

GILLIERU INVESTMENTS P.L.C.

*Unaudited Interim Condensed Consolidated Financial Statements
for the period
1 January 2022 to 30 June 2022*

Company Registration Number C 86682

GILLIERU INVESTMENTS P.L.C.
Interim Condensed Consolidated Financial Statements (unaudited)

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This Half-Yearly Report is being published in terms of Chapter 4 of the Prospectus MTF Rules of the Malta Stock Exchange and the Prevention of Financial Markets Abuse Act, 2005. The Half-Yearly Report comprises the reviewed (not audited) condensed consolidated interim financial statements for the six months ended 30 June 2022 prepared in accordance with IAS 34, 'Interim Financial Reporting'. The condensed consolidated interim financial statements have been reviewed in accordance with the requirements of ISRE 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". The comparative statement of financial position has been extracted from the audited financial statements for the year ended 31 December 2021. In accordance with the terms of Prospectus MTF Rule 4.11.12 this interim report has not been audited by the Company's independent auditors.

Principal Activities

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

The subsidiary company's main trading activity is that of investing, acquiring or leasing, holding and operating the Gillieru Hotel and other ancillary outlets within the hotel.

Review of financial performance

The Group generated a consolidated profit before tax of €17,097 for the six-month period ended 30 June 2022 (FY2021: loss €114,704).


Whilst the Group managed to improve its comparable revenue throughout the six-month period under review, the operations nonetheless faced ongoing market challenges predominantly resulting from the COVID-19 pandemic, including a rise in COVID-19 cases and the re-introduction of precautionary measures to curb the spread of the virus, which led to widespread cancellations and a significant slowdown of inbound travel to Malta. In fact, business only started to pick up in April. Despite this, the Group managed its costs, and as a result, cost of sales, distribution and administrative expenses totalled €397,163 in the first half of 2022 (FY 2021: €937,333).

The increase in revenue, combined with the decrease in expenses contributed towards a profit after tax of €6,746 for the six months ended 30 June 2022 (FY 2021: loss €68, 429). The Directors expect that the activities of the Group will remain consistent for the foreseeable future in line with the projected inflows and outflows, however, with current airline disruption and expected inflation surging locally and in foreign markets, a decrease in consumer spending may result. This may have residual impact on the Group's performance.


Dividends and Reserves

No interim dividends are being proposed.

Approved by the Board of Directors on 30 August 2022 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 hereby confirm that to the best of our knowledge:

- The condensed consolidated interim financial statements give a true and fair view of the assets, liabilities, financial position of the Group as at 30 June 2022, and of its financial performance and cash flows for the six-month period then ended in accordance with International Financial Reporting Standards as adopted by the EU applicable to interim financial reporting IAS 34, "Interim Financial Reporting"; and
- The interim Directors' Report comprises a fair review of the information required in terms of Prospects MTF Rule 4.11.12.



Mr. Stephen Cremona
Director



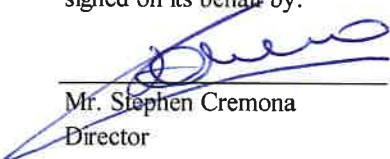
Ms. Stephanie Cremona
Director


30 August 2022

	Notes	1 January to 30 June 2022 (unaudited) €	1 January to 30 June 2021 (unaudited) €
Revenue	3	<u>525,746</u>	<u>407,989</u>
Gross profit on hospitality operations		355,916	144,576
Selling costs		<u>(23,737)</u>	<u>(42,195)</u>
Administrative expenses		<u>(203,596)</u>	<u>(163,059)</u>
		128,583	(60,678)
Depreciation		<u>(92,574)</u>	<u>(92,575)</u>
Results from operating activities		<u>36,009</u>	<u>(153,252)</u>
Other income	4	157,407	203,907
Finance costs	5	<u>(176,319)</u>	<u>(165,358)</u>
Profit / (Loss) before tax		17,097	(114,704)
Income tax (expense) / credit	6	<u>(10,353)</u>	<u>46,275</u>
PROFIT / (LOSS) FOR THE PERIOD		<u>6,744</u>	<u>(68,429)</u>
Profit / (loss) for the period attributable to:			
- Owners of the Company		6,008	(57,011)
- Non-Controlling interest		<u>736</u>	<u>(11,418)</u>
		<u>6,744</u>	<u>(68,429)</u>
Profit / (loss) per share		<u>0.03</u>	<u>(0.29)</u>

