

**Directors' commentary and
Condensed consolidated interim financial statements
for the six-month period to
31 December 2022**

2 March 2023



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Directors' commentary

Introduction and background

MAS (hereafter referred to as the Group or Company) performed very well in the six months to 31 December 2022, achieving adjusted total earnings of €50.2million and adjusted distributable earnings per share of 4.42eurocents per share (a 14.3% increase compared to the previous six months) and is on course to achieve the strategic objectives set by the end of 2026 financial year. During this period, the Group's retail operations have performed admirably, no longer affected by the pandemic, and its financial results were further enhanced by the acquisition of six assets from the development joint venture (DJV)¹ with effect from 30 June 2022. The Group's financial results and progress with strategic matters are discussed within.

In addition to the reported International Financial Reporting Standards (IFRS) results, this commentary also includes segmental reporting prepared on a proportionate consolidated basis, to assist in the interpretation of the former rather than replacing it. Detailed financial results and Company Profile (updated on 31 December 2022), including highlights and supplemental operational information, are available on MAS' corporate website. Unless otherwise stated, all amounts included in this commentary are presented on an adjusted proportionate consolidated basis.

MAS primarily invests in, and operates, retail assets in Central and Eastern Europe (CEE). The Group is well positioned to leverage the region's long-term, continual, high growth in consumption and generate strong like-for-like (LFL) net rental income (NRI) growth from retail holdings through increasing tenants' sales and implementing asset management initiatives. MAS benefits from downside-protected exposure to retail and residential developments via the DJV with developer Prime Kapital.

Financial results

Group adjusted total earnings are, on a segmented basis, the combined return of: (i) directly-owned income property and operations in CEE; (ii) Central and Eastern European investments with Prime Kapital in the DJV (including earnings from a proportion of completed DJV-owned income properties, net results of residential sales and development activities); (iii) remaining directly-owned Western European income property operations, and (iv) investments in listed securities (including other elements disclosed as Corporate).

Adjusted total earnings for the six months to 31 December 2022 were €50.2million, consisting of adjusted distributable earnings of €29.2million (€26.1million for the previous six months) and adjusted non-distributable earnings of €21.0million (€50.6million for the previous six months). Tangible net asset value (NAV) on 31 December 2022 was €1.44 per share (€1.40 per share on 30 June 2022).

Financial results for the six months to 30 June 2022 included the six assets acquired by MAS, as a result of the transaction with the DJV, at 40% ownership while financial results for the six months to 31 December 2022 incorporate these at 100% ownership (as their assets and liabilities transferred on 30 June 2022). Tangible NAV figures for the two periods are comparable.

MAS' adjusted total earnings compared to the preceding six months (to 30 June 2022), benefitted from:

- (i) exceptional operational performance of, and increased trading in, the Group's retail properties in CEE, achieving further LFL increases in passing NRI of 5.6% and excellent rental and service charge collections, combined with the positive impact of additional NRI from the six properties acquired from the DJV (effective from 30 June 2022);
- (ii) improvements in the Group's interest rate derivatives' valuations (cap assets) due to increases in reference interest rates, more than offsetting a lower preferred equity income and an increase in overall finance costs, resulting from the acquisition of the six properties from the DJV and transfer of their associated secured, hedged, debt, with effect from 30 June 2022;
- (iii) increases in dividends and fair value of MAS' investment in listed securities, and
- (iv) (realised) gains on MAS bonds repurchased during the six months to 31 December 2022.

These positives partially offset unfavourable earnings variances compared to the six months to 30 June 2022, mainly due to (i) significant earnings in the current period, resulting from improvements in Central and Eastern European asset valuations, albeit not repeating the exceptional levels in the previous period; (ii) an increase in estimated disposal realisation costs and losses for the remaining Western European assets, in light of offers for Flensburg Galerie (Germany), and (iii) substantial income from residential sales in the previous period not replicated at similar levels in the current period, due to the non-linear pattern of residential unit deliveries, as the DJV is building residential capacity while completing its first residential projects.

¹ DJV is an abbreviation for a separate corporate entity named PKM Development Limited (PKM Development), an associate of MAS since 2016 with independent governance. MAS owns 40% of the ordinary share capital of PKM Development (€20million), an investment conditional on it irrevocably undertaking to provide preferred equity to PKM Development on notice of drawdown. On 31 December 2022, MAS invested €246.1million in preferred equity and had an obligation of €223.9million outstanding. In addition, MAS has committed to provide PKM Development a revolving credit facility of €30million at a 7.5% fixed rate, of which €20.5million was drawn on 31 December 2022. The balance of the ordinary share capital in PKM Development (€30million) was taken up by Prime Kapital in 2016 in cash, and, in terms of applicable contractual undertakings and restrictions, Prime Kapital:

- (i) is not permitted to undertake real estate development in CEE outside of PKM Development until the DJV's capital commitments are fully drawn and invested or 2030 (end of exclusivity period);
- (ii) contributes secured development pipeline to PKM Development at cost;
- (iii) takes responsibility for sourcing further developments, and
- (iv) provides PKM Development with all necessary construction and development services via an integrated in-house platform.

Operations

Information regarding MAS' Central and Eastern European LFL footfall and tenants' sales (compared to the same period in 2021), and collection rates for the six months to 31 December 2022, is detailed in Table 1. All figures are reported on 1 March 2023.

Table 1

| | | Jul 22 | Aug 22 | Sep 22 | Oct 22 | Nov 22 | Dec 22 | Total |
|---|----------|------------|------------|------------|------------|------------|------------|------------|
| Footfall (2022 compared to 2021) | % | 108 | 109 | 108 | 126 | 172 | 148 | 125 |
| Open-air malls | % | 107 | 107 | 104 | 122 | 171 | 149 | 124 |
| Enclosed malls | % | 109 | 112 | 116 | 133 | 175 | 145 | 128 |
| Tenants' sales per m² (2022 compared to 2021) | % | 114 | 117 | 114 | 122 | 150 | 129 | 124 |
| Open-air malls | % | 111 | 114 | 109 | 118 | 143 | 126 | 120 |
| Enclosed malls | % | 119 | 120 | 122 | 130 | 164 | 134 | 130 |
| Collection rate | % | 100 | 100 | 100 | 100 | 100 | 99 | 100 |

Trading and footfall in the Group's properties in CEE were exceptional for the six months to 31 December 2022, and were unaffected by social distancing or other Covid-19 related trading restrictions. As a result, collection rates were exemplary and the Group did not provide any support to tenants (deferred or waived rentals).

Tenants' sales on a LFL basis were excellent compared to the six months to 31 December 2021. Overall, sales outperformed the comparative period by 20% in open-air malls and 30% in enclosed malls. Most categories performed remarkably well, similarly to the overall growth. Noteworthy outperformance was achieved by entertainment, specialist, services, food service, shoes and clothing tenants' categories. Conversely, toys tenants' sales were commensurate with the comparative period. LFL tenants' sales outperformed pre-pandemic levels by 18%, both in enclosed malls (16% increase) and open-air malls (20% increase).

Passing NRI increased by 5.6% during the six months to 31 December 2022 and 10.9% year-on-year, partly attributable to higher rent indexation due to Euro inflation, as well as rental from overage. MAS' properties benefit from Euro-based, triple-net, leases, with full Euro indexation to base (minimum) rents and turnover clauses, therefore, indexation is passed on in full to tenants. Due to continued robust tenants' sales, occupancy cost ratios are expected to remain healthy, and it is anticipated tenants will be able to comfortably absorb higher rents.

Occupancy cost ratios (excluding certain tenant categories: supermarkets, DIY stores, entertainment and services) decreased to 10.6% to 31 December 2022, improving from 11.1% (to 30 June 2022), despite an increase in absolute occupancy costs due to increased rentals and service charges, outweighed by tenants' excellent sales.

On 31 December 2022, overall occupancy of Central and Eastern European assets remained stable at 96.3% and increased to 96.8% on a LFL basis.

Operations in Western Europe (WE) benefitted from asset management initiatives implemented at Flensburg Galerie (Germany). Occupancy increased to 87.7% (81.5% on 30 June 2022) and the tenant mix was diversified by opening a modern health and wellness centre, improved fashion offering, and a refurbished food court. As a result, footfall (21% increase) and tenants' sales (14% increase) have outperformed those in the six months to 31 December 2021.

Property valuations

The overall €21.7million income property fair value uplift was the result of positive fair value adjustments of €23.9million to income property in CEE (an improvement of 3% compared to valuations on 30 June 2022) and a decrease of €2.2million in WE (a decrease of 1.9% compared to valuations on 30 June 2022, driven mainly by an increase in the valuation discount rate used for Flensburg Galerie). Valuation of MAS' properties is determined biannually by external, independent professional valuers, with appropriate, recognised qualifications and recent experience in the relevant location and property category. Valuations are primarily based on discounted forecast cash flows and are therefore forward-looking.

The excellent operational performance during the six months to 31 December 2022, resulted in LFL passing NRI increases, had a positive impact on fair value. However, this was muted by an increase in valuation discount rates, primarily due to an increased risk premium associated with macroeconomic uncertainty. Compared to valuations on 30 June 2022, the weighted average unlevered discount rate for income property in CEE increased to 9.91% from 9.71%.

Asset sales in WE

After the completion of the Langley Park (UK) land sale in December 2022, Flensburg Galerie (Germany) and Arches street retail units (UK) remain the last of MAS' Western European properties held for sale. On 31 December 2022, they had a combined book value of €59.6million with €33.8million secured bank debt outstanding, and are undergoing competitive sales processes, which are expected to conclude in the second half of the 2023 financial year.

At Flensburg Galerie, substantial progress has been achieved with asset management initiatives to protect shareholder value and position the asset for optimal disposal. Occupancy on 31 December 2022 increased to 87.7% (81.5% on 30 June 2022), centre management and parking operations were internalised, and part of the planned changes to the centre's tenant mix and food court refurbishment have been finalised. Following a competitive sales process, which commenced during the six months to 31 December 2022, and based on existing offers currently under negotiation, management's estimation for Western European disposal realisation costs and losses has been re-assessed to €21.3million on 31 December 2022, from €4.2million on 30 June 2022. These latest estimates include the expected result on sales, punitive fixed-interest arrangements on secured debt, early bank debt repayment penalties, agency fees and other related costs to be incurred in completing the sales processes of remaining assets held for sale.

Residential sales

MAS' adjusted distributable earnings for the six months to 31 December 2022 include its proportion of net profits on residential sales of €0.3million achieved by the DJV through additional deliveries in its first residential development, Marmura Residence. This project was substantially handed over to clients by 30 June 2022, and net profits of €3.0million were included in MAS' adjusted distributable earnings for the previous six months as revenue, and corresponding net profits, on residential sales is recognised when units are handed over to customers.

Listed securities

On 31 December 2022, MAS held listed securities to the value of €101.1million, an investment of 17,753,418 shares in NEPI Rockcastle N.V. (NRP). Total adjusted returns for the six months to 31 December 2022 on this investment comprise €5.3million in accrued dividend for the period, realised gains of €0.9million (compared to 30 June 2022) on a partial disposal for €7.7million, and €9.3million unrealised fair value gains, but also account for a loss of €0.7million as a result of withholding tax on the NRP cash dividend for the six-month period to 30 June 2022.

To date, further disposals of €21.4million were completed, at a realised profit of €0.5million (compared to 31 December 2022; €2.6million compared to 30 June 2022).

Developments, extensions and refurbishments in the DJV

Progress with developments and changes to DJV's secured pipeline are detailed below.

Commercial developments

The extensions to Baia Mare and Roman Value Centres were completed, and opened on 29 September and 1 December 2022, respectively. They complement the existing open air malls' retail offering with 7,700m² additional retail GLA and safeguard their dominant position for the foreseeable future. Construction and leasing for the 4,300m² GLA extension at Slobozia Value Centre are progressing as scheduled, and the additional retail units are planned to open May 2023.

Construction and leasing at Alba Iulia Mall are progressing well, with opening scheduled for September 2023. Over 91% of the 29,000m² GLA is currently leased to national and international tenants.

At Arges Mall construction of the bridge infrastructure continues and works on the 51,400m² enclosed mall have commenced. Leasing is progressing very well, and there is continued significant interest from national and international tenants.

Construction of Mall Moldova, previously planned to start November 2022, is delayed as the existing permitting is being enhanced to incorporate a revised layout and reconfigured infrastructure. Construction is expected to begin April 2023, and will involve extending and redeveloping Era Shopping Centre (29,600m² GLA) into a super-regional enclosed mall and retail node incorporating approximately 107,300m² of destination GLA. Retailer interest remains strong and significant progress has been achieved in leasing the project to national and international tenants.

Construction and leasing for Silk District office's first phase and permitting for the next two phases remain on schedule. The first phase is expected to be completed during the second half of 2023 calendar year.

Zoning is progressing for the DJV's commercial projects in Brasov (24,400m² GLA open-air mall) and Cluj (73,300m² GLA enclosed mall and 49,200m² GLA office components) on a 17ha site where the DJV plans a large-scale mixed-use urban regeneration project). Interest in these projects from national and international tenants is strong. In line with the current practice of the local administration in Bucharest, the zoning of the mixed-use urban regeneration project in Bucharest that includes an approximately 28,000m² GLA open-air mall component on a 54ha former industrial site is delayed.

Residential developments

At Marmura Residence, by 31 December 2022, handover was completed for 362 units of the project's total 458 units, with 308 occurring during the six months to 30 June 2022. Remaining units are marketed in accordance with the sales strategy and are expected to be sold over the next 12-24 months.

At Avalon Estate, the first buildings are complete, and units will be delivered to clients over the following months. Construction and sales continue for the balance of the first phase, comprising approximately half of the 746 dwellings development. Of the 352 residential units released for sale, 71% have been sold. Four show units were fitted out, to illustrate the high quality of the dwellings.

Construction of the first and second phases of Silk District's residential component (315 units; 71% sold and 346 units; 69% sold, respectively) is progressing well. Handovers to clients for first phase units are expected to commence in the second half of 2023 calendar year and in the first half of 2024 calendar year for the second phase units. Permitting for the third phase (312 units; 25% reserved) has been obtained and construction is planned to begin in January 2024, subject to adequate progress being made in terms of construction and delivery of the first two phases.

Construction and sales of Pleiades Residence's first phase are progressing well. Of the 142 units in two of the seven residential buildings planned for the 10.1ha mixed-use urban regeneration project in downtown Ploiesti, 29% have been sold to date. Re-zoning of the remaining land continues in parallel with permitting for the planned extension on Prahova Value Centre.

Zoning is underway for DJV's residential projects in Timisoara, Elba Residential (approximately 1,400 apartments) and Spumotim Residential (approximately 2,100 apartments) as well as for the residential components of the large-scale, mixed-use projects mentioned above in Bucharest (approximately 3,100 apartments) and Cluj (approximately 1,500 apartments).

Changes in pipeline

The DJV has secured additional pipeline, and is currently undertaking due diligence for a 48,900m² GLA dominant regional enclosed mall and a 13,200m² GLA open-air mall. Both would benefit from strong fundamentals due to their respective locations, in cities that are seats of their respective Romanian counties. Further details will be provided in due course.

The previously disclosed Giurgiu Value Centre (approximately 14,200m² GLA open-air mall), Roman Residential (approximately 2,100 apartments in Brasov) and a large-scale enclosed residential estate of approximately 920 apartments in a major secondary city in Romania were removed from the DJV's residential development pipeline due to unsatisfactory due diligence findings and unsatisfactory progress with regard to zoning required to implement the envisaged development plans.

Extensions and refurbishments to directly-owned assets

Zoning with respect to Galleria Burgas' planned refurbishment is progressing as scheduled, as is leasing for the planned asset management initiatives aimed at reconfiguring and extending the food court and improving the centre's overall leisure and entertainment facilities. The seating capacity in the food court area will be significantly increased, to accommodate the larger and more diverse food offering, which is planned to include a restaurant, casual diners as well as fast food operators.

Further updates regarding other extension and refurbishment projects, including Militari Shopping, Nova Park, Prahova Value Centre, and Barlad Value Centre, will be provided when appropriate.

Debt, cost of debt and liquidity

On 31 December 2022, MAS had €187.3million in cash, listed securities and undrawn credit facilities (figure not proportionally consolidated). The Group has an ongoing undrawn preferred equity investment commitment of €223.9million, as well as a €9.5million undrawn committed revolving facility to the DJV (figures not proportionally consolidated).

Except for MAS' undrawn revolving credit facility, interest rates on the Group's debt are hedged. The weighted average cost of debt for the period decreased to 4.34% per annum (4.41% for the financial year ended 30 June 2022), mainly resulting from the transfer of hedged, secured, debt via the acquisition of six assets from the DJV (effective 30 June 2022). Also, during October 2022, the Group repurchased bonds issued by its subsidiary, MAS Securities BV, for a consideration of €5.2million, at a 20.5% discount to their nominal value of €6.6million. As such, on 31 December 2022, the Group had €455.9million of outstanding debt (bonds and bank loans) and the loan-to-value (LTV) ratio was 28.5%.

The self-imposed, long-term Group overall debt limit, which is considerably more restrictive than its covenant tolerances, is a maximum LTV ratio of 40%, or, on a forward-looking basis, seven times net rental income. On 31 December 2022, the Group's bond and unsecured facility ratios demonstrated significant headroom compared to covenant tolerances, on both IFRS and proportionate consolidation bases.

| | Tolerance | Actual IFRS | Actual proportionate consolidation basis |
|--|----------------------|------------------------|---|
| Solvency ratio | Shall not exceed 0.6 | 0.31 | 0.30 |
| Consolidated coverage ratio | At least 2.5:1 | 3.87 | 4.80 |
| Unencumbered consolidated total assets/unsecured consolidated total debt | Minimum 180% | 364% | 367% |

Long-term strategy update

MAS remains committed to maximising total long-term returns from property investments on a per share basis, aimed to be achieved by continued focus on capital allocation, operational excellence, sensible leveraging, and cost efficiency, thereby sustainably growing distributable earnings per share. The Group operates directly-owned income property and employs capital in commercial and residential developments owned indirectly via the DJV with co-investor and developer Prime Kapital. Benefiting from the continual high growth in consumption in CEE, and leveraging on its strong asset prospects and asset management capabilities, as well as its downside-protected exposure to high-quality commercial and residential developments via the DJV, MAS is well positioned to provide its shareholders with best in class returns.

Along with the release of the Group's 30 June 2021 financial statements, MAS published four quantified strategic objectives to be achieved over five years (by the end of the 2026 financial year), using its existing capital base (at the time) and maintaining a full pay-out of distributable earnings to shareholders without breaching self-imposed gearing limitations, and is committed to periodic progress reporting.

In the absence of unforeseen circumstances, MAS intends to maintain a full pay-out of distributable earnings during this period and provided that the Company's long-term objectives, including self-imposed gearing limitations, are not considered at any point to be at undue risk. However, if this is the case, or if attractive investment opportunities expected to substantially enhance total long-term returns per share become available, which cannot be otherwise more efficiently funded (for instance by selling assets, taking on additional gearing or issuing new share capital), then dividends relative to distributable earnings will be reduced.

Current progress with strategic objectives is detailed below.

Asset management

MAS aims to maximise property values by implementing sustainable asset management initiatives, improving occupancy rates for current Central and Eastern European retail assets to 99% by 30 June 2026 and achieving LFL NRI growth of at least 4% per annum (from a normalised post Covid-19 base).

On 31 December 2022, occupancy for Central and Eastern European assets was 96.3% (96.3% on 30 June 2022, 96.8% on a LFL basis) and annualised LFL passing NRI in CEE 5.6% higher than on 30 June 2022 (10.9% higher than on 31 December 2021).

Commercial developments

The Group expects to increase its investment in newly developed, high-quality, income properties rolled-out by joint venture partner Prime Kapital, and the DJV aims to complete commercial developments to the cost of approximately €600million at a weighted initial yield of more than 9% over the relevant five years (figure not proportionally consolidated).

The DJV is well positioned to achieve this target by June 2026. Secured commercial projects in excess of €550.3million are currently estimated to be complete by 30 June 2026.

Residential developments

MAS aims to benefit from a sustainable and growing distributable income stream, through DJV's residential sales and deliveries of approximately €200million per annum by the 2026 financial year (figure not proportionally consolidated) at net after tax margins of approximately 20%.

A significant residential pipeline of approximately €1billion has been secured for the DJV, which is expected to achieve close to the €200million targeted annual sales by 2026.

Direct acquisitions

MAS aimed to complete direct acquisitions of high-quality, Central and Eastern European commercial assets of at least €150million during the 2022 financial year and a further €50million by the end of the 2023 financial year. MAS has exceeded these targets by completing the acquisition of six assets from the DJV on 30 June 2022, as well as via its initial investment in NRP during the financial year to 30 June 2022. MAS continues to concentrate on capital allocation, including assessing the appropriateness of further direct acquisition opportunities in CEE.

The Company is well positioned to accomplish the ambitious, but achievable, strategic targets adopted, which are expected to generate maximised long-term total shareholder returns. It is expected that, Central and Eastern European fundamentals, real GDP and consumption growth in Romania and other CEE countries will remain robust and outperform Western European countries in terms of growth for the foreseeable future.

Long-term earnings targets update

MAS expects that delivery on its strategic objectives will result in significant per share distributable earnings (and dividend) growth, while maintaining a close focus on maximising total long-term shareholders' returns. With the release of its 30 June 2021 financial statements, and setting out its strategic objectives, a long-term distributable earnings range of 14.50-15.00eurocents per share was also set as a target to be achieved by the end of the 2026 financial year.

The Group continues to focus on achieving its long-term strategic targets then set. Even though circumstances have changed since then, mainly due to macroeconomic disruption, affecting the underlying assumptions considered at the time, management remains confident that execution of its four strategic objectives, with retaining focus on sensible capital allocation, and by leveraging on the strong fundamentals of Central and Eastern European markets in which it operates, is likely to maximise returns for shareholders.

CEE's persistently strong fundamentals are expected to continue reflecting positively on MAS' operations through tenants' robust sales. This in turn should translate into sustained healthy occupancy cost ratios, as tenants are likely to comfortably absorb higher rents, due to passing on inflation through rent indexation. MAS' prospects are further enhanced by its strong balance sheet and levels of liquidity, supported by its debt capacity headroom.

To achieve the targeted long-term earnings results, it is assumed that, amongst others, (i) the remaining Western European assets are sold as per management's estimates; (ii) stated asset management targets are achieved; (iii) secured commercial and residential development pipeline is permitted and rolled out as planned; (iv) NRP performs as expected and that its shares trade at the projected Tangible NAV per share; (v) no further MAS shares are issued, during this period, and (vi) no major economic disruptions occur before 30 June 2026.

Earnings guidance and prospects

Earnings guidance for the 2023 financial year resulting from the Group's commercial and corporate operations, which currently contribute the vast majority of diluted adjusted distributable earnings per share, remains unchanged at 8.75 to 9.00eurocents per share.

Guidance for the total diluted adjusted distributable earnings per share for the same period has been conservatively adjusted to a range of 8.85-9.34eurocents per share (previously 9.40-10.10eurocents per share) to account for a potential delay in the administrative process of completing residential sales. This may cause a number of transactions previously scheduled for completion by June 2023 to be recognised in the following six-month period, thus reducing the residential earnings guidance range for the 2023 financial year to 0.10-0.34eurocents per share (previously 0.65-1.10eurocents per share) with a corresponding increase in expected residential earnings for the six-month period to 31 December 2023. This guidance is further based on the assumptions that no additional material macroeconomic disruption occurs, a stable political environment prevails in Groups' markets, developments continue as scheduled, and no major corporate failures ensue.

Economic sentiment has continued improving on the basis of a mild 2022 European winter, leading to lower energy demand, driving utilities costs downwards on European markets. Uncertainty remains with respect to the length and severity of further policy incentives aimed at reducing consumer demand, diversifying European energy supply, or other measures aimed at reducing inflationary pressure on economies to still be adopted by European governments and central banks. Growth in Central and Eastern European countries, and in particular those in which MAS currently invests, is expected to continue to outperform Western European growth prospects.

Shareholders should note that MAS' estimates and distributable earnings per share targets have not been audited and are subject to change. Inevitably, some assumptions will not materialise, plans will change, and unanticipated events and circumstances may affect eventual financial results. MAS will not hesitate to adopt changes in strategy, or to take action that will impact negatively on distributable income per share, if this is considered appropriate from a long-term, risk-adjusted, total return perspective.

This forecast has not been audited or reviewed by MAS' auditors and is the responsibility of the Board of Directors.

Dividend declaration

The Company achieved 4.42eurocents adjusted distributable earnings per share, and 4.36eurocents diluted adjusted distributable earnings per share (taking account of share purchase plan issued shares) in respect of the six-month period to 31 December 2022. The Board has consequently declared a cash dividend of 4.36eurocents per share for the six months to then. Payment is expected by 3 April 2023 and further details will be announced separately.

Irina Grigore
Chief Executive Officer

Nadine Bird
Chief Financial Officer

2 March 2023
Malta

Released on 6 March 2023

Statement of Directors' responsibilities

In accordance with the applicable laws and regulations, the Directors are required to prepare condensed consolidated interim financial statements which give a true and fair view of the financial position of the Group for each period end and the financial performance for that period.

In preparing the Directors' commentary and condensed consolidated interim financial statements, the Directors are responsible for:

- ensuring that the condensed consolidated interim financial statements have been prepared in accordance with the International Financial Reporting Standard ('IFRS') IAS 34 'Interim Financial Reporting', issued by the International Accounting Standards Board ('IASB'), SAICA Financial Reporting Guides, as issued by the Accounting Practices Committee in South Africa and Financial Pronouncements as issued by Financial Reporting Standards Council in South Africa and IFRS issued by the EU, and;
- selecting and applying appropriate accounting policies;
- making accounting estimates that are reasonable in the circumstances, and
- preparing the condensed consolidated interim financial statements on the going concern basis unless it is inappropriate to presume that the Group 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 condensed consolidated interim 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 condensed consolidated interim financial statements may differ from one jurisdiction to another.

The condensed consolidated interim financial statements have been prepared under the supervision of Irina Grigore and Nadine Bird.

