

**MAS P.L.C.**

**Directors' commentary and  
Separate financial statements  
for the year to  
30 June 2022**

Registered number: C99355 (Malta)



## ***Table of Contents***

Directors' commentary	a to c
Statement of Directors' responsibilities	d
Independent auditor's report to the shareholders of MAS P.L.C.	
Separate financial statements	
Separate statement of profit or loss and other comprehensive income	1
Separate statement of financial position	2
Separate statement of changes in equity	3
Separate statement of cash flows	4
Notes to the separate financial statements	5 to 23

## **Directors' commentary**

The Directors present this report and separate financial statements of MAS P.L.C. (formerly MAS Real Estate Inc. the 'Company' or 'MAS') for the year to 30 June 2022.

These financial statements are the separate financial statements of the Company. The Company and its subsidiaries (together the 'Group') prepare consolidated financial statements which are available at the head office of the Company on Suite 11, Marina Business Centre, Abate Rigord Street, Ta'Xbiex, XBX1129, Malta and on the Group's corporate website.

### **Principal activity**

MAS P.L.C. is an investment holding company with its legal seat in Malta and listed on the Main Board of the Johannesburg Stock Exchange ('JSE') in South Africa. The Group's primary business is the investment in, and operation of, retail assets in Central and Eastern Europe (CEE). The Group, with its approximately 230 real estate professionals, is well positioned to leverage the region's continual high consumption growth and generate strong like-for-like net rental income growth from retail holdings through increasing tenants' sales and implementing asset management initiatives.

### **Redomiciliation**

MAS has completed, effective 12 October 2021, the migration process from British Virgin Islands to Malta, including the registration of amendments to the Company's memorandum and articles of association and the change of name to MAS P.L.C., as stated in the announcement issued by the Group on 10 November 2021, available on MAS' corporate website.

The migration of the Company is one of a series of steps that the Group implemented during the period, in order to simplify its holding structure. During the 2022 financial year, the Company has undergone an optimisation of undertakings in its direct subsidiaries and intercompany loans, as described in the notes to these separate financial statements. Following the Western European ('WE') asset disposal process, certain Group entities that previously owned investment properties in Germany, Switzerland and UK, together with related intermediary holding companies in Luxembourg, the Isle of Man and the Netherlands, can be wound-up and deregistered. For those properties in WE that remain within the Group for the time being, the same process will be implemented following the completion of their intended disposal in due course.

### **Group's performance**

Group's adjusted total earnings for the twelve months to 30 June 2022 were €168.1million (compared to adjusted total earnings of €104.4million for the previous financial year) and consist of adjusted distributable earnings of €46.1million and adjusted non-distributable earnings of €122.0million. Tangible net asset value (NAV) was €1.40 per share on 30 June 2022, an increase of 6.9% from 31 December 2021 and 12.9% compared to the end of the previous financial year (30 June 2021). Adjusted distributable earnings for the financial year is 6.83eurocents per share, and resulted from 3.87eurocents per share for the six months to 30 June 2022 (4.6% above the guidance provided March 2022), and 2.96eurocents per share for the preceding six months.

The most significant financial risks and the risk management policies applied by the Company are included in Note 17 of the financial statements.

### **Listings**

MAS is listed on the Main Board of the Johannesburg Stock Exchange ('JSE') in South Africa.

### **Company's investments in subsidiaries**

Details of Company's investments in subsidiaries are set out in note 7 to these separate financial statements.

### **Distribution to shareholders**

The Board proposed 3.82eurocents distributable earnings per share in respect of the six-month period to 30 June 2022. Payment is expected by 26 September 2022 and further details will be announced separately. These financial statements do not reflect this dividend payable which will be accounted for in shareholders' equity as an appropriation of retained earnings in the year ending 30 June 2023.

In respect of the six-month period to 31 December 2021, the Board declared a dividend of 2.96eurocents per share, and the Company paid on 4 April 2022 a cash dividend of 2.96eurocents per share.

### **Treasury shares and shares repurchases**

The Company has in place a share purchase scheme, the Geared share purchase plan, classified as equity (treasury shares). During the financial year to 30 June 2022, 3,500,000 ordinary shares were issued in MAS' geared share purchase scheme, and 300,000 ordinary shares have been forfeited, brought back in the scheme, and allocated to other scheme participants. Further details are disclosed in note 11.

In May and June 2022, MAS repurchased 16,586,906 of its issued shares via one of its subsidiaries (2.3% of the Company's subscribed share capital), at a weighted average share price of 1.21euro per share, pursuant to the Company's general authority to repurchase shares. The nominal value of the shares repurchased is €165,869. The shares repurchased are not reflected in the Company's separate financial statements.

### **Going concern**

The Company's profit for the year to 30 June 2022 is €18,436,713 (30 June 2021: €7,899,374) and on 30 June 2022, the Company's current liabilities exceeded its current assets by €5,260,160 (30 June 2021: net asset position of €3,822,005).

Management has a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and believes that the use of going concern assumption is appropriate taking into consideration the availability of undrawn facility to cover the net current liability position and forecasted future profits.

Based on the publicly available information on the date on which these separate financial statements were authorised for issue, management has considered and analysed further potential developments of Covid-19, as well as the potential effects arising from Russia's invasion of Ukraine on the CEE markets, and their potential impact of macroeconomic instability due to increased inflation and interest rates on the Group's revenues, profits, cash flows, operations and liquidity position and its markets, including measures already taken or expected to be further taken by authorities in countries where the Group operates.

Since February 2022, the geopolitical situation in Eastern Europe has intensified with Russia's invasion of Ukraine. Management analysed the potential effects of the unfolding events on the global economic and financial markets as well as ongoing economic challenges, including issues such as rising inflation and global supply-chain disruption, due to sanctions imposed on Russia by the European Union, and other national and supra-national bodies.

The events may result in higher energy prices, leading to higher inflation, that may put downward pressure on disposable income in the CEE markets.

As potential Covid-19 disruptions are not expected to lead to negative operational cash flows in the short term and after analysing the potential impact on the Group's operations due to ongoing economic challenges and on the Company's long-term strategy and earnings targets, management concluded that there are no material uncertainties relating to MAS' ability to continue as a going concern.

### **Directors**

The Directors who held office during the year to 30 June 2022 and to date are listed below.

Martin Slabbert (stepped down as Executive Director, effective 21 April 2022, and appointed Non-Executive Director)

Irina Grigore (appointed CEO, effective 21 April 2022)

Victor Semionov (stepped down as Executive Director, effective 26 August 2021)

Dan Petrisor (Alternate Director until 26 August 2021, when appointed Executive Director)

Raluca Buzuleac (appointed Executive Director, effective 6 December 2021)

Jonathan Knight (stepped down as Alternate Director, effective 26 August 2021)

Malcolm Levy

Pierre Goosen

Werner Alberts

Melt Hamman

Brett Nagle

Claudia Pendred

Vasile Iuga

Dan Pascariu

### **Changes to the Board of Directors and Company Secretary**

MAS is pleased to announce the appointment of Roxana Bordeanu as the Group's Company Secretary, replacing Nathalie Vella, effective 25 August 2022. Roxana, which will also be part of MAS' Capital Management team, is based in Malta. She has extensive experience with financing and capital markets, mergers and acquisitions, litigation and arbitration management, corporate governance, compliance and policy development in respect of public companies. The Board thanks the outgoing Company Secretary for her dedicated service to the Company during her tenure.

MAS' Executive Director roles have been assigned to individuals with no affiliation to, or interest in, Prime Kapital, allowing the two groups to remain closely connected for the foreseeable future with independent executives, MAS' Board re-assessed its size, composition, as well as the appropriate skills and experience required to guide and oversee MAS' business in its next phase. The Group is pleased to announce the appointment of Nadine Bird as Chief Financial Officer (CFO) with effect from 1 February 2023, taking over Raluca Buzuleac's financial responsibilities. Nadine is a highly experienced finance professional, with approximately 17 years of relevant experience, including a strong background in financial reporting, stock exchange listings and crisis management for complex, multi-jurisdictional public companies. She previously worked in audit, at Deloitte in South Africa, before acting as CFO for Steinhoff Africa, and being promoted to Deputy CFO for Steinhoff International after eruption of the group's crisis in 2017. At Steinhoff International, among many other responsibilities, she assisted external forensic teams with investigations and ensured accurate financial information restatement and subsequent re-publication, while also maintaining her responsibilities for Steinhoff Africa. Nadine will be based in MAS' Bucharest office.

Melt Hamman, originally appointed on the request of Attacq Ltd, steps down from the Board effective 25 August 2022. The Board thanks Melt for his loyal service to the Group.

Malcolm Levy, MAS' co-founder, steps down as Non-Executive Director effective 25 August 2022. Malcolm served as CFO for over 9 years following the Group's foundation, becoming a Non-Executive Director June 2019, and providing valuable guidance to management throughout MAS' re-positioning from a Western European business, which is substantially complete. The Board is grateful and thanks Malcolm for his long-tenured service to the Group.

Following and considering directorship changes mentioned, the Board has restructured its committees as follows:

**Audit and Risk Committee** Chair: Vasile Iuga; Members: Brett Nagle, Martin Slabbert

**Remuneration and Nomination Committee** Chair: Dan Pascariu; Members: Martin Slabbert, Werner Alberts

**Environmental, Social and Ethics Committee** Chair: Pierre Goosen; Members: Claudia Pendred, Irina Grigore

All changes to committee membership are effective 25 August 2022. The Board remains compliant with the King IV Code on Corporate Governance following these changes to its composition and committee memberships.

**Auditors**

The separate financial statements for the financial year to 30 June 2021 were audited by PricewaterhouseCoopers LLC, in Isle of Man. Following the migration of the Company's legal seat from the British Virgin Islands to Malta, MAS has appointed, with effect from 10 June 2022, PricewaterhouseCoopers Malta as the Company's external auditors, replacing PricewaterhouseCoopers LLC.

On behalf of the Board

Raluca Buzuleac  
Director  
25 August 2022

Irina Grigore  
Director  
25 August 2022

## ***Statement of Directors' responsibilities***

In terms of the Maltese Companies Act (Cap. 386) and other regulatory requirements, the Directors are required to prepare financial statements which give a true and fair view of the financial position of the Company for each period end and the financial performance for that period.

In preparing the Directors' report and separate financial statements, the Directors are responsible for:

- ensuring that the financial statements have been drawn up in accordance with the International Financial Reporting Standard ('IFRS') issued by the International Accounting Standards Board ('IASB') and IFRS issued by the EU;
- selecting and applying appropriate accounting policies;
- making accounting estimates that are reasonable in the circumstances, and
- preparing the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business as a going concern.

The Directors are also responsible for designing, implementing, and maintaining internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and that comply with the Maltese Companies Act (Cap. 386). They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website.

Legislation governing the preparation and dissemination of financial statements may differ from one jurisdiction to another.

The separate financial statements have been prepared under the supervision of Raluca Buzuleac.

The separate financial statements on pages 1 to 23 were signed on behalf of the Board of Directors by:

*Raluca Buzuleac*  
*Director*

*Irina Grigore*  
*Director*

*25 August 2022*  
*Ta' Xbiex*  
*Malta*



## *Independent auditor's report*

To the Shareholders of MAS P.L.C.

### *Report on the audit of the separate financial statements*

---

#### *Our opinion*

In our opinion:

- The separate financial statements (the 'financial statements') give a true and fair view of the Company's financial position of MAS P.L.C. (the 'Company') as at 30 June 2022, and of the Company's financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards ('IFRSs') as adopted by the EU and IFRSs as issued by the International Accounting Standards Board; and
- The financial statements have been prepared in accordance with the requirements of the Maltese Companies Act (Cap. 386).

#### **What we have audited**

MAS P.L.C.'s financial statements, comprise:

- the separate statement of profit or loss and other comprehensive income for the year to 30 June 2022;
- the separate statement of financial position on 30 June 2022;
- the separate statement of changes in equity for the year to 30 June 2022;
- the separate statement of cash flows for the year to 30 June 2022; and
- the notes to the separate annual financial statements, which include significant accounting policies and other explanatory information.