	Notes	30 June 2022 (unaudited) €	31 December 2021 (audited) €
ASSETS			
Non-Current Assets			
Property, plant and equipment	7	9,688,951	9,711,958
Loans receivable	8	402,053	391,540
Deferred tax asset		475,013	485,362
		<u>10,566,017</u>	<u>10,588,860</u>
Current Assets			
Loans receivable	8	2,951	3,477
Trade and other receivables	9	374,650	260,028
Cash and cash equivalents	10	235,829	221,772
		<u>613,430</u>	<u>485,277</u>
Total Assets		<u>11,179,447</u>	<u>11,074,137</u>
EQUITY AND LIABILITIES			
Capital and Reserves			
Called up issued share capital		200,000	200,000
Other equity		3,121,355	3,346,855
Retained earnings		(596,460)	(602,468)
		<u>2,724,895</u>	<u>2,944,387</u>
Non-controlling interests		1,307,042	1,306,306
		<u>4,031,937</u>	<u>4,250,693</u>
Non-Current Liabilities			
Bonds	11	4,936,803	4,931,878
Interest bearing borrowings	12	702,354	628,838
Other borrowings	13	450,000	450,000
		<u>6,089,157</u>	<u>6,010,716</u>
Current Liabilities			
Interest bearing borrowings	12	83,379	170,109
Trade and other payables	14	972,350	639,995
Current tax liability		2,624	2,624
		<u>1,058,353</u>	<u>812,728</u>
Total Equity and Liabilities		<u>11,179,447</u>	<u>11,074,137</u>

The financial statements on pages 3 to 12 were approved by the Board of Directors on 30 August 2022 and signed on its behalf by:


Mr. Stephen Cremona
Director


Ms. Stephanie Cremona
Director

	Share capital	Retained earnings	Other equity	Total attributable to owners	Non - controlling interest	Total equity
	€	€	€	€	€	€
Balance at 1 January 2021	<u>200,000</u>	<u>(488,446)</u>	<u>3,371,855</u>	<u>3,083,409</u>	<u>1,329,142</u>	<u>4,412,551</u>
Transaction with owners						
Repayment of capital contribution to ultimate shareholder	-	-	(12,500)	(12,500)	-	(12,500)
Total comprehensive income for the year						
Loss for the period	-	(57,011)	-	(57,011)	(11,418)	(68,429)
Balance at 30 June 2021 (unaudited)	<u>200,000</u>	<u>(545,457)</u>	<u>3,359,355</u>	<u>3,013,898</u>	<u>1,317,724</u>	<u>4,331,622</u>
Balance at 31 December 2021 (audited)	<u>200,000</u>	<u>(602,468)</u>	<u>3,346,855</u>	<u>2,944,387</u>	<u>1,306,306</u>	<u>4,250,693</u>
Balance at 1 January 2022	<u>200,000</u>	<u>(602,468)</u>	<u>3,346,855</u>	<u>2,944,387</u>	<u>1,306,306</u>	<u>4,250,693</u>
Transaction with owners						
Repayment of capital contribution to ultimate shareholder	-	-	(225,500)	(225,500)	-	(225,500)
Total comprehensive income for the year						
Gain for the year	-	6,008	-	6,008	736	6,744
Total comprehensive income for the year	-	6,008	-	6,008	736	6,744
Balance at 30 June 2022 (unaudited)	<u>200,000</u>	<u>(596,460)</u>	<u>3,121,355</u>	<u>2,724,895</u>	<u>1,307,042</u>	<u>4,031,937</u>