CEO and CFO confirmation

Each of the Directors, whose names are stated below, hereby confirm that:

- (a) the condensed consolidated interim financial statements set out on pages 1 to 57, fairly present in all material respects the financial position, financial performance and cash flows of the issuer in terms of IFRS;
- (b) to the best of our knowledge and belief, no facts have been omitted or untrue statements made that would make the condensed consolidated interim financial statements false or misleading;
- (c) internal financial controls have been put in place to ensure that material information relating to the issuer and its consolidated subsidiaries have been provided to effectively prepare the condensed consolidated interim financial statements of the issuer;
- (d) the internal financial controls are adequate and effective and can be relied upon in compiling the condensed consolidated interim financial statements, having fulfilled our role and function as Executive Directors with primary responsibility for implementation and execution of controls;
- (e) where we are not satisfied, we have disclosed to the audit and risk committee and the auditor any deficiencies in design and operational effectiveness of the internal financial controls, and have remediated the deficiencies, and
- (f) we are not aware of any fraud involving directors.

The condensed consolidated interim financial statements on pages 1 to 57 were approved and authorised for issue by the Board of Directors on 2 March 2023 and signed on its behalf by:

Irina Grigore
Chief Executive Officer

Nadine Bird
Chief Financial Officer

2 March 2023
Ta' Xbiex
Malta



Report on Review of Interim Financial Statements

To the shareholders of MAS P.L.C.

Introduction

We have reviewed the accompanying condensed consolidated interim statement of financial position of MAS P.L.C. and its subsidiaries (the 'Group') as at 31 December 2022 and the related condensed consolidated interim statements of comprehensive income, changes in equity and cash flows for the six-month period then ended and other explanatory notes. The Directors are responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU and IFRSs as issued by the International Accounting Standards Board applicable to interim financial reporting (International Accounting Standard 34 'Interim Financial Reporting'). Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, 'Review of interim financial information performed by the independent auditor of the entity'. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements are not prepared, in all material respects, in accordance with International Accounting Standard 34 "Interim Financial Reporting".

Other matters

This report, including the conclusion, has been prepared for and only for the Group and for no other purpose. We do not, in producing this report, 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 consent in writing.

PricewaterhouseCoopers

78, Mill Street
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Qormi
Malta

Christopher Cardona
Partner

3 March 2023

MAS P.L.C.
Condensed consolidated interim financial statements for the six-month period to 31 December 2022
Condensed consolidated statement of profit or loss

| | Note | Reviewed Six-month period to 31 December 2022 | Reviewed Six-month period to 31 December 2021 | Audited Year to 30 June 2022 |
|--|------|---|---|------------------------------------|
| <i>Continuing operations</i> | | | | |
| Rental income | 6.1 | 30,754 | 17,947 | 36,344 |
| Service charge income and other recoveries | 6.2 | 9,312 | 5,608 | 11,575 |
| Gross revenue | | 40,066 | 23,555 | 47,919 |
| Reversal of impairment/(Impairment) of receivables | 6 | 88 | (335) | (338) |
| Service charge and other property operating expenses | 6.2 | (11,099) | (6,429) | (13,478) |
| Net rental income | 6 | 29,055 | 16,791 | 34,103 |
| Corporate expenses | | (3,433) | (3,273) | (6,564) |
| Other income | 7 | 5,914 | 1,032 | 5,006 |
| Investment expenses | 8 | (517) | (908) | (1,858) |
| Fair value adjustments | 9 | 35,821 | 24,898 | 61,223 |
| Foreign currency exchange differences | | (2,066) | (262) | (770) |
| Share of profit from equity-accounted investee, net of tax | 13 | 1,953 | 14,616 | 40,901 |
| Profit before finance income/(costs) | | 66,727 | 52,894 | 132,041 |
| Finance income | 10 | 9,678 | 10,774 | 21,733 |
| Finance costs | 10 | (9,438) | (7,656) | (15,256) |
| Profit before tax | | 66,967 | 56,012 | 138,518 |
| Current tax | | (1,983) | (349) | (872) |
| Deferred tax | | (3,046) | 316 | (6,832) |
| Taxation | 11 | (5,029) | (33) | (7,704) |
| Profit from continuing operations | | 61,938 | 55,979 | 130,814 |
| <i>Discontinued operations</i> | | | | |
| Profit from discontinued operations, net of tax | 5.1 | 2,204 | 10,932 | 10,357 |
| Profit for the period/year | | 64,142 | 66,911 | 141,171 |
| <i>Attributable to:</i> | | | | |
| Owners of the Group | | 64,142 | 66,911 | 141,171 |
| Profit for the period/year | | 64,142 | 66,911 | 141,171 |
| IFRS Earnings per share for profit attributable to the ordinary equity holders of the Group - total | | | | |
| IFRS Basic earnings per share (eurocents) | 19.3 | 9.32 | 9.50 | 20.07 |
| IFRS Diluted earnings per share (eurocents)^ | | 9.21 | 9.42 | 19.88 |
| IFRS Earnings per share for profit attributable to the ordinary equity holders of the Group - continuing operations | | | | |
| IFRS Basic earnings per share (eurocents) | 19.3 | 9.00 | 7.95 | 18.60 |
| IFRS Diluted earnings per share (eurocents)^ | | 8.89 | 7.88 | 18.41 |

^See note 23 for details of restated IFRS Diluted earnings per share (eurocents) for the six-month period to 31 December 2021 and the financial year to 30 June 2022.

The notes on pages 7 to 57 form part of these condensed consolidated interim financial statements.

All amounts in € thousand unless otherwise stated.

MAS P.L.C.**Condensed consolidated interim financial statements for the six-month period to 31 December 2022****Condensed consolidated statement of other comprehensive income**

| | Note | Reviewed Six-month period to 31 December 2022 | Reviewed Six-month period to 31 December 2021 | Audited Year to 30 June 2022 |
|---|-------------|--|--|---|
| Profit for the period/year - continuing operations | | 61,938 | 55,979 | 130,814 |
| Profit for the period/year - discontinued operations | | 2,204 | 10,932 | 10,357 |
| Profit for the period/year | | 64,142 | 66,911 | 141,171 |
| Other comprehensive income | | | | |
| <i>Items that are or may be reclassified subsequently to profit or loss</i> | | | | |
| Exchange differences on translation of foreign operations - continuing operations | | 3,062 | 440 | 443 |
| Exchange differences on translation of foreign operations - discontinued operations | | (279) | (2,517) | (2,928) |
| <i>Items reclassified through profit or loss</i> | | | | |
| Foreign exchange gain previously recognised in other comprehensive income recycled on disposal of subsidiary - discontinued operations | | - | 2,625 | 2,625 |
| Foreign exchange loss previously recognised in other comprehensive income recycled on liquidation of subsidiaries - continuing operations | | (1,870) | - | - |
| Total comprehensive income for the period/year | | 65,055 | 67,459 | 141,311 |
| <i>Attributable to:</i> | | | | |
| Owners of the Group | | 65,055 | 67,459 | 141,311 |
| Total comprehensive income for the period/year | | 65,055 | 67,459 | 141,311 |

The notes on pages 7 to 57 form part of these condensed consolidated interim financial statements.

All amounts in € thousand unless otherwise stated.

MAS P.L.C.**Condensed consolidated interim financial statements for the six-month period to 31 December 2022****Condensed consolidated statement of financial position**

| | Note | On 31 December 2022 (reviewed) | On 31 December 2021 (reviewed) | On 30 June 2022 (audited) |
|---|------|--------------------------------------|--------------------------------------|---------------------------------|
| <i>Non-current assets</i> | | | | |
| Investment property | 12.1 | 887,328 | 487,530 | 860,498 |
| Financial assets | 17.3 | 275,533 | 300,009 | 236,067 |
| Investment in equity-accounted investee | 13 | 23,050 | 51,981 | 25,202 |
| Other non-current assets | 15 | 27,436 | 9,869 | 13,934 |
| Deferred tax assets | 11 | 4,280 | 2,376 | 3,801 |
| Intangible assets | 14 | 1,696 | 1,696 | 1,696 |
| Total non-current assets | | 1,219,323 | 853,461 | 1,141,198 |
| <i>Current assets</i> | | | | |
| Financial investments | 17.1 | 101,104 | 110,619 | 97,655 |
| Trade and other receivables | | 37,016 | 31,239 | 38,062 |
| Cash and cash equivalents | 17.2 | 66,225 | 193,712 | 174,176 |
| Investment property held for sale | 5.2 | 59,660 | 88,761 | 78,509 |
| Total current assets | | 264,005 | 424,331 | 388,402 |
| Total assets | | 1,483,328 | 1,277,792 | 1,529,600 |
| <i>Equity</i> | | | | |
| Share capital and share premium | 19.1 | 653,122 | 651,417 | 653,122 |
| Share capital | | 7,146 | 7,131 | 7,146 |
| Share premium | | 645,976 | 644,286 | 645,976 |
| Treasury shares | 19.1 | (29,663) | (7,868) | (29,663) |
| Retained earnings | | 352,825 | 261,555 | 314,961 |
| Share-based payment reserve | 19.2 | 1,512 | 1,167 | 1,370 |
| Foreign currency translation reserve | | (10,727) | (11,232) | (11,640) |
| Equity attributable to owners of the Group | | 967,069 | 895,039 | 928,150 |
| <i>Non-current liabilities</i> | | | | |
| Bonds | 18 | 290,042 | 295,192 | 295,904 |
| Bank loans | 18 | 112,489 | - | 117,144 |
| Deferred tax liabilities | 11 | 33,638 | 23,866 | 30,623 |
| Other non-current liabilities | 16 | 6,820 | 2,260 | 7,155 |
| Total non-current liabilities | | 442,989 | 321,318 | 450,826 |
| <i>Current liabilities</i> | | | | |
| Bonds | 18 | 6,391 | 6,556 | 115 |
| Bank loans | 18 | 40,554 | 37,416 | 40,546 |
| Trade and other payables | | 26,325 | 17,463 | 109,963 |
| Total current liabilities | | 73,270 | 61,435 | 150,624 |
| Total liabilities | | 516,259 | 382,753 | 601,450 |
| Total shareholder equity and liabilities | | 1,483,328 | 1,277,792 | 1,529,600 |

These condensed consolidated interim financial statements were approved and authorised for issue by the Board of Directors on 2 March 2023 and signed on their behalf by:

Irina Grigore
Chief Executive Officer

Nadine Bird
Chief Financial Officer

The notes on pages 7 to 57 form part of these condensed consolidated interim financial statements.

All amounts in € thousand unless otherwise stated.

MAS P.L.C.
Condensed consolidated interim financial statements for the six-month period to 31 December 2022
Condensed consolidated statement of changes in equity

| | Note | Share capital | Share premium | Treasury shares | Retained earnings | Share-based payment reserve | Foreign currency translation reserve | Equity attributable to owners of the Group |
|---|------|---------------|---------------|-----------------|-------------------|-----------------------------|--------------------------------------|--|
| Balance on 30 June 2021 (audited) | | - | 649,529 | (5,980) | 236,421 | 1,233 | (11,780) | 869,423 |
| <i>Comprehensive income for the period</i> | | | | | | | | |
| Profit for the period | | - | - | - | 66,911 | - | - | 66,911 |
| Other comprehensive income for the period | | - | - | - | - | - | 548 | 548 |
| Total comprehensive income for the period | | - | - | - | 66,911 | - | 548 | 67,459 |
| Nominal value of shares assignment on Company's continuation | 19.1 | 7,131 | (7,131) | - | - | - | - | - |
| <i>Equity transactions</i> | | | | | | | | |
| Employee share schemes – value of employee services | 19.2 | - | - | - | - | (66) | - | (66) |
| Employee share schemes – net value of shares forfeited and brought back in the scheme | 19.2 | - | (171) | 171 | - | - | - | - |
| Total equity transactions | | - | (171) | 171 | - | (66) | - | (66) |
| <i>Transactions with the owners of the Group</i> | | | | | | | | |
| Issue of shares | 19.1 | - | 2,059 | (2,059) | - | - | - | - |
| Distributions | 19.1 | - | - | - | (41,777) | - | - | (41,777) |
| Total transactions with the owners of the Group | | - | 2,059 | (2,059) | (41,777) | - | - | (41,777) |
| Balance on 31 December 2021 (reviewed) | | 7,131 | 644,286 | (7,868) | 261,555 | 1,167 | (11,232) | 895,039 |
| <i>Comprehensive income for the period</i> | | | | | | | | |
| Profit for the period | | - | - | - | 74,260 | - | - | 74,260 |
| Other comprehensive loss for the period | | - | - | - | - | - | (408) | (408) |
| Total comprehensive income for the period | | - | - | - | 74,260 | - | (408) | 73,852 |
| <i>Equity transactions</i> | | | | | | | | |
| Employee share schemes – value of employee services | 19.2 | - | - | - | - | 203 | - | 203 |
| Total equity transactions | | - | - | - | - | 203 | - | 203 |
| <i>Transactions with the owners of the Group</i> | | | | | | | | |
| Issue of shares | 19.1 | 15 | 1,690 | (1,705) | - | - | - | - |
| Distributions | | - | - | - | (20,854) | - | - | (20,854) |
| Shares repurchased (not cancelled) | | - | - | (20,090) | - | - | - | (20,090) |
| Total transactions with the owners of the Group | | 15 | 1,690 | (21,795) | (20,854) | - | - | (40,944) |
| Balance on 30 June 2022 (audited) | | 7,146 | 645,976 | (29,663) | 314,961 | 1,370 | (11,640) | 928,150 |

The notes on pages 7 to 57 form part of these condensed consolidated interim financial statements.

All amounts in € thousand unless otherwise stated.

MAS P.L.C.**Condensed consolidated interim financial statements for the six-month period to 31 December 2022****Condensed consolidated statement of changes in equity (continued)**

| | Note | Share capital | Share premium | Treasury shares | Retained earnings | Share-based payment reserve | Foreign currency translation reserve | Equity attributable to owners of the Group |
|--|------|---------------|----------------|-----------------|-------------------|-----------------------------|--------------------------------------|--|
| Balance on 30 June 2022 (audited) | | 7,146 | 645,976 | (29,663) | 314,961 | 1,370 | (11,640) | 928,150 |
| <i>Comprehensive income for the period</i> | | | | | | | | |
| Profit for the period | | - | - | - | 64,142 | - | - | 64,142 |
| Other comprehensive income for the period | | - | - | - | - | - | 913 | 913 |
| Total comprehensive income for the period | | - | - | - | 64,142 | - | 913 | 65,055 |
| <i>Equity transactions</i> | | | | | | | | |
| Employee share schemes – value of employee services | 19.2 | - | - | - | - | 142 | - | 142 |
| Total equity transactions | | - | - | - | - | 142 | - | 142 |
| <i>Transactions with the owners of the Group</i> | | | | | | | | |
| Distributions | 19.1 | - | - | - | (26,278) | - | - | (26,278) |
| Total transactions with the owners of the Group | | - | - | - | (26,278) | - | - | (26,278) |
| Balance on 31 December 2022 (reviewed) | | 7,146 | 645,976 | (29,663) | 352,825 | 1,512 | (10,727) | 967,069 |

The notes on pages 7 to 57 form part of these condensed consolidated interim financial statements.

All amounts in € thousand unless otherwise stated.

MAS P.L.C.
Condensed consolidated interim financial statements for the six-month period to 31 December 2022
Condensed consolidated statement of cash flows

| | Note | Reviewed Six-month period to 31 December 2022 | Reviewed Six-month period to 31 December 2021 | Audited Year to 30 June 2022 |
|--|-------------|--|--|---|
| <i>Operating activities</i> | | | | |
| Cash generated from operating activities | 17.2 | 37,118 | 19,883 | 46,145 |
| Income received on PKM Development preferred equity | | - | 8,141 | 19,318 |
| Interest received on PKM Development revolving credit facility | | 619 | - | - |
| Income taxes paid | | (977) | (1,827) | (858) |
| (Payments)/Reimbursements of federal tax | 11 | (1,168) | - | 1,152 |
| Distribution paid to geared share purchase plan participants | 19.2 | (173) | (291) | (422) |
| Net cash inflow from operating activities | | 35,419 | 25,906 | 65,335 |
| <i>Investing activities</i> | | | | |
| Capitalised expenditure on investment property paid | 12.1 | (4,947) | (3,521) | (6,468) |
| Capitalised expenditure on investment property held for sale paid | 5.2 | (586) | (1,570) | (2,172) |
| Proceeds from sale of investment property held for sale | 5.2 | 11,420 | 46,208 | 53,799 |
| Proceeds from sale of subsidiary, net of cash disposed of | 5.2 | - | 43,207 | 43,207 |
| Subscription for PKM Development preferred equity | 17.3 | (10,000) | (49,700) | (49,700) |
| Revolving credit facility granted to PKM Development | 17.3 | (25,895) | - | - |
| Proceeds from PKM Development revolving credit facility | | 9,528 | - | - |
| Settlement of Spark II Portfolio acquisition | 4 | (89,764) | - | - |
| Acquisition of direct financial investments | 17.1 | - | (77,027) | (78,305) |
| Proceeds from disposal of direct financial investments | 17.1 | 7,700 | - | - |
| Investment expenses paid | | (849) | (1,831) | (2,965) |
| Interest paid on bank deposits | 10 | (38) | (481) | (892) |
| Tax paid on investing activities | 11 | - | (93) | (1,696) |
| Net cash outflow from investing activities | | (103,431) | (44,808) | (45,192) |
| <i>Financing activities</i> | | | | |
| Consideration for shares repurchases paid | | - | - | (19,990) |
| Acquisition costs for shares repurchases | | - | - | (100) |
| Consideration for bonds repurchases paid | 18 | (5,251) | - | - |
| Bonds coupon paid | 18 | (106) | - | (12,750) |
| Transaction costs relating to bonds paid | 18 | - | (42) | (42) |
| Transaction costs relating to bank loans paid | 18 | (77) | (131) | (131) |
| Repayment of capital on bank loans | 18 | (5,160) | (30,531) | (34,001) |
| Debt break fees paid on repayment of bank loans | 18 | - | (695) | (961) |
| Interest paid on bank loans | 18 | (2,163) | (1,029) | (1,658) |
| Distributions paid | 19.1 | (26,278) | (41,777) | (62,631) |
| Net cash outflow from financing activities | | (39,035) | (74,205) | (132,264) |
| Net decrease in cash and cash equivalents | | (107,047) | (93,107) | (112,121) |
| Cash and cash equivalents at the beginning of the period/year | 17.2 | 174,176 | 287,077 | 287,077 |
| Effect of movements in foreign exchange rate fluctuations on cash held | | (904) | (258) | (780) |
| Cash and cash equivalents at the end of the period/year | 17.2 | 66,225 | 193,712 | 174,176 |

The cash flows above relate to continuing and discontinued operations. See note 5.3 for cash flow summary on discontinued operations.

The notes on pages 7 to 57 form part of these condensed consolidated interim financial statements.

All amounts in € thousand unless otherwise stated.

MAS P.L.C.

Condensed consolidated interim financial statements for the six-month period to 31 December 2022

Notes to the condensed consolidated interim financial statements

Corporate information

MAS P.L.C. (the 'Company' or 'MAS') is domiciled in Malta and subject to the Maltese Companies Act 1995. The address of its registered office is Suite 11, Marina Business Centre, Abate Rigord Street, Ta' Xbiex, XBX1129, Malta.

These condensed consolidated interim financial statements in respect of the six-month period to 31 December 2022 comprise the Company and its subsidiaries (together referred to as the 'Group') and are available for inspection at the registered office of the Company and on the corporate website.

Comparative figures are included for the six-month period to 31 December 2021 and for the financial year to 30 June 2022.

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

Group subsidiaries

The Group's subsidiaries on 31 December 2022, 30 June 2022 and 31 December 2021 are set out below. Unless otherwise stated, subsidiaries' share capital consists solely of ordinary shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group.

| Entity name | Jurisdiction | Ownership interest held by the Group |
|---|------------------------|--------------------------------------|
| Atrium Mall SRL | Romania | 100% |
| Baia Mare Value Centre SRL | Romania | 100% |
| Barlad Value Centre SRL (name changed from PK Vanilla SRL on 1 July 2022) ¹ | Romania | 100% |
| Braehead Properties Limited | Isle of Man | 100% |
| Brandenburg Retail Capital Sarl | Luxembourg | 100% |
| Braunschweig Limited | Isle of Man | 100% |
| Chippenham Properties Limited | Isle of Man | 100% |
| Dambovită Mall SRL (name changed from PK Grizzly SRL on 1 July 2022) ¹ | Romania | 100% |
| DN1 Value Centre SRL (name changed from PK Development One SRL on 1 July 2022) ¹ | Romania | 100% |
| Flensburg Limited | Isle of Man | 100% |
| Galleria Burgas ead | Bulgaria | 100% |
| Galleria Stara Zagora ead | Bulgaria | 100% |
| Impromptu Capital Sarl | Luxembourg | 100% |
| Incantada Capital Sarl | Luxembourg | 100% |
| Innova Capital Sarl | Luxembourg | 100% |
| Instrumento Capital Sarl | Luxembourg | 100% |
| Interlude Capital Sarl | Luxembourg | 100% |
| Intermezzo Capital Sarl | Luxembourg | 100% |
| Intonata Capital Sarl | Luxembourg | 100% |
| Istempo Capital Sarl | Luxembourg | 100% |
| Langley Properties Limited | Isle of Man | 100% |
| Leipzig Retail Capital Sarl | Luxembourg | 100% |
| Magdeburg Retail Capital Sarl | Luxembourg | 100% |
| MAS (European) Holdings Limited | Isle of Man | 100% |
| MAS (IOM) Holdings Limited | Isle of Man | 100% |
| MAS CEE Developments Ltd (redomiciled to Malta on 14 December 2022) | Malta | 100% |
| MAS CEE Holdings Ltd | Malta | 100% |
| MAS CEE Investments Limited | British Virgin Islands | 100% |
| MAS CEE Management Holding SRL | Romania | 100% |
| MAS Ginger SRL | Romania | 100% |
| MAS One PCC Limited | Isle of Man | 100% |
| MAS Pearl S.A. | Romania | 100% |
| MAS Property Advisors Limited (dissolved on 19 December 2022) | Isle of Man | 100% |
| MAS Property Management GmbH | Germany | 100% |
| MAS RE Malta Holding Ltd (name changed from MAS (BVI) Holdings Limited and redomiciled to Malta on 1 August 2022) | Malta | 100% |
| MAS Real Estate Finance SRL | Romania | 100% |
| MAS Securities BV | Netherlands | 100% |
| MAS Three Limited | Isle of Man | 100% |
| MAS Two PCC Limited (dissolved on 19 December 2022) | Isle of Man | 100% |
| MAS Velvet SRL | Romania | 100% |
| MAS WE Holdings Ltd | Malta | 100% |
| Militari Shopping Centre SRL | Romania | 100% |
| New Uberior House Limited | Jersey | 100% |
| New Waverley 10 Limited | Isle of Man | 100% |
| New Waverley 12 Limited | Isle of Man | 100% |
| New Waverley 14 Limited | Isle of Man | 100% |
| New Waverley 20 Limited | United Kingdom | 100% |
| North Street Quarter Limited | Isle of Man | 100% |
| Nova Park sp zoo | Poland | 100% |

MAS P.L.C.**Condensed consolidated interim financial statements for the six-month period to 31 December 2022**

| Entity name | Jurisdiction | Ownership interest held by the Group |
|---|------------------------|--------------------------------------|
| Petrusse Capital Sarl | Luxembourg | 100% |
| MAS Property Management Bulgaria eood (name changed from PK Property Management (Bulgaria) eood on 19 January 2023) | Bulgaria | 100% |
| MAS Property Management Poland sp zoo (name changed from PK Property Management (Poland) sp zoo on 19 January 2023) | Poland | 100% |
| PK Red SRL | Romania | 100% |
| PKM CEE Investments Ltd (dissolved on 28 November 2022) | Isle of Man | 100% |
| PKM Investments (Netherlands) BV | Netherlands | 100% |
| PKM Investments Finance Ltd (dissolved on 21 November 2022) | Isle of Man | 100% |
| MAS Jupiter SRL (name changed from PKM Jupiter SRL on 12 January 2023) | Romania | 100% |
| MAS Saturn SRL (name changed from PKM Saturn SRL on 12 January 2023) | Romania | 100% |
| Prahova Value Centre SRL (name changed from PK Green SRL on 1 July 2022) ¹ | Romania | 100% |
| Prime Kapital CEE Property Investments Management Ltd | British Virgin Islands | 100% |
| Rhea Mezzi Limited | Isle of Man | 100% |
| Roman Value Centre SRL | Romania | 100% |
| Sepsi Value Centre SRL (name changed from PK Bronze SRL on 1 July 2022) ¹ | Romania | 100% |
| Zalau Value Centre SRL (name changed from PK Denim SRL on 1 July 2022) ¹ | Romania | 100% |

¹ Effective 30 June 2022, MAS acquired 100% of the share capital of DN1 Value Centre SRL (formerly PK Development One SRL), Prahova Value Centre SRL (formerly PK Green SRL), Sepsi Value Centre SRL (formerly PK Bronze SRL), Dambovită Mall SRL (formerly PK Grizzly SRL), Zalau Value Centre SRL (formerly PK Denim SRL) and Barlad Value Centre SRL (formerly PK Vanilla SRL) through its subsidiary, namely MAS CEE Management Holdings SRL, as described in note 4.

Auditors

At the annual general meeting held on 5 December 2022, PricewaterhouseCoopers (Malta) was reappointed as the Group and Company's external auditor.

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1. Significant events in the reporting period

The financial position and performance of the Group was influenced by the following events and transactions during the reporting period:

- Disposal of Langley Park investment property held for sale, in accordance with the Group's disposal strategy; see further information in note 5.2.
- Bond repurchases at a discount to their nominal value; see further information in note 18.
- Disposal of listed real estate equity securities; see further information in note 17.1.

Material transactions in prior periods presented are disclosed in note 4.

2. Going concern

Management prepared these condensed consolidated interim financial statements on a going concern basis.

Management, based on publicly available information, continuously analyses and monitors the potential effects of the ongoing economic challenges, including issues such as inflation and raising interest rates, as well as of the global economic and financial markets. These resulted in higher energy prices, leading to higher inflation, that put downward pressure on disposable income in the Group's markets.

The Group also considered measures already taken by authorities in countries where the Group operates.

The Group has sufficient headroom to enable it to conform to covenants on its existing debt, sufficient working capital and an undrawn revolving facility to service its operating activities and ongoing investments.

As the economic challenges 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 and on the Group'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.

3. Segmental analysis – proportionate accounts

Segment results used by senior management include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

The Group's reportable segments are designed so that management can optimally analyse assets and their performance on a regional level, consistent with the Group's strategy to focus on the CEE markets. The Group prepares proportionate accounts for the use of investors, analysts, rating agencies and any other interested parties for the purpose of providing a transparent view of how management considers the Group's operational performance and determines its financial position. A segment's performance is measured with two indicators, tangible net asset value per segment and adjusted distributable earnings per segment, with each segment described in the table below.

