

Announcement regarding the interim financial statements

Please see attached:

1. Announcement regarding the approval of the interim financial statements for the 6 month period ended 30 June 2018
2. Interim financial statements for the 6 month period ended 30 June 2018

Attachments:

1. **MoC announcement**
2. **MoC interim FS**

Non Regulated

Publication Date: 28/09/2018

The Mall of Cyprus (MC) Plc

The board of directors of the public company “The Mall of Cyprus Mc Plc” (the “**Company**”), on the 27 September 2018, approved the unaudited interim condensed financial statements for the six-month period ended 30 June 2018 (the “**Six-month report**”). The board further resolved that no dividend shall be declared for the aforementioned period.

Copies of the unaudited interim condensed financial statements for the six month period ended 30 June 2018 can be obtained from the registered office of the Company at the Mall of Cyprus 3, Vergina str., Strovolos, Nicosia, Cyprus or by sending an email request at christos.kafouris@neo.law without any charge. The six month report will be mailed to all the shareholders of the Company.

The Mall of Cyprus (MC) Plc


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Montrago Services Limited

Γραμματέας

Ημερομηνία: 28 September 2018

The Mall of Cyprus (MC) Plc

Unaudited interim condensed financial statements 30 June 2018

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The Mall of Cyprus (MC) Plc

Board of Directors and other officers

Board of Directors

John George Mavrokordatos
George Mouskides
Takis Christodoulou
Martin Olivier

Company Secretary

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

Registered office

Arch. Makariou III, 195
Neocleous House
3030 Limassol
Cyprus

Declaration of the members of the Board of Directors and of other officers of the company for the financial statements

According to Article 9, subsections (3) (c) and (7) of the Transparency Requirements (Traded Securities on a Regulated Market) Law of 2007 ("Law"), we the members of the Board of Directors and other officers responsible for the financial statements of The Mall of Cyprus (MC) Plc for the 6 month period ended 30 June 2018, we confirm that, according to our knowledge;

a) The financial statements presented on pages 7 to 21 were:

(i) prepared in accordance with International Financial Reporting Standards as adopted by the European Union and in accordance with the provisions of subsection (4) of the Act, and

(ii) give a true and fair view of assets and liabilities, financial position and profit of The Mall of Cyprus (MC) Plc, and

b) The Management Report provides a fair overview of the developments and performance of the business and financial position of The Mall of Cyprus (MC) Plc, together with a description of the principal risks and uncertainties faced by the Company.

Members of the Board of Directors

John George Mavrokordatos - Director



George Mouskides - Director



Takis Christodoulou - Director



Martin Olivier - Director



Responsible for Preparation of Financial Statements

Antonia Constantinou - Financial Controller



Nicosia, 27 September 2018

The Mall of Cyprus (MC) Plc

Management report

1 The Board of Directors presents its report together with the unaudited condensed interim financial statements of the Company for the period ended 30 June 2018.

Principal activities and nature of operations of the Company

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

Changes in Company structure

3 There were no changes in the Company structure during the period from 1 January 2018 to 30 June 2018.

4 The Company does not intend to proceed with any acquisitions or mergers.

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

5 During the period ended 30 June 2018 the Company had slight decrease in turnover. The profit after tax of the Company for the period ended was €3.534.902 (period ended 30 June 2017: €3.274.396).

6 As at 30 June 2018 the Company's total assets amounted to €186.197.789 (31 December 2017: €179.777.135) and its net assets amounted to €76.781.927 (31 December 2017: net assets €73.247.025).

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

Principal risks and uncertainties

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

9 The Cypriot economy has recorded positive growth in 2016 and 2017 after overcoming the economic recession of recent years. The overall economic outlook of the economy remains favorable, however there are still downside risks emanating from the still high levels of non-performing loans, the public debt ratio, as well as possible deterioration of the external environment for Cyprus. This operating environment has a significant impact on the Company's operations and financial position. Management is taking necessary measures to ensure sustainability of the Company's operations. However, the future effects of the current economic situation are difficult to predict and management's current expectations and estimates could differ from actual results.

