leaseback in a way that it does not recognise any amount of the gain or loss that relates to the right of use it retains. The new requirements do not prevent a seller lessee from recognising in profit or loss any gain or loss relating to the partial or full termination of a lease.

Without these new requirements, a seller lessee may have recognised a gain on the right of use it retains solely because of a remeasurement of the lease liability (for example, following a lease modification or change in the lease term) applying the general requirements in IFRS 16. This could have been particularly the case in a leaseback that includes variable lease payments that do not depend on an index or rate.

A seller lessee applies the amendments retrospectively in accordance with IAS 8 to sale and leaseback transactions entered into after the date of initial application, which is defined as the beginning of the annual reporting period in which the entity first applied IFRS 16.

Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (Effective for annual reporting periods beginning on or after 1 January 2025)

The amendments within the Lack of Exchangeability (Amendments to IAS 21) revise IAS 21 to:

- Specify when a currency is exchangeable into another currency and when it is not
- Specify how an entity determines the exchange rate to apply when a currency is not exchangeable
- Require the disclosure of additional information when a currency is not exchangeable

Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements (Effective for annual reporting periods beginning on or after 1 January 2024)

The amendments add a disclosure objective to IAS 7 stating that an entity is required to disclose information about its supplier finance arrangements that enables users of financial statements to assess the effects of those arrangements on the entity's liabilities and cash flows. In addition, IFRS 7 was amended to add supplier finance arrangements as an example within the requirements to disclose information about an entity's exposure to concentration of liquidity risk.

The amendments, which contain specific transition reliefs for the first annual reporting period in which an entity applies the amendments, are applicable for annual reporting periods beginning on or after 1 January 2024. Earlier application is permitted.

### 5. Rights for use of space and other revenue

#### Disaggregation of revenue

	Six months ended 30 June 2024	Six months ended 30 June 2023
	€	€
Rights for use of space - minimum licence fees (i)	7,530,654	7,090,482
Rights for use of space - additional licence fees (i)	109,938	102,780
Lease related expenses from discount and incentives granted (iii)	(29,547)	(51,170)
Lease related expenses from discounts granted (iv)	(126,761)	(157,367)
Lease income from land lease (i)	353,718	364,503
<b>Total revenue</b>	<b>7,838,002</b>	<b>7,349,228</b>
Revenue from services charge, utilities and other recoveries	1,957,141	2,264,529
<b>Total revenue from contracts with tenants</b>	<b>9,795,143</b>	<b>9,613,757</b>

# THE MALL OF CYPRUS (MC) PLC

## NOTES TO THE FINANCIAL STATEMENTS

For the six months ended 30 June 2024

### 5. Rights for use of space and other revenue (continued)

#### Rights for use of space and other revenue (continued)

(i) Income from the "Rights of use of space" relates to license/lease agreements that were in effect during 30 June 2024. Income that is derived based on the financial performance of tenants is separately presented under "Additional licence fees" and is determined as a percentage of the tenants' turnover; as stipulated in their license/lease agreements. Income from the leasing of land relates solely to the rental income earned by the Company from IKEA for the year.

(ii) "Lease related income from tenant contributions" refers to the amortised portion of capital expenditure incurred by the Company on behalf of, and billed to certain tenants, in transforming/enhancing the space occupied in the Mall of Cyprus with individualised features and improvements. The capital improvement is released/amortised to profit or loss over the lease terms of the applicable tenants, arriving at reported income (note 13).

(iii) "Relocation incentives" refer to incentives the Company has granted to tenants, as a result of the recent expansion project in the Mall of Cyprus. The incentives are released/amortised to profit or loss over the lease terms of the applicable tenants, arriving at reported revenue (essentially treated as "discounts") (note 17).

(iv) Lease related expenses from "Discounts granted" relate to the discounts given to tenants by the Company. The discounts were given as a result of the global pandemic Covid-19 and the "strict" lockdown period in Cyprus when all malls and retail centres were closed. For the tenants to have qualified for this discount they had to comply with certain set conditions. The discounts are amortised to profit or loss over the remaining lease term of tenants' contracts from the date the discount was given in accordance with IFRS 16 (i.e. treated as a lease modification). The unamortised amount is presented as a lease receivable in the financial statements (note 17) prior to its reclassification to investment property (note 13).

### 6. Other operating income

	Six months ended 30 June 2024 €	Six months ended 30 June 2023 €
Promotional and other income	<u>538.448</u>	<u>1.051.855</u>
	<u>538.448</u>	<u>1.051.855</u>

Other income in 2023 includes the reimbursement of the settlement for Fliptype Holdings Limited's asset management contract for an amount of €752.500 by Atterbury Europe Services B.V.