The Group has a significant investment in the DJV following the agreement with Prime Kapital Holdings Limited ('Prime Kapital', 'PK'). Presentation of financial information by using the proportionate consolidation method enhances clarity to interested parties in respect of the Group's operations.

| Reportable segment | Description |
|-------------------------------------|---|
| CEE direct assets (CEE) | Income properties located in CEE fully owned and managed by the Group. |
| CEE development joint venture (DJV) | Income and development properties located in CEE operated by the Group and indirectly owned through the DJV with Prime Kapital. Information presented represents the Group's 40% share in the joint venture. In addition, the segment includes other balances and transactions in relation to the DJV, including 60% of the preferred equity and the revolving credit facility made available (40% of the redemption value, income related to preferred equity and revolving credit facility is eliminated on proportionate consolidation). |
| WE direct assets (WE) | Income properties held for sale located in WE (Germany, UK) fully owned and managed by the Group. |
| Corporate (Co) | Other assets, liabilities and activities related to the Group's management, including investments in listed securities, Group level financing, as well as corporate level administration. |

Management analyses the operational performance and financial position of the Group by aggregating the Group's operations into the four reportable segments described above. These reportable segments have different risk profiles and generate revenue/income from different sources. Accordingly, it allows senior management to make well informed strategic decisions for the Group.

Segmental analysis basis for preparation – proportionate accounts

The Group's management accounts are not intended to be a replacement of the Group's IFRS financial statements but a complement to these. In considering the accounting policies for the management accounts, management analysed in-depth best practice recommendations by industry institutions (EPRA, SA REIT) and the main changes in presentation of financial information in accordance with IFRS as compared to Segmental analysis are disclosed below.

| Presentation | IFRS | Segmental analysis – proportionate accounts |
|--|--|--|
| Joint ventures and non-controlling interests Statement of profit or loss | Equity accounting Aggregation based on function (presented as continuing and discontinued operations in accordance with IFRS 5) | Proportionate accounting Aggregation based on nature ¹ |
| Investment property held for sale Statement of financial position – line descriptions | Current assets Aggregation with limited details (explanatory notes needed for clarity) | Investment property based on type Comprehensive detail with limited aggregation |

Condensed consolidated interim financial statements for the six-month period to 31 December 2022

| Presentation | IFRS | Segmental analysis – proportionate accounts |
|---|------------------------|---|
| Statement of financial position – classification by current/non-current | Yes | No |
| Statement of financial position – equity | Classification by type | Total equity amount |

¹Proportionate accounts have been adjusted to reflect expenses of €116 thousand incurred by corporate entities servicing multiple WE subsidiaries, mainly relating to fees attributable to disposal of the WE assets and to reflect fair value of income property net off by gain/(loss) from disposal of assets and debt break fees incurred on disposal of the respective assets. In addition, withholding taxes amounting to €657 thousand have been reclassified from income tax to net dividends - listed securities, with respect to a cash dividend received on 11 October 2022 (declared on 23 August 2022), for the period 1 January to 30 June 2022. Gain on bonds repurchases net of tax, amounting to €1,005 thousand, has been reclassified to Other non-distributable income/(cost).

Proportionate accounts have been prepared to reflect the Group's proportion of its 40% equity interest in the DJV.

Presentation of the condensed consolidated statement of profit or loss for the purpose of proportionate accounts reflects operational performance of the main areas of the business monitored by management, categorised as distributable earnings to shareholders and non-distributable earnings. Management monitors earnings generated by each area of the business and its impact on the total adjusted earnings for each segment.

Presentation of the condensed consolidated statement of financial position is disaggregated in a similar manner, to identify the assets and liabilities generating the corresponding earnings for each main area of the business. As such, for a more comprehensive review process as monitored by management, the following line items have been presented differently as compared to IFRS to clearly show elements included in each category.

- Investment property, investment property held for sale and inventory property have been disaggregated to show Income property, Developments – income property and Developments – residential property.
- Financial assets and investments have been disaggregated to show Preferred equity and revolving credit facility, Group's Listed securities gross exposure, DJV's Listed securities at cost, Interest rate derivative financial assets and Other assets.
- Trade and other receivables have been split in VAT receivable, Share-based payment prepayments and Trade and other receivables.

Segment adjusted proportionate accounts

In addition to segmental proportionate accounts, the presentation includes a set of segment-adjusted proportionate accounts, derived from adjustments specific for real estate companies, as described in more detail below.

1. *Net dividends - listed securities*
Dividends from listed securities are recognised in adjusted distributable earnings on a basis which is commensurate with and matching the holding period of the securities with the reporting period of the Company. Consequently, any excess or shortfall in dividends received is reclassified 'to' and, respectively, 'from' non-distributable earnings (fair value movements in listed securities). Dividends from listed securities are reflected net of withholding tax, if any.
2. *Goodwill*
No goodwill is included in adjusted proportionate accounts. Consequently, goodwill and related impairments are eliminated.
3. *Share-based payments*
The allocation of part of the purchase price in a transaction settled in shares to share-based payments is an accounting treatment required under IFRS. Share-based payments related to the 2019 Transaction between MAS and Prime Kapital in November 2019 are reversed in adjusted proportionate accounts so that the entire 2019 Transaction purchase price is treated as being paid for Prime Kapital's effective economic interest in the IJV and all amounts exceeding the net tangible asset value thereof eliminated.
4. *Deferred tax*
Deferred tax, which is unlikely to crystallise on disposal as an actual tax, a purchase price adjustment, or any other cost, is reversed.
5. *Estimation for WE disposal realisation costs and losses*
Estimated costs likely to crystallise on disposal of the assets in WE, including punitive fixed-interest arrangements as secured debt, early bank debt repayment penalties, agency fees and other related costs or losses. This includes the actual result on completed disposals of WE assets and actual investment expenses relating to disposal of the respective assets.
6. *Elimination of cross-shareholding between MAS and DJV*
Elimination of MAS' 40% proportion of DJV's investment in MAS shares, at cost.
7. *Elimination of DJV's dividend income from MAS*
Elimination of the proportionate part of Net dividends – listed securities recognised by the DJV as dividend income received from MAS.
8. *Settlement of payables and receivables between MAS and DJV following the Transactions (applicable for the year to 30 June 2022)*
Reclassification of the proportionate part of MAS' amounts payable to DJV and DJV's amounts receivable from the Transactions (detailed in note 4) as if the cash was paid by MAS and received by the DJV on 30 June 2022. This is a one-off adjustment aimed at enhancing presentation of all Transactions' outcomes on the effective date.
9. *Geared share purchase plan interest income*
Interest charged by MAS to participants' outstanding loans with reference to the geared share purchase plan, accrued at the Group's weighted average cost of debt.

A reconciliation of the amounts reported in these condensed consolidated interim financial statements to the proportionate accounts is presented in note 25.

MAS P.L.C.
Condensed consolidated interim financial statements for the six-month period to 31 December 2022

| Six-month period to 31 December 2022 | Proportionate accounts | | | | | Adjustments | | | | | Adjusted proportionate accounts | | | | |
|--|------------------------|---------------|---------------|--------------|----------------|-----------------|--------------|----------------|-----------------|----------------|---------------------------------|---------------|---------------|-----------------|----------------|
| | Total | CEE | DJV | WE | Co | Total | CEE | DJV | WE | Co | Total | CEE | DJV | WE | Co |
| EARNINGS | 64,142 | 45,340 | 11,566 | 2,097 | 5,139 | (13,949) | 4,303 | (453) | (17,167) | (632) | 50,193 | 49,643 | 11,113 | (15,070) | 4,507 |
| DISTRIBUTABLE EARNINGS | 29,200 | 25,170 | 9,185 | 239 | (5,394) | (32) | - | (1,085) | - | 1,053 | 29,168 | 25,170 | 8,100 | 239 | (4,341) |
| Net rental income – income property | 30,802 | 29,055 | 704 | 1,043 | - | - | - | - | - | - | 30,802 | 29,055 | 704 | 1,043 | - |
| Net margin – residential sales | 331 | - | 331 | - | - | - | - | - | - | - | 331 | - | 331 | - | - |
| Net income – preferred equity and revolving credit facility | 5,767 | - | 5,767 | - | - | - | - | - | - | - | 5,767 | - | 5,767 | - | - |
| Net dividends – listed securities ^{1,7} | 4,811 | - | 1,085 | - | 3,726 | (205) | - | (1,085) | - | 880 | 4,606 | - | - | - | 4,606 |
| Net corporate expenses | (3,437) | (953) | (157) | (299) | (2,028) | - | - | - | - | - | (3,437) | (953) | (157) | (299) | (2,028) |
| Interest on debt financing | (9,762) | (2,172) | (11) | (459) | (7,120) | - | - | - | - | - | (9,762) | (2,172) | (11) | (459) | (7,120) |
| Interest capitalised on developments | 1,892 | - | 1,892 | - | - | - | - | - | - | - | 1,892 | - | 1,892 | - | - |
| Other distributable net income/(cost) ⁹ | 169 | (17) | (55) | (21) | 262 | 173 | - | - | - | 173 | 342 | (17) | (55) | (21) | 435 |
| Income tax | (1,373) | (743) | (371) | (25) | (234) | - | - | - | - | - | (1,373) | (743) | (371) | (25) | (234) |
| NON-DISTRIBUTABLE EARNINGS | 34,942 | 20,170 | 2,381 | 1,858 | 10,533 | (13,917) | 4,303 | 632 | (17,167) | (1,685) | 21,025 | 24,473 | 3,013 | (15,309) | 8,848 |
| Fair value adjustments – income property ⁵ | 27,040 | 20,945 | 2,948 | 3,147 | - | (5,380) | - | - | (5,380) | - | 21,660 | 20,945 | 2,948 | (2,233) | - |
| Fair value adjustments – interest rate derivatives | 4,099 | 3,727 | 372 | - | - | - | - | - | - | - | 4,099 | 3,727 | 372 | - | - |
| Fair value adjustments – listed securities ¹ | 11,149 | - | - | - | 11,149 | (880) | - | - | - | (880) | 10,269 | - | - | - | 10,269 |
| Foreign currency exchange differences | (2,079) | - | - | - | (2,079) | - | - | - | - | - | (2,079) | - | - | - | (2,079) |
| Investment expenses ⁵ | (1,422) | (199) | (318) | (695) | (210) | 639 | - | - | 639 | - | (783) | (199) | (318) | (56) | (210) |
| Share-based payment expense ³ | (452) | (137) | - | - | (315) | 452 | 137 | - | - | 315 | - | - | - | - | - |
| Other non-distributable income/(cost) | 879 | - | 11 | - | 868 | - | - | - | - | - | 879 | - | 11 | - | 868 |
| Tax on sale of property | (1,104) | - | - | (1,104) | - | - | - | - | - | - | (1,104) | - | - | (1,104) | - |
| Deferred tax ⁴ | (3,168) | (4,166) | (632) | 510 | 1,120 | 3,678 | 4,166 | 632 | - | (1,120) | 510 | - | - | 510 | - |
| Estimation for WE disposal realisation costs and losses ⁵ | - | - | - | - | - | (12,426) | - | - | (12,426) | - | (12,426) | - | - | (12,426) | - |
| Weighted average adjusted number of shares | | | | | | | | | | | 659,507,502 | | | | |
| Diluted weighted average adjusted number of shares | | | | | | | | | | | 669,659,433 | | | | |
| <i>Adjusted distributable earnings per share (eurocents)</i> | | | | | | | | | | | <i>4.42</i> | | | | |
| <i>Diluted adjusted distributable earnings per share (eurocents)</i> | | | | | | | | | | | <i>4.36</i> | | | | |

MAS P.L.C.
Condensed consolidated interim financial statements for the six-month period to 31 December 2022

| On 31 December 2022 | Proportionate accounts | | | | | Adjustments | | | | | Adjusted proportionate accounts | | | | |
|--|------------------------|----------------|----------------|----------------|------------------|-----------------|-----------------|-----------------|-----------------|----------|---------------------------------|----------------|----------------|----------------|------------------|
| | Total | CEE | DJV | WE | Co | Total | CEE | DJV | WE | Co | Total | CEE | DJV | WE | Co |
| NET ASSET VALUE | 967,069 | 768,044 | 298,634 | 57,472 | (157,081) | (17,799) | 20,792 | (17,261) | (21,330) | - | 949,270 | 788,836 | 281,373 | 36,142 | (157,081) |
| ASSETS | 1,508,580 | 942,734 | 323,893 | 101,873 | 140,080 | (32,416) | (12,846) | (19,570) | - | - | 1,476,164 | 929,888 | 304,323 | 101,873 | 140,080 |
| Income property | 962,583 | 882,793 | 20,168 | 59,622 | - | - | - | - | - | - | 962,583 | 882,793 | 20,168 | 59,622 | - |
| Developments – income property | 54,630 | 4,573 | 50,057 | - | - | - | - | - | - | - | 54,630 | 4,573 | 50,057 | - | - |
| Developments – residential property | 59,970 | - | 59,970 | - | - | - | - | - | - | - | 59,970 | - | 59,970 | - | - |
| Preferred equity and revolving credit facility | 165,320 | - | 165,320 | - | - | - | - | - | - | - | 165,320 | - | 165,320 | - | - |
| Listed securities ⁶ | 120,674 | - | 19,570 | - | 101,104 | (19,570) | - | (19,570) | - | - | 101,104 | - | - | - | 101,104 |
| Goodwill ² | 1,696 | 1,696 | - | - | - | (1,696) | (1,696) | - | - | - | - | - | - | - | - |
| Deferred tax asset | 4,399 | 1,268 | 120 | 1,891 | 1,120 | - | - | - | - | - | 4,399 | 1,268 | 120 | 1,891 | 1,120 |
| Interest rate derivative financial assets | 9,183 | 8,307 | 876 | - | - | - | - | - | - | - | 9,183 | 8,307 | 876 | - | - |
| Other assets | 2,950 | 16 | 2,436 | 132 | 366 | - | - | - | - | - | 2,950 | 16 | 2,436 | 132 | 366 |
| VAT receivable | 2,836 | 264 | 2,374 | 155 | 43 | - | - | - | - | - | 2,836 | 264 | 2,374 | 155 | 43 |
| Share-based payment prepayments ³ | 11,150 | 11,150 | - | - | - | (11,150) | (11,150) | - | - | - | - | - | - | - | - |
| Trade and other receivables | 45,537 | 15,260 | 1,575 | 27,591 | 1,111 | - | - | - | - | - | 45,537 | 15,260 | 1,575 | 27,591 | 1,111 |
| Cash and cash equivalents | 67,652 | 17,407 | 1,427 | 12,482 | 36,336 | - | - | - | - | - | 67,652 | 17,407 | 1,427 | 12,482 | 36,336 |
| LIABILITIES | 541,511 | 174,690 | 25,259 | 44,401 | 297,161 | (14,617) | (33,638) | (2,309) | 21,330 | - | 526,894 | 141,052 | 22,950 | 65,731 | 297,161 |
| Debt financing | 455,916 | 119,203 | 6,441 | 33,819 | 296,453 | - | - | - | - | - | 455,916 | 119,203 | 6,441 | 33,819 | 296,453 |
| Other liabilities | 108 | - | 108 | - | - | - | - | - | - | - | 108 | - | 108 | - | - |
| Deferred tax liability ⁴ | 35,947 | 33,638 | 2,309 | - | - | (35,947) | (33,638) | (2,309) | - | - | - | - | - | - | - |
| Trade and other payables | 49,540 | 21,849 | 16,401 | 10,582 | 708 | - | - | - | - | - | 49,540 | 21,849 | 16,401 | 10,582 | 708 |
| Estimation for WE disposal realisation costs and losses ⁵ | - | - | - | - | - | 21,330 | - | - | 21,330 | - | 21,330 | - | - | 21,330 | - |
| Adjusted number of shares in issue | | | | | | | | | | | 659,507,502 | | | | |
| <i>Tangible net asset value per share (eurocents)</i> | | | | | | | | | | | | | | | |

All amounts in € thousand unless otherwise stated.

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Condensed consolidated interim financial statements for the six-month period to 31 December 2022

| Six-month period to 31 December 2021 | Proportionate accounts | | | | | Adjustments | | | | | Adjusted proportionate accounts | | | | |
|--|------------------------|---------------|---------------|---------------|----------------|---------------|------------|----------------|---------------|--------------|---------------------------------|---------------|---------------|---------------|----------------|
| | Total | CEE | DJV | WE | Co | Total | CEE | DJV | WE | Co | Total | CEE | DJV | WE | Co |
| EARNINGS | 66,911 | 39,518 | 25,331 | 10,519 | (8,457) | 24,509 | 443 | 378 | 23,230 | 458 | 91,420 | 39,961 | 25,709 | 33,749 | (7,999) |
| DISTRIBUTABLE EARNINGS | 21,019 | 15,075 | 12,020 | 953 | (7,029) | (997) | - | (1,684) | - | 687 | 20,022 | 15,075 | 10,336 | 953 | (6,342) |
| Net rental income – income property | 21,961 | 16,347 | 3,330 | 2,284 | - | - | - | - | - | - | 21,961 | 16,347 | 3,330 | 2,284 | - |
| Net income – preferred equity | 6,430 | - | 6,430 | - | - | - | - | - | - | - | 6,430 | - | 6,430 | - | - |
| Net dividends – listed securities ^{1,7} | 2,716 | - | 1,684 | - | 1,032 | (997) | - | (1,684) | - | 687 | 1,719 | - | - | - | 1,719 |
| Net corporate expenses | (2,691) | (962) | (454) | (181) | (1,094) | - | - | - | - | - | (2,691) | (962) | (454) | (181) | (1,094) |
| Interest on debt financing | (8,333) | - | (214) | (910) | (7,209) | - | - | - | - | - | (8,333) | - | (214) | (910) | (7,209) |
| Interest capitalised on developments | 1,269 | - | 1,269 | - | - | - | - | - | - | - | 1,269 | - | 1,269 | - | - |
| Other distributable net income/(cost) | 161 | (166) | (2) | (25) | 354 | - | - | - | - | - | 161 | (166) | (2) | (25) | 354 |
| Income tax | (494) | (144) | (23) | (215) | (112) | - | - | - | - | - | (494) | (144) | (23) | (215) | (112) |
| NON-DISTRIBUTABLE EARNINGS | 45,892 | 24,443 | 13,311 | 9,566 | (1,428) | 25,506 | 443 | 2,062 | 23,230 | (229) | 71,398 | 24,886 | 15,373 | 32,796 | (1,657) |
| Fair value adjustments – income property ⁵ | 49,757 | 24,886 | 15,295 | 9,576 | - | (14,192) | - | - | (14,192) | - | 35,565 | 24,886 | 15,295 | (4,616) | - |
| Fair value adjustments – interest rate derivatives | 88 | - | - | 88 | - | - | - | - | - | - | 88 | - | - | 88 | - |
| Fair value adjustments – listed securities ¹ | 12 | - | - | - | 12 | (687) | - | - | - | (687) | (675) | - | - | - | (675) |
| Fair value adjustments – other financial liabilities | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Foreign currency exchange differences | 2,214 | - | - | 2,625 | (411) | - | - | - | - | - | 2,214 | - | - | 2,625 | (411) |
| Investment expenses ⁵ | (1,723) | - | - | (1,538) | (185) | 1,489 | - | - | 1,489 | - | (234) | - | - | (49) | (185) |
| Share-based payment expense ³ | (1,217) | (759) | - | - | (458) | 1,217 | 759 | - | - | 458 | - | - | - | - | - |
| Other non-distributable income/(cost) | (308) | - | 78 | - | (386) | - | - | - | - | - | (308) | - | 78 | - | (386) |
| Tax on sale of property | (93) | - | - | (93) | - | - | - | - | - | - | (93) | - | - | (93) | - |
| Deferred tax ⁴ | (2,838) | 316 | (2,062) | (1,092) | - | 1,746 | (316) | 2,062 | - | - | (1,092) | - | - | (1,092) | - |
| Estimation for WE disposal realisation costs and losses ⁵ | - | - | - | - | - | 35,933 | - | - | 35,933 | - | 35,933 | - | - | 35,933 | - |
| Weighted average adjusted number of shares | | | | | | | | | | | 676,094,408 | | | | |
| <i>Adjusted distributable earnings per share (eurocents)</i> | | | | | | | | | | | <i>2.96</i> | | | | |

MAS P.L.C.
Condensed consolidated interim financial statements for the six-month period to 31 December 2022

| On 31 December 2021 | Proportionate accounts | | | | | Adjustments | | | | | Adjusted proportionate accounts | | | | |
|--|------------------------|----------------|----------------|----------------|-----------------|-----------------|-----------------|-----------------|----------------|----------|---------------------------------|----------------|----------------|----------------|-----------------|
| | Total | CEE | DJV | WE | Co | Total | CEE | DJV | WE | Co | Total | CEE | DJV | WE | Co |
| NET ASSET VALUE | 895,039 | 486,165 | 352,045 | 79,337 | (22,508) | (6,979) | 10,275 | (13,352) | (3,902) | - | 888,060 | 496,440 | 338,693 | 75,435 | (22,508) |
| ASSETS | 1,337,805 | 520,934 | 412,061 | 124,567 | 280,243 | (33,161) | (13,591) | (19,570) | - | - | 1,304,644 | 507,343 | 392,491 | 124,567 | 280,243 |
| Income property | 700,034 | 486,855 | 124,456 | 88,723 | - | - | - | - | - | - | 700,034 | 486,855 | 124,456 | 88,723 | - |
| Developments – income property | 27,522 | 713 | 26,809 | - | - | - | - | - | - | - | 27,522 | 713 | 26,809 | - | - |
| Developments – residential property | 48,306 | - | 48,306 | - | - | - | - | - | - | - | 48,306 | - | 48,306 | - | - |
| Preferred equity | 180,005 | - | 180,005 | - | - | - | - | - | - | - | 180,005 | - | 180,005 | - | - |
| Listed securities ⁶ | 130,189 | - | 19,570 | - | 110,619 | (19,570) | - | (19,570) | - | - | 110,619 | - | - | - | 110,619 |
| Goodwill ² | 1,696 | 1,696 | - | - | - | (1,696) | (1,696) | - | - | - | - | - | - | - | - |
| Deferred tax asset | 2,505 | 1,428 | 129 | 948 | - | - | - | - | - | - | 2,505 | 1,428 | 129 | 948 | - |
| Other assets | 1,009 | 154 | 717 | 132 | 6 | - | - | - | - | - | 1,009 | 154 | 717 | 132 | 6 |
| VAT receivable | 3,078 | 522 | 1,911 | 429 | 216 | - | - | - | - | - | 3,078 | 522 | 1,911 | 429 | 216 |
| Share-based payment prepayments ³ | 11,895 | 11,895 | - | - | - | (11,895) | (11,895) | - | - | - | - | - | - | - | - |
| Trade and other receivables | 30,092 | 7,478 | 2,396 | 19,482 | 736 | - | - | - | - | - | 30,092 | 7,478 | 2,396 | 19,482 | 736 |
| Cash and cash equivalents | 201,474 | 10,193 | 7,762 | 14,853 | 168,666 | - | - | - | - | - | 201,474 | 10,193 | 7,762 | 14,853 | 168,666 |
| LIABILITIES | 442,766 | 34,769 | 60,016 | 45,230 | 302,751 | (26,182) | (23,866) | (6,218) | 3,902 | - | 416,584 | 10,903 | 53,798 | 49,132 | 302,751 |
| Debt financing | 363,056 | - | 23,893 | 37,395 | 301,768 | - | - | - | - | - | 363,056 | - | 23,893 | 37,395 | 301,768 |
| Interest rate derivative financial liabilities | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Other liabilities | 1,071 | - | 1,071 | - | - | - | - | - | - | - | 1,071 | - | 1,071 | - | - |
| Deferred tax liability ⁴ | 30,084 | 23,866 | 6,218 | - | - | (30,084) | (23,866) | (6,218) | - | - | - | - | - | - | - |
| Trade and other payables | 48,555 | 10,903 | 28,834 | 7,835 | 983 | - | - | - | - | - | 48,555 | 10,903 | 28,834 | 7,835 | 983 |
| Estimation for WE disposal realisation costs and losses ⁵ | - | - | - | - | - | 3,902 | - | - | 3,902 | - | 3,902 | - | - | 3,902 | - |
| Adjusted number of shares in issue | | | | | | | | | | | 676,094,408 | | | | |
| <i>Tangible net asset value per share (eurocents)</i> | | | | | | | | | | | | 131 | | | |

MAS P.L.C.
Condensed consolidated interim financial statements for the six-month period to 31 December 2022

| Year to 30 June 2022 | Proportionate accounts | | | | | Adjustments | | | | | Adjusted proportionate accounts | | | | |
|--|------------------------|---------------|---------------|---------------|-----------------|---------------|--------------|----------------|---------------|--------------|---------------------------------|----------------|---------------|---------------|-----------------|
| | Total | CEE | DJV | WE | Co | Total | CEE | DJV | WE | Co | Total | CEE | DJV | WE | Co |
| EARNINGS | 141,171 | 98,145 | 62,547 | 10,616 | (30,137) | 26,942 | 8,200 | (5,549) | 22,969 | 1,322 | 168,113 | 106,345 | 56,998 | 33,585 | (28,815) |
| DISTRIBUTABLE EARNINGS | 46,737 | 30,965 | 27,170 | 1,115 | (12,513) | (631) | - | (2,525) | - | 1,894 | 46,106 | 30,965 | 24,645 | 1,115 | (10,619) |
| Net rental income – income property | 44,639 | 33,420 | 7,642 | 3,577 | - | - | - | - | - | - | 44,639 | 33,420 | 7,642 | 3,577 | - |
| Net margin – residential sales | 2,959 | - | 2,959 | - | - | - | - | - | - | - | 2,959 | - | 2,959 | - | - |
| Net income – preferred equity | 12,985 | - | 12,985 | - | - | - | - | - | - | - | 12,985 | - | 12,985 | - | - |
| Net dividends – listed securities ^{1,7} | 6,893 | - | 2,525 | - | 4,368 | (835) | - | (2,525) | - | 1,690 | 6,058 | - | - | - | 6,058 |
| Net corporate expenses | (5,406) | (1,557) | (877) | (451) | (2,521) | - | - | - | - | - | (5,406) | (1,557) | (877) | (451) | (2,521) |
| Interest on debt financing | (16,770) | - | (725) | (1,707) | (14,338) | - | - | - | - | - | (16,770) | - | (725) | (1,707) | (14,338) |
| Interest capitalised on developments | 2,726 | - | 2,726 | - | - | - | - | - | - | - | 2,726 | - | 2,726 | - | - |
| Other distributable net income/(cost) ⁹ | (169) | (288) | 23 | (51) | 147 | 204 | - | - | - | 204 | 35 | (288) | 23 | (51) | 351 |
| Income tax | (1,120) | (610) | (88) | (253) | (169) | - | - | - | - | - | (1,120) | (610) | (88) | (253) | (169) |
| NON-DISTRIBUTABLE EARNINGS | 94,434 | 67,180 | 35,377 | 9,501 | (17,624) | 27,573 | 8,200 | (3,024) | 22,969 | (572) | 122,007 | 75,380 | 32,353 | 32,470 | (18,196) |
| Fair value adjustments – income property ⁶ | 114,416 | 75,453 | 31,528 | 7,435 | - | (15,074) | - | - | (15,074) | - | 99,342 | 75,453 | 31,528 | (7,639) | - |
| Fair value adjustments – interest rate derivatives | 917 | - | 829 | 88 | - | - | - | - | - | - | 917 | - | 829 | 88 | - |
| Fair value adjustments – listed securities ¹ | (14,230) | - | - | - | (14,230) | (1,690) | - | - | - | (1,690) | (15,920) | - | - | - | (15,920) |
| Fair value adjustments – other financial liabilities | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Foreign currency exchange differences | 1,845 | - | - | 2,625 | (780) | - | - | - | - | - | 1,845 | - | - | 2,625 | (780) |
| Investment expenses ⁵ | (2,776) | (73) | (16) | (1,696) | (991) | 1,550 | - | - | 1,550 | - | (1,226) | (73) | (16) | (146) | (991) |
| Share-based payment expense ³ | (2,486) | (1,368) | - | - | (1,118) | 2,486 | 1,368 | - | - | 1,118 | - | - | - | - | - |
| Other non-distributable income/(cost) | (493) | - | 12 | - | (505) | - | - | - | - | - | (493) | - | 12 | - | (505) |
| Tax on sale of property | 1,709 | - | - | 1,709 | - | - | - | - | - | - | 1,709 | - | - | 1,709 | - |
| Deferred tax ⁴ | (4,468) | (6,832) | 3,024 | (660) | - | 3,808 | 6,832 | (3,024) | - | - | (660) | - | - | (660) | - |
| Estimation for WE disposal realisation costs and losses ⁵ | - | - | - | - | - | 36,493 | - | - | 36,493 | - | 36,493 | - | - | 36,493 | - |
| Weighted average adjusted number of shares | | | | | | | | | | | 675,012,588 | | | | |
| Diluted weighted average adjusted number of shares | | | | | | | | | | | 683,768,628 | | | | |
| <i>Adjusted distributable earnings per share (eurocents)</i> | | | | | | | | | | | 6.83 | | | | |
| <i>Diluted adjusted distributable earnings per share (eurocents)</i> | | | | | | | | | | | 6.75 | | | | |

Condensed consolidated interim financial statements for the six-month period to 31 December 2022

All amounts in € thousand unless otherwise stated.