The Mall of Cyprus (MC) Plc

Management report (continued)

Use of financial instruments by the Company

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

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

Cash flow and fair value interest rate risk

12 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.

13 As at 30 June 2018, the Company's liabilities which bore variable interest rates amounted to €85.546.623. 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

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

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

16 The Company's credit risk arises from trade receivables amounting to €973.277, other receivables amounting to €371.916, and bank balances amounting to €2.064.126. The amount of the provision was €282.390 as of 30 June 2018 (31 December 2017:€281.317). The individually impaired receivables mainly relate to tenants, which are in an unexpectedly difficult economic situation.

Liquidity risk

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

The Mall of Cyprus (MC) Plc

Management report (continued)

Future developments of the Company

18 The Company commenced the project for the expansion of the Mall of Cyprus by about an additional area of 5.500m² on the first floor, which will be used for retail, entertainment and cultural purposes in order to meet the demands of its customers/visitors and also increase the variety of offerings at the mall. For this additional space there is high demand from local and international retailers and users. With the expansion about an additional 200 parking places shall be created as well.

Results

19 The Company's results for the period are set out on page 7. The profit for the period is retained.

Share capital

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

Board of Directors

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

Events after the balance sheet date

22 There were no material post balance sheet events, which have a bearing on the understanding of the condensed interim financial statements.

Branches

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

Director's interests in the Company's share capital

24 The members of the Board of Directors did not control directly or indirectly any part of the share capital of the Company, at 30 June 2018 and as at the date of this report.

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

The Mall of Cyprus (MC) Plc

Management report (continued)

Main shareholders

26 At the date of this report, the following shareholders of the Company held directly or indirectly over 5% of the Company's issued share capital:

	Percentage of shareholding %
Direct shareholder:	
Atterbury Cyprus Limited	99,67
Indirect shareholders:	
Atterbury Onroerend Goed Houdster Europe Cooperatief U.A.(Netherlands) through its indirect shareholding in Atterbury Cyprus Limited.	54,56

By Order of the Board


MONTRAGO SERVICES LIMITED
Montrago Services Limited
Company Secretary
Nicosia, 27 September 2018

The Mall of Cyprus (MC) Plc

Condensed interim statement of comprehensive income for the period ended 30 June 2018

	Note	Six months ended 30 June 2018 €	Six months ended 30 June 2017 €
Rights for use of space and other income	3	5,496,289	5,646,859
Administrative expenses		(700,552)	(493,059)
Other income	4	295,469	278,403
Other losses - net	5	-	(81,800)
Operating profit		5,091,206	5,350,403
Finance costs	6	(1,598,758)	(1,840,674)
Profit before income tax		3,492,448	3,509,729
Income tax credit/(expense)	7	42,454	(235,333)
Profit and total comprehensive income for the period/year		<u>3,534,902</u>	<u>3,274,396</u>
Earnings per share attributable to the Company's shareholders (cents per share):			
Basic and fully diluted	8	3,53	3,27

The notes on pages 11 to 21 are an integral part of these condensed interim financial statements.

The Mall of Cyprus (MC) Plc

Condensed interim statement of financial position at 30 June 2018

	Note	30 June 2018 €	31 December 2017 €
Assets			
Non-current assets			
Property, plant and equipment	9	165.269	169.239
Investment property	9	<u>180.466.209</u>	<u>174.734.994</u>
		<u>180.631.478</u>	<u>174.904.233</u>
Current assets			
Trade and other receivables	10	3.502.185	3.250.977
Cash and bank balances	11	<u>2.064.126</u>	<u>1.621.925</u>
		<u>5.566.311</u>	<u>4.872.902</u>
Total assets		<u>186.197.789</u>	<u>179.777.135</u>
Equity and liabilities			
Capital and reserves			
Share capital	12	50.000.000	50.000.000
Retained earnings		<u>26.781.927</u>	<u>23.247.025</u>
Total equity		<u>76.781.927</u>	<u>73.247.025</u>
Non-current liabilities			
Borrowings	13	78.266.219	66.964.888
Deferred income tax liabilities	14	16.848.584	17.253.394
Trade and other payables	15	<u>2.116.110</u>	<u>2.359.710</u>
		<u>97.230.913</u>	<u>86.577.992</u>
Current liabilities			
Trade and other payables	16	4.448.046	4.610.941
Current income tax liabilities		456.499	175.298
Borrowings	13	<u>7.280.404</u>	<u>15.165.879</u>
		<u>12.184.949</u>	<u>19.952.118</u>
Total liabilities		<u>109.415.862</u>	<u>106.530.110</u>
Total equity and liabilities		<u>186.197.789</u>	<u>179.777.135</u>