### 7. Fair value losses on investment property

	Six months ended 30 June 2024 €	Six months ended 30 June 2023 €
Fair value gain/(loss) on investment property (Note 13)	<u>43.533</u>	<u>(549.402)</u>
	<u>43.533</u>	<u>(549.402)</u>



# THE MALL OF CYPRUS (MC) PLC

## NOTES TO THE FINANCIAL STATEMENTS

For the six months ended 30 June 2024

### 8. Administration and other operating expenses

	Six months ended 30 June 2024	Six months ended 30 June 2023
	€	€
Common and parking expenses	19.298	1.425
Licenses and taxes	7.180	54.667
Insurance	89	65
Auditor's remuneration for statutory audit purposes	23.000	22.500
Directors' fees (note 25.1)	1.250	1.250
Other professional fees	627.112	1.359.861
Other expenses	47.236	87.633
Bad debts written off	333.586	31.604
Bank charges	3.729	8.242
Property management, maintenance and utility costs	2.122.093	2.505.636
Depreciation (note 12)	39.905	35.719
	<b>3.224.478</b>	<b>4.108.602</b>

### 9. Finance income

	Six months ended 30 June 2024	Six months ended 30 June 2023
	€	€
<b>Finance income</b>		
Bank interest	-	35.960
Interest on loans from related parties (note 14)	-	43.578
Other interest income	413	-
	<b>413</b>	<b>79.538</b>

### Finance cost

Loan interest and adjustments on financial liabilities (note 20)	(2.568.020)	(2.335.538)
Interest on overdraft	(494)	-
Hedging fees	(18.200)	(18.200)
Group interest	(51.365)	(39.607)
Interest on loan on related parties	(25.474)	-
Other interest	(221)	(1.525)
	<b>(2.663.774)</b>	<b>(2.394.870)</b>

### Net finance costs

	<b>(2.663.361)</b>	<b>(2.315.332)</b>
--	--------------------	--------------------

### 10. Tax

	Six months ended 30 June 2024	Six months ended 30 June 2023
	€	€
Corporation tax - current period	396.857	-
Corporation tax - prior years	1.315	8.764
Defence contribution	8.616	17.369
Deferred tax - (credit) (note 21)	(332.942)	277.550
<b>Charge for the period</b>	<b>73.846</b>	<b>303.683</b>

The corporation tax rate is 12,5%.

# THE MALL OF CYPRUS (MC) PLC

## NOTES TO THE FINANCIAL STATEMENTS

For the six months ended 30 June 2024

### 10. Tax (continued)

Under certain conditions interest income may be subject to defence contribution at the rate of 17%. In such cases this interest will be exempt from corporation tax. In certain cases, dividends received from abroad may be subject to defence contribution at the rate of 17%.

### 11. Profit per share attributable to equity holders of the parent

	Six months ended 30 June 2024	Six months ended 30 June 2023
Profit attributable to shareholders (€)	<u>4,442,866</u>	<u>3,685,582</u>
Weighted average number of ordinary shares in issue during the period	<u>201,994,373</u>	<u>100,000,000</u>
Earnings per share attributable to equity holders (cent)	<u>2.20</u>	<u>3.69</u>

### 12. Property and equipment

	Artworks	Leasehold property improv.	Plant and machinery	Signs	Furniture, fixtures and office equipment	Computer Software	Computer hardware	Total
	€	€	€	€	€	€	€	€
<b>Cost</b>								
Balance at 1 January 2023	140,490	58,500	1,413,953	414,458	658,840	-	155,651	2,841,892
Additions	-	-	9,294	-	9,190	3,336	30,379	52,199
<b>Balance at 31 December 2023/ 1 January 2024</b>	<b>140,490</b>	<b>58,500</b>	<b>1,423,247</b>	<b>414,458</b>	<b>668,030</b>	<b>3,336</b>	<b>186,030</b>	<b>2,894,091</b>
Additions	-	-	-	-	2,000	-	3,018	5,018
<b>Balance at 30 June 2024</b>	<b>140,490</b>	<b>58,500</b>	<b>1,423,247</b>	<b>414,458</b>	<b>670,030</b>	<b>3,336</b>	<b>189,048</b>	<b>2,899,109</b>
<b>Depreciation</b>								
Balance at 1 January 2023	-	58,500	1,297,279	383,270	611,104	-	155,171	2,505,324
Charge for the period	-	-	46,364	11,291	11,952	278	5,571	75,456
<b>Balance at 31 December 2023/ 1 January 2024</b>	<b>-</b>	<b>58,500</b>	<b>1,343,643</b>	<b>394,561</b>	<b>623,056</b>	<b>278</b>	<b>160,742</b>	<b>2,580,780</b>
Charge for the period	-	-	14,251	5,646	14,245	556	5,207	39,905
<b>Balance at 30 June 2024</b>	<b>-</b>	<b>58,500</b>	<b>1,357,894</b>	<b>400,207</b>	<b>637,301</b>	<b>834</b>	<b>165,949</b>	<b>2,620,685</b>
<b>Net book amount</b>								
Balance at 30 June 2024	<u>140,490</u>	<u>-</u>	<u>65,353</u>	<u>14,251</u>	<u>32,729</u>	<u>2,502</u>	<u>23,099</u>	<u>278,424</u>
Balance at 31 December 2023	<u>140,490</u>	<u>-</u>	<u>79,604</u>	<u>19,897</u>	<u>44,974</u>	<u>3,058</u>	<u>25,288</u>	<u>313,311</u>