Condensed consolidated interim financial statements for the six-month period to 31 December 2022

The reconciliations of adjusted distributable earnings for the six-month periods to 31 December 2022, 31 December 2021 and 30 June 2022, and the year to 30 June 2022 are provided below.

| Segment | Adjusted distributable earnings for the six-month period to 31 Dec 2022 | Adjusted distributable earnings for the six-month period to 31 Dec 2021 | Adjusted distributable earnings for the six-month period to 30 Jun 2022 | Adjusted distributable earnings for the financial year to 30 Jun 2022 |
|--|---|---|---|---|
| CEE | 25,170 | 15,075 | 15,890 | 30,965 |
| DJV | 8,100 | 10,336 | 14,309 | 24,645 |
| WE | 239 | 953 | 162 | 1,115 |
| Co | (4,341) | (6,342) | (4,277) | (10,619) |
| Total | 29,168 | 20,022 | 26,084 | 46,106 |
| Weighted average adjusted number of shares in issue for the period | 659,507,502 | 676,094,408 | 673,912,836 | 675,012,588 |
| Diluted weighted average adjusted number of shares in issue for the period | 669,659,433 | 684,039,817 | 683,492,944 | 683,768,628 |
| Adjusted distributable earnings per share (eurocents) | 4.42 | 2.96 | 3.87 | |
| Diluted adjusted distributable earnings per share (eurocents) | 4.36 | 2.94 | 3.82 | |
| Dividend per share (eurocents) | 4.36 | 2.96 | 3.82 | 6.78 |

The Diluted weighted average adjusted number of shares and Diluted adjusted number of shares in issue are presented below.

Six months to 31 December 2022

| Date | Transaction | Number of shares | Cumulative number of shares outstanding | % of period | Weighted average |
|------------------|----------------|--------------------|---|---------------|--------------------|
| 1-Jul-22 | Opening | 669,659,433 | 669,659,433 | 100.0% | 669,659,433 |
| 31-Dec-22 | Closing | 669,659,433 | 669,659,433 | 100.0% | 669,659,433 |

Six months to 31 December 2021

| Date | Transaction | Number of shares | Cumulative number of shares outstanding | % of period | Weighted average |
|------------------|-----------------------------|--------------------|---|---------------|--------------------|
| 1-Jul-21 | Opening | 682,746,339 | 682,746,339 | 35.3% | 241,187,565 |
| 3-Sep-21 | Share scheme shares granted | 2,000,000 | 684,746,339 | 64.7% | 442,852,252 |
| 31-Dec-21 | Closing | 684,746,339 | 684,746,339 | 100.0% | 684,039,817 |

Six months to 30 June 2022

| Date | Transaction | Number of shares | Cumulative number of shares outstanding | % of period | Weighted average |
|------------------|-----------------------------|--------------------|---|---------------|--------------------|
| 1-Jan-22 | Opening | 684,746,339 | 684,746,339 | 38.2% | 261,035,897 |
| 10-Mar-22 | Share scheme shares granted | 1,500,000 | 686,246,339 | 41.6% | 284,356,218 |
| 24-May-22 | Shares repurchases | (2,395,807) | 683,850,532 | 1.1% | 7,556,359 |
| 26-May-22 | Shares repurchases | (546,965) | 683,303,567 | 0.6% | 3,775,158 |
| 27-May-22 | Shares repurchases | (969,749) | 682,333,818 | 1.7% | 11,309,400 |
| 30-May-22 | Shares repurchases | (5,501,319) | 676,832,499 | 1.1% | 7,478,812 |
| 1-Jun-22 | Shares repurchases | (1,000,000) | 675,832,499 | 0.5% | 3,733,881 |
| 2-Jun-22 | Shares repurchases | (142,000) | 675,690,499 | 0.5% | 3,733,097 |
| 3-Jun-22 | Shares repurchases | (200,000) | 675,490,499 | 3.8% | 26,123,942 |
| 10-Jun-22 | Shares repurchases | (675,000) | 674,815,499 | 1.6% | 11,184,787 |
| 13-Jun-22 | Shares repurchases | (500,000) | 674,315,499 | 0.5% | 3,725,500 |
| 14-Jun-22 | Shares repurchases | (300,000) | 674,015,499 | 1.6% | 11,171,528 |
| 17-Jun-22 | Shares repurchases | (400,001) | 673,615,498 | 2.2% | 14,886,530 |
| 21-Jun-22 | Shares repurchases | (500,000) | 673,115,498 | 1.1% | 7,437,740 |
| 23-Jun-22 | Shares repurchases | (341,065) | 672,774,433 | 2.2% | 14,867,943 |
| 27-Jun-22 | Shares repurchases | (2,000,000) | 670,774,433 | 1.1% | 7,411,872 |
| 29-Jun-22 | Shares repurchases | (300,000) | 670,474,433 | 0.6% | 3,704,280 |
| 30-Jun-22 | Shares repurchases | (815,000) | 669,659,433 | 0.0% | - |
| 30-Jun-22 | Closing | 669,659,433 | 669,659,433 | 100.0% | 683,492,944 |

4. Material prior year transactions

The Group entered into agreements with Prime Kapital, as approved by MAS' shareholders on 30 June 2022 and effective on the same date, in terms of which:

- a) MAS acquired 100% of the share capital and shareholder loans of six subsidiaries of PKM Development, owning six Romanian commercial centres (collectively referred to as the 'Spark II Portfolio') through two subsidiaries, namely MAS CEE Management Holdings SRL and MAS Real Estate Finance SRL. Spark II Portfolio collectively refers to the six subsidiaries owning the relevant properties, namely DN1 Value Centre SRL (formerly PK Development One SRL), Prahova Value Centre SRL (formerly PK Green SRL), Sepsii Value Centre SRL (formerly PK Bronze SRL), Dambovită Mall SRL (formerly PK Grizzly SRL), Zalău Value Centre SRL (formerly PK Denim SRL) and Barlad Value Centre SRL (formerly PK Vanilla SRL), and
- b) MAS committed to extend the duration of the joint venture relationship and to increase MAS' funding commitment to the DJV, collectively referred to as the 'Transactions'.

a) Acquisition of 100% of the share capital and shareholder loans of six subsidiaries

MAS considered the provisions of IFRS 3 'Business Combinations' in assessing the appropriate accounting treatment for the acquisition of 100% of the share capital and shareholder loans of the six subsidiaries. MAS concluded that the Spark II Portfolio qualifies as a group of similar assets, as substantially all the fair value of the gross assets acquired was concentrated in a group of similar identifiable assets. As such the acquisition was accounted for as an acquisition of assets.

Considering the above, IFRS 3 was not applied and acquired assets and liabilities transferred on acquisition were accounted with reference to applicable standards, respectively, IAS 40 'Investment property' and IFRS 9 'Financial instruments' for financial assets and liabilities etc. In accordance with the initial recognition exemption under IAS 12 'Income taxes', paragraph 15 and 24, no deferred tax for temporary differences was recognised on the effective date of the Transactions. As such, investment property was initially recognised at cost, reflected as the consideration price less residual value after recognising financial assets and liabilities at fair value, plus transaction costs.

Consideration price

The following table summarises the fair value of assets and liabilities that were acquired with effect from 30 June 2022.

| | On 30 June 2022 |
|-------------------------------------|------------------|
| Consideration price | 319,706 |
| Fair value of investment properties | 316,930 |
| Purchase price premium | 2,776 |
| Bank loans* | (120,693) |
| Net working capital | 7,561 |
| Assets** | 15,063 |
| Liabilities | (7,502) |
| Purchase price | 206,574 |

* Bank loans included interest rate cap hedging assets transferred at amortised cost.

** Assets, of which cash and cash equivalents in the subsidiaries, transferred on the acquisition, amounted to €8,631 thousand.

The consideration price before adjustments for working capital and bank loans was €319,706 thousand.

The total Purchase price of €206,574 thousand was partially settled on 30 June 2022, as follows: €46,983 thousand was set-off through the redemption of preferred equity, €16,708 thousand was set-off by the accrued preferred equity coupon, and €53,119 was set-off by the distribution receivable from the DJV. The outstanding €89,764 thousand was paid in cash after 30 June 2022.

Acquisition related costs

The Group incurred acquisition-related costs of €584 thousand for the year to 30 June 2022, accounted for in accordance with IAS 40, and included in the initial cost of the investment property.

b) Extension of the DJV relationship

In order to further MAS' investment strategy and meet the long-term commercial interests of the DJV, among others, the following terms were agreed:

- an extension to the exclusivity period by five years (i.e., the end of the drawdown period or the date on which the funding committed by MAS to the DJV had been fully invested by the DJV, whichever occurs first), in terms of which the DJV parties agreed that
 - (i) neither MAS nor any of its associates would operate a business in CEE that has commercial or residential real estate development as its principal objective, and
 - (ii) Prime Kapital would not operate or own more than 15% in any CEE commercial or residential real estate development business;
- an extension to the drawdown period in relation to the funding committed to the DJV by five years, to 2030;
- a deferment of five years, to 2035, to the date on which MAS is entitled to give written notice to the DJV parties to liquidate the assets of, redeem the preferred equity, and voluntarily dissolve the DJV;
- an increase to MAS' preferred equity funding commitments to the DJV by €50million, to a total of €470million;
- the reinstatement of the funding commitment available in respect of the preferred equity investment commitment, by a maximum amount of €100million, to the extent that the DJV makes an early redemption, from time to time, in respect of the preferred equity, due to major capital events prior the end of the drawdown period;
- the provision of a €30million revolving credit facility to the DJV at a fixed interest rate of 7.5%. The final availability date of the facility would be the last day of the drawdown period, applicable to MAS' preferred equity commitment.

Except for drawdowns of revolving credit facility during the six-month period to 31 December 2022, the extension of the DJV relationship terms had no other effect on the condensed consolidated interim financial statements (30 June 2022: no effect). An assessment of expected credit losses on PKM Development preferred equity and the revolving credit facility was performed, and no significant impact resulted.

Condensed consolidated interim financial statements for the six-month period to 31 December 2022

5. Investment property held for sale and discontinued operations

During the six-month period to 31 December 2022, the Group completed the sale of Langley Park by means of an asset deal, as detailed in note 5.2 below. Flensburg Galerie (Germany) and the Arches street retail units (UK) are currently undergoing competitive sales processes. Management remains committed to finalise the disposal plan in the twelve-month period from 31 December 2022.

Properties classified as discontinued operations

| Property name | Country | Status | | | Completion date |
|--------------------------------|---------|------------------------|------------------------|---------------------------|------------------|
| | | On 31 December 2022 | On 31 December 2021 | On 30 June 2022 | |
| New Uberior House ¹ | UK | Sold | Sold | Sold | 26 August 2021 |
| Malling Brooks | UK | Sold | Sold | Sold | 24 October 2021 |
| Adagio Hotel | UK | Sold | Sold | Sold | 21 December 2021 |
| Gotha | Germany | Sold | Contracted to be sold | Sold | 23 February 2022 |
| Langley Park | UK | Sold | Held for sale | Held for sale, SPA signed | 21 December 2022 |
| Flensburg Galerie | Germany | Held for sale | Held for sale | Held for sale | n/a |
| New Waverley, Arches | UK | Held for sale | Held for sale | Held for sale | n/a |

¹ Disposal of New Uberior House was conducted by means of a share deal. Accordingly, IFRS 10 principles have been applied for the deconsolidation of subsidiary New Uberior House Limited.

5.1. Profit from discontinued operations, net of tax

| | Note | Reviewed Six-month period to 31 December 2022 | Reviewed Six-month period to 31 December 2021 | Audited Year to 30 June 2022 |
|--|------|---|---|------------------------------------|
| Rental income | 6.1 | 1,741 | 3,667 | 5,478 |
| Service charge income and other recoveries | 6.2 | 783 | 661 | 1,239 |
| Gross revenue | | 2,524 | 4,328 | 6,717 |
| Impairment of receivables | 6.1 | (41) | (2) | (23) |
| Service charge and other property operating expenses | 6.2 | (1,440) | (2,057) | (3,121) |
| Net rental income | | 1,043 | 2,269 | 3,573 |
| Corporate expenses | | (299) | (181) | (451) |
| Other income | 7 | 312 | 636 | 1,009 |
| Investment expenses | 8 | (586) | (1,201) | (1,407) |
| Fair value adjustments | 9 | (2,545) | 1,347 | (1,674) |
| Foreign currency exchange differences | | (4) | - | 5 |
| Foreign exchange gain previously recognised in other comprehensive income recycled on disposal of subsidiary | 5.2 | - | 2,625 | 2,625 |
| Loss from disposal of subsidiary | 5.2 | - | (2,630) | (2,630) |
| Gain from disposal of investment property held for sale | 5.2 | 5,380 | 11,289 | 11,143 |
| Profit before finance costs | | 3,301 | 14,154 | 12,193 |
| Finance costs | 10 | (478) | (1,915) | (2,725) |
| Profit before tax | | 2,823 | 12,239 | 9,468 |
| Current tax | | (1,129) | (215) | 1,550 |
| Deferred tax | | 510 | (1,092) | (661) |
| Taxation | 11 | (619) | (1,307) | 889 |
| Profit from discontinued operations, net of tax | | 2,204 | 10,932 | 10,357 |

The Group elected to disclose in these condensed consolidated interim financial statements, detailed elements of relevant line items of profit from discontinued operations in comparison with continuing operations, as detailed in each relevant note.

5.2. Investment property held for sale

Reconciliation of the Group's investment property held for sale is detailed below.

| | On 31 December 2022 (reviewed) | On 31 December 2021 (reviewed) | On 30 June 2022 (audited) |
|--------------------------------------|--------------------------------------|--------------------------------------|---------------------------------|
| Opening balance | 78,509 | 211,640 | 211,640 |
| Disposals | (23,355) | (137,903) | (145,494) |
| Capitalised expenditure ¹ | 1,829 | 1,749 | 2,500 |
| Fair value adjustment | (2,545) | 1,260 | (1,763) |
| Gain from disposal of assets | 5,380 | 11,289 | 11,143 |
| Foreign currency translation reserve | (158) | 726 | 483 |
| Closing balance | 59,660 | 88,761 | 78,509 |

¹ Of the €1,829 thousand (31 December 2021: €1,749 thousand; 30 June 2022: €2,500 thousand) capitalised expenditure incurred during the period, the Group paid €586 thousand (31 December 2021: €1,570 thousand; 30 June 2022: €2,172 thousand).

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Condensed consolidated interim financial statements for the six-month period to 31 December 2022

Bank loans of €33,819 thousand (31 December 2021: €37,395 thousand; 30 June 2022: €34,126 thousand) are secured against investment property held for sale with a carrying value of €57,742 thousand (31 December 2021: €69,124 thousand; 30 June 2022: €59,224 thousand). For further information on outstanding bank loans secured against investment property held for sale, refer to note 18.

Investment property held for sale has been adjusted to take into account lease incentive accruals of €258 thousand (31 December 2021: €86 thousand; 30 June 2022: €76 thousand).

Investment properties held for sale disposed of

Reconciliation of the profit from disposal of investment property held for sale for the six-month period to 31 December 2022 is disclosed below.

| Property name | Fair value at completion date | Transaction value | Foreign currency translation | Gain on disposal |
|---------------|-------------------------------|-------------------|------------------------------|------------------|
| Langley Park | (18,070) | 23,355 | 95 | 5,380 |
| Total | (18,070) | 23,355 | 95 | 5,380 |

Of the sale price of €23,355 thousand, €257 thousand transaction fees were deducted at the transaction date and the Group received the first instalment amounting to €11,420 thousand in cash. The remaining €11,935 thousand include the second instalment of €11,361 thousand receivable in January 2024 and classified as other non-current assets; refer to note 15.

Reconciliation of the profit from disposal of investment property held for sale for the financial year to 30 June 2022 is disclosed below.

| Property name | Fair value at completion date | Transaction value | Foreign currency translation | Gain on disposal |
|----------------|-------------------------------|-------------------|------------------------------|------------------|
| Adagio Hotel | (33,744) | 45,448 | (446) | 11,258 |
| Malling Brooks | (902) | 990 | 1 | 89 |
| Gotha | (7,565) | 7,361 | - | (204) |
| Total | (42,211) | 53,799 | (445) | 11,143 |

Gain from disposal of investment properties held for sale includes (a) investment properties fair valued on the most recent date prior to disposal, and (b) lease incentive accruals. The transaction value is the sale price in accordance with SPAs entered into.

Subsidiary disposed during the comparative period

The disposal of New Ueber House was conducted by means of a share deal effective 26 August 2021. In accordance with IFRS 10, the subsidiary was deconsolidated from the Group's accounts, on the effective date of disposal. The subsidiary was disposed of for a consideration of €90,259 thousand. The transaction resulted in €2,630 thousand loss from disposal of subsidiary and €2,625 thousand foreign exchange gain previously presented in other comprehensive income which was recycled through profit or loss for the year.

Reconciliation of sale consideration received is presented below.

| | Amount |
|---|-----------------|
| Consideration received | 90,259 |
| Liabilities settled by the buyer¹ | (45,293) |
| Bank loans | (44,575) |
| Interest rate swap | (718) |
| Cash and cash equivalents disposed of | (1,759) |
| Cash consideration received² | 43,207 |

¹ Non-cash flow movement

² Cash flow movement

Assets and liabilities, including cash and cash equivalents, which were transferred to the buyer effective 26 August 2021, are summarised below.

| | On disposal date |
|---------------------------|------------------|
| Assets | 93,454 |
| Investment property | 91,695 |
| Cash and cash equivalents | 1,759 |
| Liabilities | 2,585 |
| Trade and other payables | 2,341 |
| Deferred tax liabilities | 244 |

No additional debt break fees on disposal of assets (31 December 2021: €737 thousand; 30 June 2022: €1,002 thousand) were incurred by the Group from repayment of bank loans secured against investment property held for sale; refer to note 10. Transaction fees of €586 thousand (31 December 2021: €1,201 thousand; 30 June 2022: €1,407 thousand) were incurred prior to the transactions relating to disposal of the properties, and were recognised as investment expenses; refer to note 8.

5.3. Cash flows from discontinued operations

| | Reviewed Six-month period to 31 December 2022 | Reviewed Six-month period to 31 December 2021 | Audited Year to 30 June 2022 |
|---|---|---|------------------------------------|
| Net cash outflow from operating activities | (6,251) | (65,071) | (71,417) |
| Net cash inflow from investing activities | 10,228 | 80,676 | 85,891 |
| Net cash outflow from financing activities | (765) | (31,930) | (36,228) |
| Net cash inflow/(outflow) from discontinued operations | 3,212 | (16,325) | (21,754) |

6. Net rental income

| | Note | Reviewed Six-month period to 31 December 2022 | Reviewed Six-month period to 31 December 2021 | Audited Year to 30 June 2022 |
|--|------|---|---|------------------------------------|
| Continuing operations | | | | |
| Rental income | 6.1 | 30,754 | 17,947 | 36,344 |
| Service charge income and other recoveries | 6.2 | 9,312 | 5,608 | 11,575 |
| Gross revenue - continuing operations | | 40,066 | 23,555 | 47,919 |
| Reversal of impairment/(Impairment) of receivables | | 88 | (335) | (338) |
| Service charge and other property operating expenses | 6.2 | (11,099) | (6,429) | (13,478) |
| Net rental income - continuing operations | | 29,055 | 16,791 | 34,103 |
| Discontinued operations | | | | |
| Rental income | 6.1 | 1,741 | 3,667 | 5,478 |
| Service charge income and other recoveries | 6.2 | 783 | 661 | 1,239 |
| Gross revenue - discontinued operations | | 2,524 | 4,328 | 6,717 |
| Impairment of receivables | | (41) | (2) | (23) |
| Service charge and other property operating expenses | 6.2 | (1,440) | (2,057) | (3,121) |
| Net rental income - discontinued operations | | 1,043 | 2,269 | 3,573 |
| Total | | | | |
| Rental income | 6.1 | 32,495 | 21,614 | 41,822 |
| Service charge income and other recoveries | 6.2 | 10,095 | 6,269 | 12,814 |
| Gross revenue | | 42,590 | 27,883 | 54,636 |
| Reversal of impairment/(Impairment) of receivables | | 47 | (337) | (361) |
| Service charge and other property operating expenses | 6.2 | (12,539) | (8,486) | (16,599) |
| Net rental income | | 30,098 | 19,060 | 37,676 |

Disaggregation of the Net rental income by segment is disclosed in note 3.

The Group applied the principles of IFRS 16 for revenue recognition, and the principles of IFRS 15 for gross service charge income in the context of Covid-19, as gross rental income and gross service charge income were recognised in full for the lockdown periods, while without qualifying as a lease modification, rent forgiveness was granted to tenants. The rent forgiveness has been recognised as a loss in the consolidated statement of profit or loss, as an impairment of receivables, with a corresponding reduction to the lease receivable in the period for which the reduction was agreed.

The amounts reflected in the condensed consolidated statement of profit or loss as described above were treated as receivables impairment; refer to notes 6.1 and 6.2 below. The impairment amounts split by region and by type is presented below.

| Reviewed Six-month period to 31 December 2022 | Waived | (Additional provision) / Provision release | Total reversal of impairment/ (impairment) of receivables |
|---|--------------|--|--|
| CEE - continuing operations | (33) | 121 | 88 |
| WE - discontinued operations | - | (41) | (41) |
| Total | (33) | 80 | 47 |
| Reviewed Six-month period to 31 December 2021 | Waived | Additional provision | Total impairment of receivables |
| CEE - continuing operations | (312) | (23) | (335) |
| WE - discontinued operations | - | (2) | (2) |
| Total | (312) | (25) | (337) |

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| Audited Year to 30 June 2022 | Waived | (Additional provision) / Provision release | Total impairment of receivables |
|---|---------------|---|--|
| CEE - continuing operations | (457) | 119 | (338) |
| WE - discontinued operations | - | (23) | (23) |
| Total | (457) | 96 | (361) |

6.1. Rental income

| | Reviewed Six-month period to 31 December 2022 | Reviewed Six-month period to 31 December 2021 | Audited Year to 30 June 2022 |
|---|--|--|---|
| Continuing operations | | | |
| Gross rental income | 25,627 | 16,291 | 32,308 |
| Turnover rent | 5,127 | 1,656 | 4,036 |
| Rental income – continuing operations | 30,754 | 17,947 | 36,344 |
| Reversal of impairment/(Impairment) of receivables | 88 | (311) | (292) |
| Rental income, net of impairment – continuing operations | 30,842 | 17,636 | 36,052 |
| Discontinued operations | | | |
| Gross rental income | 1,741 | 3,667 | 5,478 |
| Impairment of receivables | (41) | (2) | (23) |
| Rental income, net of impairment – discontinued operations | 1,700 | 3,665 | 5,455 |
| Total | | | |
| Gross rental income | 27,368 | 19,958 | 37,786 |
| Turnover rent | 5,127 | 1,656 | 4,036 |
| Rental income | 32,495 | 21,614 | 41,822 |
| Reversal of impairment/(Impairment) of receivables | 47 | (313) | (315) |
| Rental income, net of impairment | 32,542 | 21,301 | 41,507 |

Turnover rent reflects the portion of the Group's rental income related to variable lease payments.

No single tenant represented a quantum of more than 10% out of the Group's total rental income during the periods presented.