The notes on pages 11 to 21 are an integral part of these condensed interim financial statements.

The Mall of Cyprus (MC) Plc

Condensed interim statement of changes in equity for the period ended 30 June 2018

	Share capital €	Share premium €	Retained earnings ⁽¹⁾ €	Total €
Period for the six months ended 30 June 2017				
Balance at 1 January 2017	<u>50.000.000</u>	-	<u>28.676.168</u>	<u>78.676.168</u>
Profit for the period	-	-	<u>3.274.396</u>	<u>3.274.396</u>
Dividend relating to 2017 and previous years paid in April 2017	-	-	<u>(15.000.000)</u>	<u>(15.000.000)</u>
Balance at 30 June 2017	<u>50.000.000</u>	-	<u>16.950.564</u>	<u>66.950.564</u>
Period for the six months ended 30 June 2018				
Balance at 1 January 2018	<u>50.000.000</u>	-	<u>23.247.025</u>	<u>73.247.025</u>
Comprehensive income	-	-	<u>3.534.902</u>	<u>3.534.902</u>
Profit for the period	-	-	<u>3.534.902</u>	<u>3.534.902</u>
Balance at 30 June 2018	<u>50.000.000</u>	-	<u>26.781.927</u>	<u>76.781.927</u>

- (1) Companies which do not distribute 70% of their profits after tax, as defined by the Special Contribution for the Defence of the Republic Law, by the end of the two years after the end of the year of assessment to which the profits refer, will be deemed to have distributed this amount as dividend. Special contribution for defence at 15% will be payable on such deemed dividend to the extent that the shareholders for deemed dividend distribution purposes at the end of the period of two years from the end of the year of assessment to which the profits refer, are Cyprus tax residents. The special contribution for defence rate increased to 17% in respect of profits of year of assessment 2009 and to 20% in respect of profits of years of assessment 2010 and 2011 and is reduced back to 17% in respect of profits of years of assessment 2012 onwards. The amount of this deemed dividend distribution is reduced by any actual dividend paid out of the profits of the relevant year by the end of the period of two years from the end of the year of assessment to which the profits refer. This special contribution for defence is paid by the Company for the account of the shareholders.

The notes on pages 11 to 21 are an integral part of these condensed interim financial statements.

The Mall of Cyprus (MC) Plc

Condensed interim statement of cash flows for the period ended 30 June 2018

	Note	Six months ended 30 June 2018 €	Six months ended 30 June 2017 €
Cash flows from operating activities			
Profit before income tax		3,492,448	3,509,729
Adjustments for:			
Depreciation of property, plant and equipment	9	11,775	8,020
Fair value loss on investment property		-	81,800
Interest income	4	-	(2,607)
Interest expense	6	<u>1,598,758</u>	<u>1,840,674</u>
		<u>5,102,981</u>	<u>5,437,616</u>
Changes in working capital		<u>(762,900)</u>	<u>864,041</u>
Cash generated from operations		<u>4,340,081</u>	<u>6,301,657</u>
Income tax paid		<u>(73,992)</u>	<u>(10,692)</u>
Net cash generated from operating activities		<u>4,266,089</u>	<u>6,290,965</u>
Cash flows from investing activities			
Purchases of property, plant and equipment	9	111,760	-
Purchases of investment property	9	<u>(5,731,215)</u>	<u>(321,084)</u>
Interest received		-	<u>2,607</u>
Net cash used in investing activities		<u>(5,619,455)</u>	<u>(318,477)</u>
Cash flows from financing activities			
Proceeds from bank borrowings	13	13,769,098	-
Repayment of borrowings		<u>(1,933,870)</u>	<u>(1,792,766)</u>
Repayments of borrowings to related parties	17(iii)	<u>(9,288,288)</u>	<u>(3,587,698)</u>
Proceeds from loans from related parties	17(iii)	569,241	94,728
Interest paid		<u>(1,320,614)</u>	<u>(1,349,195)</u>
Dividends paid to Company's shareholders	8	-	<u>(48,762)</u>
Net cash from/(used in) financing activities		<u>1,795,567</u>	<u>(6,683,693)</u>
Net increase/(decrease) in cash and cash equivalents		<u>442,201</u>	<u>(711,205)</u>
Cash and cash equivalents at beginning of period/year		<u>1,621,925</u>	<u>1,624,490</u>
Cash and cash equivalents at end of period/year	11	<u>2,064,126</u>	<u>913,285</u>

