

# Shoreline Mall p.l.c

Condensed Interim Financial Statements (unaudited)

For the period 1 July 2024 to 31 December 2024

Company Registration Number: C 84005

## Table of Contents

Interim Directors' Report pursuant to Capital Market Rule 5.75.2.....	3
Condensed Income Statement .....	6
Condensed Statement of Financial Position.....	7
Condensed Statement of Changes in Equity .....	8
Condensed Statement of Cash Flows .....	9
Notes to the Condensed Interim Financial Statements .....	10
Directors' Confirmations .....	16

## Interim Directors' Report pursuant to Capital Market Rule 5.75.2

This report is being published in terms of Listing Rule 5.74 issued by the Listing Authority and has been prepared in accordance with the applicable Listing Rules and International Accounting Standard 34, 'Interim Financial Reporting' ("IAS 34"). The condensed interim financial information included in this report has been extracted from Shoreline Mall p.l.c.'s ("the Mall" or "the Company") unaudited financial information for the six months ended 31 December 2024 prepared in accordance with IAS 34. In terms of Listing Rule 5.75.5, the Directors are stating that this Half-Yearly Financial Report has not been audited or reviewed by the Group's independent auditors.

The Directors who served during the period and up till the date of this report are as follows:

Ryan Otto  
Roderick Psaila  
Robert Ancilleri  
Charles Scerri

### **1. Business Overview/Directors Report**

The Company is a public limited liability Company incorporated in Malta on 15 December 2017 with registration number C84005.

The company's principal activity is to operate the Shoreline Mall shopping complex and to develop residential villas for resale at the

Shoreline Mall site at Smart City, Kalkara, Malta. The company's business consists of:

- a. The generation of rental income from the commercial operation within the Shoreline Mall units and carpark; and
- b. The sale of immovable property within the Shoreline site, consisting of residential villas.

### **2. Financial Performance**

The Shoreline Mall opened its doors to the general public in March 2024 when it began receiving rental income from its tenants. Since then, the Company continued to sign additional leases, with prospective tenants, to expand its brand and product mix.

The Company registered an operating profit of €1,124,542 for the six month reporting period under review. After deducting finance costs and depreciation amounting to €871,064 and €916,622 respectively, a loss before tax of €663,144 was registered (31 December 2023 profit of € 3,104,901, which was driven by the sale of the residential car space inventory).

The structure of the residential villas have been completed, while final finishing works are ongoing. Once completed these residential villas will add an additional source of revenue for the Company.

### 3. Financial Position

The Company's total assets as at 31 December 2024 decreased slightly to €84,415,445 when compared to the amount of €85,156,702 at 30 June 2024. Current assets remained in line at €15,704,942 (30 June 2024 – €15,844,959) whilst non-current assets decreased to €68,710,503 (30 June 2024 – €69,311,743) as a result of depreciation charged on its qualifying assets.

The Company's current liabilities improved slightly to €26,554,949 (30 June 2024 – €26,669,362) which formed part of the Company's short term financing options that comprises of amounts due to group companies.

The Company's net assets decreased to €17,865,105 (30 June 2024 – €18,528,248) in line with the decrease in its non-current assets.

### 4. Outlook

Shoreline Mall p.l.c attracted new brands increasing footfall to the Mall and its tenants. Whilst this increase in footfall has the potential to increase its future revenues, other considerations such as initial free lease periods or reduced base rates will lapse and favourably impact the profitability of the Company.

The residential component of the project is completely constructed and once the finishing works are completed these will further improve the revenue of the Company.

### 5. Dividends

No interim dividend is being recommended as the Company did not have any distributable reserves at the end of the reporting period.

### 6. Going Concern

The Company's short-term cash flow requirements have been financed by the immediate parent company and related parties, and such balances due are expected to continue to form part of the Company's financing structure.

For this reason and the fact that the retail operation of the Company is continuing to grow, the directors have adopted the going concern basis in preparing these condensed financial interim statements.

### 7. Related Party Transactions

The Company enters into related party transactions with its immediate parent company and other sister companies. Related party transactions are reviewed and approved by the Audit Committee on a regular basis. All related party transactions pertaining to the six-month period ended 31 December 2024 have been disclosed in Note 7 to the condensed interim financial statements.