# THE MALL OF CYPRUS (MC) PLC

## NOTES TO THE FINANCIAL STATEMENTS

For the six months ended 30 June 2024

### 13. Investment property

	30 June 2024	31 December 2023
	€	€
Balance at 1 January	223.284.970	202.632.000
Additions	108.222	2.109.388
Lease incentives and deferred income adjustment net of amortisation	(151.755)	(288.948)
Transfer from assets classified as held for sale	-	16.177.000
Fair value adjustment based on external valuer's assessment (note 7)	43.533	2.655.530
Open market value per external valuation at 31 December	<u>223.284.970</u>	<u>223.284.970</u>
<b>Balance at 30 June/ 31 December</b>	<b><u>223.284.970</u></b>	<b><u>223.284.970</u></b>

The investment properties are valued annually at fair value, comprising open market value based on valuations by an independent, professionally qualified valuer. Interim valuations may be conducted if Management considers necessary, for instance, in the event of pervasive events that may have a significant impact on the most recent annual appraisal exercise. If the information is not available, the Company uses alternative valuation methods such as recent prices or less active markets or discounted cash flow projections. These valuations are typically prepared annually by independent valuers and reviewed and adopted by management. Changes in fair value are recorded in profit or loss and are included in "fair value gains/(losses) on investment property". In arriving at open market value, Management takes into account any significant impact of lease incentives (such as relocation incentives, conditional discounts to tenants qualifying as rent concessions and any deferred income associated with future benefits accruing to the Company in relation to tenant contributions to the value of investment property) in order to avoid double counting in the Company's assets and liabilities. The adjustment as of 30 June 2024 for the aforementioned incentives, was derived from relocation incentives and unamortised discounts granted to tenants both classified under "other assets" (note 17) as well as from deferred income.

The Company's investment property is measured at fair value. The Company holds one class of investment property being the Shacolas Emporium Park which includes a shopping mall and an IKEA store. During 2023, the Company decided not to proceed with the sale of Annex 3 and Annex 4, therefore they were transferred back from assets held for sale to investment property.

#### Valuation processes of the Company

The Company's investment properties were most recently valued by management as at 31 December 2023. The investment property portfolio is typically appraised on an annual basis.

Management exercises judgment in evaluating the valuation uncertainty caused by high levels of inflation and high borrowing costs as well as external risks of the Russian-Ukraine conflict, climate change and the political instability in the Eastern Mediterranean which impacted the scope of the independent valuer's work. The latter's valuation was reported as being subject to 'material valuation uncertainty' as set out in VPGA 10 of the RICS Valuation – Global Standards. This does not equate to lesser or no reliability of the valuation which Management uses for the determination of fair value for financial reporting purposes, but rather provides further insight as to the market context under which the valuation was prepared.

As part of the process for year-end financial reporting purposes, Management took into account the external valuation prepared as at 31 December 2023 by independent professionally qualified valuers Landtourist Valuations LLC, who possess a recognised relevant professional qualification and have recent experience in the locations and segments of the investment properties valued. For all investment properties, their current use equates to the highest and best use. The Company's finance department reviews the valuation performed by the independent valuers for financial reporting purposes. Discussions of valuation processes and results are held between the CFO, Management, and the independent valuers at least once every year. At each financial year end the finance department:

- verifies all major inputs to the independent valuation report
- assesses property valuation movements when compared to the prior year valuation report; and
- holds discussions with the independent valuer.

# THE MALL OF CYPRUS (MC) PLC

## NOTES TO THE FINANCIAL STATEMENTS

For the six months ended 30 June 2024

### 13. Investment property (continued)

Bank borrowings are secured on Company's investment property.

#### *Fair value hierarchy*

The following table analyses investment property carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The fair value measurement for all of the investment properties has been categorised as a Level 3 fair value measurement, based on the inputs to the valuation technique used at 31 December 2023.

#### *Valuation technique and significant unobservable inputs*

The following table shows the valuation technique used in measuring the fair value of investment property, as well as the significant unobservable inputs used.