The notes on pages 11 to 21 are an integral part of these condensed interim financial statements.

The Mall of Cyprus (MC) Plc

Notes to the condensed interim financial statements

1 General information

General

The unaudited interim condensed financial statements consist of the financial statements of The Mall of Cyprus (MC) Plc. The interim condensed financial statements should be read in conjunction with the audited financial statements for the period ended 31 December 2017.

Unaudited financial statements

The interim condensed financial statements for the six months ended 30 June 2018, have not been audited by the external auditors of the Company.

Operating environment of the Company

The Cypriot economy has recorded positive growth in 2016 and 2017 after overcoming the economic recession of recent years. The overall economic outlook of the economy remains favorable, however there are still downside risks emanating from the still high levels of non-performing loans, the public debt ratio, as well as possible deterioration of the external environment for Cyprus. This operating environment has a significant impact on the Company's operations and financial position. Management is taking necessary measures to ensure sustainability of the Company's operations. However, the future effects of the current economic situation are difficult to predict and management's current expectations and estimates could differ from actual results.

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these interim condensed financial statements are consistent to those used in the audited financial statements for the period ended 31 December 2017, unless otherwise dated in relation to the application of the new IFRSs as from 1 January 2018.

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

The Mall of Cyprus (MC) Plc

2 Summary of significant accounting policies (continued)

Adoption of new and revised IFRSs

During the current period the Company adopted all the new and revised International Financial Reporting Standards (IFRS) that are relevant to its operations and are effective for accounting periods beginning 1 January 2018.

The Company updated its accounting policies as a result of adopting the following standards

- IFRS 9 Financial Instruments, and
- IFRS 15 Revenue from Contracts with Customers

The impact of the adoption of these standards and the new accounting policies are disclosed below:

- **IFRS 9 "Financial Instruments" - Accounting policies applied from 1 January 2018**

Classification

Investments and other financial assets

From 1 January 2018, the company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI, or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

Measurement

At initial recognition, the company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt Instruments

Subsequent measurement of debt instruments depends on the company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the company classifies its debt instruments:

The Mall of Cyprus (MC) Plc

2 Summary of significant accounting policies (continued)

Adoption of new and revised IFRSs (continued)

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses), together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.
- **FVOCI:** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the statement of profit or loss
- **FVPL:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

Equity Instruments

The company subsequently measures all equity investments at fair value. Where the company's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the group's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Impairment

From 1 January 2018, the company assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

The Mall of Cyprus (MC) Plc

2 Summary of significant accounting policies (continued)

Adoption of new and revised IFRSs (continued)

For trade receivables, the company applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

The adoption of IFRS 9 by the company did not have a material effect on the company's results.

- **IFRS 15 "Revenue from Contracts with Customers"**

The company has adopted IFRS 15 "Revenue from Contracts with Customers" from 1 January 2018. This adoption did not result in changes in accounting policies and adjustments to the amounts recognised in the financial statements.