The Directors' report was approved by the Board of Directors on 26 February 2025 and signed on its behalf by:



Robert Ancilleri  
Director

**Registered Office**

Suite 407, Level 4, Block SCM 01,  
Smart City Malta, Ricasoli,  
Kalkara, SCM 1001, Malta



Ryan Otto  
Director

## Condensed Income Statement

	NOTES	COMPANY	
		Six months ended 31 December 2024 (Unaudited) €	Six months ended 31 December 2023 (Unaudited) €
<b>Continuing Operations:</b>			
Net proceeds from residential carpark sales		-	3,300,682
Net rental income		1,363,339	-
Other income		-	4,000
Administrative expenses		(238,797)	(199,781)
<b>Operating profit before depreciation, finance cost and tax for the period</b>		<b>1,124,542</b>	<b>3,104,901</b>
Depreciation		(916,622)	-
Finance costs		(871,064)	-
<b>Profit/(loss) before tax for the period</b>		<b>(663,144)</b>	<b>3,104,901</b>
Income tax	2	-	-
<b>Profit/(Loss) after tax for the period</b>		<b>(663,144)</b>	<b>3,104,901</b>

## Condensed Statement of Financial Position

	NOTES	COMPANY	
		31 December 2024 (Unaudited)	30 June 2024 (Audited)
		€	€
<b>ASSETS</b>			
Non-Current Assets	3	68,710,503	69,311,743
Current Assets	4	15,704,942	15,844,959
<b>Total assets</b>		<b>84,415,445</b>	<b>85,156,702</b>
<b>EQUITY AND LIABILITIES</b>			
Capital and reserves attributable to owners of the company		17,865,105	18,528,249
Non-Current Liabilities	5	39,995,391	39,959,091
Current Liabilities	6	26,554,949	26,669,362
<b>Total Liabilities</b>		<b>66,550,340</b>	<b>66,628,453</b>
<b>Total equity and liabilities</b>		<b>84,415,445</b>	<b>85,156,702</b>

The notes on pages 10 to 15 are an integral part of these condensed consolidated interim financial statements.

The condensed consolidated interim financial statements on pages 6 to 15 were authorised for issue by the Board on 26 February 2025 and were signed on its behalf by:



Robert Ancilleri  
Director



Ryan Otto  
Director

## Condensed Statement of Changes in Equity

	Share Capital	Retained earnings	Total
	€	€	€
<b>Balance at 30 June 2023</b>	<b>18,075,998</b>	<b>(1,104,908)</b>	<b>16,971,090</b>
Comprehensive Income/(Loss) for the period			
Profit for the period ended 31 December 2023	-	3,104,901	3,104,901
<b>Balance at 31 December 2023</b>	<b>18,075,998</b>	<b>1,999,993</b>	<b>20,075,991</b>
Comprehensive Income/(Loss) for the period			
Loss for the period ended 30 June 2024	-	(1,547,742)	(1,547,742)
<b>Balance at 30 June 2024</b>	<b>18,075,998</b>	<b>452,251</b>	<b>18,528,249</b>
Comprehensive Income/(Loss) for the period			
Loss for the period ended 31 December 2024	-	(663,144)	(663,144)
<b>Balance at 31 December 2024</b>	<b>18,075,998</b>	<b>(210,893)</b>	<b>17,865,105</b>



## Condensed Statement of Cash Flows

	COMPANY	
	Six months ended 31 December 2024 (Unaudited) €	Six months ended 31 December 2023 (Unaudited) €
Net cash used in operating activities	(1,025,642)	3,106,640
Net cash used in investing activities	(315,383)	(6,417,805)
Net cash (used in)/generated from financing activities	1,341,898	897,587
<b>Net movement in cash and cash equivalents</b>	<b>873</b>	<b>(2,413,578)</b>
Cash and cash equivalents at beginning of the period/year	211,096	2,498,703
Cash and cash equivalents at end of period/year	211,969	85,125

## Notes to the Condensed Interim Financial Statements

### 1. Statement of compliance

These condensed financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting and in terms of Listing Rule 5.74 issued by the Listing Authority.

The financial information has been extracted from the Company's unaudited interim financial results for the period ended 31 December 2024.