---

#### *Basis for opinion*

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

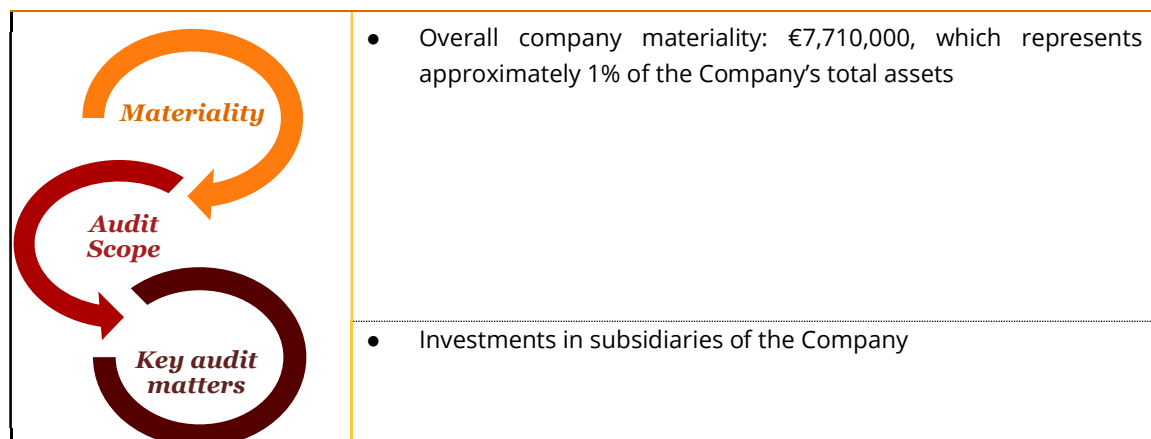
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Independence**

We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) together with the ethical requirements of the Accountancy Profession (Code of Ethics for Warrant Holders) Directive issued in terms of the Accountancy Profession Act (Cap. 281) that are relevant to our audit of the financial statements in Malta. We have fulfilled our other ethical responsibilities in accordance with these Codes.

## *Our audit approach*

### Overview



As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we considered where the directors made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the company, the accounting processes and controls, and the industry in which the company operates.

### Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall materiality for the financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the financial statements as a whole.





## *Independent auditor's report - continued*

To the Shareholders of MAS P.L.C.

<b>Overall materiality</b>	€ 7,710,000
<b>How we determined it</b>	Approximately 1% of the company's total assets
<b>Rationale for the materiality benchmark applied</b>	<p>We chose total assets as the benchmark as, in our view, this is the main benchmark against which users of the financial statements most frequently measure the Company's performance.</p> <p>We chose 1% based on our professional judgement, noting that it is also within the range of quantitative materiality thresholds that we consider acceptable.</p>

We agreed with the Audit and Risk Committee that we would report to them misstatements identified during our audit above €385,500 as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

### **Key audit matters**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



## Independent auditor's report - continued

To the Shareholders of MAS P.L.C.

Key audit matter	How our audit addressed the key audit matter
<p><i>Investments in subsidiaries of the company</i></p> <p>Refer to the following accounting policies and notes to the financial statements for details:</p> <ul style="list-style-type: none"><li>• Note 3 (Significant accounting policies);</li><li>• Note 7 (Investment in subsidiaries); and</li><li>• Note 21 (Critical accounting estimates, judgements and errors)</li></ul> <p>The Company holds investments in subsidiaries of €770 million as of 30 June 2022.</p> <p>Management performed an assessment of impairment of investments in subsidiaries by comparing the carrying amounts of the investments in subsidiaries with their respective net asset values or profit forecast.</p> <p>Management has determined that there is no impairment loss on the investments in subsidiaries as the recoverable amount of the respective investments exceed the carrying value and accordingly no impairment loss was required on these investments.</p> <p>We considered investments in subsidiaries to be a matter of most significance to our current year audit due to the financial significance of investment in subsidiaries to the financial statements of the Company and the estimation involved in assessing impairment.</p>	<p>We obtained management's calculation of the recoverable amount for the investment in subsidiaries and performed the following procedures:</p> <ul style="list-style-type: none"><li>• We compared the carrying amount for a sample of investments to the net asset value of the underlying subsidiaries to identify any indicators of impairment.</li><li>• We have also considered the nature of the underlying assets and liabilities comprising the net asset value for each subsidiary within our sample and assessed the recoverability of such balances.</li><li>• For a sample of investments, we have also considered underlying profit forecasts prepared by management and understood and challenged the basis and assumptions used for the forecast.</li></ul> <p>Based on the work performed, we found the recoverable amount to be consistent with the explanations and evidence obtained.</p>



## *Independent auditor's report - continued*

To the Shareholders of MAS P.L.C.

---

### *Other information*

The directors are responsible for the other information. The other information comprises the director's commentary and the statement of directors' responsibilities (but does not include the financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon except as explicitly stated within the *Report on other legal and regulatory requirements*.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

---

### *Responsibilities of the directors and those charged with governance for the financial statements*

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs as adopted by the EU and IFRSs as issued by the IASB and the requirements of the Maltese Companies Act (Cap. 386), and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The directors and those charged with governance are responsible for overseeing the Company's financial reporting process.



## *Independent auditor's report - continued*

To the Shareholders of MAS P.L.C.

---

### *Auditor's responsibilities for the audit of the financial statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors and those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors and those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.



## *Independent auditor's report - continued*

To the Shareholders of MAS P.L.C.

---

### *Auditor's responsibilities for the audit of the financial statements - continued*

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### *Report on other legal and regulatory requirements*

The *Directors' commentary and separate financial statements for the year to 30 June 2022* contains other areas required by legislation or regulation on which we are required to report. The Directors are responsible for these other areas.

The table below sets out these areas presented within the *Directors' commentary and separate financial statements for the year to 30 June 2022*, our related responsibilities and reporting, in addition to our responsibilities and reporting reflected in the *Other information* section of our report. Except as outlined in the table, we have not provided an audit opinion or any form of assurance.



## Independent auditor's report - continued

To the Shareholders of MAS P.L.C.

Area of the Directors' commentary and separate financial statements for the year to 30 June 2022 and the related Directors' responsibilities	Our responsibilities	Our reporting
<p><b>Directors' commentary and Statement of Directors' responsibilities</b></p> <p>The Maltese Companies Act (Cap. 386) requires the directors to prepare a Directors' report, which includes the contents required by Article 177 of the Act and the Sixth Schedule to the Act.</p>	<p>We are required to consider whether the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.</p> <p>We are also required to express an opinion as to whether the Directors' report has been prepared in accordance with the applicable legal requirements.</p> <p>In addition, we are required to state whether, in the light of the knowledge and understanding of the Company and its environment obtained in the course of our audit, we have identified any material misstatements in the Directors' report, and if so to give an indication of the nature of any such misstatements.</p>	<p>In our opinion:</p> <ul style="list-style-type: none"><li>the information given in the Directors' commentary and Statement of Directors' responsibilities for the financial year for which the financial statements are prepared is consistent with the financial statements; and</li><li>the Directors' commentary and Statement of Directors' responsibilities has been prepared in accordance with the Maltese Companies Act (Cap. 386).</li></ul> <p>We have nothing to report to you in respect of the other responsibilities, as explicitly stated within the <i>Other information</i> section.</p>

## *Independent auditor's report - continued*

To the Shareholders of MAS P.L.C.

Area of the Directors' commentary and separate financial statements for the year to 30 June 2022 and the related Directors' responsibilities	Our responsibilities	Our reporting
	<p><b>Other matters on which we are required to report by exception</b></p> <p>We also have responsibilities under the Maltese Companies Act (Cap. 386) to report to you if, in our opinion:</p> <ul style="list-style-type: none"> <li>adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us.</li> <li>the financial statements are not in agreement with the accounting records and returns.</li> <li>we have not received all the information and explanations which, to the best of our knowledge and belief, we require for our audit.</li> </ul>	<p>We have nothing to report to you in respect of these responsibilities.</p>



## *Independent auditor's report - continued*

To the Shareholders of MAS P.L.C.

---

### *Other matters*

#### **Consolidated financial statements presented as a separate document**

We report separately on the consolidated annual financial statements of MAS.P.L.C for the year to 30 June 2022.

#### **Use of this report**

Our report, including the opinions, has been prepared for and only for the Company's shareholders as a body in accordance with Article 179 of the Maltese Companies Act (Cap. 386) and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior written consent.

#### **PricewaterhouseCoopers**

78, Mill Street  
Zone 5, Central Business District  
Qormi  
Malta

Christopher Cardona  
Partner

26 August 2022



## Separate statement of profit or loss and other comprehensive income

	Note	Year to 30 June 2022	Year to 30 June 2021
Intercompany investment income	4	22,481,581	13,298,625
Other income		49,875	113,650
Administration expenses	5	(3,795,130)	(3,347,192)
<b>Net operating income</b>		<b>18,736,326</b>	<b>10,065,083</b>
Exchange differences		(9,443)	(63,302)
<b>Profit before net finance income/(costs)</b>		<b>18,726,883</b>	<b>10,001,781</b>
Finance income		58,846	7
Finance costs		(349,016)	(2,102,414)
<b>Profit before tax</b>		<b>18,436,713</b>	<b>7,899,374</b>
Taxation	6	-	-
<b>Profit for the year</b>		<b>18,436,713</b>	<b>7,899,374</b>
<b>Total comprehensive income for the year</b>		<b>18,436,713</b>	<b>7,899,374</b>

The notes on pages 5 to 23 form part of these separate financial statements.

**MAS P.L.C.**  
**Separate financial statements for the year to 30 June 2022**

**Separate statement of financial position**

	<b>Note</b>	<b>On 30 June 2022</b>	<b>On 30 June 2021</b>
<i>Non-current assets</i>			
Investments in subsidiaries	7	770,076,816	174,094,019
Intercompany loans receivable	8	-	627,712,438
Other non-current assets	11	-	293,488
<b>Total non-current assets</b>		<b>770,076,816</b>	<b>802,099,945</b>
<i>Current assets</i>			
Intercompany loans receivable	8	-	46,399
Trade and other receivables	9	3,268,146	1,440,610
Cash and cash equivalents		422,486	3,476,502
<b>Total current assets</b>		<b>3,690,632</b>	<b>4,963,511</b>
<b>Total assets</b>		<b>773,767,448</b>	<b>807,063,456</b>
<i>Equity</i>			
Share capital and share premium	10	656,880,390	653,116,501
Share capital		7,146,457	-
Share premium		649,733,933	653,116,501
Treasury shares – geared share purchase plan shares	10	(9,573,316)	(5,980,487)
Retained earnings		106,566,124	151,572,467
Share-based payment reserve	11	1,370,142	1,232,982
<b>Total equity</b>		<b>755,243,340</b>	<b>799,941,463</b>
<i>Non-current liabilities</i>			
Amounts received in advance for treasury shares	10	9,573,316	5,980,487
<b>Total non-current liabilities</b>		<b>9,573,316</b>	<b>5,980,487</b>
<i>Current liabilities</i>			
Intercompany loans payable	14	8,200,000	-
Trade and other payables	13	730,107	866,506
Bank loans	15	20,685	275,000
<b>Total current liabilities</b>		<b>8,950,792</b>	<b>1,141,506</b>
<b>Total liabilities</b>		<b>18,524,108</b>	<b>7,121,993</b>
<b>Total equity and liabilities</b>		<b>773,767,448</b>	<b>807,063,456</b>

These financial statements on pages 1 to 23 were approved and authorised for issue by the Board of Directors on 25 August 2022 and signed on their behalf by:

\_\_\_\_\_  
Raluca Buzuleac  
Director

\_\_\_\_\_  
Irina Grigore  
Director

## Separate statement of changes in equity

	Note	Share capital	Share premium	Treasury shares – geared share purchase plan shares	Retained earnings/(deficit)	Share-based payment reserve	Total equity
<b>Balance on 30 June 2020</b>		-	901,381,034	(6,308,610)	(106,326,907)	924,501	789,670,018
<i>Comprehensive income for the year</i>							
Profit for the year		-	-	-	7,899,374	-	7,899,374
<b>Total comprehensive income for the year</b>		-	-	-	7,899,374	-	7,899,374
<i>Equity transactions</i>							
Employee share schemes – value of employee services	11	-	-	-	-	308,481	308,481
Employee share schemes – net value of shares forfeited and brought back in the scheme	10	-	-	2,063,590	-	-	2,063,590
Transfer of share premium to retained deficit	10	-	(250,000,000)	-	250,000,000	-	-
<b>Total equity transactions</b>		-	(250,000,000)	2,063,590	250,000,000	308,481	2,372,071
<i>Transactions with the owners of the Company</i>							
Issue of shares	10	-	1,735,467	(1,735,467)	-	-	-
<b>Total transactions with the owners of the Company</b>		-	1,735,467	(1,735,467)	-	-	-
<b>Balance on 30 June 2021</b>		-	653,116,501	(5,980,487)	151,572,467	1,232,982	799,941,463
<i>Comprehensive income for the year</i>							
Profit for the year		-	-	-	18,436,713	-	18,436,713
<b>Total comprehensive income for the year</b>		-	-	-	18,436,713	-	18,436,713
<b>Nominal value of shares assignment on Company's continuation</b>	<b>10</b>	<b>7,131,457</b>	<b>(7,131,457)</b>	-	-	-	-
<i>Equity transactions</i>							
Employee share schemes – value of employee services	11	-	-	-	-	137,160	137,160
Employee share schemes – net value of shares forfeited and brought back in the scheme	10	-	-	171,060	-	-	171,060
<b>Total equity transactions</b>		-	-	171,060	-	137,160	308,220
<i>Transactions with the owners of the Company</i>							
Issue of shares	10	15,000	3,748,889	(3,763,889)	-	-	-
Distributions		-	-	-	(63,443,056)	-	(63,443,056)
<b>Total transactions with the owners of the Company</b>		15,000	3,748,889	(3,763,889)	(63,443,056)	-	(63,443,056)
<b>Balance on 30 June 2022</b>		<b>7,146,457</b>	<b>649,733,933</b>	<b>(9,573,316)</b>	<b>106,566,124</b>	<b>1,370,142</b>	<b>755,243,340</b>

**MAS P.L.C.**  
**Separate financial statements for the year to 30 June 2022**

**Separate statement of cash flows**

	<b>Note</b>	<b>Year to 30 June 2022</b>	<b>Year to 30 June 2021</b>
<b>Profit for the year</b>		18,436,713	7,899,374
<i>Adjustments for non-cash movements:</i>			
Share-based payment expense	5	1,007,643	226,797
Employee share schemes – value of employee services	11	137,160	308,481
Finance income, net		(58,846)	(7)
Investment income	4	(22,481,581)	(13,298,625)
Finance costs, net		349,016	2,148,260
<i>Operating activities</i>			
Decrease/(Increase) in trade and other receivables		1,765,293	(484,929)
(Decrease)/Increase in trade and other payables		(914,393)	1,818,804
<b>Cash used for operating activities</b>		<b>(1,758,995)</b>	<b>(1,381,845)</b>
Distribution paid to geared share purchase plan participants		(421,913)	-
<b>Net cash inflow/(outflow) from operating activities</b>		<b>(2,180,908)</b>	<b>(1,381,845)</b>
<i>Investing activities</i>			
Acquisitions of subsidiaries	7	-	(100)
Proceeds from loans receivables		39,038,060	50,744,445
Interest income received from subsidiaries	4	4,961,940	13,298,625
Dividend received	4	19,000,000	-
Interest on bank deposits, net		58,846	7
<b>Net cash inflow from investing activities</b>		<b>63,058,846</b>	<b>64,042,977</b>
<i>Financing activities</i>			
Repayment of capital on bank loans		-	(60,000,000)
Interest and commissions paid on bank loans		(485,431)	(1,880,231)
Distributions paid	10	(63,443,056)	-
<b>Net cash outflow from financing activities</b>		<b>(63,928,487)</b>	<b>(61,880,231)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(3,050,549)</b>	<b>780,901</b>
Cash and cash equivalents at the beginning of the year		3,476,502	2,695,499
Effect of movements in foreign exchange rate fluctuations on cash held		(3,467)	102
<b>Cash and cash equivalents at the end of the year</b>		<b>422,486</b>	<b>3,476,502</b>

The notes on pages 5 to 23 form part of these separate financial statements.

## **Notes to the separate financial statements**

### **1. Company information**

MAS P.L.C. (formerly MAS Real Estate Inc.) (the 'Company' or 'MAS') is domiciled in Malta and subject to the Malta Companies Act 1995. The address of its registered office is Suite 11, Marina Business Centre, Abate Rigord Street, Ta' Xbiex, XBX1129, Malta. The Company has completed, effective 12 October 2021, the migration process from the British Virgin Islands ('BVI') to Malta, including the registration of necessary amendments to the Company's memorandum and articles of association and the change of its name to MAS P.L.C., as stated in the announcement issued by the Group on 10 November 2021, available on <https://www.masrei.com>. These separate financial statements are on, and for the year to 30 June 2022. The Company is the ultimate parent of a real estate investment group, which comprises MAS P.L.C. and its subsidiaries (together referred to as the 'Group'), with investments in, and operations of, green high-quality retail assets predominantly in Central and Eastern Europe.

Comparative figures are included for the financial year to 30 June 2021.

All amounts disclosed have been rounded to the nearest euro ('€'), unless otherwise stated.

### **2. Basis of preparation**

The Group prepares consolidated financial statements for the year to 30 June 2022 which are available at the head office of the Company on Suite 11, Marina Business Centre, Abate Rigord Street, Ta'Xbiex, Malta, XBX1129 and on the Group's corporate website ([www.masrei.com](http://www.masrei.com)). Users of these separate financial statements should read them together with the Group's consolidated financial statements for the year to 30 June 2022 in order to obtain full information on the financial position, results of operations and changes in the Group's financial position.

These separate financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the IASB and International Financial Reporting Standards as adopted by the European Union (collectively referred to as, 'IFRS'), the Johannesburg Stock Exchange ('JSE') Listings Requirements and Maltese Companies Act.

Prior to Company's migration to Malta, the Company availed itself of a reduced disclosure framework (UK FRS 101 Framework). That framework exempted the Company from certain required IFRS disclosures while complying with the recognition and measurement requirements of IFRS. Given the latter, the Company has not presented a third balance sheet.

#### *Basis of measurement*

These separate financial statements have been prepared under the historical cost convention.

#### *Use of judgement and estimation uncertainty*

In the preparation of these separate financial statements the management made judgements, accounting estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts in the separate financial statements. The Directors continually evaluate these judgements and accounting estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses based on historical experience and on other factors that they believe to be reasonable under the circumstances. Actual results may differ from the judgements, accounting estimates and assumptions.

#### *Functional and presentation currency*

These separate financial statements are presented in euro ('€' or 'EUR') which is the Company's functional and presentation currency.

#### *Going concern*

The Company's profit for the year to 30 June 2022 is €18,436,713 (30 June 2021: €7,899,374) and on 30 June 2022, the Company's current liabilities exceeded its current assets by €5,260,160 (30 June 2021: net asset position of €3,822,005).

Management has a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and believes that the use of going concern assumption is appropriate taking into consideration the availability of its undrawn credit facility to cover the net current liability position on 30 June 2022.

Based on the publicly available information on the date on which these separate financial statements were authorised for issue, management has considered and analysed further potential developments of Covid-19, as well as the potential effects arising from Russia's invasion of Ukraine on the CEE markets, and their potential impact of macroeconomic instability due to increased inflation and interest rates on the Group's revenues, profits, cash flows, operations and liquidity position and its markets, including measures already taken or expected to be further taken by authorities in countries where the Group operates.

Since February 2022, the geopolitical situation in Eastern Europe has intensified with Russia's invasion of Ukraine. Management analysed the potential effects of the unfolding events on the global economic and financial markets as well as ongoing economic challenges, including issues such as rising inflation and global supply-chain disruption, due to sanctions imposed on Russia by the European Union, and other national and supra-national bodies. The events may result in higher energy prices, leading to higher inflation, that may put downward pressure on disposable income in the CEE markets.

As potential Covid-19 disruptions are not expected to lead to negative operational cash flows in the short term and after analysing the potential impact on the Group's operations due to ongoing economic challenges and on the Company's long-term strategy and earnings targets, management concluded that there are no material uncertainties relating to MAS' ability to continue as a going concern.

## MAS P.L.C.

### Separate financial statements for the year to 30 June 2022

#### *New and amended standards and interpretations not yet adopted*

Below is a summary of new standards and amendments/improvements to existing standards and interpretations that are not yet effective, and which are expected to be applicable to the Company.

<b>Amendments/improvements to standards and interpretations not yet effective</b>	<b>Effective for annual periods beginning on or after</b>
Classification of Liabilities as Current or Non-current – Amendments to IAS 1	1 Jan 2023 (deferred from 1 Jan 2022)
Disclosure of Accounting Policies – Amendments to IAS 1 and IFRS Practice Statement 2	1 Jan 2023
Definition of Accounting Estimates – Amendments to IAS 8	1 Jan 2023
Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12	1 Jan 2023

### 3. Significant accounting policies

The accounting policies applied in the preparation of these separate financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

#### **Intercompany investment income**

Intercompany investment income comprises interest income on loans to subsidiaries and dividend income received from subsidiaries. The interest income on loans is recognised using the effective interest rate method.

#### **Other income**

Other income comprises management fees charged to subsidiaries, recognised on an accrual basis and stated net of value added tax.

#### **Administration expenses**

Administration expenses are recognised in profit and loss on an accrual basis in the period in which they are incurred. Group recharges relate to salary and other administrative cost allocations from entities incurring fees on behalf of the Company.

#### **Finance income**

The Company's finance income comprises interest income earned on cash and cash equivalents and is recognised using the effective interest rate method.

#### **Finance costs**

The Company's finance costs comprise interest costs incurred on cash and cash equivalents and bank loans and are recognised using the effective interest rate method.

#### **Taxation**

Income tax for the year comprises current tax which is recognised in the statement of profit or loss. Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year. It is measured using enacted or substantively enacted tax rates on the reporting date.

#### **Investments in subsidiaries**

Investments in subsidiaries are recognised initially at cost, including any directly attributable transaction costs. Subsequent to initial recognition, these investments are measured at cost, less accumulated impairment losses.

The investments are semi-annually tested for impairment, or more frequently if events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Investments that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

#### **Financial instruments**

##### *i. Financial assets*

The Company classifies its financial assets as financial assets at amortised cost. Financial assets are recognised when the Company becomes party to the contractual terms of the asset.

##### *Financial assets at amortised cost*

Financial assets are classified as financial assets at amortised cost only if both the following criteria are met:

- the financial asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows, and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest is the consideration for the time value of money and credit risk associated with the principal amount outstanding.

**MAS P.L.C.**  
**Separate financial statements for the year to 30 June 2022**

The Company's financial assets at amortised cost comprise intercompany receivables, trade and other receivables and cash and cash equivalents. The financial assets at amortised cost are initially recognised at fair value, including any directly attributable transaction costs. Subsequent to initial recognition, these financial assets are measured at amortised cost using the effective interest rate method, less any impairment losses.

*Derecognition of financial assets*

The Company derecognises a financial asset once the asset has been transferred, and the transfer of that asset is eligible for derecognition.

*Impairment*

The Company recognises loss allowances for expected credit losses on financial assets measured at amortised cost and financial guarantee contracts.

For trade receivables, the Company applies the simplified approach to measuring expected credit losses. Therefore, there is no need to monitor significant increases in credit risk and lifetime expected credit losses are recognised at all times.

For non-trade receivables, intercompany loans receivable and financial guarantee contracts, 12-month expected credit losses are recognised where the financial asset is determined to have a low credit risk and for those financial instruments for which the credit risk has not increased significantly since initial recognition. When determining whether the credit risk of a financial asset has increased significantly since initial recognition the Company considers both quantitative and qualitative information that is reasonably available, such as: financial position, historic and future operating performance, payment delays, covenant breaches and general economic and market conditions.

Lifetime expected credit losses are expected defaults over the expected life of the financial asset. 12-month expected credit losses are expected defaults within the twelve months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

Interest on the impaired asset continues to be recognised to the extent that it is probable that the interest will be collected.