3 Rights for use of space and other revenue

	Six months ended 30 June 2018 €	Six months ended 30 June 2017 €
Rights for the use of space	5.177.919	5.276.364
Lease income	<u>318.370</u>	<u>370.495</u>
	<u>5.496.289</u>	<u>5.646.859</u>

4 Other income

	Six months ended 30 June 2018 €	Six months ended 30 June 2017 €
Interest income:		
Bank balances	-	2.607
Other income	<u>295.469</u>	<u>275.796</u>
	<u>295.469</u>	<u>278.403</u>

5 Other gains/(losses) - net

	Six months ended 30 June 2018 €	Six months ended 30 June 2017 €
Investment property:		
Fair value losses	<u>-</u>	<u>(81.800)</u>

The Mall of Cyprus (MC) Plc

6 Finance costs

	Six months ended 30 June 2018 €	Six months ended 30 June 2017 €
Interest expense:		
Bank borrowings	1.441.164	1.679.775
Loans from related parties (Note 17(iii))	152.002	160.524
Interest on overdue taxation	<u>5.592</u>	<u>-</u>
Total interest expense	1.598.758	1.840.299
Net foreign exchange loss	<u>-</u>	<u>375</u>
	<u>1.598.758</u>	<u>1.840.674</u>

7 Income tax expense

	Six months ended 30 June 2018 €	Six months ended 30 June 2017 €
Current tax:		
Corporation tax	284.556	123.805
Defence contribution	7.163	8.336
Under provision of prior years' taxes:		
Corporation tax	70.637	-
Defence contribution	<u>-</u>	<u>2.356</u>
Total current tax	362.356	134.497
Deferred tax (Note 14):		
Origination of temporary differences	<u>(404.810)</u>	<u>100.836</u>
Total deferred tax	<u>(404.810)</u>	<u>100.836</u>
Income tax (credit)/expense	<u>(42.454)</u>	<u>235.333</u>

8 Earnings per share

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

	Six months ended 30 June 2018 €	Six months ended 30 June 2017 €
Profit for the period attributable to shareholders (€)	<u>3.534.902</u>	<u>3.274.396</u>
Weighted average number of issued shares	<u>100.000.000</u>	<u>100.000.000</u>
Basic and fully diluted earnings per share - cents	<u>3.53</u>	<u>3.27</u>

The Mall of Cyprus (MC) Plc

9 Capital expenditure

	Investment property €	Property, plant and equipment €	Total €
Six months ended 30 June 2018			
Net book amount at beginning of period	174,734,994	169,239	174,904,233
Additions	5,731,215	111,760	5,842,975
Disposal - net	-	(103,955)	(103,955)
Depreciation charge	-	(11,775)	(11,775)
Net book amount at end of period	<u>180,466,209</u>	<u>165,269</u>	<u>180,631,478</u>

10 Trade and other receivables

	30 June 2018 €	31 December 2017 €
Trade receivables	1,255,667	984,036
Less: Provision for impairment of receivables	<u>(282,390)</u>	<u>(281,317)</u>
Trade receivables - net	973,277	702,719
Receivables from related parties (Note 17(ii))	-	5,000
Other receivables	371,916	576,861
Prepayments	518,542	114,641
Advances for construction work	<u>1,638,450</u>	<u>1,851,756</u>
	<u>3,502,185</u>	<u>3,250,977</u>

The fair values of trade and other receivables approximate their carrying amounts.

11 Cash and bank balances

	30 June 2018 €	31 December 2017 €
Cash at bank and in hand	<u>2,064,126</u>	<u>1,621,925</u>

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

	Six months ended 30 June 2018 €	Six months ended 30 June 2017 €
Cash and bank balances	<u>2,064,126</u>	<u>913,285</u>

The Mall of Cyprus (MC) Plc

12 Share capital and share premium

	Number of shares	Share capital €	Total €
At 1 July 2017/ 31 December 2017 and at 30 June 2018	<u>100 000 000</u>	<u>50.000.000</u>	<u>50.000.000</u>

The total authorized number of ordinary shares is 171 000 000 shares (31 December 2017:171 000 000 shares) with a nominal value of €0,50 per share.