6.2. Service charge

| | Reviewed Six-month period to 31 December 2022 | Reviewed Six-month period to 31 December 2021 | Audited Year to 30 June 2022 |
|---|--|--|---|
| Continuing operations | | | |
| Gross service charge income | 9,312 | 5,608 | 11,575 |
| Impairment of receivables | (1) | (24) | (46) |
| Service charge and other recoveries, net – continuing operations | 9,311 | 5,584 | 11,529 |
| Property expenses | (6,833) | (3,928) | (8,696) |
| Property management expenses | (2,656) | (1,703) | (3,036) |
| Marketing fees | (1,178) | (621) | (1,352) |
| Insurance expenses | (125) | (80) | (167) |
| Other service charge expenses | (307) | (97) | (227) |
| Service charge and other property operating expenses – continuing operations | (11,099) | (6,429) | (13,478) |
| Net service charge – continuing operations | (1,788) | (845) | (1,949) |
| Discontinued operations | | | |
| Gross service charge income | 783 | 661 | 1,239 |
| Service charge and other recoveries, net – discontinued operations | 783 | 661 | 1,239 |
| Property expenses | (980) | (1,491) | (2,332) |
| Property management expenses | (153) | (74) | (406) |
| Marketing fees | (88) | (1) | (129) |
| Insurance expenses | (72) | (208) | (158) |
| Other service charge expenses | (147) | (283) | (96) |
| Service charge and other property operating expenses – discontinued operations | (1,440) | (2,057) | (3,121) |
| Net service charge – discontinued operations | (657) | (1,396) | (1,882) |

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| | Reviewed Six-month period to 31 December 2022 | Reviewed Six-month period to 31 December 2021 | Audited Year to 30 June 2022 |
|---|---|---|------------------------------------|
| Total | | | |
| Gross service charge income | 10,095 | 6,269 | 12,814 |
| Impairment of receivables | (1) | (24) | (46) |
| Service charge and other recoveries, net | 10,094 | 6,245 | 12,768 |
| Property expenses | (7,813) | (5,419) | (11,028) |
| Property management expenses | (2,809) | (1,777) | (3,442) |
| Marketing fees | (1,266) | (622) | (1,481) |
| Insurance expenses | (197) | (288) | (325) |
| Other service charge expenses | (454) | (380) | (323) |
| Service charge and other property operating expenses | (12,539) | (8,486) | (16,599) |
| Net service charge | (2,445) | (2,241) | (3,831) |

7. Other income

| | Note | Reviewed Six-month period to 31 December 2022 | Reviewed Six-month period to 31 December 2021 | Audited Year to 30 June 2022 |
|---|------|---|---|------------------------------------|
| Continuing operations | | | | |
| Dividend income earned on financial investments | 17.1 | 4,383 | 1,032 | 4,368 |
| Gain on bonds repurchased | | 1,354 | - | - |
| Other income | | 177 | - | 638 |
| Other income - continuing operations | | 5,914 | 1,032 | 5,006 |
| Discontinued operations | | | | |
| Other income | | 312 | 636 | 1,009 |
| Other income - discontinued operations | | 312 | 636 | 1,009 |
| Total | | | | |
| Dividend income earned on financial investments | | 4,383 | 1,032 | 4,368 |
| Gain on bond repurchase | | 1,354 | - | - |
| Other income | | 489 | 636 | 1,647 |
| Other income | | 6,226 | 1,668 | 6,015 |

Withholding tax of €657 thousand was incurred in respect of dividends earned on financial investments for the period (31 December 2021 and 30 June 2022: €nil); refer to note 11.

8. Investment expenses

| | Reviewed Six-month period to 31 December 2022 | Reviewed Six-month period to 31 December 2021 | Audited Year to 30 June 2022 |
|--|---|---|------------------------------------|
| Continuing operations | | | |
| Transaction fees on disposal of investment property | (116) | (337) | (391) |
| Other investment expenses | (202) | (186) | (391) |
| Investment expenses related to acquisitions | (199) | (385) | (1,076) |
| Investment expenses - continuing operations | (517) | (908) | (1,858) |
| Discontinued operations | | | |
| Transaction fees on disposal of investment property | (586) | (1,201) | (1,407) |
| Investment expenses - discontinued operations | (586) | (1,201) | (1,407) |
| Total | | | |
| Transaction fees on disposal of investment property | (702) | (1,538) | (1,798) |
| Other investment expenses | (202) | (186) | (391) |
| Investment expenses related to acquisitions | (199) | (385) | (1,076) |
| Investment expenses | (1,103) | (2,109) | (3,265) |

Transaction fees on disposal of investment property

In continuing operations €116 thousand (31 December 2021: €337 thousand; 30 June 2022: €391 thousand) were incurred by corporate entities, mainly relating to legal fees attributable to multiple investment properties held for sale.

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9. Fair value adjustments

The following items are measured at fair value on the reporting date. Changes in fair value are recognised within fair value adjustments in profit or loss in the period in which they occur.

| | Note | Reviewed Six-month period to 31 December 2022 | Reviewed Six-month period to 31 December 2021 | Audited Year to 30 June 2022 |
|--|------|---|---|------------------------------------|
| Continuing operations | | | | |
| Gain on fair value of investment property | 12.1 | 20,945 | 24,886 | 75,453 |
| Gain/(loss) on fair value of financial investments | 17.1 | 11,149 | 12 | (14,230) |
| Gain on fair value of financial assets | 15 | 3,727 | - | - |
| Fair value adjustments - continuing operations | | 35,821 | 24,898 | 61,223 |
| <i>Detailed as follows:</i> | | | | |
| Change in fair value of investment property | | | | |
| Income property | 12.1 | 20,827 | 24,886 | 75,453 |
| Development property and land bank | 12.1 | 118 | - | - |
| | | 20,945 | 24,886 | 75,453 |
| Change in fair value of financial investments | | | | |
| Financial investments - listed securities | 17.1 | 11,149 | 12 | (14,230) |
| | | 11,149 | 12 | (14,230) |
| Change in fair value of financial assets | | | | |
| Financial assets - interest rate caps | 15 | 3,727 | - | - |
| | | 3,727 | - | - |
| Discontinued operations | | | | |
| (Loss)/Gain on fair value of investment property held for sale | 5.2 | (2,545) | 1,260 | (1,763) |
| Gain on fair value of financial liabilities | 18 | - | 87 | 89 |
| Fair value adjustments - discontinued operations | | (2,545) | 1,347 | (1,674) |

10. Finance income and finance costs

| | Note | Reviewed Six-month period to 31 December 2022 | Reviewed Six-month period to 31 December 2021 | Audited Year to 30 June 2022 |
|--|------|---|---|------------------------------------|
| Continuing operations | | | | |
| Finance income | | | | |
| Income on PKM Development preferred equity | | 8,990 | 10,716 | 21,642 |
| Income on PKM Development revolving credit facility | | 623 | - | - |
| Interest on bank deposits and other finance income | | 65 | 58 | 91 |
| | | 9,678 | 10,774 | 21,733 |
| Finance costs | | | | |
| Bonds borrowing costs | 18 | (7,125) | (7,052) | (14,073) |
| Interest on bank loans | 18 | (2,295) | (157) | (256) |
| Negative interest on bank deposits and other finance expense | | (18) | (447) | (927) |
| | | (9,438) | (7,656) | (15,256) |
| Discontinued operations | | | | |
| Finance costs | | | | |
| Interest on bank loans | 18 | (458) | (1,086) | (1,667) |
| Debt break fees | 5.2 | - | (737) | (1,002) |
| Negative interest on bank deposits and other finance expense | | (20) | (92) | (56) |
| | | (478) | (1,915) | (2,725) |
| Total | | | | |
| Finance income | | 9,678 | 10,774 | 21,733 |
| Finance costs | | (9,916) | (9,571) | (17,981) |

11. Taxation

The Group's tax includes the following.

| | Reviewed Six-month period to 31 December 2022 | Reviewed Six-month period to 31 December 2021 | Audited Year to 30 June 2022 |
|---|---|---|------------------------------------|
| Continuing operations | | | |
| Current tax | (1,983) | (349) | (872) |
| Deferred tax | (3,046) | 316 | (6,832) |
| Taxation – continuing operations | (5,029) | (33) | (7,704) |
| Discontinued operations | | | |
| Current tax | (1,129) | (215) | 1,550 |
| Deferred tax | 510 | (1,092) | (661) |
| Taxation – discontinued operations | (619) | (1,307) | 889 |
| Total | | | |
| Current tax | (3,112) | (564) | 678 |
| Deferred tax | (2,536) | (776) | (7,493) |
| Taxation | (5,648) | (1,340) | (6,815) |

The current tax, including under/over-provisions in respect of earlier periods, for each jurisdiction is as disclosed below.

| | Reviewed Six-month period to 31 December 2022 | | Reviewed Six-month period to 31 December 2021 | | Audited Year to 30 June 2022 | |
|--|---|----------------------|---|--------------|------------------------------------|--------------------|
| | Applicable rate % | Amount | Applicable rate % | Amount | Applicable rate % | Amount |
| Continuing operations | | | | | | |
| Income/corporation tax | | | | | | |
| Malta | 35.0 | (64) | 35.0 | (80) | 35.0 | (3) |
| UK – corporation tax | 20.5 | - | 19.0 | (93) | 19.0 | (94) |
| Poland | 19.0 | (180) | 19.0 | (144) | 19.0 | (500) |
| Netherlands | 25.8 | (398) | 20.0 | (15) | 15.0 | (75) |
| Bulgaria | 10.0 | (5) | 10.0 | - | 10.0 | - |
| Romania | 16.0 | (679) | 16.0 | (17) | 16.0 | (200) |
| | | (1,326) | | (349) | | (872) |
| Withholding tax | | | | | | |
| Netherlands | 15.0 | (657) ¹ | - | - | - | - |
| | | (657) | | - | | - |
| Continuing operations - Current tax | | (1,983) | | (349) | | (872) |
| Discontinued operations | | | | | | |
| Income/corporation tax | | | | | | |
| UK – corporation tax | 20.5 | 7 | 19.0 | (200) | 19.0 | 441 |
| Germany | 15.8 | 55 | 15.8 | 4 | 15.8 | 77 |
| Switzerland | 26.8 | - | 26.8 | - | 26.8 | - |
| | | 62 | | (196) | | 518 |
| Wealth tax | | | | | | |
| Luxembourg | 0.5 | (23) | 0.5 | (19) | 0.5 | (60) |
| | | (23) | | (19) | | (60) |
| Federal tax | | | | | | |
| Switzerland | 0.2 | (1,168) ² | 0.2 | - | 0.2 | 1,092 ² |
| | | (1,168) | | - | | 1,092 |
| Discontinued operations - Current tax | | (1,129) | | (215) | | 1,550 |

¹ €657 thousand relates to withholding tax on the €4,383 thousand gross dividend received in respect of financial investments.

² €1,168 thousand relates to tax paid on the Zurich property (30 June 2022: €1,152 thousand relates to refund of tax paid on sale of the property).

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Reconciliation of deferred tax is presented below.

| | On 31 December 2022 (reviewed) | On 31 December 2021 (reviewed) | On 30 June 2022 (audited) |
|---|--------------------------------------|--------------------------------------|---------------------------------|
| Net deferred tax liability brought forward | (26,822) | (20,966) | (20,966) |
| Current period/year deferred tax movement | (2,536) | (776) | (7,493) |
| Deferred tax asset transferred on acquisition of Spark II Portfolio | - | - | 1,382 |
| Disposal of subsidiary | - | 244 | 244 |
| Foreign currency translation difference in other comprehensive income | - | 8 | 11 |
| Net deferred tax liability carried forward | (29,358) | (21,490) | (26,822) |

The breakdown of net deferred tax liability is presented below.

| | On 31 December 2022 (reviewed) | On 31 December 2021 (reviewed) | On 30 June 2022 (audited) |
|-----------------------------------|--------------------------------------|--------------------------------------|---------------------------------|
| Deferred tax asset | 4,280 | 2,376 | 3,801 |
| Deferred tax liability | (33,638) | (23,866) | (30,623) |
| Net deferred tax liability | (29,358) | (21,490) | (26,822) |

Deferred tax asset and liability result from the following types of differences.

| | On 31 December 2022 (reviewed) | On 31 December 2021 (reviewed) | On 30 June 2022 (audited) |
|---|--------------------------------------|--------------------------------------|---------------------------------|
| Revaluation of investment property and investment property cumulative statutory tax allowance | 941 | 352 | 617 |
| Fiscal losses ¹ | 3,339 | 2,024 | 2,120 |
| Deductible interest expense transferred on acquisition of Spark II Portfolio | - | - | 1,064 |
| Deferred tax asset | 4,280 | 2,376 | 3,801 |
| Revaluation of investment property and investment property cumulative statutory tax allowance | (38,834) | (28,364) | (35,260) |
| Deductible interest expense | 5,150 | 4,159 | 4,333 |
| Other deductible temporary differences | 46 | 339 | 304 |
| Deferred tax liability | (33,638) | (23,866) | (30,623) |
| Net deferred tax liability | (29,358) | (21,490) | (26,822) |

¹Of the total fiscal losses, €1,268 thousand are fiscal losses carried forward by operating legal entities and €1,120 thousand are fiscal losses carried forward by holding entities. Fiscal losses are carried forward if deemed recoverable and were generated as a result of i) leases transferred at acquisition from third parties, with the same terms as negotiated by the previous owners, and ii) non-recoverable expenses incurred in the properties' first years of operation. Under local tax law, fiscal losses may be carried forward up to seven years by Romanian entities, from the date on which they were incurred and indefinitely by Maltese entities. The Group expects the relevant subsidiaries to generate taxable income in future fiscal years. The remaining €951 thousand relates to deferred tax assets arising from investment property held for sale.

Management expects the fiscal losses to crystallise against the future profits realised by the entities, thus the deferred tax asset will be recoverable using the estimated future taxable profits.

Reconciliation of effective tax rate is presented below.

| | Reviewed Six-month period to 31 December 2022 | Reviewed Six-month period to 31 December 2021 | Audited Year to 30 June 2022 |
|---|---|---|------------------------------------|
| Continuing operations | | | |
| Profit before tax | 66,967 | 56,012 | 138,518 |
| Applicable Group weighted average tax rate | 6.9% | 8.6% | 12.8% |
| Net tax expense based on applicable Group weighted tax rate | (4,621) | (4,817) | (17,730) |
| Reconciling items | | | |
| Effect of borrowing costs carried forward/(used) | (249) | 4,159 | 3,657 |
| Fiscal losses used during the period ¹ | 694 | 1,849 | 2,004 |
| Non-deductible expenses | (1,136) | (82) | (247) |
| Non-taxable income | 1,781 | 1,822 | 7,826 |
| Effect of accounting losses for which no deferred tax asset was recognised | (841) | (2,871) | (3,120) |
| Effect of other taxes applicable in different Group subsidiaries' jurisdictions | (657) | (93) | (94) |
| Net taxation | (5,029) | (33) | (7,704) |
| Effective tax rate | 7.5% | 0.1% | 5.6% |

All amounts in € thousand unless otherwise stated.

| | Reviewed Six-month period to 31 December 2022 | Reviewed Six-month period to 31 December 2021 | Audited Year to 30 June 2022 |
|---|---|---|------------------------------------|
| Discontinued operations | | | |
| Profit before tax | 2,823 | 12,239 | 9,468 |
| Applicable Group weighted average tax rate | 23.2% | 9.2% | 6.2% |
| Net tax expense based on applicable Group weighted tax rate | (655) | (1,126) | (587) |
| Reconciling items | | | |
| Non-taxable income | 1,248 | 1,560 | 3,354 |
| Effect of accounting losses for which no deferred tax asset was recognised | (14) | (1,722) | (1,818) |
| Effect of other taxes applicable in different Group subsidiaries' jurisdictions | (1,198) | (19) | (60) |
| Net taxation | (619) | (1,307) | 889 |
| Effective tax rate | 21.9% | 10.7% | -9.4% |
| Weighted average effective tax rate – continuing and discontinued operations | 8.1% | 2.0% | 4.6% |

¹ Fiscal losses used during the six-month period to 31 December 2022 refer to previously recognised tax losses that gave rise to deferred tax assets in prior periods and were derecognised in the current reporting period, either through utilisation or expiration.

The applicable Group weighted average tax rate is determined based on the tax rate applicable in each jurisdiction the Group operates in. Except for the changes related to redomiciliation to Malta of certain entities in the Group and for the changes in applicable tax rates in Netherland and UK, there has been no other changes in the applicable tax rates compared to the previous financial periods.

The increase in the weighted average effective tax rate from 2.0% for the six-month period to 31 December 2021 (4.6% for the year to 30 June 2022) to 8.1% for the six-month period to 31 December 2022 is a result of the following:

- changes in the jurisdictional sources of taxable profits;
- increase in Group weighted average tax rate from acquisition of Spark II Portfolio;
- effect of accounting losses for which no deferred tax assets were recognised;
- effect of borrowing costs used, generating an increase in deferred tax liability; tax legislation applicable allows deduction of such borrowing costs in the determination of income tax payable, indefinitely;
- non-taxable income, in respect of continuing operations, mainly due to the gain in fair value of interest rate caps income, as this is deemed as non-taxable revenue;
- non-taxable income, in respect of discontinuing operations, mainly due to income tax reimbursements and capital gains effects of Langley disposal, as the difference between asset's fiscal and accounting base is deemed as non-taxable revenue;
- fiscal losses used during the period, generating a decrease in current income tax payable;
- fiscal losses generated by Maltese entities which can be used indefinitely and by Romanian entities for fiscal year to 31 December 2022 which can be used for a period of seven years, net off by fiscal losses used or expired, generating increase in deferred tax assets, and
- increase in other taxes applicable in different jurisdictions where Group subsidiaries are incorporated and operate, in respect of continuing operations, including withholding tax generated by cash dividend declared and paid by NEPI Rockcastle N.V. and federal tax payment in respect of discontinued operations.

12. Investment property

12.1. Investment property

The Group's investment property is categorised as detailed below.

| Type | Detail |
|----------------------|---|
| Income property | Property held to earn rental income. |
| Development property | Property under construction, in process of being developed for future use as income property or for sale and land plots to be utilised for future developments. |
| Land bank | Land plots held for future development. |

The carrying value of the Group's investment property is presented below.

| | On 31 December 2022 (reviewed) | On 31 December 2021 (reviewed) | On 30 June 2022 (audited) |
|------------------------------------|--------------------------------------|--------------------------------------|---------------------------------|
| Income-generating property | 882,755 | 486,817 | 859,778 |
| Development property and land bank | 4,573 | 713 | 720 |
| | 887,328 | 487,530 | 860,498 |

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| Reviewed Six-month period to 31 December 2022 | Note | Income property | Development property and Land bank | Total |
|--|------|-----------------|--|---------|
| Opening balance | | 859,778 | 720 | 860,498 |
| Acquisition of development property and land bank ¹ | | - | 3,504 | 3,504 |
| Capitalised expenditure ¹ | | 2,150 | 231 | 2,381 |
| Fair value adjustment | 9 | 20,827 | 118 | 20,945 |
| Closing balance | | 882,755 | 4,573 | 887,328 |

¹The Group paid €4,947 thousand in relation to capitalised expenditure during the period, of which €3,504 thousand were paid in respect of the land acquisition for planned extension of existing property.

| Reviewed Six-month period to 31 December 2021 | Note | Income property | Development property and Land bank | Total |
|---|------|-----------------|--|---------|
| Opening balance | | 455,696 | 2,907 | 458,603 |
| Transfer from development property to income property | | 4,889 | (4,889) | - |
| Capitalised expenditure ¹ | | 1,346 | 2,695 | 4,041 |
| Fair value adjustment | 9 | 24,886 | - | 24,886 |
| Closing balance | | 486,817 | 713 | 487,530 |

¹The Group paid €3,521 thousand in relation to capitalised expenditure during the period.

| Audited Year to 30 June 2022 | Note | Income property | Development property and Land bank | Total |
|---|------|-----------------|--|---------|
| Opening balance | | 455,696 | 2,907 | 458,603 |
| Acquisition of investment properties ¹ | 4 | 319,601 | - | 319,601 |
| Transfer from development property to income property | | 6,104 | (6,104) | - |
| Capitalised expenditure ² | | 2,924 | 3,917 | 6,841 |
| Fair value adjustment | 9 | 75,453 | - | 75,453 |
| Closing balance | | 859,778 | 720 | 860,498 |

¹ Effective 30 June 2022, as part of the Spark II Portfolio acquisition, the Group acquired six operational properties, for a consideration price of €319,706 thousand. As detailed in note 4, in accordance with IAS 40, the investment properties were initially recognised at cost of €319,601 thousand, reflected as the consideration price of €319,706 thousand less €689 thousand residual value after recognising financial assets and liabilities at fair value, plus transaction costs of €584 thousand.

² The Group paid €6,468 thousand in relation to capitalised expenditure during the year.

Bank loans

On 31 December 2022 bank loans in amount of €119,203 thousand were secured against investment property with a carrying value of €320,570 thousand. All bank loans outstanding on 30 June 2022 in the CEE segment were transferred from DJV to MAS following the acquisition of Spark II Portfolio, detailed in note 4.

12.2. Valuation sensitivity analysis

Investment property – measurement of fair values

Valuation process for level 3 investment property

Fair value of investment property is determined semi-annually, on 30 June and 31 December, by external, independent professional valuers, with appropriate and recognised qualifications and recent experience in the location and type of property being valued. For details of the valuers used by the Group in its valuation process on 31 December 2022, refer to page 58. For all investment properties, their current values equate to the best use.

Fair value hierarchy

The fair value measurement of all the Group's investment properties has been categorised as level 3 in the fair value hierarchy based on the significant unobservable inputs into the valuation techniques used.

Valuation techniques and significant inputs

Discounted cash flows ('DCF') method

The valuation model considers the present value of net cash flows to be generated from the property, taking into account expected rental growth rates, void periods, occupancy rates, lease incentive costs such as rent-free periods and other costs not paid by tenants. The expected net cash flows are discounted using risk-adjusted discount rates. Among other factors, the discount rate estimation considers the quality of a building and its location, tenant credit quality and lease terms.

Inputs used in the DCF valuation model are risk adjusted discount rates, net rental income, net rental income growth, unrecoverable capital expenditures and others, as relevant. The most significant inputs are considered to be the net rental income and the valuation margin; the estimated fair value would increase/(decrease) if the expected net rental income was higher/(lower) and/or the yield was lower/(higher).

Capitalisation method

The valuation model considers the value of the property based on its location, size and quality taking into account market data and the capitalisation rate of future income streams at the valuation date. Other significant inputs used in the capitalisation rate model are the capitalisation rate and the estimated rental value. The estimated fair value would increase/(decrease) if either the yield was lower/(higher) or if the estimated market rent was higher/(lower).

Residual method

The valuation model considers the gross development value of the property based on an independent view of market values for the completed development less any build costs. The valuation starts with an estimation of the value of the completed development, normally referred to as the Gross Development Value (GDV).

Thereafter, various costs to complete the development are deducted (including construction costs, professional fees, marketing fees/costs, finance costs, together with developer's profit); to arrive at a 'residual' site value, which is the price which a developer could afford to pay for the land (and still generate their target profit level). Significant unobservable inputs used in the residual method are the gross development value and the profit on GDV. The estimated fair value would increase/(decrease) if the GDV was higher/(lower) or if the target profit was lower/(higher).

Purchase price

The valuation model takes into account the recent acquisition price, which equals the amount a third party would be willing to pay. Significant unobservable inputs used in the purchase price method represents the purchase price for the property. The estimated fair value would increase/(decrease) if the number of the interested parties was higher/(lower) and/or if the availability of comparable properties was lower/(higher), thus altering the acquisition price, or the estimated costs to complete were lower/(higher).

Firm offers less costs to complete

Fair value is based on the amount a third party is willing to pay less any costs to complete. Significant unobservable inputs used in the firm offers less costs to complete method are the firm offers and costs to complete (excluding transaction costs). The estimated fair value would increase/(decrease) if the number of the interested parties was higher/(lower) and/or, the availability of comparable properties lower/(higher), thus altering the offer price, or the estimated costs to complete were lower/(higher).

Changes to valuation methods used

There were no changes to valuation methods used in the six-month period to 31 December 2022 compared to the previous period/year.

Significant inputs

The property valuations reflect the external valuers' assessment, and the Group analysed a range of +/-5% for Net Rental Income and a range of +/-0.25% (31 December 2021: +/- 0.5% and 30 June 2022: +/-0.25%) for NRI/BV (key valuation assumptions) for the sensitivity analysis on the current market conditions, as detailed in the tables below.