When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

*ii. Financial liabilities*

*Financial liabilities at amortised cost*

All financial liabilities are classified as financial liabilities at amortised cost unless they meet the criteria for classification as financial liabilities at fair value through profit or loss. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest rate method.

Financial liabilities measured at amortised cost comprise bank loans and trade and other payables.

*Derecognition of financial liabilities*

The Company derecognises a financial liability when the contractual obligations of the liability are extinguished, for example when the obligation specified in the contract is discharged, cancelled or expires.

*Guarantees*

Whenever the Company enters into a contract of guarantee or with a guarantee component, the recognition criteria of IFRS 9 'Financial instruments' is applied, as to determine if the guarantee is financial or non-financial. In order for a contract to be classified as a financial guarantee contract, it requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument. If a guarantee contract is not specific in nature and may include obligations other than specific debt instruments, the contract is classified as a non-financial guarantee as it refers to general obligations of a subsidiary. Non-financial guarantees are not recognised in the financial statements, while financial guarantees are recognised as a financial liability if the guarantee's fair value can be reliably measured according to IFRS.

**Share capital and share premium**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity.

**Geared share purchase plan shares (treasury shares)**

Geared share purchase plan shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects. When geared share purchase plan shares are sold or issued subsequently, the amount received or paid is recognised within equity and the resulting surplus or deficit on the transaction is recognised within share capital. Where geared share purchase plan shares are forfeited by participants the shares are cancelled or returned in the scheme for re-allocation to other participants.

**Share-based payments**

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instrument on the grant date.

## MAS P.L.C.

### Separate financial statements for the year to 30 June 2022

The fair value determined on the grant date is expensed on a straight-line basis over the vesting period, based on the Company's estimate of shares that will eventually vest. Where the share-based payments are granted to members of staff, this is recognised as a capital contribution of share-based payments. A corresponding increase is recognised in the share-based payment reserve.

Non-forfeitable distributions paid as part of the share-based payment awards are included within the fair value on the grant date of the share-based payment. Options are forfeited if the employee leaves the Group before the options vest, or are re-allocated to other participants.

The share-based payment reserve within equity relates to the option expense of the Group's geared share purchase plan.

#### **Cash and cash equivalents**

The Company's cash and cash equivalents represent cash at bank and deposits with a maturity of less than three months from inception and are classified as financial assets at amortised cost.

#### **Foreign currency**

Transactions in currencies other than the Company's functional currency are recorded at the rate of exchange prevailing on the dates of the transactions. On each reporting date, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing on the reporting date.

Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rates prevailing on the date the fair value was determined. Gains and losses arising on translation are included in the net profit or loss for the period. Other non-monetary assets and liabilities based on historical cost and denominated in foreign currencies are not translated.

#### **Segment reporting**

Segment results that are reported to the Executive Management team include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

The risks and rewards faced by the Company relate primarily to the business segment of the assets and therefore this forms the basis of the reporting segment.

## 4. Intercompany investment income

	Year to 30 June 2022	Year to 30 June 2021
Dividend income from subsidiaries	19,000,000	-
Interest income from loans granted to subsidiaries	3,481,581	13,298,625
<b>Total intercompany investment income</b>	<b>22,481,581</b>	<b>13,298,625</b>

Dividend income of €19,000,000 for the year to 30 June 2022 was received by the Company from its subsidiary, Rhea Mezzi Limited. Interest income of €3,481,581 for the year to 30 June 2022 was received by the Company with respect to the loan granted to MAS RE Malta Holding Limited (formerly MAS (BVI) Holdings Limited) (30 June 2021: €13,298,625). The loan granted was settled during the 2022 financial year, refer to note 8.

## 5. Administration expenses

The Company's administrative expenses are detailed below.

	Note	Year to 30 June 2022	Year to 30 June 2021
Investment expenses related to acquisitions <sup>1</sup>		1,420,869	76,472
Share-based payments	7; 11	1,007,643	714,155
Audit fees <sup>2</sup>		479,257	557,073
Directors' fees	18	348,484	292,000
Group recharges		166,707	34,360
Advisory fees <sup>3</sup>		138,537	202,559
Listing fees		87,445	72,828
Legal services		58,199	95,857
Services related to bond issue <sup>4</sup>		-	1,138,496
Other expenses		87,989	163,392
<b>Total administration expenses</b>		<b>3,795,130</b>	<b>3,347,192</b>

<sup>1</sup> Mainly audit fees, sponsor fees on JSE, and other transaction costs, incurred by the Company for the acquisition from a related party. Two of MAS' subsidiaries acquired 100% of the share capital and shareholder loans of six entities owning six retail properties in Romania. The expenses incurred by the Company relate to services in respect of a Circular required to be issued to MAS' shareholders.

<sup>2</sup> Audit fees with PwC IoM, for audit services of MAS' consolidated annual and condensed interim financial statements, and separate financial statements.

Of the total acquisition expenses, €160,000 related to services provided by PwC South Africa.

<sup>3</sup> Of the total advisory fees, €71,500 were in relation to non-audit services provided by PwC Romania.

<sup>4</sup> Services incurred in the Company's capacity as Guarantor to the Eurobond issued in May 2021 by one of its subsidiaries, MAS Securities B.V., comprising of credit rating and other related fees.



**MAS P.L.C.**  
**Separate financial statements for the year to 30 June 2022**

**6. Taxation**

The Company is subject to corporate tax at a rate of 35% in Malta, starting 12 October 2021, the effective completion date of the migration process from British Virgin Islands to Malta. The Company was not subject to tax in British Virgin Islands.

No tax expense was incurred for the year to 30 June 2022.

The reconciliation of effective tax rate is disclosed below.

	Year to 30 June 2022	Year to 30 June 2021
<b>Profit before tax</b>	<b>18,436,713</b>	<b>7,899,374</b>
Applicable tax rate	35.00%	0.00%
<b>Net tax expense based on applicable Company weighted tax rate</b>	<b>6,452,850</b>	-
<b>Reconciling items</b>		
Non-deductible expenses	197,150	-
Non-taxable income	(6,650,000) <sup>1</sup>	-
<b>Net tax expense</b>	<b>-</b>	<b>-</b>
<b>Effective tax rate</b>	<b>0.00%</b>	<b>0.00%</b>

<sup>1</sup> Non-taxable income refers to dividend income, which is non-taxable income in accordance with the Maltese Law.

**7. Investments in subsidiaries**

The carrying amount of the Company's investments in subsidiaries is disclosed below.

Subsidiary	Address of incorporation	Holding	Shares held	On 30 June 2022	On 30 June 2021
MAS RE Malta Holding Limited (formerly MAS (BVI) Holdings Limited)	Suite 11, Penthouse Level, Marina Business Centre, Abate Rigord Street, Ta'Xbiex XBX 1129, Malta	Ordinary shares	100%	75,000,100	75,000,100
MAS Securities B.V.	Margrietplantsoen 88, 2595 BR, The Hague, Netherlands	Ordinary shares	100%	10,412,000	100
Rhea Mezzi Limited (formerly MAS Mezzi Limited)	Part First Floor Office Suite, Athol Street, 21A-23 Athol Street, Douglas, IM1 1LB, Isle of Man	Ordinary shares	100%	535,971,584	15,691,990
MAS CEE Holdings Limited (formerly PKM Investments S.à r.l.)	Malta, Suite 11, Penthouse Level, Marina Business Centre, Abate Rigord Street, Ta'Xbiex XBX 1129, Malta	Ordinary shares	100%	6,998,614	6,998,614
MAS CEE Developments Limited	Part First Floor Office Suite, Athol Street, 21A-23 Athol Street, Douglas, IM1 1LB, Isle of Man	Ordinary shares	100%	65,154,143	-
MAS One PCC Limited	Part First Floor Office Suite, Athol Street, 21A-23 Athol Street, Douglas, IM1 1LB, Isle of Man	Core share	100%	1	1
MAS Two PCC Limited	Part First Floor Office Suite, Athol Street, 21A-23 Athol Street, Douglas, IM1 1LB, Isle of Man	Core share	100%	1	1
MAS Three Limited	Part First Floor Office Suite, Athol Street, 21A-23 Athol Street, Douglas, IM1 1LB, Isle of Man	Ordinary shares	100%	1	1
Capital contribution for subsidiaries				75,170,230	75,170,230
Capital contribution of share-based payments (note 11)				1,370,142	1,232,982
				<b>770,076,816</b>	<b>174,094,019</b>

*MAS RE Malta Holding Limited (formerly MAS (BVI) Holdings Limited)*

MAS RE Malta Holding Limited (formerly MAS (BVI) Holdings Limited), a subsidiary of the Company, was incorporated on 19 December 2008, MAS P.L.C. is the sole shareholder. Effective 1 August 2022, the subsidiary obtained a provisional certificate of continuation in Malta and its name was changed to MAS RE Malta Holding Ltd (formerly MAS (BVI) Holdings Limited).

*MAS Securities B.V.*

MAS Securities B.V., a financing company, was incorporated on 21 January 2021, MAS P.L.C. being the sole shareholder.

On 7 January 2022, MAS Securities B.V. issued additional 22,120 ordinary shares of €100 per share, by means of a contribution from MAS P.L.C. via a receivable of €2,211,998 which the Company had from the subsidiary. The remaining €98 was contributed by MAS P.L.C. to the subsidiary's share premium.

On 30 June 2022, by means of a contribution of €8,200,000, the Company's investment in the subsidiary increased to €10,412,000.

## MAS P.L.C.

### Separate financial statements for the year to 30 June 2022

#### *Rhea Mezzi Limited (formerly MAS Mezzi Limited)*

MAS Mezzi Limited changed its name to Rhea Mezzi Limited on 19 January 2021.

On 9 April 2021, MAS RE Malta Holding Limited (formerly MAS (BVI) Holdings Limited), the subsidiary's former sole shareholder, transferred to the Company 7,000,000 shares, representing 100% of Rhea Mezzi Limited's share capital, by means of a share transfer agreement with a consideration of €15,691,990. The consideration was set-off against the outstanding receivable the Company had from MAS RE Malta Holding Limited (formerly MAS (BVI) Holdings Limited).

On 13 January 2022, Rhea Mezzi Limited was assigned by MAS P.L.C. a receivable of €522,279,594 from MAS RE Malta Holding Limited (formerly MAS (BVI) Holdings Limited). On 27 January 2022, Rhea Mezzi Limited issued 522,279,594 additional ordinary shares valued at €522,279,594 as settlement of the receivable MAS P.L.C. had from the subsidiary and on 18 March 2022 Rhea Mezzi Limited distributed €2,000,000 to MAS P.L.C. by means of a share capital reduction.

#### *MAS CEE Holdings Limited (formerly PKM Investments S.à r.l.)*

Since 9 April 2021, the Company owns 137,500 shares and is the sole shareholder of MAS CEE Holdings Limited (formerly PKM Investments S.à r.l.).

#### *MAS CEE Developments Limited*

Since 8 November 2021, the Company owns 100 ordinary shares and is the sole shareholder of MAS CEE Developments Limited. MAS RE Malta Holding Limited (formerly MAS (BVI) Holdings Limited), the former sole shareholder of the subsidiary, transferred the ownership of MAS CEE Developments Limited to the Company, by means of settlement of an outstanding payable of €65,154,143.

#### *MAS One PCC Limited, MAS Two PCC Limited and MAS Three Limited*

The Company holds shares in two protected cell companies, MAS One PCC Limited and MAS Two PCC Limited, and is the sole shareholder of MAS Three Limited. These three entities were incorporated to facilitate the issuance of shares to senior management of the Group via MAS' geared share purchase plan.

#### *Capital contribution for subsidiaries and capital contribution of share-based payments*

In November 2016, the Group entered into a joint venture with Prime Kapital Holdings Limited ('PK') through PKM CEE Investments Limited, in which PK's effective economic interest was equivalent to 20% direct participation less the interest cost on the participation funding, which was provided by the Group. Under the terms of the joint venture, PK provided property investment and management services to the joint venture on a cost recovery basis. The property investment and management services were provided by three entities, PK Property Management (Bulgaria) EOOD; PK Property Management (Poland) sp zoo, and Prime Kapital Development SRL (together the 'Property Management Platform').