13 Borrowings

	30 June 2018 €	31 December 2017 €
Current		
Bank borrowings	4.249.909	3.424.330
Borrowings from parent entity (Note 17(iii))	2.282.578	10.627.246
Borrowings from related parties (Note 17(iii))	<u>747.917</u>	<u>1.114.303</u>
	<u>7.280.404</u>	<u>15.165.879</u>
Non-current		
Bank borrowings	75.258.325	64.022.652
Borrowings from related parties (Note 17(iii))	<u>3.007.894</u>	<u>2.942.236</u>
	<u>78.266.219</u>	<u>66.964.888</u>
Total borrowings	<u>85.546.623</u>	<u>82.130.767</u>

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

The first one with a current balance of €63.202.228 bears interest at the Business Bank rate plus a margin of 0,95% which was amended on 13 February 2018 to 3 months Euribor plus 3,65% and is repayable on 30 May 2030.

The second facility represents a loan of €10.000.000 which has been secured in the past and which was increased to €18.000.000 in February 2017 for the purposes of the mall expansion. On 21 September 2017, the loan was re-approved and the loan advances begun along with the start of the mall expansion. The funds will be obtained in tranches once the constructor certificates are issued by the contractor. Up to 30 June 2018, the Company had drawn €7.637.420. The loan bears interest at the business Bank rate plus margin 1,20% which was amended on 13 February 2018 to 3 months Euribor plus 3,90% and is repayable on 30 May 2032.

On 15 March 2018, the Company secured a new loan facility amounting to €8.750.000 which bears interest at the rate of 3 months Euribor plus 3,75% and is repayable on 12 March 2032.

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

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13 Borrowings (continued)

The bank loans are secured as follows:

- (i) By corporate guarantee from parent company for the amount of €98.000.000.
- (ii) By corporate guarantee from related company for the amount of €86.000.000
- (iii) Assignment of €86.000.000 from the rights of use of space in the Shacolas Emporium Park
- (iv) Pledge of 52 300 000 shares held by Atterbury Cyprus Limited in the Company
- (v) By mortgage on the Company's land and Buildings for €86.000.000
- (vi) By floating charge on the Company's assets for the amount of €86.000.000
- (vii) By corporate guarantee from parent and related company for the amount of €10.500.000.

The Company has the following undrawn borrowing facilities:

	30 June 2018	31 December 2017
	€	€
Bank overdraft facility	2.000.000	2.000.000
Loan available from bank	<u>10.362.580</u>	<u>15.381.678</u>
	<u>12.362.580</u>	<u>17.381.678</u>

14 Deferred income tax liabilities

The gross movement on the deferred income tax account is as follows:

	30 June 2018		31 December 2017
	€		€
At beginning of period	17.253.394		17.006.394
(Credit) / charge included in profit or loss (Note 7)	<u>(404.810)</u>		<u>247.000</u>
At end of period/year	<u>16.848.584</u>		<u>17.253.394</u>
Deferred tax liabilities			
	Difference between depreciation and wear and tear allowance €	Fair value gains €	Total €
At 1 July 2017	5.373.945	11.632.449	17.006.394
Charged to: Profit or loss	<u>211.908</u>	<u>35.092</u>	<u>247.000</u>
At 31 December 2017	<u>5.585.853</u>	<u>11.667.541</u>	<u>17.253.394</u>
At 1 January 2018	5.585.853	11.667.541	17.253.394
Charged to: Profit or loss (Note 7)	<u>168.744</u>	<u>(573.554)</u>	<u>(404.810)</u>
At 30 June 2018	<u>5.754.597</u>	<u>11.093.987</u>	<u>16.848.584</u>

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15 Trade and other payables - non current

	30 June 2018 €	31 December 2017 €
Operation lease advances	1.442.358	1.605.866
Deferred income	627.252	747.344
Cash guarantees	<u>46.500</u>	<u>6.500</u>
	<u>2.116.110</u>	<u>2.359.710</u>

The carrying amounts of the Group's trade and other payables- non current are denominated in Euro.