Other inputs

Ranges of significant inputs considered by the valuers in their discounted cash flow models (where such method was applied for the assets' valuation) are presented below.

| Six-month period to 31 December 2022 | Discount rates (unlevered) | Estimated rental value long-term growth rate | Capex reserve as % of Net Rental Income |
|---|---------------------------------------|---|--|
| Retail assets | | | |
| Romania | 9.6-10.4% | 2.5-3.25% | 5.0-10.0% |
| Bulgaria | 10.2-11.3% | 3.0% | 10.0% |
| Poland | 8.9% | 2.4% | 10.0% |
| Germany – held for sale | 6.3% | 1.0% | 10.5% |
| Six-month period to 31 December 2021 | Discount rates (unlevered) | Estimated rental value long-term growth rate | Capex reserve as % of Net Rental Income |
| Retail assets | | | |
| Romania | 9.6-10.8% | 2.5-3.25% | 5.0-10.0% |
| Bulgaria | 10.2-11.2% | 3.0% | 10.0% |
| Germany – held for sale | 5.8-9.4% | 0.75-1.0% | 6.1-7.8% |
| Year to 30 June 2022 | Discount rates (unlevered) | Estimated rental value long-term growth rate | Capex reserve as % of Net Rental Income |
| Retail assets | | | |
| Romania | 9.5-10.1% | 2.5-3.25% | 5.0-10.0% |
| Bulgaria | 9.9-11.0% | 3.0% | 10.0% |
| Poland | 8.5% | 2.2% | 10.0% |
| Germany – held for sale | 6.3% | 0.75-1.0% | 11.92% |

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| 31 December 2022 | Location | Type | Valuation Method | Net rental income thousand € | Fair value thousand € | Lease incentive thousand € | Book Value thousand € | NRI/BV % | Sensitivity analysis (variance) | | | |
|--|------------------|--------|---------------------|---------------------------------------|--------------------------------|-------------------------------------|--------------------------------|-------------|---------------------------------|-----------------------------|-----------------------------------|-----------------------------------|
| | | | | | | | | | NRI +5% thousand € | NRI -5% thousand € | NRI/BV -0.25% thousand € | NRI/BV +0.25% thousand € |
| | | | | | | | | | | | | |
| Investment property, including Investment property held for sale | | | | 67,123 | 942,415 | (258) | 942,415 | 7.1% | 47,136 | (47,136) | 72,266 | (62,520) |
| CEE income property - continuing operations | | | | 64,149 | 882,755 | - | 882,755 | 7.3% | 44,140 | (44,140) | 65,407 | (56,949) |
| Militari Shopping | RO, Bucharest | Retail | DCF | 10,359 | 149,690 | - | 149,690 | 6.9% | 7,485 | (7,485) | 11,658 | (10,087) |
| Galleria Burgas | BG, Burgas | Retail | DCF | 7,331 | 95,160 | - | 95,160 | 7.7% | 4,758 | (4,758) | 6,605 | (5,800) |
| Nova Park | PL, Gorzów | Retail | DCF | 6,224 | 83,985 | - | 83,985 | 7.4% | 4,199 | (4,199) | 6,076 | (5,308) |
| Dambovita Mall | RO, Targoviste | Retail | DCF | 6,094 | 86,350 | - | 86,350 | 7.1% | 4,318 | (4,318) | 6,584 | (5,713) |
| Atrium Mall | RO, Arad | Retail | DCF | 5,571 | 79,860 | - | 79,860 | 7.0% | 3,993 | (3,993) | 6,166 | (5,341) |
| DN1 Value Centre | RO, Balotesti | Retail | DCF | 5,470 | 74,310 | - | 74,310 | 7.4% | 3,716 | (3,716) | 5,415 | (4,726) |
| Strip Malls | RO, Various | Retail | DCF | 3,556 | 43,240 | - | 43,240 | 8.2% | 2,162 | (2,162) | 2,799 | (2,478) |
| Prahova Value Centre | RO, Ploiesti | Retail | DCF | 3,432 | 50,100 | - | 50,100 | 6.9% | 2,505 | (2,505) | 3,945 | (3,408) |
| Zalau Value Centre | RO, Zalau | Retail | DCF | 3,261 | 45,100 | - | 45,100 | 7.2% | 2,255 | (2,255) | 3,350 | (2,917) |
| Roman Value Centre | RO, Roman | Retail | DCF | 3,194 | 45,090 | - | 45,090 | 7.1% | 2,255 | (2,255) | 3,424 | (2,973) |
| Baia Mare Value Centre | RO, Baia Mare | Retail | DCF | 3,090 | 40,800 | - | 40,800 | 7.6% | 2,040 | (2,040) | 2,884 | (2,527) |
| Sepsi Value Centre | RO, Sf. Gheorghe | Retail | DCF | 2,511 | 34,050 | - | 34,050 | 7.4% | 1,703 | (1,703) | 2,477 | (2,162) |
| Barlad Value Centre | RO, Barlad | Retail | DCF | 2,122 | 30,660 | - | 30,660 | 6.9% | 1,533 | (1,533) | 2,387 | (2,066) |
| Galleria Stara Zagora | BG, Stara Zagora | Retail | DCF | 1,934 | 24,360 | - | 24,360 | 7.9% | 1,218 | (1,218) | 1,637 | (1,443) |
| WE income property - discontinued operations | | | | 2,974 | 59,660 | (258) | 59,660 | 5.0% | 2,996 | (2,996) | 6,859 | (5,571) |
| Flensburg Galerie | DE, Flensburg | Retail | DCF | 2,778 | 58,000 | (258) | 57,742 | 4.8% | 2,900 | (2,900) | 6,760 | (5,482) |
| Arches | UK, Edinburgh | Mixed | Capitalisation | 196 | 1,918 | - | 1,918 | 10.2% | 96 | (96) | 99 | (89) |
| Lease incentive accruals | | | | | | (258) | | | | | | |

Net Rental income (NRI): rental income less non-recoverable property related expenses for properties valued using the discounted cash flow method; estimated rental value for properties valued using the capitalisation method. Information presented in the table above reflects input as included in valuation reports.

All properties except land are valued either by discounted cash flows or by capitalisation method.

Land is valued either by residual or by firm offers less costs-to-complete method.

The Group does not present any sensitivity analysis for the land, as it is not considered relevant – land is valued considering its best use.

MAS P.L.C.
Condensed consolidated interim financial statements for the six-month period to 31 December 2022

| 31 December 2021 | Location | Type | Valuation Method | Net rental income thousand € | Fair value thousand € | Lease incentive thousand € | Book Value thousand € | NRI/BV % | Sensitivity analysis (variance) | | | |
|--|------------------|--------|---------------------|---------------------------------------|--------------------------------|-------------------------------------|--------------------------------|-------------|---------------------------------|---------------|-----------------|-----------------|
| | | | | | | | | | NRI +5% | NRI -5% | NRI/BV -0.5% | NRI/BV +0.5% |
| | | | | | | | | | thousand € | thousand € | thousand € | thousand € |
| Investment property, including Investment property held for sale | | | | 40,497 | 575,578 | (86) | 575,578 | 7.0% | 27,892 | (27,892) | 43,205 | (37,132) |
| CEE income property | | | | 36,795 | 486,817 | - | 486,817 | 7.6% | 24,342 | (24,342) | 34,514 | (30,226) |
| Militari Shopping | RO, Bucharest | Retail | DCF | 9,329 | 123,640 | - | 123,640 | 7.5% | 6,182 | (6,182) | 8,775 | (7,684) |
| Galleria Burgas | BG, Burgas | Retail | DCF | 5,735 | 76,650 | - | 76,650 | 7.5% | 3,833 | (3,833) | 5,489 | (4,801) |
| Nova Park | PL, Gorzów | Retail | Capitalisation | 6,197 | 83,757 | - | 83,757 | 7.4% | 4,188 | (4,188) | 6,070 | (5,302) |
| Atrium Mall | RO, Arad | Retail | DCF | 4,925 | 65,520 | - | 65,520 | 7.5% | 3,276 | (3,276) | 4,669 | (4,086) |
| Strip Malls | RO, Various | Retail | DCF | 3,262 | 40,320 | - | 40,320 | 8.1% | 2,016 | (2,016) | 2,656 | (2,347) |
| Baia Mare Value Centre | RO, Baia Mare | Retail | DCF | 2,755 | 37,110 | - | 37,110 | 7.4% | 1,856 | (1,856) | 2,680 | (2,342) |
| Roman Value Centre | RO, Roman | Retail | DCF | 2,947 | 39,540 | - | 39,540 | 7.5% | 1,977 | (1,977) | 2,843 | (2,486) |
| Galleria Stara Zagora | BG, Stara Zagora | Retail | DCF | 1,645 | 20,280 | - | 20,280 | 8.1% | 1,014 | (1,014) | 1,332 | (1,178) |
| WE income property and land bank | | | | 3,702 | 88,761 | (86) | 88,761 | 4.2% | 3,550 | (3,550) | 8,691 | (6,906) |
| Flensburg Galerie | DE, Flensburg | Retail | DCF | 2,608 | 61,700 | (86) | 61,614 | 4.2% | 3,085 | (3,085) | 8,278 | (6,526) |
| Gotha | DE, Gotha | Retail | DCF | 904 | 7,510 | - | 7,510 | 12.0% | 376 | (376) | 325 | (300) |
| Arches | UK, Edinburgh | Mixed | Capitalisation | 190 | 1,785 | - | 1,785 | 10.6% | 89 | (89) | 88 | (80) |
| Langley Park | UK, Chippenham | Land | Residual | - | 17,852 | - | 17,852 | - | - | - | - | - |
| Lease incentive accruals | | | | | (86) | | | | | | | |

Condensed consolidated interim financial statements for the six-month period to 31 December 2022

| 30 June 2022 | Location | Type | Valuation Method | Net rental income thousand € | Fair value thousand € | Lease incentive thousand € | Book Value Thousand € | NRI/BV % | Sensitivity analysis (variance) | | | |
|--|------------------|--------|---------------------|---------------------------------------|--------------------------------|-------------------------------------|-----------------------------|-------------|---------------------------------|---------------|------------------|------------------|
| | | | | | | | | | NRI +5% | NRI -5% | NRI/BV -0.25% | NRI/BV +0.25% |
| | | | | | | | | | thousand € | thousand € | thousand € | thousand € |
| Investment property, including Investment property held for sale | | | | 64,233 | 938,286 | (76) | 938,287 | 6.8% | 45,912 | (45,912) | 34,613 | (32,133) |
| CEE income property - continuing operations | | | | 61,370 | 859,778 | - | 859,778 | 7.1% | 42,857 | (42,857) | 31,073 | (28,965) |
| Militari Shopping | RO, Bucharest | Retail | DCF | 9,576 | 140,020 | - | 140,020 | 6.8% | 7,001 | (7,001) | 5,313 | (4,938) |
| Galleria Burgas | BG, Burgas | Retail | DCF | 6,602 | 87,720 | - | 87,720 | 7.5% | 4,386 | (4,386) | 3,014 | (2,820) |
| Nova Park | PL, Gorzów | Retail | DCF | 6,377 | 84,507 | - | 84,506 | 7.5% | 4,225 | (4,225) | 2,896 | (2,710) |
| Dambovita Mall* | RO, Targoviste | Retail | DCF | 5,735 | 82,330 | - | 84,946 | 7.0% | 4,117 | (4,117) | 3,065 | (2,852) |
| Atrium Mall | RO, Arad | Retail | DCF | 5,474 | 74,300 | - | 74,300 | 7.4% | 3,715 | (3,715) | 2,610 | (2,438) |
| DN1 Value Centre* | RO, Balotesti | Retail | DCF | 5,197 | 74,130 | - | 75,435 | 7.0% | 3,707 | (3,707) | 2,741 | (2,552) |
| Prahova Value Centre* | RO, Ploiesti | Retail | DCF | 3,465 | 51,300 | - | 50,474 | 6.8% | 2,565 | (2,565) | 1,972 | (1,831) |
| Zalau Value Centre* | RO, Zalau | Retail | DCF | 3,218 | 45,590 | - | 44,525 | 7.1% | 2,280 | (2,280) | 1,674 | (1,559) |
| Strip Malls | RO, Various | Retail | DCF | 3,379 | 42,680 | - | 42,680 | 7.9% | 2,134 | (2,134) | 1,392 | (1,306) |
| Baia Mare Value Centre | RO, Baia Mare | Retail | DCF | 3,016 | 41,560 | - | 41,560 | 7.3% | 2,078 | (2,078) | 1,483 | (1,384) |
| Roman Value Centre | RO, Roman | Retail | DCF | 3,115 | 45,080 | - | 45,080 | 6.9% | 2,254 | (2,254) | 1,692 | (1,574) |
| Sepsi Value Centre* | RO, Sf. Gheorghe | Retail | DCF | 2,414 | 34,220 | - | 34,078 | 7.1% | 1,711 | (1,711) | 1,257 | (1,171) |
| Barlad Value Centre* | RO, Barlad | Retail | DCF | 2,058 | 29,360 | - | 30,144 | 7.0% | 1,468 | (1,468) | 1,086 | (1,011) |
| Galleria Stara Zagora | BG, Stara Zagora | Retail | DCF | 1,744 | 24,310 | - | 24,310 | 7.2% | 1,216 | (1,216) | 878 | (819) |
| Purchase price premium | | | | | 2,776 | | | | | | | |
| Transaction costs** | | | | | 584 | | | | | | | |
| Residual value** | | | | | (689) | | | | | | | |
| WE income property and land bank - discontinued operations | | | | 2,863 | 78,508 | (76) | 78,508 | 3.6% | 3,055 | (3,055) | 3,540 | (3,168) |
| Flensburg Galerie | DE, Flensburg | Retail | DCF | 2,661 | 59,300 | (76) | 59,224 | 4.5% | 2,965 | (2,965) | 3,499 | (3,129) |
| Arches | UK, Edinburgh | Mixed | Capitalisation | 202 | 1,806 | - | 1,806 | 11.2% | 90 | (90) | 41 | (39) |
| Langley Park | UK, Chippenham | Land | Residual | - | 17,478 | - | 17,478 | - | - | - | - | - |
| Lease incentive accruals | | | | | (76) | | | | | | | |

* The investment properties (Spark II Portfolio) were acquired effective 30 June 2022 and were initially recognised at cost, including transaction costs, as described in note 4 and 12.1. The fair value of investment properties acquired as determined by the Group's independent external valuer on 30 June 2022 was used for purposes of the valuation sensitivity analysis. The book value of these properties was the consideration price, including transaction costs.

** Effective 30 June 2022, as part of the Spark II Portfolio acquisition, the Group acquired six operational properties, for a consideration price of €319,706 thousand. The investment properties were initially recognised at cost of €319,601 thousand, reflected as the consideration price of €319,706 thousand less €689 thousand residual value after recognising financial assets and liabilities at fair value, plus transaction costs of €584 thousand.

13. Investment in equity-accounted investee

| | On 31 December 2022 (reviewed) | On 31 December 2021 (reviewed) | On 30 June 2022 (audited) |
|--|--------------------------------------|--------------------------------------|---------------------------------|
| Opening balance | 25,202 | 37,365 | 37,365 |
| Share of profit from equity-accounted investee, net of tax | 1,953 | 14,616 | 40,901 |
| Distribution received | (4,105) | - | (53,064) |
| Closing balance | 23,050 | 51,981 | 25,202 |

The Group has an investment in P K M Development Limited (incorporated in the Isle of Man), a holding entity of a group which develops retail, residential and office properties predominantly in Romania, as well as other CEE countries. P K M Development Limited ('PKM Development' or 'DJV') is an associate of the Group.

The Group owns 40% of the DJV's ordinary shares and therefore has significant influence but no control. The remaining 60% of the ordinary shares are owned by Prime Kapital. Prime Kapital provides development services and oversees the development process for the DJV.

In addition to the investment in ordinary shares, the Group has invested in 7.5% preferred equity issued by PKM Development; refer to note 17.3. €246.1million was invested on 31 December 2022 (31 December 2021: €283million; 30 June 2022: €236.1million). Additionally, with effect from 30 June 2022, the Group made available to the DJV a €30million revolving credit facility. On 31 December 2022, the DJV had drawn €20.5million of the available committed facility, refer to note 17.3.

The following table summarises the financial information of PKM Development as included in its financial statements which are prepared in accordance with IFRS.

| Statement of financial position PKM Development | On 31 December 2022 (reviewed) | On 31 December 2021 (reviewed) | On 30 June 2022 (audited) |
|--|--------------------------------------|--------------------------------------|---------------------------------|
| Non-current assets | 261,730 | 459,935 | 224,223 |
| Current assets | 166,392 | 153,941 | 275,468 |
| Total assets | 428,122 | 613,876 | 499,691 |
| Non-current liabilities | 299,152 | 360,120 | 242,242 |
| Current liabilities | 39,528 | 89,937 | 160,409 |
| Total liabilities | 338,680 | 450,057 | 402,651 |
| Net assets | 89,442 | 163,819 | 97,040 |
| Percentage of the Group's ownership interest | 40% | 40% | 40% |
| Un-adjusted Group share of net assets | 35,777 | 65,528 | 38,816 |
| Elimination of cross-shareholding | (12,786) | (13,606) | (13,673) |
| Net assets attributable to the Group | 22,991 | 51,922 | 25,143 |
| Capitalised costs | 59 | 59 | 59 |
| Carrying amount | 23,050 | 51,981 | 25,202 |

PKM Development's investment properties have been valued by external independent valuers in a manner consistent with the policies disclosed in note 12.

| Statement of profit or loss and other comprehensive income PKM Development | Reviewed Six-month period to 31 December 2022 | Reviewed Six-month period to 31 December 2021 | Audited Year to 30 June 2022 |
|---|---|---|------------------------------------|
| Rental income | 1,791 | 8,512 | 19,190 |
| Service charge income and other recoveries | 788 | 3,083 | 7,600 |
| Reversal of impairment/(Impairment) of receivables | 10 | (34) | (87) |
| Service charge and other property operating expenses | (894) | (3,557) | (8,105) |
| Other income | 2,799 | 4,728 | 6,857 |
| Corporate expenses | (392) | (1,135) | (2,193) |
| Investment expenses | (795) | - | (40) |
| Net margin from residential sales | 628 | - | 6,368 |
| Fair value adjustments | 2,833 | 42,763 | 84,090 |
| Foreign currency exchange differences | (187) | (3) | 91 |
| Finance income | 110 | 12 | 53 |
| Finance costs | (1,519) | (5,831) | (11,957) |
| Taxation | (2,506) | (5,212) | 7,344 |
| Total profit | 2,666 | 43,326 | 109,211 |
| Percentage of the Groups ownership interest | 40% | 40% | 40% |
| Total profit and other comprehensive income attributable to the Group | 1,066 | 17,330 | 43,684 |
| Elimination of fair value adjustment on cross-shareholding | 887 | (2,714) | (2,783) |
| Group's share of profit | 1,953 | 14,616 | 40,901 |

PKM Development has no other comprehensive income.

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Holding of MAS shares by PKM Development

PKM Development maintained its holding of 70,998,476 MAS shares for all periods presented, valued at €80,615 thousand on 31 December 2022 (31 December 2021: €82,663 thousand; 30 June 2022: €82,831 thousand). On consolidation, MAS' proportion of 40% of the shares are adjusted to their original cost of €19,570 thousand for all periods presented, so that no gains or losses are recognised on these assets.

14. Intangible assets

| | On 31 December 2022 (reviewed) | On 31 December 2021 (reviewed) | On 30 June 2022 (audited) |
|--------------------------|--------------------------------------|--------------------------------------|---------------------------------|
| Goodwill | 1,696 | 1,696 | 1,696 |
| Intangible assets | 1,696 | 1,696 | 1,696 |

| | On 31 December 2022 (reviewed) | On 31 December 2021 (reviewed) | On 30 June 2022 (audited) |
|--------------------------------------|--------------------------------------|--------------------------------------|---------------------------------|
| Goodwill | | | |
| Spark I Portfolio | 1,628 | 1,628 | 1,628 |
| Property Management Platform ("PMP") | 68 | 68 | 68 |
| | 1,696 | 1,696 | 1,696 |

An impairment test was performed on 31 December 2022, in accordance with the Group's accounting policies. No additional impairment arose as a result.

15. Other non-current assets

Other non-current assets include prepaid equity share-based payments, property retentions and long-term receivables related to disposal of assets, right-of-use asset, property, plant and equipment and computer and other licenses.

| | Note | On 31 December 2022 (reviewed) | On 31 December 2021 (reviewed) | On 30 June 2022 (audited) |
|---|------|--------------------------------------|--------------------------------------|---------------------------------|
| Long-term receivables from disposal of assets | 5.2 | 11,361 | - | - |
| Interest rate caps | | 8,307 | - | 4,562 |
| Equity settled share-based payment expense | 19.2 | | | |
| – PK Prepaid Development Services | | 5,099 | 6,789 | 6,120 |
| – Incentive Share Participants | | 699 | 1,075 | 1,012 |
| Property retentions related to disposal of assets | | 1,455 | 1,712 | 1,555 |
| Right-of-use asset | | 317 | - | 336 |
| Property, plant and equipment | | 58 | 158 | 208 |
| Other non-current assets | | 140 | 135 | 141 |
| Total non-current assets | | 27,436 | 9,869 | 13,934 |

Interest rate caps

With the acquisition of Spark II Portfolio, the acquired entities retained their existing secured external debt facilities of €123,544 thousand, which have interest rate caps in place to hedge interest rate exposure. These interest rate caps are classified as financial assets at fair value through profit or loss. Accordingly, they are measured at fair value on the reporting date with changes in fair value being recognised in profit or loss. Hedge accounting under IFRS 9 has not been applied.

16. Other non-current liabilities

| | On 31 December 2022 (reviewed) | On 31 December 2021 (reviewed) | On 30 June 2022 (audited) |
|---|--------------------------------------|--------------------------------------|---------------------------------|
| Security deposits from tenants | 3,605 | 1,803 | 3,011 |
| Lease liability | 2,665 | - | 2,642 |
| Security deposits from construction suppliers | 550 | 350 | 1,502 |
| Other non-current liabilities | - | 107 | - |
| Total non-current liabilities | 6,820 | 2,260 | 7,155 |

Of the total lease liability, €2,464 thousand refer mainly to a concession agreement transferred from the DJV on 30 June 2022, following the acquisition of one of the Spark II Portfolio entities (30 June 2022: €2,396 thousand). Additional information related to the concession agreement is presented in note 21. The remaining €201 thousand (30 June 2022: €246 thousand) refer to lease liabilities in respect of the Group's office leases, which are subject to IFRS 16.

17. Financial assets

17.1. Financial investments

Financial investments are measured at fair value on the reporting date with changes in fair value recognised in profit or loss. The Group's financial investments are detailed in the table below.

| | On 31 December 2022 (reviewed) | On 31 December 2021 (reviewed) | On 30 June 2022 (audited) |
|-----------------------|--------------------------------------|--------------------------------------|---------------------------------|
| Financial investments | 101,104 | 110,619 | 97,655 |
| | 101,104 | 110,619 | 97,655 |

The Group's financial investments in listed securities are used to manage liquidity, including if necessary, funding commitments to PKM Development.

The full notional exposure for all positions is disclosed below.

| On 31 December 2022 (reviewed) | | | |
|------------------------------------|------------------|----------------------|----------------------------------|
| | Share price € | No of shares '000 | Fair value direct investments |
| Financial investments | | | |
| NEPI Rockcastle N.V. | 5.69 | 17,753 | 101,104 |
| Total financial investments | | | 101,104 |

| On 31 December 2021 (reviewed) | | | |
|------------------------------------|------------------|----------------------|----------------------------------|
| | Share price € | No of shares '000 | Fair value direct investments |
| Financial investments | | | |
| NEPI Rockcastle N.V. | 5.87 | 18,850 | 110,619 |
| Total financial investments | | | 110,619 |

| On 30 June 2022 (audited) | | | |
|------------------------------------|------------------|----------------------|----------------------------------|
| | Share price € | No of shares '000 | Fair value direct investments |
| Financial investments | | | |
| NEPI Rockcastle N.V. | 5.12 | 19,078 | 97,655 |
| Total financial investments | | | 97,655 |

Reconciliation of financial investments

| | Note | Fair value direct financial investments |
|---------------------------------------|------|--|
| On 30 June 2021 (audited) | | 33,580 |
| Purchases | | 77,027 ² |
| Fair value adjustment | 9 | 12 ¹ |
| On 31 December 2021 (reviewed) | | 110,619 |
| Purchases | | 1,278 ² |
| Fair value adjustment | 9 | (14,242) ¹ |
| On 30 June 2022 (audited) | | 97,655 |
| Disposals | | (7,700) ² |
| Fair value adjustment - unrealised | 9 | 10,231 ¹ |
| Fair value adjustment - realised | 9 | 918 ¹ |
| On 31 December 2022 (reviewed) | | 101,104 |

¹ Non-cash flow movements

² Cash flow movements

Fair value adjustments in relation to financial investments includes fair value movements on purchases and disposals during the period.

During the period gross dividend income of €4,383 thousand (31 December 2021: €1,032; 30 June 2022: €4,368 thousand) resulted from the Group's financial investments; refer to note 7. The total fair value gains related to financial investments is €11,149 thousand (31 December 2021: €12 thousand; 30 June 2022: fair value losses €14,230 thousand); refer to note 9.

During the six-month period to 31 December 2022 the Group disposed of 1,324,824 NEPI Rockcastle N.V. listed securities for a consideration value of €7,700 thousand.

Condensed consolidated interim financial statements for the six-month period to 31 December 2022

17.2. Cash and cash equivalents

| | On 31 December 2022 (reviewed) | On 31 December 2021 (reviewed) | On 30 June 2022 (audited) |
|---------------|--------------------------------------|--------------------------------------|---------------------------------|
| Bank balances | 66,225 | 193,712 | 174,176 |
| | 66,225 | 193,712 | 174,176 |

Cash flow information

Reconciliation of cash generated from operating activities is presented below.

| | Note | Reviewed Six-month period to 31 December 2022 | Reviewed Six-month period to 31 December 2021 | Audited Year to 30 June 2022 |
|---|------|---|---|------------------------------------|
| Profit for the period/year - continuing operations | | 61,938 | 55,979 | 130,814 |
| Profit for the period/year - discontinued operations | | 2,204 | 10,932 | 10,357 |
| <i>Adjustments for non-cash movements:</i> | | | | |
| Fair value adjustments | 9 | (33,276) | (26,245) | (59,549) |
| Finance income | 10 | (9,678) | (10,774) | (21,733) |
| Finance costs | 10 | 9,916 | 9,571 | 17,981 |
| Share of profit from equity-accounted investees | 13 | (1,953) | (14,616) | (40,901) |
| Tax expense | 11 | 5,648 | 1,340 | 6,815 |
| Investment expenses | 8 | 1,103 | 2,109 | 3,265 |
| Share-based payment expense | | 452 | 536 | 1,195 |
| Depreciation and amortisation | | 53 | 79 | 144 |
| Loss on disposal of subsidiary | 5.2 | - | 2,630 | 2,630 |
| Gain on disposal of assets held for sale | 5.2 | (5,380) | (11,289) | (11,143) |
| Foreign exchange differences | | 2,070 | (2,363) | (1,855) |
| Other income from bonds repurchased | 7 | (1,354) | - | - |
| (Increase)/decrease in trade receivables and other operating assets | | 1,874 | (23,135) | 79,966 |
| Increase/(decrease) in trade payables and other operating liabilities | | 3,501 | 25,129 | (71,841) |
| Cash generated from operating activities | | 37,118 | 19,883 | 46,145 |

17.3. Financial assets

| | On 31 December 2022 (reviewed) | On 31 December 2021 (reviewed) | On 30 June 2022 (audited) |
|---|--------------------------------------|--------------------------------------|---------------------------------|
| Non-current assets | | | |
| PKM Development preferred equity | 255,057 | 300,009 | 236,067 |
| PKM Development revolving credit facility | 20,476 | - | - |
| Total financial assets | 275,533 | 300,009 | 236,067 |

PKM Development preferred equity and revolving credit facility

The preferred equity and revolving credit facility committed to PKM Development are held at amortised cost. The Group has performed an impairment assessment on 31 December 2022 and concluded that there has not been a significant increase in credit risk in relation to PKM Development, and that the expected credit loss is not significant in the reporting periods. To determine whether there has been a significant increase in credit risk, management has considered quantitative factors such as forecasted profits and actual profits, and qualitative factors such as progress with the development pipeline.