On 27 November 2019, with shareholders' approval, the Group acquired the Property Management Platform and PK's effective economic interest in the joint venture through the acquisition of the entire share capital of PK Mezz BV and Prime Kapital CEE Property Investment Management Limited (the '2019 Transaction').

The capital contribution for subsidiaries of €75,170,230 relates to the issue of 65,141,669 MAS shares (the 'Consideration Shares') at an issue price of €1.15395 per share. The Consideration Shares are locked for 3 years commencing on the date of the Transaction (the 'Lock-In Period'). PK will not, during the Lock-In Period, transfer any interest in the Consideration Shares to another person (other than the Incentive Shares to be issued to key individuals that are part of the Property Management Platform ('Incentive Share Participants')). The Group considered the requirements of IFRS 2 'Share-based Payments', and of IFRS 3 'Business Combinations' to determine whether any of the Consideration Shares relate to components other than the settlement of the purchase consideration. This resulted in equity-settled share-based payments being recognised in respect of (i) the Executive Management, (ii) the Incentive Share Participants, (iii) the PK Prepaid Development Services.

At Group level, the purchase price was a total amount of €77,314,651 and related to the issue of 67,000,000 MAS shares. The allocation at Company level is disclosed below.

	Note	Number of shares	Amount
Acquisition of the Property Management Platform		331,221	382,212
Equity-settled share-based payments			
– Incentive Share Participants	11	3,350,000	3,865,733
– PK Prepaid Development services	11	8,813,237	10,170,035
Acquisition of non-controlling interest in joint venture		52,647,211	60,752,250
<b>Total capital contribution for subsidiaries</b>		<b>65,141,669</b>	<b>75,170,230</b>
Other non-current assets – Executive Management	11		1,007,643
Receivables – Executive Management	5; 11		714,155
Share-based payments	5; 11		422,623
			<b>77,314,651</b>

**MAS P.L.C.**  
**Separate financial statements for the year to 30 June 2022**

**8. Intercompany loans receivable**

The Company's intercompany loans receivable are set out below.

<b>Name of Company</b>	<b>Jurisdiction</b>	<b>On 30 June 2022</b>	<b>On 30 June 2021</b>
<b>Non-current</b>			
MAS RE Malta Holding Limited (formerly MAS (BVI) Holdings Limited)	BVI	-	627,712,438
		-	<b>627,712,438</b>
<b>Current</b>			
MAS CEE Investments Limited	BVI	-	46,399
		-	<b>46,399</b>

On 30 June 2022, the Company has no outstanding intercompany loans receivable, as these were settled as described in note 7. On 30 June 2021, the Company had an unsecured interest-bearing intercompany loan receivable from MAS RE Malta Holding Limited (formerly MAS (BVI) Holdings Limited). The loan was repayable on demand. The loan to MAS CEE Investments Limited was unsecured, interest free repayable on demand.

**9. Trade and other receivables**

	<b>On 30 June 2022</b>	<b>On 30 June 2021</b>
Receivables from subsidiaries	2,974,933	533,701
Prepayments	173,417	97,018
Other receivables	85,441	458
Trade receivables	27,092	328
VAT Receivables	7,263	94,950
Receivables – Executive Management	-	714,155
<b>Total trade and other receivables</b>	<b>3,268,146</b>	<b>1,440,610</b>

Company's receivables from subsidiaries are detailed below.

	<b>On 30 June 2022</b>	<b>On 30 June 2021</b>
Rhea Mezzi Limited	2,871,189	-
MAS RE Malta Holding Limited (formerly MAS (BVI) Holdings Limited)	49,875	49,875
MAS CEE Investments Limited	46,399	-
MAS Securities B.V.	7,013	408,755
MAS CEE Holdings Limited (formerly PKM Investments S.à r.l.)	457	-
MAS Property Advisors Limited	-	75,071
<b>Total receivables from subsidiaries</b>	<b>2,974,933</b>	<b>533,701</b>

Trade and other receivables are interest free, unsecured and repayable on demand.

**10. Share capital, share premium and treasury shares**

The reconciliation of share capital and share premium and treasury shares is detailed below.

	<b>Note</b>	<b>Number of shares</b>	<b>Share capital</b>	<b>Share premium</b>	<b>Treasury shares – geared share purchase plan</b>
<b>Balance on 30 June 2020</b>		<b>708,343,798</b>	<b>-</b>	<b>901,381,034</b>	<b>(6,308,610)</b>
Issued during the year					
Geared share purchase plan shares issued	11	2,801,931	-	1,735,467	(1,735,467)
Geared share purchase plan shares forfeited <sup>3</sup>	11	(1,900,000)	-	(1,049,750) <sup>1</sup>	3,113,340
Geared share purchase plan shares brought back in the scheme <sup>3</sup>	11	1,900,000	-	1,049,750	(1,049,750)
Transfer from share premium reserve <sup>2</sup>		-	-	(250,000,000)	-
<b>Balance on 30 June 2021</b>		<b>711,145,729</b>	<b>-</b>	<b>653,116,501</b>	<b>(5,980,487)</b>
Nominal value of shares - assignment on continuation					
		-	7,131,457	(7,131,457)	-
Issued during the year					
Geared share purchase plan shares issued	11	3,500,000	15,000	3,748,889	(3,763,889)
Geared share purchase plan shares forfeited <sup>3</sup>	11	(300,000)	-	(320,520) <sup>1</sup>	491,580
Geared share purchase plan shares brought back in the scheme <sup>3</sup>	11	300,000	-	320,520	(320,520)
<b>Balance on 30 June 2022</b>		<b>714,645,729</b>	<b>7,146,457</b>	<b>649,733,933</b>	<b>(9,573,316)</b>

## MAS P.L.C.

### Separate financial statements for the year to 30 June 2022

<sup>1</sup> The shortfall between the cost of the geared share purchase plan shares and the market value payable to a subsidiary on forfeiture has been credited to equity.

<sup>2</sup> The Company transferred €250,000,000 from share premium to retained deficit, as allowed by the provisions of the BVI Business Companies Act 2004, and the Company's share premium has been reduced by the same value, by reallocating the respective amount to the Company's retained deficit.

<sup>3</sup> Impact of shares forfeited and brought back into the scheme has been accounted for as a reduction in Treasury shares – geared share purchase plan, and consequently as a reduction in the share premium on issuance of the treasury shares.

#### Share capital and share premium

Effective 12 October 2021, MAS P.L.C. has changed its legal seat from British Virgin Islands to Malta. Following registration at the Malta Business Registry, in accordance with the Company's Memorandum and Articles of Association, the Company's share capital and share premium account was divided to take account of the share capital's par value of each issued share. As such, the Company's issued and fully paid-up share capital on migration date was €7,131,457 divided into 713,145,729 ordinary shares having a nominal value of €0.01 each. The actual number of issued ordinary shares is unchanged pursuant to the migration of the Company's legal seat to Malta. Until migration, the Company's ordinary share capital had no par value.

On 30 June 2022, following the issue of additional shares under the geared share purchase plan, as detailed below, the Company's issued and fully-paid share capital is €7,146,457 divided into 714,645,729 issued ordinary shares.

#### Treasury shares - geared share purchase plan shares

The total number of shares issued in relation to the geared share purchase plan is 10,151,931 shares on 30 June 2022 (30 June 2021: 6,651,931 shares).

During the year to 30 June 2022, 3,500,000 shares were issued in the geared share purchase plan at a price of €3,763,889. Of the total shares issued, 1,500,000 shares were issued subsequent to MAS P.L.C.'s migration to Malta, in March 2022. Thus, the shares were issued at €0.01 per share, respectively €15,000 share capital, and a share premium of €1,689,589.

In addition, during the financial year, 300,000 allocated geared share purchase plan shares were forfeited following the departure of a share purchase plan participant and were subsequently returned to the scheme. The shares were forfeited at the initial issue price of €1.6386 per share and returned to the scheme at the share price of €1.0684 per share, the net value of €171,060 being reflected through share premium.

During the financial year to 30 June 2021, 2,801,931 shares were issued in the geared share purchase plan at a price of €1,735,467, of which 579,241 shares were issued on 23 September 2020 at an issue price of €0.5525 per share, 1,362,690 shares issued on 1 October 2020 at an issue price of €0.5525 per share, 500,000 shares were issued on 4 March 2021 at an issue price of €0.7491 per share and 360,000 shares were issued on 30 March 2021 at an issue price of €0.8000 per share; refer to note 11.

On 1 September 2020, 1,900,000 allocated geared share purchase plan shares were forfeited following the departure of several participants from the scheme and subsequently returned to the scheme with different participants. The shares were forfeited at the initial issue price of €1.6386 per share and returned to the scheme and granted on 1 September 2020, at the share price €0.5525 per share, having an impact of €2,063,590 reduction of treasury shares.

#### Consideration shares issued

During the financial year to 30 June 2020, the Company issued 67,000,000 shares at an issue price of €1.15395 (ZAR 18.96) per share in consideration for the Transaction, with respect to the acquisition of the Property Management Platform and PK's 20% effective economic interest in the joint venture. Transaction costs of €1,013,980 were deducted from share capital and share premium in the financial year to 30 June 2020.

The Consideration Shares are locked for 3 years commencing on the date of the Transaction. Prime Kapital will not, during the Lock-In Period, transfer any interest in the Consideration Shares to another person (other than the Incentive Shares to be issued to key individuals that are part of the Property Management Platform).

#### Distributions

The holders of the Company's shares are entitled to distributions as declared by the Board and to vote at the Company's general meetings. Distributions can be paid by the Company from retained earnings or as a return of capital.

During the year to 30 June 2022 the Group paid dividends to shareholders in amount of €42,289,542 in respect of the financial year to 30 June 2021 and €21,153,514 in respect of the six-month period to 31 December 2021.

No distributions were declared and/or paid during the financial year to 30 June 2021.

## 11. Share-based payment arrangements

On 30 June 2022, the Company had the following share-based payment arrangements:

- Incentive Share Participants;
- PK Prepaid Development Services;
- Executive Management, and
- Geared share purchase plan.

The Incentive Share Participants, PK Prepaid Development Services and the Executive Management share-based payment arrangements (the '2019 Transaction Share-Based Payments') are a result of the 2019 Transaction (refer to note 7).

## MAS P.L.C.

### Separate financial statements for the year to 30 June 2022

#### **Incentive Share Participants**

In accordance with the terms of the 2019 Transaction, PK had placed in reserve 5% of the Consideration Shares to be allocated to existing and future employees and service providers who, directly or indirectly, provide services to or for the benefit of MAS through the Property Management Platform or as otherwise required by MAS from time to time. The incentive shares are held in trust for the benefit of Incentive Share Participants. The incentive shares have been treated as a share-based payment in accordance with the requirements of IFRS 2 'Share-based Payments'. The incentive shares are issued shares as part of the 2019 Transaction for the benefit of present and future Incentive Share Participants.

The equity-settled share-based payment expense has been calculated on the 2019 Transaction date based on 3,350,000 Consideration Shares at market price on 27 November 2019 and subsequently a fair value adjustment has been recognised to reflect a reasonable expected grant date fair value.

The terms of share-based payment were communicated to the Incentive Share Participants by 30 June 2021 and had a grant date on 1 September 2020 with the price of €0.5525 per share. The incentive shares were initially recognised as a prepaid employee service expense of €3,865,733. for the benefit of subsidiaries and therefore recognised as a capital contribution for the Company to those subsidiaries.

#### **Executive Management**

As part of the 2019 Transaction Agreement with Prime Kapital, Martin Slabbert and Victor Semionov were appointed as Executive Directors, respectively, for the duration of a three-year Lock-In Period, starting on 2019 Transaction closing date.

In accordance with the terms of the 2019 Transaction, the appointment of Martin Slabbert and Victor Semionov was contingent on no remuneration (fixed or variable) being paid to either, by MAS, for the duration of the Lock-In Period. The services are provided to the Company, not the subsidiaries. In accordance with IFRS 2 'Share-based Payment' and IFRS 3 'Business Combinations' it has been determined that 1,858,331 Consideration Shares are recognised as an equity-settled share-based payment expense, which represents the value of the Share-based payment in relation to IFRS 2 for the respective executives based on their estimated implied remuneration. The treatment does not affect the commercial structure of the 2019 Transaction, and Martin Slabbert and Victor Semionov did not receive cash or other actual remuneration for the duration of the Lock-In Period.

