

GILLIERU INVESTMENTS P.L.C.

*Unaudited Condensed Interim Financial Statements
for the period ended
30 June 2020*

Company Registration Number C 86682

GILLIERU INVESTMENTS P.L.C.
Condensed Interim Financial Statements (unaudited)
For the period 1 January 2020 to 30 June 2020

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The Half-Yearly Report is being published in terms of Chapter 4 of the Prospectus Rules issued by the Malta Stock Exchange and the Prevention of Financial Markets Abuse act, 2005. The Half-Yearly Report comprises the unaudited interim financial statements for the six months ended on 30 June 2020 prepared in accordance with IAS 34, 'Interim Financial Reporting.' The comparative statement of financial position has been extracted from the audited financial statement for the year ended 31 December 2019.

Principal Activities

The Company's principal activity is to carry on the business of a finance and holding company.

Performance Review

During the period under review, the Company generated finance income amounting to €123,725 (2019: €247,450) from loan advanced to the subsidiary company. Interest expense on bonds amounted to €118,750 (2019: €237,500). The Company's profit before taxation amounted to €5,926 (2019: €225).

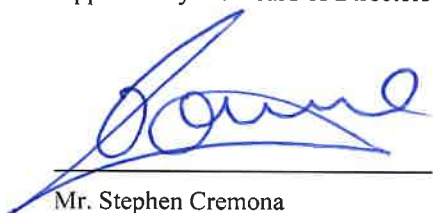
Dividends and Reserves

The accumulated losses of the Company at the end of the period amounted to €20,574 (2019: €26,500). The directors do not recommend the distribution of a dividend and propose to transfer the profit for the period to reserves.

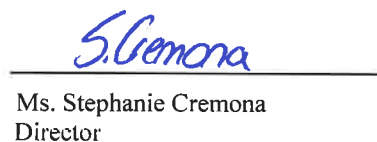
Going concern assessment

The Directors consider that in the prevailing circumstances the period under review was satisfactory. Following the outbreak of the Covid-19 pandemic, the Directors have continued to actively monitor the operations of the Gillieru Group in order to safeguard the interest of the Company and the Group, as necessary. The Company continues to operate in uncertain and unprecedented circumstances brought about by the pandemic, the impact of which cannot be accurately defined but is being closely controlled.

Approved by the Board of Directors on 26 August 2020 and signed on its behalf by:



Mr. Stephen Cremona
Director



Ms. Stephanie Cremona
Director


Registered Address:

The Gillieru Harbour Hotel
Church Street,
St. Paul's Bay
Malta

We confirm that, to the best of our knowledge, the condensed Interim Financial Statements, which have been prepared in accordance with IAS 34 'Interim Financial Reporting', give a true and fair view of the assets, liabilities, financial position and profit of Gillieru Investments p.l.c. as at 30 June 2020 and the interim directors' report comprises a fair view of the information required in terms of Prospects' MTF Rule 4.11.12.



Mr. Stephen Cremona
Director




Ms. Stephanie Cremona
Director

	Notes	Six months to 30 June 2020 (unaudited) €	Six months to 30 June 2019 (unaudited) €
Finance income	2	123,725	0
Finance costs	3	<u>(123,675)</u>	<u>(123,675)</u>
Net interest income		50	(123,675)
Administrative expenses		(16,624)	(11,046)
Other income	4	<u>22,500</u>	<u>-</u>
Profit / (loss) before Income Tax		5,926	(134,721)
Income tax		<u>-</u>	<u>-</u>
PROFIT / (LOSS) FOR THE YEAR		<u><u>5,926</u></u>	<u><u>(134,721)</u></u>
TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE YEAR		<u><u>5,926</u></u>	<u><u>(134,721)</u></u>