	1 January to 30 June 2022 (unaudited) €	1 January to 30 June 2021 (unaudited) €
Note		
Operating Activities		
Profit / (loss) for the year before taxation	17,097	(114,704)
<i>Adjustment for:</i>		
Interest payable	171,394	160,434
Amortisation of bond issue costs	4,925	4,925
Depreciation on property, plant and equipment	92,574	92,575
Provision for expected credit losses	2,179	(9,864)
	<u>288,169</u>	<u>133,365</u>
<i>Working capital changes:</i>		
Movement in inventory	975	2,682
Movement in trade and other receivables	878,990	(2,795)
Movement in trade and other payables	(685,686)	(83,412)
Cash generated from operations	<u>482,448</u>	<u>49,841</u>
Interest paid	(149,294)	(129,917)
Net Cash generated from / (used in) Operating Activities	<u>333,154</u>	<u>(80,077)</u>
Investing Activities		
Purchase of property, plant and equipment	(69,571)	(52,826)
Net Cash used in Investing Activities	<u>(69,571)</u>	<u>(52,826)</u>
Financing Activities		
Advances to ultimate shareholder	(6,285)	(116,789)
Advances to immediate and ultimate parent company	(297)	(12,779)
Advances to companies owned by common shareholders	(4,228)	(10,606)
Advances to related parties	-	3,141
Movement in bank loan	(13,216)	(14,249)
Movement in loan from third party	-	100,000
Capital contribution from ultimate shareholder	(225,500)	-
Net Cash (used in)/ generated from Financing Activities	<u>(249,526)</u>	<u>(51,281)</u>
Movement in Cash and Cash Equivalents	<u>14,057</u>	<u>(184,184)</u>
Cash and cash equivalents at beginning of year	<u>221,772</u>	<u>295,070</u>
Cash and Cash Equivalents at End of Year	<u>9 235,829</u>	<u>110,886</u>

1. Corporate information

The interim condensed consolidated financial statements of Gillieru Investments p.l.c., its subsidiary and sub-subsidiary (collectively ‘the Group’) for the six months ended 30 June 2022 were authorised for issue in accordance with a resolution of the Board of Directors on 30 August 2022.

The financial information of the Group as at 30 June 2022 and of the six months then ended reflect the financial position and the performance of Gillieru Investments p.l.c, its subsidiary Gillieru Holdings Ltd and Gillieru Catering Ltd, its subsidiary. The comparative amounts reflect the position of the group as included in the audited financial statements ended 31 December 2021 and the unaudited results for the period ended 30 June 2022.

Gillieru Investments p.l.c (the “Company”) is a limited liability company domiciled and incorporated in Malta.

2. Basis of Preparation

Statement of compliance

The interim condensed consolidated financial information for the six months period ended 30 June 2022 has been prepared in accordance with IAS 34 “Interim Financial Reporting”.

The interim condensed financial statement do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company’s annual financial statement as at 31 December 2021, 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.

3. Revenue

Revenue represents the invoiced value of the accommodation and ancillary services rendered net of direct taxation thereon.

4. Other income

	Six months to 30 June 2022 (unaudited) €	Six months to 30 June 2021 (audited) €
Covid Wage Supplement	85,022	116,637
Rental income	71,604	72,223
Sundry income	781	15,048
	<u>157,407</u>	<u>203,907</u>

5. Finance costs

	Six months to 30 June 2022 (unaudited) €	Six months to 30 June 2021 (audited) €
Interest payable on bond	118,750	118,750
Amortisation of bond issue costs	4,925	4,925
Interest on bank loans	15,500	7,896
Interest on loans	37,144	33,767
Other interest	-	21
	<u>176,319</u>	<u>165,358</u>

6. Income tax

	Six months to 30 June 2022 (unaudited) €	Six months to 30 June 2021 (audited) €
Current tax expense	-	-
Deferred income tax (charge)/credit	<u>(10,353)</u>	<u>46,275</u>
Income tax (charge) /credit recognised in statement of profit or loss	<u>(10,353)</u>	<u>46,275</u>

7. Property, plant and equipment

Additions and disposals

During the six months ended 30 June 2022, the Group acquired assets with a cost of €69,571 (six months ended 30 June 2021: €52,826).