The fair value of the equity-settled share-based payment expense has been calculated based on 1,858,331 Consideration Shares at market price on 27 November 2019.

On 26 August 2021, Victor Semionov stepped down from the MAS Board, and as such an amount of €268,172, being the remaining value of his estimated implied remuneration previously recognised as a prepaid share-based payment until the end of the Lock-In Period has been fully expensed in the year to 30 June 2022.

On 21 April 2022 Martin Slabbert stepped down as Chief Executive Officer ('CEO') and Executive Director of the Company, and was appointed Non-Executive Director. Thus the remaining €315,891 share-based payment has been fully expensed.

The key terms of the Executive Management share-based payment are presented below.

Share-based payment	Grant date	Number of shares	Issue price	Vesting period	Vesting conditions
Executive Management	27 Nov 2019	1,858,331	€1.15395	3 years	Service for the Lock-In Period

The grant date fair value has been determined using the share price on 27 November 2019.

During the year to 30 June 2022, €1,007,643 (30 June 2021: €714,155) has been recognised in the statement of profit or loss as an employment share-based payment expense and disclosed as a related party transaction in relation to services provided by Martin Slabbert and Victor Semionov, following their resignation from the Company's Board, as described above.

#### **PK Prepaid Development Services**

In accordance with the terms of the 2019 Transaction, Prime Kapital committed to provide property development services in relation to the extension of commercial real estate assets previously held within the joint venture on a cost recovery basis. The fair value of these services has been determined and a corresponding share-based payment has been recognised.

On 30 June 2022, Prime Kapital had not provided the relevant development services to the Group and therefore a prepayment for the future development services of €10,170,035 has been recognised as part of the capital contribution for subsidiaries. The fair value of the equity-settled share-based payment expense has been calculated based on 8,813,237 Consideration Shares at market price on 27 November 2019. It remains the Group's intention to utilise the development management services in the future. The Group is reconsidering the appropriateness of previously planned extensions of its directly owned assets.

As the development services provided by PK to the joint venture is a pre-existing relationship that was in place before the 2019 Transaction was completed, Prime Kapital is acting as counterparty, not as shareholder of the Group and therefore the provision of the development services on a cost recovery basis at below market value is determined to be an equity-settled share-based payment arrangement with a non-employee.

**MAS P.L.C.**  
**Separate financial statements for the year to 30 June 2022**

The key terms of the PK Prepaid Development Services share-based payment are presented below.

Share-based payment	Grant date	Number of shares	Issue price	Vesting period
PK Prepaid Development Services	2019 Transaction date	8,813,237	€1.15395	Services to be performed for a period of up to 5 years

*Measurement of fair value of the 2019 Transaction share-based payments*

The fair value of the share-based payments has been determined using the quoted share price on the grant date, being €1.15395, multiplied by the number of allocated shares for Share-based payment in relation to IFRS 2.

**Geared share purchase plan**

Reconciliation of share-based payment reserve is disclosed below.

	Year to 30 June 2022	Year to 30 June 2021
<b>Opening balance</b>	<b>1,232,982</b>	<b>924,501</b>
Shared-based payment expense recognised as increase in capital contribution to subsidiaries	137,160	308,481
Recognised during the year	559,072	308,481
Non-forfeitable distribution paid	(421,912)	-
<b>Closing balance</b>	<b>1,370,142</b>	<b>1,232,982</b>

*Measurement of fair value*

The fair value of the options of the geared share purchase plan have been determined by using the Black-Scholes-Merton model. The participants' service-related vesting conditions have not been considered in the valuation of the options. Instead, the expense has been recognised based on the Company's estimate of shares that will eventually vest. The valuation assumptions used to measure the grant date fair value of the options of the equity settled share-based payments were as follows:

Geared share purchase plan	For shares granted on 9-Mar-17	For shares granted on 25-Jun-19	For shares granted on 1-Sep-20	For shares granted on 1-Mar-21	For shares granted on 24-Mar-21	For shares granted on 3-Sep-21	For shares granted on 10-Mar-22
Share price at grant date	€1.64	€1.30	€0.55	€0.75	€0.80	€1.03	€ 1.14
Exercise price	€2.10	€1.65	€0.71	€0.96	€1.02	€1.32	€ 1.45
Expected volatility	21.16%	21.56%	39.86%	35.62%	35.62%	35.62%	35.62%
Risk free rate	0.43%	0.29%	(0.50%)	(0.33%)	(0.36%)	(0.36%)	0.27%
Time to expiration	10 years	10 years	10 years	10 years	10 years	10 years	10 years
Fair value of option	€0.31	€0.23	€0.22	€0.50	€0.54	€0.69	€ 0.69

As participants are effectively entitled to distributions, or distribution equivalents, between grant date and exercise date, the options are valued as if no distributions will be paid on the underlying share. The input for expected distributions is accordingly zero.

Expected volatility has been based upon the evaluation of the Company's historic volatility and market conditions to determine the future implied volatility of the Company's share price over the term of the options in the geared share purchase plans.

**Reconciliation of outstanding loan and shares**

The loans to acquire shares are, in substance, call options in terms of IFRS 2 'Share-based Payments'. The options were valued on the grant date. The cost thereof is recognised over the vesting period as an increase in capital contribution to subsidiaries, with a corresponding increase in the share-based payment reserve.

As the options relate to multiple service periods, the awards have a graded vesting pattern whereby each tranche relating to a particular service period is recognised as an expense in profit or loss over that service period.

The number of shares and the loan value of the employee incentive plans are detailed below.

On 30 June 2022	Geared share purchase plan		
	Number of shares	Weighted average share price	Weighted average loan per share
<b>Opening outstanding balance</b>	<b>6,651,931</b>	<b>€1.0690</b>	<b>€0.9617</b>
Granted	3,800,000	-	€1.0831
Forfeited	(300,000)	-	(€1.0418)
Interest	-	-	€0.0310
Interest repayment	-	-	(€0.0386)
Share price movement	-	€0.0977	-
<b>Closing outstanding balance</b>	<b>10,151,931</b>	<b>€1.1667</b>	<b>€0.9954</b>
Exercisable	1,650,000	€1.1667	€1.6775

**MAS P.L.C.**  
**Separate financial statements for the year to 30 June 2022**

On 30 June 2021	Geared share purchase plan		
	Number of shares	Weighted average share price	Weighted average loan per share
<b>Opening outstanding balance</b>	<b>3,850,000</b>	<b>€0.6734</b>	<b>€1.6442</b>
Granted	4,701,931	-	€0.6417
Forfeited	(1,900,000)	-	(€1.3520)
Interest	-	-	€0.0278
Share price movement	-	€0.3956	-
<b>Closing outstanding balance</b>	<b>6,651,931</b>	<b>€1.0690</b>	<b>€0.9617</b>
Exercisable	1,650,000	€1.0690	€1.7018

The remaining term of the loans in respect of the geared purchase plan is presented below.

	On 30 June 2022	On 30 June 2021
Shares granted	4.70 – 9.69 years	5.69 – 9.74 years

As the options relate to multiple service periods, the awards have gradual vesting pattern whereby each tranche relating to a particular service period is recognised as an expense in profit or loss over that service period.

During the year to 30 June 2022, €559,072 (June 2021: €308,481) was recognised in the share-based payment reserve in relation to the options.

The call options on all vested and unvested shares in the share plans that were granted in the year to 30 June 2022 are in the money on 30 June 2022. The call options on all vested and unvested shares in the share plans granted in earlier years are out of the money on 30 June 2022 and 30 June 2021.

## 12. Earnings per share

### Basic earnings per share

The calculation of basic earnings per share has been based on the profit attributable to ordinary shareholders and the weighted-average number of ordinary shares outstanding on the relevant date.

	Year ended 30 June 2022	Year ended 30 June 2021
<b>Opening issued ordinary shares</b>	<b>704,493,798</b>	<b>704,493,798</b>
Effect of shares issued	-	-
<b>Weighted-average number of ordinary shares</b>	<b>704,493,798</b>	<b>704,493,798</b>
	<b>Year ended 30 June 2021</b>	<b>Year ended 30 June 2021</b>
<b>Profit for the year</b>	<b>18,436,713</b>	<b>7,899,374</b>
Weighted-average number of ordinary shares	704,493,798	704,493,798
<b>Basic earnings per share (euro cents)</b>	<b>2.62</b>	<b>1.12</b>
<i>Basic earnings per share (euro cents) – continuing operations</i>	<i>2.62</i>	<i>1.12</i>

### Diluted earnings per share

The calculation of diluted earnings per share has been based on the following weighted-average number of ordinary shares outstanding after adjusting for the effects of all potential dilutive ordinary shares.

	Year ended 30 June 2022	Year ended 30 June 2021
<b>Weighted-average number of ordinary shares (basic)</b>	<b>704,493,798</b>	<b>704,493,798</b>
Effect of share options	2,319,596	2,856,440
<b>Weighted-average number of ordinary shares (diluted)</b>	<b>706,813,394</b>	<b>707,350,238</b>
	<b>Year ended 30 June 2022</b>	<b>Year ended 30 June 2021</b>
<b>Profit for the year</b>	<b>18,436,713</b>	<b>7,899,374</b>
Weighted-average number of ordinary shares	706,813,394	707,350,238
<b>Diluted earnings per share (eurocents)</b>	<b>2.61</b>	<b>1.12</b>
<i>Diluted earnings per share (eurocents) – continuing operations</i>	<i>2.61</i>	<i>1.12</i>

### 13. Trade and other payables

	On 30 June 2022	On 30 June 2021
Accruals	387,340	663,815
Trade creditors	216,151	163,362
Payables to subsidiaries	126,616	39,329
	<b>730,107</b>	<b>866,506</b>

Company's payables to subsidiaries are detailed below.

	On 30 June 2022	On 30 June 2021
MAS CEE Holdings Limited (formerly PKM Investments S.à r.l.)	126,616	-
MAS RE Malta Holding Limited (formerly MAS (BVI) Holdings Limited)	-	31,544
MAS Property Advisors Limited	-	7,785
	<b>126,616</b>	<b>39,329</b>

The trade payables to MAS CEE Holdings Limited (formerly PKM Investments S.à r.l.) are unsecured, interest-free and approximate their fair value.

### 14. Intercompany loans payable

The intercompany loans payable are detailed below.

	On 30 June 2022	On 30 June 2021
<b>Current</b>		
MAS Securities B.V.	8,200,000	-
	<b>8,200,000</b>	<b>-</b>

On 30 June 2022, MAS Securities B.V. made available an interest-bearing loan to MAS P.L.C. in the amount of €8,200,000. The loan is repayable on demand.

### 15. Bank loans

	On 30 June 2022	On 30 June 2021
<b>Current</b>		
Bank loans	20,685	275,000
	<b>20,685</b>	<b>275,000</b>

The Company has an unsecured credit facility from Raiffeisen Bank International AG of €20,000,000, which can be increased up to €60,000,000, bearing a 2.875% margin and has a maturity date of 25 August 2024. The facility was undrawn on 30 June 2022; the balance shown in the table above is a non-utilisation fee payable applicable to the undrawn facility.

### 16. Contingent liabilities and contingent assets

There are no contingent assets or liabilities.

### 17. Financial risk management

The Group is exposed to the following risks from its use of financial instruments:

- Liquidity risk;
- Market price risk;
- Interest rate risk: fair value interest rate risk and cash flow interest rate risk;
- Foreign exchange risk, and
- Credit risk.

#### **Liquidity risk**

The risk that the Company will encounter difficulty in meeting its obligations associated with its financial liabilities, arises when the maturity of assets and liabilities do not match. An unmatched position potentially enhances profitability but can also increase the risk of losses. The Company has an internal treasury function focused on ensuring the efficient but prudent use of cash and availability of working capital, including future cashflows and liabilities.



**MAS P.L.C.**  
**Separate financial statements for the year to 30 June 2022**

The Company mitigates liquidity risk by maintaining adequate cash and access to undrawn debt facilities. The Company had an undrawn credit facility of €20,000,000 on 30 June 2022 (30 June 2021: €60,000,000). The Company has no significant concentration of liquidity risk on the basis that the Company holds all cash and cash equivalents on demand.