	Notes	30 June 2020 (unaudited) €	31 Dec 2019 (audited) €
ASSET			
Non-Current Assets			
Investment in subsidiary	5	2,860,104	2,860,104
Loans receivable	6	<u>4,910,100</u>	<u>4,910,100</u>
		<u>7,770,204</u>	<u>7,770,204</u>
Current Assets			
Loans receivable	6	371,175	247,450
Trade and other receivables	7	100,092	81,779
Cash and cash equivalents		<u>30,325</u>	<u>68,417</u>
		<u>501,592</u>	<u>397,646</u>
Total Assets		<u><u>8,271,796</u></u>	<u><u>8,167,850</u></u>
EQUITY AND LIABILITIES			
Capital and Reserves			
Called up issued share capital	8	200,000	200,000
Other equity	9	2,972,820	2,972,820
Accumulated losses	10	<u>(20,574)</u>	<u>(26,500)</u>
		<u>3,152,246</u>	<u>3,146,320</u>
Non-Current Liabilities			
Borrowings	11	<u>4,917,105</u>	<u>4,912,180</u>
Current Liabilities			
Trade and other payables	12	202,325	109,230
Taxation payable		<u>120</u>	<u>120</u>
		<u>202,445</u>	<u>109,350</u>
Total Equity and Liabilities		<u><u>8,271,796</u></u>	<u><u>8,167,850</u></u>

The condensed interim financial statements on pages 4 to 10 were approved by the Board of Directors on 27 August 2020 and were signed on its behalf


 Mr. Stephen Cremona
 Director


 Ms. Stephanie Cremona
 Director

	Share Capital	Other Equity	Accumulated Losses	Total
	€	€	€	€
At 1 January 2019	<u>47,000</u>	<u>2,851,750</u>	<u>(26,725)</u>	<u>2,872,025</u>
Issue of share capital	<u>153,000</u>	<u>-</u>	<u>-</u>	<u>153,000</u>
Profit for the period	<u>-</u>	<u>-</u>	<u>(134,721)</u>	<u>(134,721)</u>
Total comprehensive loss for the period	<u>-</u>	<u>-</u>	<u>(134,721)</u>	<u>(134,721)</u>
Balance at 30 June 2019 (unaudited)	<u>200,000</u>	<u>2,851,750</u>	<u>(161,446)</u>	<u>2,890,304</u>
At 1 January 2020	<u>200,000</u>	<u>2,972,840</u>	<u>(26,500)</u>	<u>3,146,340</u>
Profit for the period	<u>-</u>	<u>-</u>	<u>5,926</u>	<u>5,926</u>
Total comprehensive income for the year	<u>-</u>	<u>-</u>	<u>5,926</u>	<u>5,926</u>
Balance at 30 June 2020 (unaudited)	<u>200,000</u>	<u>2,972,840</u>	<u>(20,574)</u>	<u>3,152,266</u>

	Six months to 30 June 2020 (unaudited) €	Five months to 30 June 2019 (audited) €
	Note	
Operating Activities		
Profit / (loss) for the period before taxation	5,926	(134,721)
<i>Adjustment for:</i>		
Amortisation of bond issue costs	4,925	4,925
Finance costs	118,750	118,750
Finance income	<u>(123,725)</u>	<u>-</u>
	5,876	(11,046)
<i>Working capital changes:</i>		
Movement in trade and other payables	(32,783)	(127,164)
Movement in trade and other receivables	<u>(18,313)</u>	<u>-</u>
Net cash used in Operating Activities	<u>(45,220)</u>	<u>(138,210)</u>
Investing Activities		
Issue of share capital	<u>-</u>	<u>153,000</u>
Net cash generated from Investing Activities	<u>-</u>	<u>153,000</u>
Financing Activities		
Advances from sub-subsidiary company	7,128	-
Net advances to ultimate shareholder	<u>-</u>	<u>(345,680)</u>
Net Cash generated from / (used in) inancing Activities	<u>7,128</u>	<u>(345,680)</u>
Movement in Cash and Cash Equivalents	(38,092)	(330,890)
Cash and cash equivalents at beginning of period	<u>68,417</u>	<u>68,417</u>
Cash and Cash Equivalents at End of period	13 <u>30,325</u>	<u>(262,473)</u>

1. Basis of Preparation

Statement of compliance

The interim condensed financial information for the six months period ended 30 June 2020 has been prepared in accordance with IAS 34 'Interim Financial Reporting'.

The interim condensed financial statements do not include all the information and disclosure required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements as at 31 December 2019, which have been prepared in accordance with International Financial Reporting Standards as adopted by the EU.

Basis of measurement

The financial statements are prepared on the historical cost basis.