Year end 31 December 2023:

<u>Property</u>	<u>Valuation</u>	<u>Valuation</u>	<u>Discount rate</u>	<u>Terminal</u>	<u>Revenue in</u>	<u>Revenue growth</u>
	<u>€</u>	<u>technique</u>	<u>%</u>	<u>capitalisation</u>	<u>year 1</u>	<u>%</u>
				<u>rate</u>	<u>€</u>	<u>€</u>
				<u>%</u>		
Cyprus	223.284.970	Income approach - Discounted cash flows	6,00 - 9,75	4,00 - 7,75	16.434.066	2,00 - 3,00

#### **Valuation techniques underlying management's estimation of fair value**

The valuation was determined using discounted cash flow projections based on significant unobservable inputs. These inputs include:

Future rental cash inflows	Based on the actual location, type and quality of the properties and supported by the terms of any existing lease, other contracts or external evidence such as current market rents for similar properties;
Discount rates	Reflecting current market assessments of the uncertainty in the amount and timing of cash flows;
Estimated vacancy rates	Based on current and expected future market conditions after expiry of any current lease;
Capitalisation rate	Based on actual location, size and quality of the properties and taking into account market data at the valuation date.

## THE MALL OF CYPRUS (MC) PLC

### NOTES TO THE FINANCIAL STATEMENTS

For the six months ended 30 June 2024

#### 14. Loans receivable

	30 June 2024	31 December 2023
	€	€
Balance at 1 January	-	1,240,377
Interest charged	-	70,370
Set off against borrowings	-	(1,310,747)
<b>Balance at 30 June</b>	<b>-</b>	<b>-</b>

#### 15. Trade and other receivables

	30 June 2024	31 December 2023
	€	€
Trade receivables - gross	1,844,859	1,529,633
Other receivables - gross	400,551	614,676
Less: provision for impairment of receivables	(1,041,379)	(763,576)
<b>Trade receivables - net</b>	<b>1,204,031</b>	<b>1,380,733</b>
Receivables from related parties (Note 25.3)	89,877,946	279
<b></b>	<b>91,081,977</b>	<b>1,381,012</b>

Movement in provision for impairment of receivables:

	30 June 2024	31 December 2023
	€	€
Balance at 1 January	763,576	1,027,397
Net impairment losses recognised on receivables	333,586	62,441
Trade receivables in provision written off	(50,367)	-
Recovery of trade receivables previously included in provision	(5,416)	-
Set offs against gross trade receivables	-	(326,262)
<b>Balance at 30 June/ 31 December</b>	<b>1,041,379</b>	<b>763,576</b>

#### 16. Financial assets at fair value through profit or loss

	30 June 2024	31 December 2023
	€	€
Balance at 1 January	849,251	1,875,221
Change in fair value	67,704	(1,025,970)
<b>Balance at 30 June/ 31 December</b>	<b>916,955</b>	<b>849,251</b>

On 15 December 2022, an agreement was signed between the bank and the Company in order to cap the 3m Euribor to 2,5% for a period of three years up to 15 December 2025. Total cost of the financial asset was €1,455,000. The financial asset was remeasured at fair value as at 30 June 2024 at €916,955 (31 December 2023: €849,251), recognising a fair value gain in the profit or loss for the six months €67,704 (31 December 2023: €1,025,970 loss).

# THE MALL OF CYPRUS (MC) PLC

## NOTES TO THE FINANCIAL STATEMENTS

For the six months ended 30 June 2024

### 17. Prepayments and other assets

	30 June 2024	31 December 2023
	€	€
Prepayments	88.910	164.609
Other assets - relocation incentives granted to tenants (amount prior to transfer to "investment property")	164.669	194.216
Other assets - unamortised discounts granted to tenants (amount prior to transfer to "investment property")	281.804	408.564
Less: reclassification of incentives and discounts to tenants to investment property (note 13)	(446.474)	(602.780)
<b>Balance at 30 June/ 31 December</b>	<b>88.909</b>	<b>164.609</b>
Less non-current portion of prepayments	(29.997)	(30.000)
<b>Current portion</b>	<b>58.912</b>	<b>134.609</b>

### 18. Cash at bank and in hand

Cash balances are analysed as follows:

	30 June 2024	31 December 2023
	€	€
Cash in hand	9.176	6.389
Current accounts	397.996	1.206.818
Notice accounts	2.165.390	3.674.843
	<b>2.572.562</b>	<b>4.888.050</b>

\* Notice accounts relate to guarantee current accounts designated for loan repayments and are not restricted in use.