Contractual maturities of payments are detailed in the table below.

On 30 June 2022	Note	1-6 months	6-12 months	1-3 years	>3 years	Total
Bank loans	15	20,685	-	-	-	20,685
Intercompany loans payable	14	8,200,000	-	-	-	8,200,000
Trade and other payables	13	730,107	-	-	-	730,107
		<b>8,950,792</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,950,792</b>
On 30 June 2021	Note	1-6 months	6-12 months	1-3 years	>3 years	Total
Bank loans	15	275,000	-	-	-	275,000
Trade and other payables	13	866,506	-	-	-	866,506
		<b>1,141,506</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,141,506</b>

In addition to the above, as disclosed in note 19.2, the Company has also provided a subsidiary (MAS Securities B.V.) with a guarantee of €300,000,000 which may become due within 12 months should an event of default pertaining to the respective guaranteed notes occur.

**Market price risk**

The risk that the market price of an investment or financial instrument will fluctuate due to changes in foreign exchange rates, market interest rates, market factors specific to the security or its issuer or factors generally affecting all such investments.

The risk for the Company arises as a result of an imbalance between supply and demand for the relevant investments and financial instruments in the portfolio, which could potentially result in a disorderly market. Market price risk is mitigated through a combination of extensive initial market research prior to the asset acquisition and ongoing monitoring of the share price of the listed real estate equity securities.

**Interest rate risk**

The Company actively manages debt, using adequate instruments whenever hedging is required against adverse movements in variable interest rates. The Company did not hold any hedging instruments on 30 June 2022.

The carrying amount of assets and liabilities affected by interest risk are as follows below.

On 30 June 2022	Fixed rate	Variable rate	No exposure	Non-financial instruments	Total
<b>Assets</b>					
Trade and other receivables	-	-	3,009,288	258,858	3,268,146
Cash and cash equivalents	-	-	422,486	-	422,486
			<b>3,431,774</b>	<b>258,858</b>	<b>3,690,632</b>
<b>Liabilities</b>					
Bank loans	20,685	-	-	-	20,685
Intercompany loans payable	8,200,000	-	-	-	8,200,000
Trade and other payables	-	-	730,107	-	730,107
	<b>8,220,685</b>	<b>-</b>	<b>730,107</b>	<b>-</b>	<b>8,950,792</b>
On 30 June 2021	Fixed rate	Variable rate	No exposure	Non-financial instruments	Total
<b>Assets</b>					
Financial assets	627,758,837	-	293,488	-	628,052,325
Trade and other receivables	-	-	1,343,134	97,476	1,440,610
Cash and cash equivalents	-	-	3,476,502	-	3,476,502
	<b>627,758,837</b>	<b>-</b>	<b>5,113,124</b>	<b>97,476</b>	<b>632,969,437</b>
<b>Liabilities</b>					
Bank loans	275,000	-	-	-	275,000
Trade and other payables	-	-	866,506	-	866,506
	<b>275,000</b>	<b>-</b>	<b>866,506</b>	<b>-</b>	<b>1,141,506</b>

**MAS P.L.C.**  
**Separate financial statements for the year to 30 June 2022**

**Foreign exchange risk**

The Company is exposed to currency risk as it holds both assets and liabilities denominated in currencies other than euro, the presentation currency. It is therefore exposed to currency risk, as the value of assets and liabilities denominated in other currencies will fluctuate due to changes in exchange rates. The foreign exchange risk is mitigated as management monitors exchange rates against assets and liabilities on a regular basis. In addition, effort is made to match assets and liabilities in foreign currency against each other to reduce any foreign exchange risk.

On 30 June 2022, the Company had functional currency exposures, as presented in the table below.

	GBP	ZAR	USD
Closing exchange rate	1.1652	0.0588	0.9627
<b>FINANCIAL INSTRUMENTS – ASSETS</b>			
<b>Trade and other receivables</b>			
Foreign currency	280	384,036	-
Euro equivalent	326	22,581	-
<b>Cash and cash equivalents</b>			
Foreign currency	54,258	4,473,618	26
Euro equivalent	63,222	263,049	25
<b>FINANCIAL INSTRUMENTS – LIABILITIES</b>			
<b>Trade and other payables</b>			
Foreign currency	5,914	1,228,382	-
Euro equivalent	6,891	72,229	-
<b>Total net financial (liability)/asset exposure</b>			
Foreign currency	<b>48,624</b>	<b>3,629,272</b>	<b>26</b>
Euro equivalent	<b>56,657</b>	<b>213,401</b>	<b>25</b>

On 30 June 2021, the Company had functional currency exposures, as presented in the table below.

	GBP	ZAR	USD
Closing exchange rate	1.1654	0.0588	0.8410
<b>FINANCIAL INSTRUMENTS – ASSETS</b>			
<b>Trade and other receivables</b>			
Foreign currency	14,983	273,291	859
Euro equivalent	17,461	16,070	722
<b>Cash and cash equivalents</b>			
Foreign currency	40,895	454,912	26
Euro equivalent	47,659	26,749	22
<b>FINANCIAL INSTRUMENTS – LIABILITIES</b>			
<b>Trade and other payables</b>			
Foreign currency	9,948	499,535	-
Euro equivalent	11,593	29,373	-
<b>Total net financial (liability)/asset exposure</b>			
Foreign currency	<b>45,931</b>	<b>228,669</b>	<b>885</b>
Euro equivalent	<b>53,527</b>	<b>13,446</b>	<b>744</b>

**MAS P.L.C.**  
**Separate financial statements for the year to 30 June 2022**

**Credit risk**

The Company is exposed to credit risk primarily as a result of its banking relationships and trade receivables. The carrying amount of financial assets represents the maximum credit risk exposure, as shown below.

On 30 June 2022	Credit risk exposure	No exposure	Non-financial instruments	Total
<b>Current financial assets</b>				
Trade and other receivables	3,009,288	-	258,858	<b>3,268,146</b>
Cash and cash equivalents	422,486	-	-	<b>422,486</b>
	<b>3,431,774</b>	-	<b>258,858</b>	<b>3,690,632</b>

On 30 June 2021	Credit risk exposure	No exposure	Non-financial instruments	Total
<b>Current financial assets</b>				
Trade and other receivables	1,343,134	-	97,476	<b>1,440,610</b>
Cash and cash equivalents	3,476,502	-	-	<b>3,476,502</b>
	<b>4,819,636</b>	-	<b>97,476</b>	<b>4,917,112</b>

The Company's trade and other receivables do not contain any financing component and mainly represent intercompany receivables and prepayments. The expected credit loss from trade and other receivables is analysed on a 36-month basis, historical and forward-looking. There is no historical credit loss rate. Management has considered the quantitative factors, such as actual and forecasted profits for the subsidiaries, and qualitative factors, such as performance of subsidiaries and concluded that there is no expected credit loss rate.

Trade and other receivables are held at amortised cost. The Company has performed an impairment assessment on 30 June 2022 and concluded that there has not been a significant increase in credit risk in relation to its debtors, and that the expected credit loss is not significant in the reporting periods.

**Capital management**

The Company's capital management strategy is to monitor bank or bond covenants, and maintain strong credit ratings and capital base. As a result, market and investors relations, as well as creditor confidence remain adequate, and support long-term business growth. The Company's main objective in managing capital is to safeguard its ability to continue as a going concern, so that it continues to provide and maximise total long-term returns for shareholders and benefits for other stakeholders. Further information is disclosed in the Group consolidated annual financial statements which can be found on [www.masrei.com](http://www.masrei.com).

## 18. Related parties

**Ultimate controlling party**

The Company has no ultimate controlling party but is controlled by its ordinary shareholders in aggregate.

**Key management**

Key management consists of the Executive and Non-executive Directors ('NED').

The Executive Directors and Company Secretary are employed by a subsidiary and amounts are charged back to the Company as an element within the Group recharges. These are included within the Group recharges disclosed in note 5.

**Change of Company's directorship**

Martin Slabbert has stepped down as Chief Executive Officer and Executive Director of MAS and remains a member of MAS' Board of Directors ('Board') as a Non-Executive Director. Martin Slabbert was replaced as CEO by Irina Grigore (MAS' former Chief Financial Officer and Deputy CEO) whose CFO responsibilities were transferred to Raluca Buzuleac (former Deputy CFO). All changes to the Board are effective from 21 April 2022.

**MAS P.L.C.**  
**Separate financial statements for the year to 30 June 2022**

**Transactions with key management**

		Year to 30 June 2022				
	Role	During the period	Basic salary	Benefits	Short-term incentive	Long-term incentive
Irina Grigore <sup>1</sup>	CEO	Appointed	-	-	-	-
Raluca Buzuleac <sup>2</sup>	CFOO	Appointed	-	-	-	-
Dan Petrisor <sup>3</sup>	Executive Director	Appointed	-	-	-	-
		Resigned as CEO, Appointed				
Martin Slabbert <sup>4</sup>	NED	NED	-	-	-	-
Victor Semionov <sup>5</sup>	Executive Director	Resigned	-	-	-	-
Jonathan Knight <sup>6</sup>	Alternative Director	Resigned	-	-	-	-
Malcolm Levy	NED		41,000	-	-	-
Pierre Goosen	NED		41,000	-	-	-
Werner Alberts	NED		47,150	-	-	-
Melt Hamman	NED		43,617	-	-	-
Claudia Pendred	NED		41,458	-	-	-
Brett Nagle	NED		44,075	-	-	-
Vasile Iuga	NED		47,150	-	-	-
Dan Pascariu	NED		41,000	-	-	-
			<b>346,450</b>	<b>-</b>	<b>-</b>	<b>-</b>
						<b>346,450</b>

<sup>1</sup> Effective 21 April 2022, Irina Grigore was appointed CEO, replacing Martin Slabbert. Irina's basic salary of €179,029 and benefits (rent allowance and fringe benefits for relocation to Malta) of €72,431 were partially charged back to the Company as an element within the intercompany recharges. Basic salary comprises the Director's fixed cash-based compensation, as well as allowance granted to compensate for additional living costs due to their relocation to Malta.

<sup>2</sup> Effective 6 December 2021, Raluca Buzuleac was appointed Executive Director (Deputy CFO) of the Group and on 21 April 2022 was appointed CFOO. The basic salary of €75,392, representing the remuneration received since her appointment as Executive Director was partially charged back to the Company as an element within the intercompany recharges.

<sup>3</sup> Dan Petrisor's basic salary of €155,264 and benefits (rent allowance and fringe benefits for relocation to Malta) of €61,267 were partially charged back to the Company as an element within the intercompany recharges. Basic salary comprises the Director's fixed cash-based compensation, as well as allowance granted to compensate for additional living costs due to their relocation to Malta.

<sup>4</sup> Effective 21 April 2022 Martin Slabbert stepped down as Executive Director and CEO of the Group, and as a result the related share-based payment has been expensed, as described in note 11. Martin Slabbert was replaced as CEO by Irina Grigore (MAS' former CFO and Deputy CEO) whose CFO responsibilities were transferred to Raluca Buzuleac (former Deputy CFO). Martin Slabbert remains a Non-Executive Director of the Group.

<sup>5</sup> Effective 26 August 2021, Victor Semionov stepped down as Executive Director of the Group, and as a result the related share-based payment has been expensed, as described in note 11.

<sup>6</sup> Effective 26 August 2021, Jonathan Knight stepped down as Alternative Director of the Group. Jonathan Knight had a contract of employment with Corona Real Estate Partners Limited, which was a service provider to MAS Property Advisors Limited up to his resignation. The total remuneration charged by Corona in relation to services provided to MAS was €57,745, out of which Jonathan Knight received a salary of €11,743. Jonathan Knight received a salary of €30,140 through a subsidiary of MAS P.L.C.'s payroll. All amounts are reflected for the period up to step down date.