16 Trade and other payables - current

	30 June 2018 €	31 December 2017 €
Trade payables	406.511	425.052
Payables to related parties (Note 17(ii))	10.320	-
Other payables	2.457.530	2.599.769
Accrued expenses	853.718	1.068.963
Advances due to customers for contract work	479.783	276.973
Deferred income	<u>240.184</u>	<u>240.184</u>
	<u>4.448.046</u>	<u>4.610.941</u>

The fair value of trade and other payables which are due within one year approximates their carrying amount at the balance sheet date.

17 Related party transactions

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

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

The ultimate controlling party of the company as at 30 June 2018 is Brightbridge Investments Ltd through its indirect 78% shareholding in Atterbury Cyprus Limited (the parent company). As of today, the ultimate controlling party is Atterbury Onroerend Goed Houdster Europe Cooperatief U.A (Netherlands) through its indirect 54,72% shareholding in Atterbury Cyprus Limited.

(i) Purchases of goods and services

	Six months ended 30 June 2018 €	Six months ended 30 June 2017 €
Purchases of services	<u>1.049.667</u>	<u>512.806</u>

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17 Related party transactions (continued)

(ii) Period-end balances arising from sales/purchases of goods/services

	30 June 2018 €	31 December 2017 €
Receivables from related parties (Note 10):		
Fatti Ltd	-	5,000
Payables to related parties (Note 16):		
Brightbridge Investments Limited	10,320	-

The above balances bear no interest and were repayable on demand. The above companies were related due to common ownership

(iii) Borrowings from related parties

	30 June 2018 €	31 December 2017 €
Borrowings from parent entity:		
At beginning of period	10,627,246	11,736,927
Borrowings advanced during period	316,894	349,658
Borrowings repaid during period	(8,788,288)	(1,715,020)
Interest charged (Note 6)	126,726	255,681
At end of period (Note 13)	<u>2,282,578</u>	<u>10,627,246</u>

The amount payable to parent company, Atterbury Cyprus Limited bears interest at 3 months Euribor plus 3,65% and a 20% mark-up ie. 4,38% (31 December 2017: 4,39%). No terms or conditions have been agreed for its repayment and security.

	30 June 2018 €	31 December 2017 €
Borrowings from related party:		
At beginning of period	1,114,303	-
Borrowings advanced during period	252,347	1,669,919
Borrowings repaid during period	(500,000)	(500,000)
Borrowings assigned to related company	(144,009)	(83,304)
Interest charged (Note 6)	25,276	27,688
At end of period (Note 13)	<u>747,917</u>	<u>1,114,303</u>

The above amount is payable to related company, the Mall of Engomi (ME) Plc which bears interest at 3 months Euribor plus 3,65% and a 20% mark-up ie. 4,38% (31 December 2017: 4,39%). No terms or conditions have been agreed for its repayment and security.

	30 June 2018 €	31 December 2017 €
Borrowings from shareholders:		
At beginning of period	2,942,236	-
Borrowings advanced during period	-	2,902,000
Interest charged	65,658	40,236
At end of period (Note 13)	<u>3,007,894</u>	<u>2,942,236</u>

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17 Related party transactions (continued)

(iii) Borrowings from related parties (continued)

On 31 August 2017, the Company secured borrowings from related party (Atterbury Europe B.V). The loan is unsecured, bears interest at the rate of 4,5% (31 December 2017: 4,5%) and is repayable in 4 years from the date of the first advance (31 August 2017). The interest charged is capitalised on the Investment Properties, as the loan was obtained for the benefit of mall expansion. The loan facility amount is €7.000.000.

(iv) Guarantees

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

a) Atterbury Cyprus Limited guaranteed the loans of the Company for the amount of €98.000.000.

b) The Mall of Engomi (ME) Plc guaranteed the loans of the Company for the amount of €86.000.000.

c) Pledge of 52 300 000 shares held by Atterbury Cyprus Limited in the Mall of Cyprus (MC) Plc.

d) Atterbury Cyprus Limited and the Mall of Engomi guaranteed the loans of the Company for the amount of €10.500.000.

(v) Contingencies

The Company guarantees loan of the Mall of Engomi (ME) Plc for the amount of €23.000.000 . No liabilities are expected to arise.

18 Events after the balance sheet date

There were no material events after the balance sheet date, which have a bearing on the understanding of the financial statements.