Management considers the deposits to fully meet the definitions of "cash equivalents", based on the agreed terms with Bank of Cyprus. Bank of Cyprus is the sole credit institution with which cash is held by the Company (credit rating: Ba3 - Moody's). Interest on short term bank deposits accrues at the annual rate between 0% and 6,81%.

### 19. Share capital and share premium

	2024 Number of shares	2024 €	2023 Number of shares	2023 €
<b>Authorised</b>				
Ordinary shares of €0,01/€0,50 each	371.000.000	37.100.000	171.000.000	85.500.000
<b>Issued and fully paid</b>				
	Number of shares	Share capital €	Share premium €	Capital reduction reserve fund €
Balance at 1 January 2023	100.000.000	50.000.000	-	-
Balance at 31 December 2023/ 1 January 2024	100.000.000	50.000.000	-	-
Restructuring of share capital	-	(49.000.000)	-	49.000.000
Issue of share capital	233.683.310	2.336.834	87.516.939	-
Reduction of share premium and capital reduction reserve	-	-	(87.516.939)	(2.629.883)
<b>Balance at 30 June 2024</b>	<b>333.683.310</b>	<b>3.336.834</b>	<b>-</b>	<b>46.370.117</b>
				<b>49.706.951</b>



# THE MALL OF CYPRUS (MC) PLC

## NOTES TO THE FINANCIAL STATEMENTS

For the six months ended 30 June 2024

### 19. Share capital and share premium (continued)

On 9 January 2024, the Company proceeded with a restructuring of its share capital by reducing the nominal value of the ordinary shares from €0,50 per share to €0,01 per share. As a result, the authorised share capital was amended to €3.710.000 divided into 371.000.000 ordinary shares of €0,01 each, while the issued share capital was amended to €1.000.000 divided into 100.000.000 ordinary shares of €0,01 each, with the corresponding transfer to capital reduction reserve fund.

On 12 April 2024, the Board of Directors resolved to convene an extraordinary general meeting to approve the issue and allot via private placement 233.683.310 ordinary shares of nominal value €0,01 each, out of the unissued authorised share capital of the Company to Pareto Limited for a total consideration of €89.853.773 that will constitute c. 70,03% of the issued share capital of the Company post issuance. Pareto Limited will discharge its obligations to settle the total Issue Price through an in-kind contribution. After the court approval on 20 June 2024 the share premium and capital reduction reserve was reduced by an amount of €87.516.939 in respect of share premium and €2.629.883 in respect of the capital reduction reserve fund (€90.146.822 in total). The capital reduction will be implemented by a pro-rata return of capital in the amount of €90.146.822 to the existing shareholders of the Company, which can at the election of the board, be settled either in cash or in-kind on 22 August 2024 and in this regard the board has resolved that Atterbury Cyprus Limited will be settled in-kind and the general public in cash.

### 20. Borrowings

	30 June 2024	31 December 2023
	€	€
Balance at 1 January	88.713.560	86.501.495
Additions	2.000.000	8.200.000
Repayments	(4.715.909)	(9.620.270)
Interest expense	2.593.494	4.774.138
Amortisation of arrangement fees	86.617	168.944
Set off against receivables	-	(1.310.747)
<b>Balance at 30 June</b>	<b>88.677.762</b>	<b>88.713.560</b>

	30 June 2024	31 December 2023
	€	€
<b>Current borrowings</b>		
Bank loans	3.099.376	3.083.708
Loan from related party (note 25.5)	2.238.623	213.149
	<b>5.337.999</b>	<b>3.296.857</b>
<b>Non-current borrowings</b>		
Bank loans	83.339.763	85.416.703
<b>Total</b>	<b>88.677.762</b>	<b>88.713.560</b>

#### (a) Bank loans

The loan agreement, most recently renewed on 15 November 2023, comprises four distinct borrowing facilities as shown in the table below:

Facility	Commitment	Interest rate per initial agreement	Interest rate per amendment agreement	Maturity
Facility A	€20.000.000	3m Euribor + 4,00%	3m Euribor + 3,10%	15/06/2027
Facility B	€90.000.000	3m Euribor + 3,71%	3m Euribor + 3,10%	16/10/2033
Facility C	€22.000.000	3m Euribor + 3,65%	3m Euribor + 3,10%	15/05/2031
Facility D	€7.500.000	3m Euribor + 3,65%	3m Euribor + 3,10%	15/05/2031
MOE Redevelopment	€13.000.000	3m Euribor + 3,10%	3m Euribor + 3,10%	15/09/2035
Ancillary Facility	€3.000.000	3m Euribor + 4,20%	3m Euribor + 4,20%	N/A

# THE MALL OF CYPRUS (MC) PLC

## NOTES TO THE FINANCIAL STATEMENTS

For the six months ended 30 June 2024

### 20. Borrowings (continued)

The ancillary facility represents the aggregated amount of overdrafts of the Company and its fellow subsidiary, amounting to €2,000,000 and €1,000,000 respectively.