On 30 June 2022, the effective date of the Spark II Portfolio transaction, MAS received €46,983 thousand in redemption of preferred equity from the DJV, and €16,708 thousand accrued coupon on preferred equity. These amounts were netted off with MAS' consideration payable for the properties acquired. Following redemption of €46,983 thousand preferred equity, MAS' invested amount in the DJV's preferred equity was €236,067 thousand. Additionally, as part of the Transactions, MAS' preferred equity funding commitments to the DJV was increased by €50million to €470million, of which €246.1million was invested by 31 December 2022 (refer to note 4 and 21) with €9.1million accrued coupon and MAS also made available to PKM Development a €30million revolving credit facility (RCF) bearing interest at 7.5%. During the six-month period to 31 December 2022, the RCF drawdowns amounted to €30,000 thousand, of which €25,895 thousand in cash and €4,105 thousand set-off distributions received from the DJV. RCF cash repayments amounted to €9,528 thousand.

The Group has to ensure sufficient liquidity to meet preferred equity subscription requests from PKM Development. The Group mitigates liquidity risk by maintaining adequate cash, assets readily convertible into cash such as listed real estate equity securities and access to undrawn debt facilities.

On 31 December 2022, the Group had an undrawn unsecured debt facility of €20,000 thousand, that can be increased to €60,000 thousand (31 December 2021: €20,000 thousand; 30 June 2022: €60,000 thousand).

The Group intends to invest up to a further €223.9million in PKM Development preferred equity and to grant further drawdowns of €9.5million on the revolving credit facility. Other than commitments to PKM Development (preferred equity and revolving credit facility), the Group has no significant concentration of liquidity risk as the Group holds all cash and cash equivalents on demand or in readily convertible investments.

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Preferred equity may be issued by a single counterparty, PKM Development. Preferred equity and the revolving credit facility have no contractual drawdowns, therefore concentration risk is managed mainly by maintaining sufficient liquidity to match PKM Development's budgeted preferred equity issuance and drawdowns of revolving credit facility.

In addition, there is no limit on the number of preferred equity issues that can be made until the end of the contractually agreed period (i.e. 2030), except that if funding is requested, but not immediately available, the Group's funding obligations are limited to €120million on a rolling six-month basis. The outstanding commitment on 31 December 2022 amounts to €223.9million (31 December 2021: €187million; 30 June 2022: €233.9million).

18. Financial liabilities

| | On 31 December 2022 (reviewed) | On 31 December 2021 (reviewed) | On 30 June 2022 (audited) |
|-----------------------------------|--------------------------------------|--------------------------------------|---------------------------------|
| Non-current | | | |
| Bonds | 290,042 | 295,192 | 295,904 |
| Bank loans | 112,489 | - | 117,144 |
| | 402,531 | 295,192 | 413,048 |
| Current | | | |
| Bonds | 6,391 | 6,556 | 115 |
| Bank loans | 40,554 | 37,416 | 40,546 |
| | 46,945 | 43,972 | 40,661 |
| Total bonds and bank loans | 449,476 | 339,164 | 453,709 |

The carrying amount of the Group's borrowings by region was as follows.

| | On 31 December 2022 (reviewed) | On 31 December 2021 (reviewed) | On 30 June 2022 (audited) |
|--|--------------------------------------|--------------------------------------|---------------------------------|
| Non-current | | | |
| Corporate - Unsecured fixed coupon notes (Bonds) | 290,042 | 295,192 | 295,904 |
| CEE investment property | 112,489 | - | 117,144 |
| | 402,531 | 295,192 | 413,048 |
| Current | | | |
| Corporate - Unsecured fixed coupon notes (Bonds) | 6,391 | 6,556 | 115 |
| German investment property held for sale | 33,819 | 37,395 | 34,126 |
| CEE investment property | 6,714 | - | 6,420 |
| Corporate | 21 | 21 | - |
| | 46,945 | 43,972 | 40,661 |
| | 449,476 | 339,164 | 453,709 |

Unsecured fixed coupon notes (Bonds)

| | Note | On 31 December 2022 (reviewed) | On 31 December 2021 (reviewed) | On 30 June 2022 (audited) |
|---|------|--------------------------------------|--------------------------------------|---------------------------------|
| Opening balance | | 296,019 | 294,738 | 294,738 |
| <i>Changes from financing cash flows</i> | | | | |
| Bonds repurchased | | (5,251) | - | - |
| Coupon payment ¹ | | (106) | - | (12,750) |
| Transaction costs capitalised | | - | (42) | (42) |
| <i>Non cash-flow movements</i> | | | | |
| Finance costs | | 7,125 | 7,052 | 14,073 |
| Accrued coupon on bonds | 10 | 6,360 | 6,427 | 12,750 |
| Amortisation of bonds discount | 10 | 329 | 361 | 719 |
| Amortisation of capitalised borrowing costs | 10 | 436 | 264 | 604 |
| Bond repurchase gain | 7 | (1,354) | - | - |
| Closing balance | | 296,433 | 301,748 | 296,019 |

¹ €106 thousand refer to accrued coupon paid on bonds repurchased in the six-month period to 31 December 2022.

The Group issued, in May 2021, fixed coupon notes (bonds) to the value of €300,000 thousand. The bonds are unsecured, 5-year Eurobonds maturing on 19 May 2026, listed on Euronext Dublin, carrying a 4.25% fixed coupon, and were issued at 98.903% of nominal value. Moody's and Fitch assigned Ba1 and BB (positive) ratings, respectively, to the bonds, in line with MAS' corporate ratings. The bond proceeds were used to refinance Eligible Projects in accordance with the Group's Green Financing Framework, to repay bank loans secured against investment properties in CEE, and for the Spark II Portfolio acquisition.

During the six-month period to 31 December 2022, the Group repurchased bonds for a consideration of €5,251 thousand at a 20.5% discount to their nominal value of €6,605 thousand. Coupon payments in respect of the bonds repurchase amounted to €106 thousand.

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Secured bank loans

Reconciliation of the Group's carrying value of bank loans is detailed below.

| | Note | On 31 December 2022 (reviewed) | On 31 December 2021 (reviewed) | On 30 June 2022 (audited) |
|---|------|--------------------------------------|--------------------------------------|---------------------------------|
| Opening balance | | 157,690 | 112,171 | 112,171 |
| <i>Changes from financing cash flows</i> | | | | |
| Transaction costs related to bank loans | | (77) | (87) | (87) |
| Repayment of bank loans | | (5,160) | (30,531) | (34,001) |
| Debt break fees paid | | - | (695) | (961) |
| Interest paid | | (2,163) | (1,029) | (1,658) |
| <i>Non cash-flow movements</i> | | | | |
| Transfers of bank loans at disposal of subsidiary | | - | (44,575) | (44,576) |
| Bank loans transferred with Spark II Portfolio | | - | - | 123,544 |
| Finance costs | | 2,753 | 1,980 | 2,925 |
| Finance costs – expenses | 10 | 2,753 | 1,243 | 1,923 |
| Debt break fees expense | 10 | - | 737 | 1,002 |
| Foreign currency translation difference | | - | 182 | 333 |
| Closing balance | | 153,043 | 37,416 | 157,690 |

Bank loans include current and non-current debt of €119,203 thousand (31 December 2021: nil; 30 June 2022: €123,544 thousand) secured against CEE investment properties with a carrying value of €320,570 thousand (31 December 2021: nil; 30 June 2022: €319,601 thousand), transferred with the acquisition of Spark II Portfolio, with effect from 30 June 2022; refer to note 4. During the six-month period to 31 December 2022, the Group repaid €4,772 thousand of bank loans secured against CEE investment properties.

Bank loans include current debt of €33,819 thousand (31 December 2021: €37,395 thousand; 30 June 2022: €34,126 thousand) secured against WE investment property held for sale with a carrying value of €57,742 thousand (31 December 2021: €69,124 thousand; 30 June 2022: €59,224 thousand); refer to note 5.2. The Group repaid €388 thousand of bank loans secured against WE investment properties held for sale.

The fair values of financial instruments such as cash and cash equivalents, trade and other receivables, trade and other payables and bank loans are reasonably approximated by their carrying values.

On 31 December 2022, the bonds were trading on the market at 78.48% (30 June 2022: 82.79%) of their nominal value. The Group's liability towards bondholders does not vary in line with the market price of listed notes, as on contractual maturity of the bonds, the bond issuer is liable to redeem the notes at their nominal value.

Fixed and variable debt

The Group is subject to both fixed and variable interest rates on its borrowings, as detailed below.

| | On 31 December 2022 (reviewed) | On 31 December 2021 (reviewed) | On 30 June 2022 (audited) |
|---|--------------------------------------|--------------------------------------|---------------------------------|
| Fixed debt (including unsecured fixed coupon notes) | 330,252 | 339,143 | 330,145 |
| Variable/hedged debt | 119,224 | 21 | 123,564 |
| | 449,476 | 339,164 | 453,709 |

Summary of borrowings terms and covenants

In accordance with the Group's unsecured fixed coupon notes' offering memorandum, covenants tolerances on issued bonds are disclosed on both IFRS and proportionate consolidation bases, as follows.

| | | 31 December 2022 | | 30 June 2022 | | 31 December 2021 | |
|--|----------------------|------------------|-----------------------------------|--------------|-----------------------------------|------------------|-----------------------------------|
| | | IFRS | Proportionate consolidation basis | IFRS | Proportionate consolidation basis | IFRS | Proportionate consolidation basis |
| Solvency ratio | shall not exceed 0.6 | 0.31 | 0.30 | 0.30 | 0.29 | 0.27 | 0.27 |
| Consolidated Coverage Ratio | at least 2.5:1 | 3.87 | 4.80 | 3.46 | 3.70 | 3.63 | 4.12 |
| Unencumbered Consolidated Total Assets/Unsecured Consolidated Total Debt | minimum 180% | 364% | 367% | 379% | 407% | 397% | 331% |

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Terms in respect of the Group's remaining secured debt are disclosed below.

| Jurisdiction | Currency | Weighted average remaining term | | | Weighted average interest rate | | | Significant terms and conditions |
|--|----------|---------------------------------|---------------------------|-----------------------|--------------------------------|---------------------------|-----------------------|--|
| | | On 31 December 2022 | On 31 December 2021 | On 30 June 2022 | On 31 December 2022 | On 31 December 2021 | On 30 June 2022 | |
| Germany | | | | | | | | All loans are secured against specific investment properties. All CEE loans are secured against investment property acquired as part of Spark II Portfolio transaction detailed in note 4. |
| Fixed debt | EUR | 0.91 years | 2.18 years | 1.42 years | 2.20% | 2.21% | 2.20% | |
| CEE | | | | | | | | |
| Floating/ hedged debt ¹ | EUR | 4.89 years | - | 5.97 years | 4.48% | - | 2.64% | |

¹ The floating/hedged debt relates to the existing CEE secured external debt facilities of €119,203 thousand that have in place interest rate caps to hedge the interest rate exposure, transferred to the Group on 30 June 2022 with the Spark II Portfolio transaction; refer to note 15.

On 31 December 2022, 31 December 2021 and 30 June 2022, the Group has obtained appropriate waivers as required to deal with income covenant breaches at 31 December 2021. Apart from one bank loan covenant in respect of which a waiver was obtained by 30 June 2022, the Group has complied with its debt covenants during the current and prior year.

19. Equity

19.1. Share capital, share premium and treasury shares

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

| | Note | Share capital | | Share premium | | Treasury shares | | Total | |
|--|------|--------------------|--------------|-----------------|---------------------|-----------------|--|--------------------|----------------|
| | | No of shares | | No of shares | | No of shares | | No of shares | |
| Balance on 30 June 2021 (audited) | | 711,145,729 | - | 649,529 | (6,651,931) | (5,980) | | 704,493,798 | 643,549 |
| Issued during the period | | | | | | | | | |
| Geared share purchase plan shares issued | 19.2 | 2,000,000 | - | 2,059 | (2,000,000) | (2,059) | | - | - |
| Geared share purchase plan shares forfeited | 19.2 | 300,000 | - | (492) | (300,000) | 492 | | - | - |
| Geared share purchase plan shares brought back in the scheme | 19.2 | (300,000) | - | 321 | 300,000 | (321) | | - | - |
| Nominal value of shares assignment on Company's continuation | | - | 7,131 | (7,131) | - | - | | - | - |
| Balance on 31 December 2021 (reviewed) | | 713,145,729 | 7,131 | 644,286 | (8,651,931) | (7,868) | | 704,493,798 | 643,549 |
| Issued during the period | | | | | | | | | |
| Geared share purchase plan shares issued | 19.2 | 1,500,000 | 15 | 1,690 | (1,500,000) | (1,705) | | - | - |
| Shares repurchases | | - | - | - | (16,586,906) | (20,090) | | (16,586,906) | (20,090) |
| Balance on 30 June 2022 (audited) | | 714,645,729 | 7,146 | 645,976 | (26,738,837) | (29,663) | | 687,906,892 | 623,459 |
| Balance on 31 December 2022 (reviewed) | | 714,645,729 | 7,146 | 645,976 | (26,738,837) | (29,663) | | 687,906,892 | 623,459 |

The table below discloses the IFRS net asset value per share.

| | On 31 December 2022 (reviewed) | On 31 December 2021 (reviewed) | On 30 June 2022 (audited) |
|--|--------------------------------------|--------------------------------------|---------------------------------|
| Number of ordinary shares in issue | 687,906,892 | 704,493,798 | 687,906,892 |
| IFRS Net Asset Value per share (eurocents) | 140.6 | 127.0 | 134.9 |

Share capital

Effective 12 October 2021, MAS P.L.C. redomiciled from British Virgin Islands to Malta. Following the registration of the Company's Memorandum and Articles of association by the Maltese Business Registry, the issued and fully paid-up share capital of the Company has a nominal value of €0.01 each (the actual number of shares in issue is unchanged pursuant to the migration of the Company's legal seat to Malta). Until redomiciliation the ordinary share capital of the Company had no par value. For the resultant change in presentation of share capital and share premium, refer to note 23.

On 31 December 2022, the share issued and fully-paid share capital value is €7,146,457 divided into 714,645,729 ordinary shares with a nominal value of €0.01 each.

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Treasury shares – shares repurchases

In May and June 2022, MAS repurchased 16,586,906 of its issued shares (2.3% of the Company's issued share capital) via one of its subsidiaries, at a weighted average share price of €1.21 per share, pursuant to the Company's general authority to repurchase shares. The nominal value of the shares repurchased is €165,869 (2.3% of subscribed share capital). The shares were not cancelled, consequently the cost of shares repurchased of €19,989 thousand including incremental costs of €101 thousand were deducted from the equity attributable to the owners of the Group, as treasury shares.

Treasury shares - geared share purchase plan shares

During the six-month period to 31 December 2022, no shares were issued in the geared share purchase plan.

During the year to 30 June 2022, 3,500,000 shares were issued in the geared share purchase plan, of which 2,000,000 shares were issued in September 2021 at a value of €2,059 thousand, reflected in share premium. Additional 1,500,000 shares were issued subsequent to MAS P.L.C.'s redomiciliation to Malta, in March 2022, at €0.01 per share, respectively €15 thousand share capital, and a share premium of €1,690 thousand; refer to note 19.2.

During the six-month period to 31 December 2021, 300,000 allocated geared share purchase plan shares were forfeited following the departure of a share purchase plan participant and subsequently returned to the scheme. The shares were forfeited at the initial issue price of €1.6386 and returned to the scheme at the share price of €1.0684, the net value of €171 thousand being reflected as a share premium reduction.

Distributions

Company's shareholders 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 six-month period to 31 December 2022 and 31 December 2021, and for the year to 30 June 2022, the following distributions were paid by the Group to its shareholders.

| | Reviewed Six-month period to 31 December 2022 | Reviewed Six-month period to 31 December 2021 | Audited Year to 30 June 2022 |
|--|---|---|------------------------------------|
| Distribution paid in respect of the financial year to 30 June 2021 | - | (41,777) | (41,777) |
| Distribution paid in respect of the six-month period to 30 June 2022 | (26,278) | - | - |
| Distribution paid in respect of the six-month period to 31 December 2021 | - | - | (20,854) |
| | (26,278) | (41,777) | (62,631) |

19.2. Share-based payment arrangements

On 31 December 2022, the Group had the following share-based payment arrangements:

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

The Incentive Share Participants and the PK Prepaid Development Services are remaining arrangements (the '2019 Transaction Share-Based Payments') as a result of the 2019 Transaction. Share-based payment arrangements in respect of Executive Management are no longer in place, as described below.

Incentive Share Participants

In accordance with the terms of the 2019 Transaction, Prime Kapital had placed 5% (3,350,000 shares) of the Consideration Shares in reserve 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 Share Participants'). The incentive shares are held in a trust for the benefit of Incentive Share Participants. The shares are treated as equity share-based payments in accordance with the requirements of IFRS 2 'Share-based Payments'.

The terms have been communicated to participants and the grant date was determined as 1 September 2020 with a grant date fair value of €0.5525 per share.

The incentive shares were initially recognised as a prepaid employee service asset of €3,866 thousand. The prepaid employee service asset is released to the statement of profit or loss as a share-based payment expense over the vesting period.

For the six-month period to 31 December 2022, the Incentive Share Participants share-based payment expense was €137 thousand (31 December 2021: €227 thousand; 30 June 2022: €360 thousand).

The remaining prepaid balance is allocated between non-current and current assets based on the expected remaining vesting period. The non-current prepaid employee service asset at 31 December 2022 was €699 thousand (31 December 2021: €1,075 thousand; 30 June 2022: €1,012 thousand), refer to note 15. The current prepaid employee service asset is included in trade and other receivables and amounted to €280 thousand at 31 December 2022 (31 December 2021: €175 thousand; 30 June 2022: €104 thousand).

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 IJV / DJV on a cost recovery basis. The development services are a result of a pre-existing relationship that was in place before the 2019 Transaction, and with Prime Kapital acting as a counterparty, not a shareholder of the Group. Providing the services below, market value (cost recovery basis) results in an equity-settled share-based payment arrangement with a non-employee.

The fair value of these services has been determined in accordance with the market approach of IFRS 13 'Fair Value Measurement', and a corresponding share-based payment had been recognised for the 8,813,237 Consideration shares allocated to these development services.

A prepayment for development services was recognised at 27 November 2019, the transaction date, of €10,170 thousand. The prepayment will be reduced with the value of services received, as and when services are received.

On 31 December 2022, Prime Kapital has not been requested to provide development services to the Group yet, so the full balance is still recognised in non-current and current assets based on the Group's estimated future usage. Services have to be performed in a 5-year period from the Transaction date. The Group is revisiting previously planned extensions of its directly owned properties, but it remains the Group's intention to utilise the development management services in the future.

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Executive Management

In accordance with the terms of the 2019 Transaction, Martin Slabbert and Victor Semionov, were not paid any remuneration during the three-year Lock-In period from the date of the 2019 Transaction. In accordance with IFRS 2 'Share Based payments' and IFRS 3 'Business Combinations' it has been determined that 1,858,331 Consideration Shares are equity-settled share-based payment expenses, 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 did 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 (or their mandates as Executive or Non-Executive Directors of the Company).

Victor Semionov and Martin Slabbert stepped down from their executive roles on MAS' Board on 26 August 2021 and on 21 April 2022, respectively. The remaining value of their estimated implied remuneration previously recognised as a prepaid share-based payment until the end of the Lock-In period, as described above, was an accelerated expense in the financial year to 30 June 2022.

During the financial year to 30 June 2022, €268 thousand were expensed in respect of Victor's implied remuneration and €316 thousand in respect of Martin's implied remuneration (refer to note 24). In addition, the share-based payment expense during the year to 30 June 2022 included the expense accelerated for the period after the former directors stepped down from their executive roles. During the six-month period to 31 December 2022 no additional share-based payment expense has been recognised in the consolidated statement of profit or loss as an employment share-based payment expense (31 December 2021: €264 thousand; 30 June 2022: €1,008 thousand), and no remuneration was paid to them during their mandates.

Geared share purchase plan

Eligible members of staff invited to participate in the geared share purchase plan are awarded loans to acquire Company shares at the five-day volume weighted average price of a share on the JSE, immediately preceding the grant date. The loans attract interest at a rate equal to MAS' weighted average cost of debt and are non-recourse loans.

Shares are unlocked in accordance with the scheme rules, and participants may only dispose of unlocked shares. Locked shares are forfeited, without compensation, if a participant leaves the Group prior to unlocking. Participants in the geared share purchase plan are entitled to receive dividend payments less interest accumulated on applicable loans. Proceeds from any disposal of unlocked shares are initially used to repay the corresponding loan and accrued, but unpaid, interest, with the surplus distributed to the participant.

As the shares granted relate to multiple service periods, the awards have a 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.

Below is a reconciliation showing the impact of the geared share purchase plan on the share-based payment reserve; a reconciliation of outstanding loans and number of shares, including grant date fair values and the remaining loan terms.

Reconciliation of share-based payment reserve

| | Reviewed Six-month period to 31 December 2022 | Reviewed Six-month period to 31 December 2021 | Audited Year to 30 June 2022 |
|---|---|---|------------------------------------|
| Opening balance | 1,370 | 1,233 | 1,233 |
| Share-based payment recognised during the period/year | 315 | 225 | 559 |
| Non-forfeitable distribution | (173) | (291) | (422) |
| Closing balance | 1,512 | 1,167 | 1,370 |

Reconciliation of outstanding loans and shares

| Geared share purchase plan | | | |
|------------------------------------|-------------------|------------------------------|---------------------------------|
| At 31 December 2022 (reviewed) | Number of shares | Weighted average share price | Weighted average loan per share |
| Opening outstanding balance | 10,151,931 | €1.1667 | €0.9954 |
| Interest | - | - | €0.0212 |
| Interest repayment | - | - | (€0.0240) |
| Share price movement | - | (€0.0313) | - |
| Closing outstanding balance | 10,151,931 | €1.1354 | €0.9926 |
| Exercisable | 1,650,000 | €1.1354 | €1.6775 |
| Geared share purchase plan | | | |
| At 31 December 2021 (reviewed) | Number of shares | Weighted average share price | Weighted average loan per share |
| Opening outstanding balance | 6,651,931 | €1.0690 | €0.9617 |
| Granted | 2,300,000 | - | €1.0285 |
| Forfeited | (300,000) | - | (€1.0418) |
| Interest | - | - | €0.0405 |
| Interest repayment | - | - | (€0.0256) |
| Share price movement | - | €0.0953 | - |
| Closing outstanding balance | 8,651,931 | €1.1643 | €0.9633 |
| Exercisable | 1,650,000 | €1.1643 | €1.6775 |

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

The remaining term of the loans in relation to the geared purchase plan is disclosed below.

| | At 31 December 2022 (reviewed) | At 31 December 2021 (reviewed) | At 30 June 2022 (audited) |
|----------------|--------------------------------------|--------------------------------------|---------------------------------|
| Shares granted | 4.20 – 9.19 years | 5.19 – 9.92 years | 4.70 – 9.69 years |

19.3. Earnings per share

IFRS Basic earnings per share

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

| | Reviewed Six-month period to 31 December 2022 | Reviewed Six-month period to 31 December 2021 | Audited Year to 30 June 2022 |
|--|---|---|------------------------------------|
| Opening ordinary shares in issue | 687,906,892 | 704,493,798 | 704,493,798 |
| Effect of shares repurchased | - | - | (1,081,820) |
| IFRS Weighted average number of ordinary shares | 687,906,892 | 704,493,798 | 703,411,978 |

The shares issued as part of the geared share purchase plan and shares repurchased and not cancelled are not included in the computation of the weighted average number of ordinary shares as they are deemed to be unissued (treasury shares).

| | Reviewed Six-month period to 31 December 2022 | Reviewed Six-month period to 31 December 2021 | Audited Year to 30 June 2022 |
|--|---|---|------------------------------------|
| Profit from continuing operations attributable to owners of the Group | 61,938 | 55,979 | 130,814 |
| Profit from discontinued operations attributable to owners of the Group | 2,204 | 10,932 | 10,357 |
| IFRS Weighted-average number of ordinary shares (basic) | 687,906,892 | 704,493,798 | 703,411,978 |
| IFRS Basic earnings per share (eurocents) | 9.32 | 9.50 | 20.07 |
| IFRS Basic earnings per share (eurocents) - continuing operations | 9.00 | 7.95 | 18.60 |
| IFRS Basic earnings per share (eurocents) - discontinued operations | 0.32 | 1.55 | 1.47 |

IFRS Diluted earnings per share

The computation of IFRS diluted earnings per share is based on the IFRS weighted average number of ordinary shares outstanding on the relevant date after adjusting for the effects of all potential dilutive ordinary shares.

Management considers all geared share purchase plan shares that are 'in the money' at the relevant reporting date as dilutive of that period. The market value of the Company's shares for the purpose of computing if the share options are 'in the money' is based on quoted market prices at each reporting date and this value is compared to the loan per each share outstanding at the same date.

| | Reviewed Six-month period to 31 December 2022 | Reviewed Six-month period to 31 December 2021 | Audited Year to 30 June 2022 |
|---|---|---|------------------------------------|
| IFRS Weighted-average number of ordinary shares (basic) | 687,906,892 | 704,493,798 | 703,411,978 |
| Effect of share options^ | 8,501,931 | 6,096,496 | 7,005,767 |
| IFRS Weighted-average number of ordinary shares (diluted)^ | 696,408,823 | 710,590,294 | 710,417,745 |

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| | Reviewed Six-month period to 31 December 2022 | Reviewed Six-month period to 31 December 2021 | Audited Year to 30 June 2022 |
|--|---|---|------------------------------------|
| Profit from continuing operations attributable to owners of the Group | 61,938 | 55,979 | 130,814 |
| Profit from discontinued operations attributable to owners of the Group | 2,204 | 10,932 | 10,357 |
| IFRS Weighted-average number of ordinary shares (diluted) [^] | 696,408,823 | 710,590,294 | 710,417,745 |
| IFRS Diluted earnings per share (eurocents)[^] | 9.21 | 9.42 | 19.88 |
| IFRS Diluted earnings per share (eurocents) - continuing operations [^] | 8.89 | 7.88 | 18.41 |
| IFRS Diluted earnings per share (eurocents) - discontinued operations [^] | 0.32 | 1.54 | 1.46 |

[^] See note 23 for details of restated IFRS Diluted earnings per share (eurocents) for the six-month period to 31 December 2021 and the financial year to 30 June 2022.