The accounting policies adopted in the preparation of these condensed financial statements are the same as those adopted in the preparation of the audited financial statements for the year ended 30 June 2024.

### 2. Income tax

In the prior period, no income tax was charged on the profit registered in virtue of an exemption arising as a result of the fact that income was solely generated from the sale of the residential car park spaces to a Group company, Shoreline Residence Limited.

During the current interim period, no change was recognised to the deferred tax asset as reported at 30 June 2024.

## Notes to the Condensed Interim Consolidated Financial Statements (continued)

### 3. Non-Current Assets

	COMPANY	
	31 December 2024 (Unaudited)	30 June 2024 (Audited)
	€	€
Investment property	67,966,511	68,515,847
Property, plant and equipment	360,609	409,283
Intangible assets	20,986	24,216
Deferred tax asset	362,397	362,397
<b>Total non-current assets</b>	<b>68,710,503</b>	<b>69,311,743</b>

Investment property consists of land costs, planning and studies, architectural, excavation, project management and construction costs relating to the construction of the Mall on a portion of land which was sub-leased from Shoreline Residence Limited. Shoreline Residence Limited acquired the land under a title of sub-emphyteusis from SmartCity (Malta) Limited. Shoreline Contracting Limited (another fellow subsidiary) had been managing all the construction arrangements relating to the construction of the Mall. The Shoreline Mall was completed and opened its doors to the public in March 2024

The portion of the right-of-use asset of the leasehold land allocated to the investment property has been arrived at based on a sale and assignment deed that took place between Shoreline Residence Limited and a third party, following which, a sale and assignment deed was made between Shoreline Residence Limited and the Company. This latter assignment was based on a valuation from a professionally qualified valuer on the basis of market value that reflects recent transactions for similar properties as adjusted to reflect inputs specific to the property.

## Notes to the Condensed Interim Consolidated Financial Statements (continued)

### *Non-Current Assets (continued)*

Management has assessed the fair value of the investment property after taking into consideration the discounted cash flows for projected rental income less operating expenses necessary to manage the Mall. Based on this assessment, management determined the fair value of the investment property as at 31 December 2024 to be approximately €69.4 million. This fair value measurement is based on an internal valuation.

In estimating the fair value of the investment property, the highest and best use is its current use.

The fair value measurement is classified as a Level 3 measurement within the fair value hierarchy.

### 4. Current Assets

	COMPANY	
	31 December 2024 (Unaudited)	30 June 2024 (Audited)
	€	€
Inventories under construction	6,020,237	6,020,237
Trade and other receivables	8,799,773	8,579,728
Amounts due from group companies	672,964	1,033,898
Cash and Cash Equivalents	211,968	211,096
<b>Total current assets</b>	<b>15,704,942</b>	<b>15,844,959</b>

Inventories under construction includes cost of development of residential units for sale in the ordinary course of business on a portion of land which was sub-leased from Shoreline Residence Limited. Shoreline Residence Limited acquired the land under a title of sub-emphyteusis from SmartCity (Malta) Limited. Shoreline Contracting Limited is managing all the construction arrangements relating to the construction of The Mall.

Inventories are expected to be recovered after more than twelve months. This is considered to be the normal operating cycle of the company.

During the current period, the residential parking spaces have been transferred to Shoreline Residence Limited, a group company.

Trade and other receivables comprise amounts relating to trade receivables, prepayments, accrued income and VAT receivables.

## Notes to the Condensed Interim Consolidated Financial Statements (continued)

### *Current Assets (continued)*

Amounts due from group companies comprise mainly of an amount owed by ShoreMatrix Ltd for the initial setup of the of the family entertainment facility within the Mall.

The amounts due from related parties are interest-free, payable on demand, denominated in Euro and have no fixed date for repayment.

### 5. Non-Current Liabilities

	COMPANY	
	31 December 2024 (Unaudited)	30 June 2024 (Audited)
	€	€
Debt securities in issue	39,619,291	39,582,991
Other payables	376,100	376,100
<b>Total non-current liabilities</b>	<b>39,995,391</b>	<b>39,959,091</b>

The company was approved by the Listing Authority in Malta, on 18 June 2020, for the issuance of EUR14,000,000 4% Secured Bonds 2026 (series A Bonds) and EUR26,000,000 4.5% Secured Bonds 2032 (series B Bonds). Both series bonds were issued at a nominal value of EUR100 at par. The bond subscriptions closed in July 2020 with the bonds being fully subscribed with interest payable annually on 1 August. The proceeds were utilised for the development of the project.