On 10 October 2019, the Bank of Cyprus Public Company Limited syndicated a portion of Facility B (a principal amount of €27,000,000) to Eurobank Cyprus Ltd, as permitted by the agreement, on the same terms and conditions as set out in the facility agreement.

On 9 February 2022, the Company signed an addendum agreement which increased the interest of facilities A and B from 3m Euribor + 3,40% to 3m Euribor + 3,50% while decreasing the monthly instalments, leading to a lump sum at maturity.

On 7 December 2022, the Company signed a restatement of the loan facility agreement decreasing the margin from 3,50% to 3,10% effective for a period of three years, until 15 December 2025 when the margin will return to 3,50%. As a result, a modification loss was recognised at the date of the modification, amounting to €847,116.

On 15 December 2022, an agreement was also signed between the bank and the Company in order to cap the 3m Euribor to 2,50% for a period of three years up to 15 December 2025 (note 21) for Facility B.

On 15 November 2023, the Company's loan agreement was restructured whereby €7,500,000 of Mall of Engomi's loan was reduced with a corresponding increase in the loan due by the Company. As a result, a new bank loan, Facility D, with terms substantially similar to its existing bank loans, was obtained by the Company.

The bank has imposed the following covenants, in respect of the Group (defined as the Company, its parent and fellow subsidiary) on the agreement:

- Debt Service Cover Ratio: no less than or equal to 1.1 times
- Debt to Equity Ratio: shall not exceed 1.4 times
- Loan to Value Ratio: shall not exceed 60%

The bank loans (Facilities A, B, C and D) are secured as follows:

- a) Atterbury Cyprus Limited guaranteed the loans of the Company up to an amount of €134,400,000.
- b) The Mall of Engomi (ME) Plc guaranteed the loans of the Company up to an amount of €134,400,000.
- c) By floating charge of €86,000,000 on the assets of the Mall of Cyprus (MC) Plc.
- d) By the assignment of €86,000,000 from the rights of use of space in the Shacolas Emporium Park.
- e) Mortgage of freehold property of €103,000,000 (2023: €103,000,000).

Securities are limited to the outstanding book balance of bank borrowings as at 30 June 2024 of €88,677,762 (31 December 2023: €88,713,560).

#### **b) Loans due to related party**

The outstanding loan consists of a loan amounting to €2,000,000 which bore interest at 5,5% per annum. The remaining balance bore interest at the 3-month Euribor plus 4,20% and was repaid in July 2024.

#### **c) Loans due to ultimate parent**

The outstanding amount is interest free.



## THE MALL OF CYPRUS (MC) PLC

### NOTES TO THE FINANCIAL STATEMENTS

For the six months ended 30 June 2024

#### 20. Borrowings (continued)

Maturity of non-current borrowings:

	30 June 2024	31 December 2023
	€	€
Between one to two years	1.789.495	3.033.720
Between two and five years	13.173.791	13.172.818
After five years	68.376.477	69.210.165
	<b>83.339.763</b>	<b>85.416.703</b>

The weighted average effective interest rates at the reporting date were as follows:

	30 June 2024	31 December 2023
	%	%
Bank loans	5,84%	5,65

The carrying amount of borrowings approximate their fair value.

#### 21. Deferred tax

Deferred tax is calculated in full on all temporary differences under the liability method using the applicable tax rates (Note 10). The applicable corporation tax rate in the case of tax losses is 12,5%.

##### Deferred tax liability

	30 June 2024	31 December 2023
	€	€
Balance at 1 January	18.075.634	17.644.342
Fair value losses on investment property	(696.103)	2.879
Difference between depreciation and wear & tear allowances	379.006	467.755
Accelerated tax benefit - discounts granted to tenants	(15.845)	(39.342)
<b>Balance at 30 June</b>	<b>17.742.692</b>	<b>18.075.634</b>

Deferred taxation liability arises as follows:

	30 June 2024	31 December 2023
	€	€
Accelerated tax depreciation - discounts granted to tenants	35.226	51.071
Fair value gains on investment property	9.472.612	10.168.715
Difference between depreciation and wear & tear allowances	8.234.854	7.855.848
	<b>17.742.692</b>	<b>18.075.634</b>

# THE MALL OF CYPRUS (MC) PLC

## NOTES TO THE FINANCIAL STATEMENTS

For the six months ended 30 June 2024

### 21. Deferred tax (continued)

The Company recognises deferred tax attributed to the following:

- Differences between wear & tear allowances and depreciation: The Company recognises deferred tax liabilities at each reporting period end between the assessed disposal value of eligible assets used in the business (property and equipment and buildings under investment property) and their tax written down values, taking into account the result of balancing additions that would arise for income tax purposes. The applicable rate is 12.50%.
- Differences on revaluation of investment property: Land and Buildings classified as investment property, upon disposal would be taxed under the capital gains regime, at the rate of 20%.
- Differences due to discounts to tenants: Deferred tax liability arises based on the full claim during prior years of the corporation tax effect for the entire discounts granted to tenants. The amortisation of the capitalised amounts with respect to such discounts will be over the remaining duration of each corresponding lease agreement (note 17), will be ignored in arriving at future taxable profits, as such a timing difference arises.