2. Finance Income

	Six months to 30 June 2020 (unaudited) €	Six months to 31 Dec 2019 (unaudited) €
Interest receivable on long term loan due from subsidiary company	<u>123,725</u>	<u>-</u>

3. Finance Costs

	Six months to 30 June 2020 € (unaudited)	Six months to 31 Dec 2019 € (unaudited)
Interest payable on bond	118,750	118,750
Amortisation of bond issue costs	<u>4,925</u>	<u>4,925.000</u>
	<u>123,675</u>	<u>247,349</u>

4. Other income

	Six months to 30 June 2020 €	Six months to 31 Dec 2019 €
Management fee	<u>22,500</u>	<u>-</u>

5. Investment in Subsidiary

	30 June 2020 (unaudited) €	31 Dec 2019 (audited) €
At 1 January		
Cost and carrying net book amount	<u>2,860,104</u>	<u>2,860,104</u>
As at 31 December		
Cost and carrying net book amount	<u>2,860,104</u>	<u>2,860,104</u>

The investment in subsidiary represents the capitalisation of dividends receivable by the parent company that was assigned to the Company, which amount is utilised as additional capital in subsidiary company.

The principal subsidiary undertaking which is unlisted at 30 June 2020 is shown below:

	Registered Office	Principal Activity	Percentage of shares held 30 June 2020	€
Gillieru Holdings Ltd	296, Northern Star, Triq San Pawl, St. Paul's Bay	Leasing Property	83.54	8,354

The shares held by Gillieru Investments plc in Gillieru Holdings Limited are pledged as security under the Gillieru Security Trust agreement, whereby Gillieru Investment plc grants a pledge over all of its shares held in Gillieru Holdings Limited, from time to time, in favour of the Security Trustee.

The Company has an indirect investment in Gillieru Catering Ltd which is 100% directly owned by Gillieru Holdings Limited.

6. Loans Receivable

	30 June 2020	31 Dec 2019
	€	€
<i>Non-current</i>		
Loan receivable from immediate and ultimate parent company	3,000	3,000
Loan receivable from subsidiary company	4,902,000	4,902,000
Loan receivable from ultimate beneficial owner	5,100	5,100
	<u>4,910,100</u>	<u>4,910,100</u>
<i>Current</i>		
Interest accrued on loan receivable from subsidiary company	371,175	247,450
Total	<u>5,281,275</u>	<u>5,157,550</u>

Loans receivable from immediate and ultimate parent company and ultimate beneficial owner relate to transfer of funds.

Loans receivable from parent and ultimate beneficial owner are unsecured, interest free and have no fixed date for repayment but are not envisaged to be paid within the next twelve months.

Mainly, the loan receivable from subsidiary company relates to the advancement of bond proceeds, which were subsequently utilised in line with the use of the proceeds as per Company Admission Document.

Loan receivable from subsidiary company is unsecured, carries interest rate of 5.05% per annum and is repayable in full by not later than 31 October 2028, except for the amount of €2,000 which is unsecured, interest free and has no fixed date for repayment but not envisaged to be paid within the next twelve months.

The current portion of amounts due from subsidiary company is related to the accrued interest at period end not yet paid.

At 30 June 2020 these financial assets were fully performing and hence do not contain impaired assets.

7. Interest Bearing Borrowings

	30 June 2020	31 Dec 2019
	€	€
Non-current		
5,000,000 4.75% Secured Bonds 2028	<u>4,917,105</u>	<u>4,912,180</u>
Bonds outstanding (face value)	<u>5,000,000</u>	<u>5,000,000</u>
Gross amount of bond issue costs	(98,490)	(98,490)
Amortisation of gross amount of bond issue costs:		
Amortisation bond issue costs brought forward	10,670	821
Amortisation charge for the year	<u>4,925</u>	<u>9,849</u>
Unamortised bond issue costs	<u>(82,895)</u>	<u>(87,820)</u>
Amortised cost and closing carrying amount	<u>4,917,105</u>	<u>4,912,180</u>

Interest on the 4.75% Secured Bonds 2028 is payable annually in arrears, on 30 November of each period.

The bonds constitute the general, direct, unconditional obligation of the Company and shall be secured by means of the Collateral granted in terms of the pledge agreement. The bonds shall rank with priority in relation to other unsecured debt of the Company, if any.