		Year to 30 June 2021				
	Role	During the period	Basic salary/fees	Benefits	Short-term incentive	Long-term incentive
Martin Slabbert <sup>2</sup>	CEO		-	-	-	-
Victor Semionov <sup>2</sup>	Executive Director		-	-	-	-
Irina Grigore <sup>3</sup>	CFO	Appointed	-	-	-	-
Dan Petrisor <sup>4</sup>	Alternative Director		-	-	-	-
Jonathan Knight <sup>1</sup>	Alternative Director		-	-	-	-
Malcolm Levy	NED		35,000	-	-	-
Pierre Goosen	NED		33,000	-	-	-
Werner Alberts	NED		38,000	-	-	-
Melt Hamman	NED		33,000	-	-	-
Claudia Pendred	NED		40,500	-	-	-
Brett Nagle	NED		37,500	-	-	-
Vasile Iuga	NED		40,000	-	-	-
Dan Pascariu	NED		35,000	-	-	-
			<b>292,000</b>	<b>-</b>	<b>-</b>	<b>-</b>
						<b>292,000</b>

<sup>1</sup> Jonathan Knight has a contract of employment with Corona Real Estate Partners Limited, a service provider to MAS Property Advisors Limited. The total remuneration charged by Corona Real Estate Partners Limited in relation to services provided to MAS by Jonathan Knight was €163,575. Jonathan Knight received a salary of €77,027 from Corona Real Estate Partners Limited.

<sup>2</sup> During the year an amount of €714,155 has been recognised in the separate statement of profit or loss and other comprehensive income as an employment share-based payment expense in relation to employment services provided by Martin Slabbert and Victor Semionov. On 30 June 2021, the prepaid equity settled share-based payment expenses have been recognised as follows: €293,488 as non-current assets and €714,155 as receivables.

<sup>3</sup> Irina Grigore's basic salary in the amount of €45,947 was partially charged back to the Company as an element within the intercompany recharges.

<sup>4</sup> Dan Petrisor's basic salary in the amount of €73,342 was partially charged back to the Company as an element within the intercompany recharges.

**MAS P.L.C.**  
**Separate financial statements for the year to 30 June 2022**

**Key management shareholdings**

**On 30 June 2022**

	<b>Direct</b>	<b>Indirect</b>	<b>Associate</b>	<b>Total</b>
Irina Grigore <sup>3</sup>	100,000	1,740,789	-	<b>1,840,789</b>
Raluca Buzuleac <sup>4</sup>	-	638,671	-	<b>638,671</b>
Dan Petrisor <sup>5</sup>	-	693,272	-	<b>693,272</b>
Martin Slabbert <sup>7</sup>	-	14,287,550*	318,808 <sup>1</sup>	<b>14,606,358</b>
Malcolm Levy	11,633	-	1,568,928 <sup>1</sup>	<b>1,580,561</b>
Pierre Goosen	-	-	104,815 <sup>1</sup>	<b>104,815</b>
Werner Alberts	-	-	-	-
Melt Hamman	-	5,800 <sup>2</sup>	100,000 <sup>1</sup>	<b>105,800</b>
Claudia Pendred	-	-	-	-
Brett Nagle	63,470	-	86,675 <sup>1</sup>	<b>150,145</b>
Vasile Iuga	-	-	-	-
Dan Pascariu	834,320	-	-	<b>834,320</b>
Victor Semionov <sup>7</sup>	-	1,462,037	-	<b>1,462,037</b>
Jonathan Knight <sup>8</sup>	674,575	1,200,000	-	<b>1,874,575</b>
	<b>1,683,998</b>	<b>20,028,119</b>	<b>2,179,226<sup>1</sup></b>	<b>23,891,343</b>

<sup>1</sup> Non-beneficial to director

<sup>2</sup> Family trust

<sup>3</sup> Appointed CFO and Executive Director on 24 February 2021 and also appointed Deputy CEO on 26 August 2021. Currently CEO of the Group since 21 April 2022.

<sup>4</sup> Appointed Executive Director (Deputy CFO) of the Group on 6 December 2021 and appointed CFOO on 21 April 2022.

<sup>5</sup> Appointed Executive Director on 26 August 2021 (no longer Alternate Director).

<sup>6</sup> Stepped down from his CEO role on 21 April 2022, remains a Non-Executive Director of MAS.

<sup>7</sup> Stepped down from his CFO role on 24 February 2021 and from the Board (as Executive Director) on 26 August 2021.

<sup>8</sup> Resigned from his role as Alternate Director with effect from 26 August 2021.

**On 30 June 2021**

	<b>Direct</b>	<b>Indirect</b>	<b>Associate</b>	<b>Total</b>
Martin Slabbert	-	14,287,550*	303,458 <sup>1</sup>	<b>14,591,008</b>
Victor Semionov	-	1,462,037*	-	<b>1,462,037</b>
Irina Grigore	-	642,339	-	<b>642,339</b>
Malcolm Levy	11,633	-	1,568,928 <sup>1</sup>	<b>1,580,561</b>
Pierre Goosen	-	-	104,815 <sup>1</sup>	<b>104,815</b>
Werner Alberts	-	-	-	-
Melt Hamman	-	11,600 <sup>2</sup>	990 <sup>1</sup>	<b>12,590</b>
Claudia Pendred	-	-	-	-
Brett Nagle	63,470	-	86,675 <sup>1</sup>	<b>150,145</b>
Vasile Iuga	-	-	-	-
Dan Pascariu	-	-	-	-
Jonathan Knight <sup>3</sup>	674,575	1,500,000	-	<b>2,174,575</b>
Dan Petrisor <sup>3</sup>	-	283,448	-	<b>283,448</b>
	<b>749,678</b>	<b>18,186,974</b>	<b>2,064,866<sup>1</sup></b>	<b>21,001,518</b>

<sup>1</sup> Non-beneficial to director

<sup>2</sup> Family trust

<sup>3</sup> Alternate directors as of 28 February 2020

\*PKM Development Limited is an associate of Martin Slabbert and Victor Semionov via Prime Kapital which holds 60% of the ordinary shares in the DJV. Martin and Victor are the founders of and have indirect beneficial interests in Prime Kapital. PKM Development Limited holds 70,998,476 shares in MAS, and Prime Kapital holds 60,650,000 shares in MAS.

PK and associates (including shareholdings of DJV, Martin Slabbert, Victor Semionov, and other associates), hold 153,643,517 shares in MAS, representing 21.5% of MAS' ordinary shares (30 June 2021: 21.6%). In accordance with IAS 28 any shareholding exceeding 20% of the ordinary shares is presumed to have significant influence.

Effective 6 December 2021, Nathalie Vella was appointed Company Secretary of the Group, replacing Timothy Callister.

## 19. Guarantees

The Company applies recognition criteria for financial guarantees contracts in accordance with IFRS 9 'Financial instruments'. A contract is classified as a financial guarantee contract, when the Company is bound to make payments for reimbursing the bondholder for a loss it incurs due to a debtor failing to make payments when due, in accordance with the original or modified terms of a debt instrument.

When a guarantee contract refers to performance obligations-linked guarantees, other than specific debt instruments, the contract is classified as a non-financial guarantee, referring to general non-financial obligations in its capacity of guarantor.

**MAS P.L.C.**  
**Separate financial statements for the year to 30 June 2022**

**19.1. Non-financial guarantees**

The Company entered into non-financial guarantee contracts as guarantor, according to the recognition criteria detailed above.

Year to	30 June 22		
Guaranteed party	In favour of	Description	Guaranteed amount
New Waverley 12 Limited	Union Investment Real Estate GmbH	Guarantee for performance of obligations of seller/owner. Sales-purchase agreement ("SPA") warranties expired on 14 November 2020, while tax warranties expire on 14 November 2024.	The initial guarantee was limited to a maximum of £38m, of which the obligations not expired on 30 June 2022 amount to £220,000.
Brandenburg Retail Capital S.à r.l., Instrumento Capital S.à r.l., Leipzig Retail Capital S.à r.l. and Magdeburg Retail Capital S.à r.l.	CC Real Estate Asset 5 GmbH & Co. KG CC Real Estate Asset 6 GmbH & Co. KG	Letter of Comfort with respect to providing financial means to Brandenburg Retail Capital S.à r.l., Instrumento Capital S.à r.l., Leipzig Retail Capital S.à r.l. and Magdeburg Retail Capital S.à r.l. (legal entity former owners of properties sold), if needed, in order to enable the legal entities to fulfil their payment obligations, on general market related terms, under an SPA. SPA warranties expired on 30 June 2022; tax warranties expire on 31 March 2023.	Indirectly (as per the SPA): 7.5% of the sum of all individual purchase prices pertaining to the respective tranche of assets, excluding title (free of any encumbrances not assumed), tax-related claims, claims for indemnification and claims for deferral of costs in relation to closing date which are not capped. As per SPA this indirect obligation expired on 30 June 2022.
Innova Capital S.à r.l.	FIREF Co 42 S.à r.l.	Letter of Comfort with respect to providing financial means to Innova Capital S.à r.l. (legal entity former owners of properties sold), if needed, in order to enable the legal entity to fulfil its payment obligations assumed, on general market related terms, under an SPA. SPA warranties expired on 19 February 2021; tax warranties expire on 19 February 2023; hard letter of comfort expires on 23 August 2022.	Limited to a maximum of €285,000.
Intonata Capital S.à r.l.	NEO Retail Investment 1 GmbH & Co. KG	Letter of Comfort with respect to providing financial means to Intonata Capital S.à r.l., if needed, in order to enable the legal entity to fulfil its payment obligations assumed, on general market related terms, under an SPA. SPA warranties expired on 31 May 2022; tax warranties expire on 28 February 2023; hard letter of comfort expire on 31 December 2036.	Indirectly (as per the SPA): 7.5% of the purchase price, excluding title (free of any encumbrances not assumed), tax-related claims and claims for indemnification which are not capped

**19.2. Financial guarantees**

The financial guarantee contract is issued in favour of the bondholders, in connection with MAS Securities B.V.'s €300,000,000 guaranteed notes, issued in May 2021 and due on 19 May 2026. The guarantee of the notes constitutes direct, general and unconditional obligations of the Guarantor.

Management has considered both quantitative factors, such as actual and forecasted profits for its subsidiary, and qualitative factors, such as performance of the subsidiary and the probability of default of the subsidiary, as being negligible, thus, the assessed fair value of the above financial guarantee is not significant.

**20. Operating segments**

The Chief Operating Decision Makers ('CODM') make the strategic resource allocations on behalf of the Company. The Company has determined its operating segments based on the reports reviewed by the CODM, which are used to make strategic decisions. The information reported to the CODM reconciles to the primary financial statements.

The Executive Management team analyses the performance and position of the Company and treats it as a single operating segment. The Company's performance is evaluated on an overall basis. Management reports are prepared and reviewed on a quarterly basis by the Executive Management team to facilitate the evaluation process.

The Company is domiciled in Malta, and it is a holding company, whose sole assets are investments in its subsidiaries; all activities of the Company are thus related to its subsidiaries. There are two types of recurring income for the Company, dividend income and other income from its subsidiaries.

## **21. Critical accounting estimates, judgements and errors**

The Directors have made judgements, accounting estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts in the separate annual financial statements. The Directors continually evaluate these judgements and accounting estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses based on historical experience and on other factors that it believes to be reasonable under the circumstances. Actual results may differ from the judgements, estimates and assumptions.

### *Determination of whether investments in subsidiaries are impaired*

The assessment of whether investments in subsidiaries are impaired is considered by the Directors to involve a significant level of estimation uncertainty in relation to the determination of the recoverable amount of these investments.

For all investments, the Directors monitor that investments' recoverable amount at the reporting date is not less than their net asset value at that date. Where the net asset value of an investee is less than the carrying amount of the corresponding investment, further procedures are carried out to determine the recoverable amount, as detailed below.

- Profitability trends analysis from one period to another, as an indicator of the probability to further increase, and
- Forecasts analysis, both in terms of future profitability of the subsidiaries and of their future business developments.

### *Determination of fair value of the financial guarantees*

The assessment of whether the value of the financial guarantee approximates its fair value involves a significant level of estimation uncertainty, mainly in relation to the risk that the Issuer would default, and the guarantee needs to be exercised. The Directors are exercising judgement in determining the probability of such default to occur, by relying on assumptions and estimations of future cash flows of the Issuer. As discussed in Note 19.2, the management concluded that the fair value of the guarantee is not significant.