### 22. Provisions for other liabilities and charges

	Financial guarantee contracts €
Balance at 1 January 2023	168,943
Charged/(credited) to profit or loss	(70,491)
<b>Balance at 30 June 2023/ 1 January 2024</b>	<b>98,452</b>
<b>Balance at 30 June 2024</b>	<b>98,452</b>

#### *Provision on financial guarantee contracts:*

This relates to the Company's estimated provisions in respect of the financial guarantees provided for bank loans of its parent and fellow subsidiary. The above estimate is the 12-month ECL, taking into account the probability of default of the guaranteed parties, the exposure at default and the loss given default. The Company acts as joint guarantor for bank loans of its parent and fellow subsidiary, with the amount of the guarantees at €38,800,000 (note 27). Guarantees are limited to the outstanding book amount of the loan balances of The Mall of Engomi (ME) plc of €19,770,034 (2023: €20,193,815).

## THE MALL OF CYPRUS (MC) PLC

### NOTES TO THE FINANCIAL STATEMENTS

For the six months ended 30 June 2024

#### 23. Trade and other payables

	30 June 2024	31 December 2023
	€	€
Trade payables	1.740.626	1.338.357
Retentions for construction work on investment property	36.406	36.031
Cash guarantee	198.018	198.018
VAT and other payables	1.344.713	1.171.580
Unbilled service charges and additional licence fees to tenants	-	22.093
Deposits by tenants	1.986.107	1.943.553
Payables to related parties (note 25.4)	90.961.523	78.401
	<b>96.267.393</b>	<b>4.788.033</b>
Less non-current payables	<b>(2.184.126)</b>	<b>(1.325.259)</b>
<b>Current portion</b>	<b>94.083.267</b>	<b>3.462.774</b>

"Deposits by tenants" relate to security deposits made by tenants upon the inception of their license/lease agreements. These security deposits will be refunded by the Company to the tenants upon the termination of their lease terms, if all set requirements are met. The Company accounts for these security deposits as a financial liability at amortised cost. Where some license/lease agreements do not stipulate any interest accruing to the tenants' security deposits, the Company applies a market related effective interest rate to account for the finance income and expense element, if evaluated as significant.

"Retentions for construction works on investment property" concern amounts payable to the primary suppliers of construction services for the capital expenditure projects of the Mall of Cyprus, which are temporarily withheld on the basis of a predetermined period after conclusion of the works.

The fair values of trade and other payables (excluding accruals and deferred income) due within one year approximate to their carrying amounts as presented above.

#### 24. Current tax liabilities/(current tax assets)

	30 June 2024	31 December 2023
	€	€
Corporation tax (refundable)	393.482	(3.375)
	<b>393.482</b>	<b>(3.375)</b>

#### 25. Main shareholders and related party transactions

In accordance with IAS 24 "Related Party Disclosures", parties are considered to be related if one party has the ability to control the other party, is under common control, or exercise significant influence over the other party in making financial and operational decisions. Related Parties also include members of the Board and key members of the management. In considering each possible related party relationship, attention is directed to the substance of the relationship, not merely the legal form. Related parties may enter into transactions which unrelated parties might not, and transactions between related parties may not be effected on the same terms, conditions and amounts as transactions between unrelated parties.

The Company is controlled by Pareto Limited, incorporated in South Africa, which effectively owns 77,5% of the Company's shares at the reporting date and at the date of approval of these financial statements.

# THE MALL OF CYPRUS (MC) PLC

## NOTES TO THE FINANCIAL STATEMENTS

For the six months ended 30 June 2024

### 25. Main shareholders and related party transactions (continued)

The following transactions were carried out with related parties:

#### 25.1 Directors' remuneration

The remuneration of Directors was as follows:

	Six months ended 30 June 2024	Six months ended 30 June 2023
	€	€
Directors' fees (Note 8)	1.250	1.250
	<u>1.250</u>	<u>1.250</u>

#### 25.2 Purchases of services

	Six months ended 30 June 2024	Six months ended 30 June 2023
	€	€
<u>Name</u>		
Atterbury Europe Services B.V.	558.212	508.431
<u>Nature of transactions</u>		
Management fee charges	558.212	508.431
	<u>558.212</u>	<u>508.431</u>

Management fees, commissions, and corporate service charges are recognised in "Administration and other operating expenses". An agreed portion of these fees is rechargeable to tenants as an agreed property management fee and classified under "service charges, common use expenses and property management fees".

