

EXALCO FINANCE p.l.c.

Half-Yearly Report
30 June 2024

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Half-yearly directors' report

This Half-yearly Report is being published in terms of Chapter 5 of the Capital Market Rules of the Listing Authority – Malta Financial Services Authority and the Prevention of Financial Markets Abuse Act, 2005. The condensed financial statements included in this report have been extracted from Exalco Finance p.l.c.'s unaudited financial information for the six months ended 30 June 2024, prepared in accordance with International Financial Reporting Standards as adopted for use in the EU for interim financial statements (International Accounting Standard 34, 'Interim Financial Reporting'). This half-yearly report has not been audited or reviewed by the company's independent auditors.

Trading performance

The company

The company's principal activity is to carry on the business of an investment company, by raising funds to finance the operations and capital projects of Exalco Properties Limited, a main operating company forming part of Exalco Group.

Finance income amounting to €379,307 (2023: €375,047) is generated from a facility fee and interest charged on the loan advanced to Exalco Properties Limited. Financial costs comprise interest payable on the bond issue and amortisation of the issued costs thereof amounting to €314,178 (2023: €312,534). Profit before taxation for the six-month period under review was €30,209 (2023: €26,623).

The directors do not anticipate any significant changes during the forthcoming six months.

The Guarantor

The Guarantor generated revenue of €2,729,280, an increase of €82,151 over the comparative period. This increase is mainly attributable to revised rental agreements in line with market rates. This contributed to a profit before tax of €1,602,580.

The Guarantor envisages occupancy levels in the next six months to remain close to 100% in all its buildings, although its directors remain alert to external market factors.

Half-yearly directors' report - continued

Dividends

The directors do not recommend the payment of an interim dividend.

Director's statement pursuant to Capital Market Rule 5.75.3

We hereby confirm that to the best of our knowledge:

1. the condensed half-yearly report gives a true and fair view of the financial position of the company as at 30 June 2024, and of its financial performance and its cash flows for the period then ended in accordance with International Financial Reporting Standards as adopted by the EU applicable to Interim Financial Reporting (IAS 34).
2. the interim directors' report includes a fair review of the information required in terms of Capital Market Rule 5.81.



Alexander Montanaro
Director



Jean Marc Montanaro
Director

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Malta

9 August 2024

Condensed statement of financial position

	Notes	As at 30 June 2024 € (unaudited)	As at 31 December 2023 € (audited)
ASSETS			
Non-current assets			
Loan receivable from fellow subsidiary	3	15,251,500	15,251,500
Current assets			
		624,114	289,397
Total assets		15,875,614	15,540,897
EQUITY AND LIABILITIES			
Equity and reserves			
	2	442,142	422,507
Non-current liabilities			
Borrowings		14,877,500	14,862,500
Current liabilities			
Trade and other payables		555,972	255,890
Total liabilities		15,433,472	15,118,390
Total equity and liabilities		15,875,614	15,540,897

The notes on page 7 are an integral part of this interim condensed financial information.

The condensed interim financial information on pages 3 to 7 were authorised for issue by the board of directors on 9 August 2024 and were signed on its behalf by:



Alexander Montanaro
Director



Jean Marc Montanaro
Director

Condensed statement of comprehensive income

	Note	Six months ended 30 June	
		2024 € (unaudited)	2023 € (unaudited)
Finance income	3	379,307	375,047
Finance costs		(314,178)	(312,534)
Net interest income		65,129	62,513
Administrative expenses		(34,920)	(35,890)
Profit before tax		30,209	26,623
Tax expense		(10,574)	(9,318)
Profit for the period - total comprehensive income		19,635	17,305

The notes on page 7 are an integral part of this interim condensed financial information.

Condensed statement of changes in equity

	Share capital €	Retained earnings €	Total €
Balance at 1 January 2023	250,000	134,969	384,969
Profit for the period - total comprehensive income	-	17,305	17,305
Balance at 30 June 2023	250,000	152,274	402,274
Balance at 1 January 2024	250,000	172,507	422,507
Profit for the period - total comprehensive income	-	19,635	19,635
Balance at 30 June 2024	250,000	192,142	442,142

The notes on page 7 are an integral part of this interim condensed financial information.

Condensed statement of cash flows

	Six months ended 30 June	
	2024 € (unaudited)	2023 € (unaudited)
Cash flows from operating activities	27,896	25,758
Cash flows from financing activities	-	(50,000)
Net movement in cash and cash equivalents	27,896	(24,242)
Cash and cash equivalents at beginning of period	35,564	48,257
Cash and cash equivalents at end of period	63,460	24,015

The notes on page 7 are an integral part of this interim condensed financial information.

Notes to the half-yearly report

1. Basis of preparation

This condensed interim financial information for the period ended 30 June 2024 has been prepared in accordance with IAS 34, 'Interim financial reporting'. They have been prepared under the historical cost convention. These financial statements have not been audited nor reviewed by the company's independent auditors. The condensed interim financial information should be read in conjunction with the financial statements for the year ended 31 December 2023, which have been prepared in accordance with IFRSs as adopted by the EU.

2. Share capital

	30 June 2024	31 December 2023
	€	€
Authorised, issued and fully paid up		
250,000 ordinary shares of €1 each	250,000	250,000

3. Related party transactions

The company forms part of the Exalco Group of Companies. All companies forming part of the Exalco Group are related parties since these companies are all ultimately owned by Exalco Holdings Limited, which is considered by the directors to be the ultimate controlling party. Trading transactions between these companies include items which are normally encountered in a group context. The group is ultimately fully owned by members of the Montanaro family, who are therefore considered to be related parties. The main related party with whom transactions are entered into is Exalco Properties Limited, the guarantor of the borrowings.

The principal transactions carried out with related parties during the period are outlined below:

	Six months ended 30 June	
	2024	2023
	€	€
Finance income from fellow subsidiary	309,200	306,312
Facility fee from fellow subsidiary	70,107	68,735
	379,307	375,047

The company's balances with fellow subsidiary as at the end of the period is as follows:

	30 June 2024	31 December 2023
	€	€
Loan receivable from fellow subsidiary	15,251,500	15,251,500