A Special Hypothec on the value of the property as classified under investment property under construction and inventory under construction was registered in favour of the Security Trustee for the benefit of the Bondholders in accordance with its obligations under Section 4.6.1 of the Securities Note. The Special Hypothec secures the principal amount of the bond still outstanding and accrued interest.

## Notes to the Condensed Interim Consolidated Financial Statements (continued)

### 6. Current Liabilities

	COMPANY	
	31 December 2024 (Unaudited)	30 June 2024 (Audited)
	€	€
Trade and other payables	2,170,953	4,123,888
Lease liabilities	148,013	148,013
Amounts due to group companies	24,235,983	22,397,461
<b>Total current liabilities</b>	<b>26,554,949</b>	<b>26,669,362</b>

Trade and other payables include an amount of €729,208 representing interest payable on Bonds issued, as mentioned in note 4.

Amounts due to group companies, mainly relate to Shoreline Contracting Ltd, who entered into agreements directly with contractors for the development and construction of the Shoreline Mall project as well as financing from Shoreline Holding Ltd.

The amounts due to group companies are unsecured, interest-free and denominated in Euro and the company has no unconditional right to defer settlement for at least 12 months from the end of the reporting period. The consideration to be provided in settlement may include offsets with amounts due to / from the same party.

### 7. Segmental Information

The Shoreline Mall is located in Malta and accordingly revenues from the above activities will be attributed to Malta. The company's principal activities is to manage the Shoreline Mall shopping complex and to develop residential villas for resale. The company's main business consists of:

- a. The generation of rental income from the commercial operations within the Shoreline Mall units and carpark; and
- b. The sale of immovable property within the Shoreline Mall site, mainly consisting of residential villas.

The completion of the above properties are classified with inventories and investment properties respectively. Since the project is managed centrally the above activities are considered to be one operating segment.

## Notes to the Condensed Interim Consolidated Financial Statements (continued)

### 8. Related party transactions

The parent of the Company is Shoreline Holdings Limited (C86187). The latter also fully owns Shoreline Residence Limited (C77212), Shoreline Contracting Limited (C83994) and Shorematrix Limited (C103891), whilst having a fifty percent ownership of Shoreline Management Limited (C105525). All entities owned, controlled or significantly influenced by the Company's ultimate shareholders, together with the Company's directors, close members of their families and all entities owned, controlled or significantly influenced by the individuals, are the principal related parties of the Company.

The principal transactions carried out with related parties during the six-month period ended 31 December 2024 were as follows:

- The company charged rental income to Shorematrix Limited and Shoreline Management Limited for the value of €81,621.
- Shoreline Management Limited charged the company a management fee for the period for the value of €93,161.
- Costs incurred and charged by fellow group entities in the connection with the development of the Shoreline Mall project amounted to approximately €52,599 during the period.

Balances with related parties outstanding as at end of the reporting period were as follows:

	COMPANY	
	31 December 2024 (Unaudited)	30 June 2024 (Audited)
	€	€
Amounts owed to related parties	24,235,983	22,397,461
Amounts owed by related parties	672,964	1,033,898

The terms and conditions in respect of the related party balances do not specify the nature of the consideration to be provided in settlement. No guarantees have been given or received.

Amounts due to and by related parties are interest-free, payable on demand and denominated in Euro.

## Directors' Confirmations

We confirm to the best of our knowledge that:

- the condensed interim financial information gives a true and fair view of the Financial Position of the Company as at 31 December 2024, and of its financial performance and its cash flows for the six-month period then ended, in accordance with International Financial Reporting Standards as adopted by the EU applicable to Interim Financial Reporting (International Accounting Standards 34, 'Interim Financial Reporting');
- the Interim Directors' Report includes a fair review of the information required in terms of Listing Rules 5.81 to 5.84 issued by the Listing Authority and has been prepared in accordance with the applicable Listing Rules.



Robert Ancilleri  
Director



Ryan Otto  
Director