#### 25.3 Receivables from related parties (Note 15)

	30 June 2024	31 December 2023
	€	€
<u>Name</u>		
The Mall of Engomi (ME) Plc	24.174	-
The Mall of Limassol (ML) Ltd	-	279
Atterbury Europe Holding B.V.	89.853.772	-
	<u>89.877.946</u>	<u>279</u>

The above is unsecured, does not bear any interest and has no specified repayment date.

#### 25.4 Payables to related parties (Note 23)

	30 June 2024	31 December 2023
	€	€
<u>Name</u>		
Atterbury Cyprus Limited	90.961.523	-
The Mall of Engomi (ME) Plc - fellow subsidiary	-	36.243
Atterbury Europe Service B.V. - related party	-	42.158
	<u>90.961.523</u>	<u>78.401</u>

The current account balances with related parties do not bear any interest and have no specified repayment terms.

# THE MALL OF CYPRUS (MC) PLC

## NOTES TO THE FINANCIAL STATEMENTS

For the six months ended 30 June 2024

### 25. Main shareholders and related party transactions (continued)

#### 25.5 Loans from related party (Note 20)

	30 June 2024	31 December 2023
Name	€	€
Atterbury Cyprus Limited - shareholder	2.238.623	213.149
	<u>2.238.623</u>	<u>213.149</u>

The loans from related parties were provided interest free, and there were no specified repayment dates.

### 26. Guarantees

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

- a) Atterbury Cyprus Limited guaranteed the loans of the Company up to an amount of €145.290.000.
- b) The Mall of Engomi (ME) Plc guaranteed the loans of the Company up to an amount of €145.290.000

### 27. Contingent liabilities

The Company acts as a guarantor to the bank loan of fellow subsidiary The Mall of Engomi (ME) Plc up to an amount of €23.200.000 and €15.600.000, but limited to the outstanding debt at the time. It is not expected that any loss will result from such guarantees provided by the Company, since the property of the borrower is also pledged as security.

### 28. Commitments

#### License fee / operating lease commitments where the Company is the lessor

##### License fee

The Company's license fee/operating lease income is derived from income from rights for use of space.

##### Rental income on land assets

The Company entered into an agreement to lease out part of the land owned by it. The lessee constructed on this land a retail outlet (IKEA). The lease term signed is for a period of 14 years and 10 months. At the end of the lease period the lessee has the right to extend the lease term for another 14 years and 10 months and at the end of the first extension the lessee has the right for a second extension of 14 years and 10 months.

Operating leases, in which the Company is the lessor, relate to investment property owned by the Company with varying duration lease terms. Where applicable, operating lease contracts contain market review clauses in the event that the lessee is given an option to renew. Lessees do not have an option to purchase the property at the expiry of the lease period.

The Company is exposed to changes in the residual value of investment property at the end of current lease agreements. The residual value risk born by the Company is mitigated by active management of its property with the objective of optimising and improving tenant mix in order to:

- achieve the longest weighted average lease term possible;
- minimise vacancy rates across all properties; and
- minimise the turnover of tenants of high credit rating and business prospects.

# THE MALL OF CYPRUS (MC) PLC

---

## NOTES TO THE FINANCIAL STATEMENTS

For the six months ended 30 June 2024

### 28. Commitments (continued)

The Company also grants lease incentives to encourage key tenants to remain in the mall for longer lease terms. In the case of anchor tenants, this also attracts other tenants to the property thereby contributing to overall occupancy levels. Lease agreements generally include a clause requiring the tenant to reinstate the leased space to its original state when the lease expires the tenant decides not to renew the lease agreement. This contributes to the maintenance of the property and allows for the space to be re let on a timely basis once a tenant has departed.

In addition, the Company has a regular capital expenditure plan thoroughly considered by the Asset Management function of the Atterbury Group, to keep properties in line with market standards and trends.

### 29. Events after the reporting period

The requisite approval to reduce the Company's share premium and capital reduction reserve fund accounts by a pro-rata return of capital in the amount of €90,146,822 to the shareholders that were listed in the register of members on 29 April 2024 were obtained from the District Court of Nicosia and Registrar of Companies. The board resolved that Atterbury Cyprus Limited will be settled in-kind and the general public in cash on 22 August 2024.

There were no other material events after the reporting period, which have a bearing on the understanding of the financial statements.