There were no assets disposed by the Group during the six months ended 30 June 2022 and 30 June 2021.

8. Loans receivable

	30 June 2022 (unaudited) €	31 December 2021 (audited) €
<i>Non-current</i>		
Loan receivable from immediate and ultimate parent company	3,000	3,000
Loan receivables from companies owned by common shareholders	99,043	94,816
Loan receivables from ultimate beneficial owner	299,249	292,963
Loan receivables from related parties	761	761
	402,053	391,540
<i>Current</i>		
Amounts due from immediate and ultimate parent company	1,484	1,187
Amounts due from companies owned by common shareholders	1,467	1,467
Amounts due from ultimate beneficial owner	-	823
	2,951	3,477
Total	405,004	395,017

Loans receivables from immediate and ultimate parent company, ultimate beneficial owner and companies owned by common shareholders, relate to transfer of funds.

Loans receivables from parent company, ultimate beneficial owner and companies owned by common shareholders are unsecured, interest free and have no fixed date for repayment but are not envisaged to be paid within the next twelve months.

9. Trade and other receivables

	30 June 2022 (unaudited) €	31 December 2021 (audited) €
Trade receivables	348,503	91,461
Accrued income	784	142,940
Prepaid expenses	9,316	11,513
Advances payments	177	177
Other receivables	6,538	7,228
Indirect taxation refundable	9,332	6,709
	374,650	260,028

10. Cash and cash equivalents

Cash and cash equivalents included in the cash flow statement comprise the following balance sheet amounts:

	30 June 2022 (unaudited) €	31 December 2021 (audited) €
Cash in hand	24,871	25,041
Cash at bank	<u>210,958</u>	<u>196,731</u>
Total	<u><u>235,829</u></u>	<u><u>221,772</u></u>

11. Bonds

	30 June 2022 (unaudited) €	31 Dec 2021 (audited) €
Non-current		
5,000,000 4.75% Secured Bonds 2028	<u>4,936,803</u>	<u>4,931,878</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 cost brought forward	68,122	(77,971)
Amortisation charge for the year	<u>4,925</u>	<u>9,849</u>
Unamortised bond issue costs	<u>(63,197)</u>	<u>(68,122)</u>
Amortised cost and closing carrying amount	<u><u>4,936,803</u></u>	<u><u>4,931,878</u></u>

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

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.

12. Interest bearing borrowings

	30 June 2022 (unaudited) €	31 December 2021 (audited) €
<i>Non-current</i>		
Bank loan	<u>702,354</u>	<u>628,838</u>
<i>Current</i>		
Bank loan	<u>83,379</u>	<u>170,109</u>
Total	<u>785,733</u>	<u>798,947</u>

The bank loan is secured by a general hypothec over the Company's assets, through guarantee given by the ultimate shareholder and related party and through a pledge on the business insurance policy. The effective interest rate at 30 June 2022 is 2.5% (2021: 2.5%).

Maturity long term borrowings

	30 June 2022 (unaudited) €	31 December 2021 (audited) €
Between 1 and 2 years	320,065	327,987
Between 2 and 5 years	<u>382,289</u>	<u>300,851</u>
	<u>702,354</u>	<u>628,838</u>

13. Other borrowings

The amount of €200,000 is due to a third party and is secured by a property owned by the ultimate shareholder, carries interest at 6.5% per annum and is to be repaid by February 2023.

The amount of €250,000 is due to a related party and is unsecured, carries interest at 5% per annum and shall be repaid by not later than 30 September 2022. This is classified under the current portion of other borrowings.

14. Trade payables

	30 June 2022	31 December 2021
	(unaudited)	(audited)
	€	€
Trade payables	411,909	242,179
Indirect taxation payable	57,163	9,399
Accrued expenses	472,870	366,020
Advance deposit	30,408	22,397
	972,350	639,995