Headline earnings and IFRS diluted headline earnings per share

| | | Reviewed Six-month period to 31 December 2022 | | Reviewed Six-month period to 31 December 2021 | | Audited Year to 30 June 2022 | |
|--|------|---|---------------|---|---------------|------------------------------------|----------------|
| | Note | Gross | Net | Gross | Net | Gross | Net |
| Profit for the period attributable to ordinary shareholders - continuing operations | | 61,938 | 61,938 | 55,979 | 55,979 | 130,814 | 130,814 |
| Profit for the period attributable to ordinary shareholders - discontinued operations | | 2,204 | 2,204 | 10,932 | 10,932 | 10,357 | 10,357 |
| Adjusted for: | | | | | | | |
| Fair value gain on investment property | 9 | (20,945) | (20,285) | (24,886) | (19,795) | (75,453) | (63,906) |
| Fair value gain on investment property in associate | | (1,647) | (1,384) | (14,390) | (11,696) | (30,854) | (28,071) |
| Fair value loss/(gain) on investment property held for sale | 9 | 2,545 | 2,545 | (1,260) | (1,260) | 1,763 | 1,763 |
| Loss from associate's disposal of subsidiaries | | - | - | - | - | 138 | 138 |
| Gain on disposal of investment property held for sale | 5.2 | (5,380) | (5,287) | (11,289) | (11,196) | (11,347) | (11,254) |
| Loss on disposal of investment property held for sale | 5.2 | - | - | - | - | 204 | 204 |
| Foreign exchange loss/(gain) previously recognised in OCI recycled on disposal/liquidation of subsidiaries | | 1,870 | 1,870 | (2,625) | (2,625) | (2,625) | (2,625) |
| Loss from disposal of subsidiary | 5.2 | - | - | 2,630 | 2,630 | 2,630 | 2,630 |
| Headline earnings | | 40,585 | 41,601 | 15,091 | 22,969 | 25,628 | 40,050 |
| Headline earnings per share | | | | | | | |
| IFRS Weighted-average number of ordinary shares (basic) | | | 687,906,892 | | 704,493,798 | | 703,411,978 |
| Headline earnings per share (eurocents) | | | 6.05 | | 3.26 | | 5.69 |
| IFRS Diluted headline earnings per share | | | | | | | |
| IFRS Weighted-average number of ordinary shares (diluted) [^] | | | 696,408,823 | | 710,590,294 | | 710,417,745 |
| IFRS Diluted headline earnings per share (eurocents)[^] | | | 5.97 | | 3.23 | | 5.64 |

[^] See note 23 for details of restated IFRS Diluted headline earnings per share (eurocents) for the six-month period to 31 December 2021 and the financial year to 30 June 2022.

The JSE Listings Requirements require the computation of headline earnings and IFRS diluted headline earnings per share and the disclosure of a detailed reconciliation of headline earnings to the earnings numbers used in the computation of IFRS basic earnings per share, as required by IAS 33 'Earnings per Share'. Disclosure of headline earnings is not an IFRS requirement. The Directors do not use headline earnings or headline earnings per share in their assessment of the Group's performance.

20. Contingent liabilities and contingent assets

There are no contingent liabilities or assets.

21. Commitments

The Group has committed to fund PKM Development through 7.5% cumulative preferred equity issued by PKM Development. As described in note 4, the total committed amount increased, with effect from 30 June 2022, with €50million, up to a total of €470million (31 December 2021: €420million; 30 June 2022: €470million). The outstanding commitment on the reporting date is €223.9million (31 December 2021: €137million; 30 June 2022: €233.9million) and it is expected this will be invested by 23 March 2030. With effect from 30 June 2022, the drawdown period was extended in relation to the funding committed to the DJV by five years to 2030. The commitments are not considered to be onerous on the reporting date.

With effect from 30 June 2022, MAS provided the DJV with a €30million revolving credit facility at a fixed interest rate of 7.5%, for the duration of the drawdown period applicable to preferred equity. The revolving facility is aimed at improving cash management in the DJV and providing short-term flexibility not previously available.

On 28 February 2019, the Group acquired nine properties (collectively referred to as the 'Spark I Portfolio') from PKM Development through the acquisition of 100% of the share capital of their holding companies. In the years following the acquisition, PKM Development may develop extensions for three of the completed properties on adjacent land plots. The Group has granted PKM Development an option ('the put option'), under the terms of which it can sell these completed extensions to the Group at an acquisition yield of 7.5% if developed over the five years following the acquisition, and thereafter at an acquisition yield equating to the latest valuation yield of the relevant property. Two of the extensions have been completed in the six-month period to 31 December 2022, and the third is under development by the DJV. The put option is outside the scope of IFRS 9 (2014) 'Financial Instruments' as it relates to the 'own use' exemption (i.e. the purpose of entering into the contract was to meet the Group's expected purchase, sale or usage requirements and cannot be net settled). Accordingly, it was not accounted for as a derivative financial instrument. Instead, IAS 37 'Provisions, Contingent Liabilities and Contingent Assets' was considered and resulted that no onerous contract exists.

Future minimum lease payments

With the Spark II Portfolio acquisition, a concession agreement was transferred from the DJV, effective 30 June 2022, relating to the land on which Dambovita Mall was built. On 17 November 2017, Dambovita Mall SRL (formerly PK Grizzly SRL) was awarded the tender for 49-year building rights on a 6.88 ha land plot in Targoviste owned by the Dambovita County Council. The initial annual fee was approximately €104 thousand (on transfer, the annual fee was €114 thousand). This fee is increased annually with inflation and is subject to a one-off increase of up to 20% on the tenth anniversary of the contract. The terms of the contract offer an option of extending the concession for a further 49 years. For lease liabilities related to the recognised concession agreement, refer to note 16.

22. Events after the reporting date***Disposal of financial investments***

By 2 March 2023, the Group disposed 3,675,176 additional NEPI Rockcastle N.V. shares, for a consideration of €21,431 thousand. This will result in a profit before tax of €501 thousand in the next reporting period.

Fair value of financial investments

On 2 March 2023, gross exposure on financial investments, excluding listed securities disposed to date, had decreased by €1,000 thousand to €79,175 thousand as compared to their fair value on 31 December 2022.

Preferred equity and revolving credit facility

By 2 March 2023, the Group increased its investment in the DJV by subscribing to additional preferred equity with a value of €9,700 thousand and granting further drawdowns under the revolving credit facility of €6,028 thousand.

23. Critical accounting estimates, judgements and errors

The Board has made judgements, accounting estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts in the consolidated 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 they believe to be reasonable under the circumstances. Actual results may differ from the judgements, estimates and assumptions.

The **key judgements and accounting estimates** are disclosed below.

Determination of whether acquisition of Spark II Portfolio is a business combination or an asset acquisition

The Group applied judgements and elected to apply the optional concentration test under IFRS 3 'Business Combinations' B2B paragraph to determine whether the acquisition of the six entities in Spark II Portfolio, is a business combination or an asset acquisition. As disclosed in note 4 as the optional concentration test criteria was met, management concluded that the acquisition is an asset acquisition and was accounted for under IAS 40 'Investment property'.

Determination of whether disposal of investment property represents discontinued operations

Management concluded that the sale of the Western European assets represents an identifiable segment of the business and forms part of a co-ordinated disposal plan. The management remains committed to finalise the disposal plan. As noted below, the WE assets segment met the criteria for 'held for sale', therefore, in accordance with IFRS 5, the entire segment has been treated as a discontinued operation and the results for the current and prior year have been separately disclosed from the rest of the business.

Determination of whether investment property is classified as held for sale

The Group applies judgements to determine whether investment property meets the criteria to be classified as held for sale under IFRS 5 'Non-current assets held for sale'. The Group's strategy is to dispose of its Western European segment of investment property, and it assessed the IFRS 5 criteria and concluded for the WE assets the criteria were met.

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Determination of impairment of receivables

The Group applied judgements to determine revenue recognition in the context of Covid-19, as gross rental income and gross service charge income were recognised in full for the lockdown periods in accordance with the principles of IFRS 16 for revenue recognition, and the principles of IFRS 15 for gross service charge income. In accordance with the standards, impairment of receivables is recognised as an effect of the lockdowns and other economic consequences caused by Covid-19. Additional judgements are made in respect of determining if the forgiveness granted to tenants qualify as lease modifications. However, as disclosed in note 6, the Group recognised impairment of receivables as a forgiveness without qualifying as a lease modification, with a corresponding reduction in lease receivables in the period in which the reduction was agreed.

The **key areas of estimation uncertainty** are disclosed below.

Valuation of investment properties and investment properties held for sale

The Group uses external professional valuers to determine the relevant amounts. The external property valuation experts use recognised valuation techniques and apply the principles of IFRS 13 'Fair Value Measurement'. The primary source of evidence for property valuations is recent, comparable market transactions on an arms-length basis. However, the valuation of the Group's property assets is inherently subjective, as they are based on valuers' assumptions which may prove to be inaccurate. The methods and significant assumptions used by the valuers in estimating fair value are set out in note 12.

Valuation of financial instruments

In determining the fair value of financial instruments measured at fair value through profit or loss, the Group is required to make estimations of inputs in determining fair value. The methods and significant assumptions used in estimating fair value are set out in note 17.

Loan commitments

The Group has committed to advancing funds to PKM Development in the future by investing in preferred equity or via the available revolving credit facility; refer to note 21. Judgements are made to assess the market related rate of these loan commitments. The Group applies judgement in reviewing the loan commitments made and determined that the PKM Development preferred equity commitment and the revolving credit facility are at a market related rate.

Presentation of share capital and share premium

As described in note 19.1, effective 12 October 2021, MAS P.L.C., the Group's parent company has been redomiciled from British Virgin Islands to Malta and the issued and fully paid-up share capital of the Company amounted to €7,131,457 divided into 713,145,729 ordinary shares having a nominal value of €0.01 each. Until redomiciliation the ordinary share capital of the Company had no par value, as such, starting with the effective date of the redomiciliation, the Group has reflected the issued and fully-paid up share capital of €7,131,457 separately from share premium on the consolidated statement of financial position, and as a movement between share capital and share premium in the consolidated statement of changes in equity.

Restatement of IFRS Diluted earnings and headline earnings per share (eurocents)

Due to a computational error of line Effect of share options in note 19.3 affecting the IFRS Weighted average number of ordinary shares (diluted), the IFRS Diluted earnings and headline earnings per share lines items have been restated for the six-month period to 31 December 2021 and for the financial year to 30 June 2022. IFRS Weighted average number of ordinary shares (diluted) increased by 4,670,668 shares for the six-month period to 31 December 2021 and by 4,686,171 shares for the financial year to 30 June 2022.

The table below shows differences between previously stated and restated IFRS Diluted earnings per share.

| | Reviewed Six-month period to 31 December 2021 (Restated) | Audited Year to 30 June 2022 (Restated) | Reviewed Six-month period to 31 December 2021 (As previously stated) | Audited Year to 30 June 2022 (As previously stated) | Effect on 31 December 2021 | Effect on 30 June 2022 |
|--|--|--|---|--|-------------------------------|---------------------------|
| IFRS Diluted earnings per share (eurocents) - total | 9.42 | 19.88 | 9.48 | 20.01 | (0.06) | (0.13) |
| <i>IFRS Diluted earnings per share (eurocents) – continuing operations</i> | <i>7.88</i> | <i>18.41</i> | <i>7.93</i> | <i>18.54</i> | <i>(0.05)</i> | <i>(0.12)</i> |
| <i>IFRS Diluted earnings per share (eurocents) - discontinued operations</i> | <i>1.54</i> | <i>1.46</i> | <i>1.55</i> | <i>1.47</i> | <i>(0.01)</i> | <i>(0.01)</i> |

The table below shows differences between previously stated and restated IFRS Diluted headline earnings per share.

| | Reviewed Six-month period to 31 December 2021 (Restated) | Audited Year to 30 June 2022 (Restated) | Reviewed Six-month period to 31 December 2021 (As previously stated) | Audited Year to 30 June 2022 (As previously stated) | Effect on 31 December 2021 | Effect on 30 June 2022 |
|---|--|--|---|--|-------------------------------|---------------------------|
| IFRS Diluted headline earnings per share (eurocents) | 3.23 | 5.64 | 3.25 | 5.67 | (0.02) | (0.04) |

There is no impact on the Group's primary statements (consolidated statement of profit or loss, financial position, changes in equity, cash flows) or Diluted adjusted distributable earnings per share (eurocents) (disclosed in note 3) which is used to calculate distributions to shareholders. The Directors do not use IFRS Diluted earnings per share or IFRS Diluted headline earnings per share in their assessment of the Group's performance.

24. Related parties

Parent and ultimate controlling party

The Group 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').

Transactions with key management

Six-month period to 31 December 2022 (reviewed)

| | Role | During the period | Basic salary | Benefits | Short-term incentive | Long-term incentive | Tax equalisation ⁷ | Sub Total | IFRS 2 option expense | Total |
|-------------------------------|--------------------|-------------------|--------------|----------|----------------------|---------------------|-------------------------------|-----------|-----------------------|-------|
| Irina Grigore ¹ | CEO | | 119 | 34 | - | - | - | 153 | 62 | 215 |
| Raluca Buzuleac ² | CFO | | 71 | - | - | - | - | 71 | 17 | 88 |
| Dan Petrisor ³ | Executive Director | | 106 | 31 | - | - | - | 137 | 32 | 169 |
| Werner Alberts | NED | | 52 | - | - | - | 3 | 55 | - | 55 |
| Brett Nagle | NED | | 46 | - | - | - | - | 46 | - | 46 |
| Claudia Pendred | NED | | 43 | - | - | - | 11 | 54 | - | 54 |
| Dan Pascariu | NED | | 43 | - | - | - | 88 | 131 | - | 131 |
| Malcolm Levy ⁴ | NED | Resigned | 28 | - | - | - | 1 | 29 | - | 29 |
| Martin Slabbert ⁵ | NED | Resigned | - | - | - | - | - | - | - | - |
| Melt Hamman ⁴ | NED | Resigned | 30 | - | - | - | 16 | 46 | - | 46 |
| Mihail Vasilescu ⁶ | NED | Appointed | - | - | - | - | - | - | - | - |
| Pierre Goosen | NED | | 43 | - | - | - | 2 | 45 | - | 45 |
| Vasile Iuga | NED | | 50 | - | - | - | 102 | 152 | - | 152 |
| | | | 631 | 65 | - | - | 223 | 919 | 111 | 1,030 |

¹ Irina Grigore's benefits of €34 thousand refer to cost of living expenses with respect to her residence in Malta, comprising rent allowance and other fringe benefits. Figure shown on 'Basic salary' column above comprises the Director's fixed cash-based compensation, as well as allowance granted to compensate for additional living costs due to their residence in Malta.

² With effect from 1 February 2023, Raluca Buzuleac stepped down from the Board as Executive Director and with effect from the same date Nadine Bird was appointed CFO of the Group.

³ Dan Petrisor's benefits amounting to €31 thousand refer to cost of living expenses with respect to his residence in Malta, comprising of rent allowance and other fringe benefits. Figure shown on 'Basic salary' column above comprises the Director's fixed cash-based compensation, as well as allowance granted to compensate for additional living costs due to their residence in Malta.

⁴ Effective 25 August 2022, Melt Hamman and Malcolm Levy stepped down from the Board.

⁵ Effective 13 December 2022, Martin Slabbert stepped down from the Board as Non-Executive Director, and

⁶ Effective 13 December 2022, Mihail Vasilescu was appointed Non-Executive Director.

⁷ Tax equalisation adjustment is aimed at ensuring equity between Board members, that Non-Executive Directors' fees are competitive, and compensation is not affected by individual circumstances, such as country of tax residence. Cost to company of Non-Executive Directors' fees is adjusted upwards, in case cumulated taxation effects on their compensation exceeds 30%. This period includes tax equalisation from the date of redomiciliation to Malta, effective 12 October 2021.

Six-month period to 31 December 2021 (reviewed)

| | Role | During the period | Basic salary | Benefits | Short-term incentive | Long-term incentive | Sub Total | IFRS 2 option expense | Total |
|------------------------------|----------------------|---------------------------------|--------------|----------|----------------------|---------------------|-----------|-----------------------|-------|
| Martin Slabbert | CEO | | - | - | - | - | - | 264 | 264 |
| | | Appointed | | | | | | | |
| Irina Grigore | CFO (Deputy CEO) | Deputy CEO | 96 | 25 | - | - | 121 | 72 | 193 |
| Victor Semionov ¹ | Executive Director | Resigned | - | - | - | - | - | 268 | 268 |
| Dan Petrisor | Executive Director | Appointed | 56 | - | - | - | 56 | 18 | 74 |
| | | Executive Director (Deputy CFO) | | | | | | | |
| Raluca Buzuleac ² | (Deputy CFO) | Appointed | 11 | - | - | - | 11 | 4 | 15 |
| Jonathan Knight ³ | Alternative director | Resigned | 30 | - | - | - | 30 | - | 30 |
| Malcolm Levy | NED | | 18 | - | - | - | 18 | - | 18 |
| Pierre Goosen | NED | | 18 | - | - | - | 18 | - | 18 |
| Werner Alberts | NED | | 20 | - | - | - | 20 | - | 20 |
| Melt Hamman | NED | | 18 | - | - | - | 18 | - | 18 |
| Claudia Pendred | NED | | 18 | - | - | - | 18 | - | 18 |
| Brett Nagle | NED | | 20 | - | - | - | 20 | - | 20 |
| Vasile Iuga | NED | | 20 | - | - | - | 20 | - | 20 |
| Dan Pascariu | NED | | 18 | - | - | - | 18 | - | 18 |
| | | | 343 | 25 | - | - | 368 | 626 | 994 |

¹ Effective 26 August 2021 Victor Semionov stepped down as Executive Director of the Group, and as a result the remaining share-based payment has been expensed, as described in note 19.2.

² Effective 6 December 2021, Raluca Buzuleac was appointed Executive Director (Deputy CFO) of the Group. The table above presents basic salary information since her appointment.

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³ Effective 26 August 2021, Jonathan Knight stepped down as Alternative Director of the Group. Jonathan 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 €58 thousand, out of which Jonathan Knight received a salary of €12 thousand. Jonathan Knight received a salary of €30 thousand through MAS payroll. All amounts are reflected for the period up to step down date.

| | | Year to 30 June 2022 (audited) | | | | | | | | |
|------------------------------|----------------------|--------------------------------|----------|----------------------|---------------------|-----------|-----------------------|-------|-------|--|
| Role | During the year | Basic salary | Benefits | Short-term incentive | Long-term incentive | Sub Total | IFRS 2 option expense | Total | | |
| Irina Grigore ¹ | CEO | Appointed | 179 | 72 | - | - | 251 | 153 | 404 | |
| Raluca Buzuleac ² | CFOO | Appointed | 75 | - | - | - | 75 | 21 | 96 | |
| Dan Petrisor ³ | Executive Director | Appointed | 155 | 61 | - | - | 216 | 40 | 256 | |
| | | Resigned as CEO, | | | | | | | | |
| | | Appointed | | | | | | | | |
| Martin Slabbert ⁴ | NED | NED | - | - | - | - | - | 316 | 316 | |
| Victor Semionov ⁵ | Executive Director | Resigned | - | - | - | - | - | 268 | 268 | |
| Jonathan Knight ⁶ | Alternative director | Resigned | 30 | - | - | - | 30 | - | 30 | |
| Malcolm Levy | NED | | 41 | - | - | - | 41 | - | 41 | |
| Pierre Goosen | NED | | 41 | - | - | - | 41 | - | 41 | |
| Werner Alberts | NED | | 47 | - | - | - | 47 | - | 47 | |
| Melt Hamman | NED | | 44 | - | - | - | 44 | - | 44 | |
| Claudia Pendred | NED | | 41 | - | - | - | 41 | - | 41 | |
| Brett Nagle | NED | | 44 | - | - | - | 44 | - | 44 | |
| Vasile Iuga | NED | | 47 | - | - | - | 47 | - | 47 | |
| Dan Pascariu | NED | | 41 | - | - | - | 41 | - | 41 | |
| | | | 785 | 133 | - | - | 918 | 798 | 1,716 | |

¹ Effective 21 April 2022, Irina Grigore was appointed CEO, replacing Martin Slabbert. The benefits of €72 thousand refer to relocation and cost of living expenses with respect to her relocation to Malta, comprising of relocation costs, rent allowance and other fringe benefits. Figure shown on 'Basic salary' column above 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.

² Effective 6 December 2021, Raluca Buzuleac was appointed Executive Director (Deputy CFO) of the Group and on 21 April 2022 was appointed CFOO. The table above presents basic salary information since her appointment as Executive Director.

³ Dan Petrisor's benefits amounting to €61 thousand refer to relocation and cost of living expenses with respect to his relocation to Malta, comprising of relocation costs, rent allowance and other fringe benefits. Figure shown on 'Basic salary' column above 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.

⁴ Effective 21 April 2022 Martin Slabbert stepped down as Executive Director and CEO of the Group, and as a result the remaining share-based payment has been expensed, as described in note 19.2.

⁵ Effective 26 August 2021, Victor Semionov stepped down as Executive Director of the Group, and as a result the remaining share-based payment has been expensed, as described in note 19.2.

⁶ Effective 26 August 2021, Jonathan Knight stepped down as Alternative Director of the Group. Jonathan 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 €58 thousand, out of which Jonathan Knight received a salary of €12 thousand. Jonathan Knight received a salary of €30 thousand through a subsidiary of MAS P.L.C.'s payroll. All amounts are reflected for the period up to step down date.

Related party relationships

PKM Development Limited and its subsidiaries

PKM Development is an associate, and the Group owns 40% of its ordinary shares. PKM Development owns shares in MAS; refer to note 13.

PK Energy Control SRL

PK Energy Control SRL is one of the subsidiaries of PKM Development Limited. It rents equipment from the Group's subsidiaries and provides energy transformation services in return.

PK Development Holdings SRL

PK Development Holdings SRL is a subsidiary of PKM Development, and the former sole shareholder of the six entities acquired by MAS on 30 June 2022, as described in note 4.

PK White SRL

PK White SRL is a subsidiary of PKM Development, owning the Pleiades residential project in Ploiesti, currently under development.

PK Almond SRL

PK Almond SRL is a subsidiary of PKM Development, owning the extension of Roman Value Centre, operational from 1 December 2022.

Prime Kapital Holdings Limited and PK Development Holdings Ltd

Prime Kapital Holdings Limited is an integrated real estate developer, investor and operator. Martin Slabbert, former CEO and Non-Executive Director is managing partner of Prime Kapital. Prime Kapital became a related party of the Group on 27 November 2019, the date on which Martin was appointed Executive Director on MAS' Board.

Prime Kapital Development SRL

Prime Kapital Development SRL is a subsidiary of Prime Kapital Holdings Limited, providing property management, construction and development services to the Company and PKM Development.

MAS P.L.C.

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Corona Real Estate Partners Limited

Corona Real Estate Partners Limited is a real estate management company owned 100% by Jonathan Knight who was an Alternate Director of the Group until 26 August 2021.

Harneys Fiduciary

Harneys Fiduciary provided BVI corporate services and was a director of MAS RE MALTA HOLDING LTD (former MAS (BVI) Holdings Limited) (redomiciled to Malta on 1 August 2022) and MAS CEE Investments Limited, 100% owned subsidiaries of the Company. Services were provided by its subsidiary Epstone Ltd.

Related party considerations

The acquisition of Spark II Portfolio and the DJV extension on 30 June 2022 were classified as related party transactions given that:

- Martin Slabbert (former Non-Executive Director and former CEO of MAS) and Victor Semionov (a former Executive Director of MAS) are founders of, and partners in, Prime Kapital. Martin and Victor have indirect beneficial interests in Prime Kapital, and
- PKM Development is an associate of Martin Slabbert and Victor Semionov via Prime Kapital which holds 60% of the common shares in PKM Development.

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| | | Income/(expenses) for | | | Net (receipts)/payments for | | | Balances receivable/(payable) on | | |
|--|-------------|-----------------------|---------------------|--------------|-----------------------------|---------------------|--------------|----------------------------------|-------------|----------|
| | | Reviewed | Reviewed | Audited | Reviewed | Reviewed | Audited | Reviewed | Reviewed | Audited |
| | Note | Six-month period to | Six-month period to | Year to | Six-month period to | Six-month period to | Year to | 31 December | 31 December | 30 June |
| | | 31 December 2022 | 31 December 2021 | 30 June 2022 | 31 December 2022 | 31 December 2021 | 30 June 2022 | 2022 | 2021 | 2022 |
| PKM Development Limited and its subsidiaries | | | | | | | | | | |
| · Equity-accounted investee | 13 | 1,953 | 14,616 | 40,901 | (4,105) | - | (53,064) | 23,050 | 51,981 | 25,202 |
| · Preferred equity and revolving credit facility | 10; 17.3 | 9,612 | 10,716 | 21,642 | 9,378 | 49,700 | (33,309) | 255,057 | 300,009 | 236,067 |
| · Interest bearing consideration | | (239) | - | - | 230 | (1) | - | (9) | - | - |
| · Recharged costs | | (222) | (651) | (688) | 702 | 651 | 1,085 | (27) | - | (507) |
| · Assets transferred following Spark II Portfolio acquisition | | - | - | - | 89,764 | - | - | - | - | (89,764) |
| · Balance transferred following Spark II Portfolio acquisition | | - | - | - | (87) | - | - | - | - | 87 |
| · Electrical energy transformation fee | | (3) | (140) | (280) | 57 | 157 | 256 | 3 | (38) | (51) |
| · Rental income energy equipment | | - | 121 | 274 | (71) | (136) | (228) | - | 51 | 71 |
| · Other expenses | | (46) | - | - | 32 | - | - | (14) | - | - |
| | | 11,055 | 24,662 | 61,849 | 95,900 | 50,371 | (85,260) | 278,060 | 352,003 | 171,105 |
| Prime Kapital Holdings Limited and its subsidiaries | | | | | | | | | | |
| · Prepaid development services | 15 | - | - | - | - | - | - | 10,170 | 10,170 | 10,170 |
| · Other income | | - | - | - | - | (123) | - | - | - | - |
| · Rental income | | 159 | 87 | 175 | (67) | (163) | (168) | 114 | 15 | 22 |
| · Capitalised expenses | | - | (1,220) | (1,628) | 129 | 1,233 | 1,754 | 129 | (350) | - |
| · Property management platform expenses | | (1,421) | (13) | (1,535) | 1,054 | - | 1,535 | (367) | - | - |
| · Other expenses | | (50) | 1 | (28) | 27 | 22 | 11 | (40) | (5) | (17) |
| · Service charge and other property operating expenses | | (1,518) | (2,028) | (2,041) | 815 | 2,781 | 2,079 | (1,045) | (199) | (342) |
| · Balance transferred following Spark II Portfolio acquisition | | - | - | - | 238 | - | - | - | - | (238) |
| | | (2,830) | (3,173) | (5,057) | 2,196 | 3,750 | 5,211 | 8,961 | 9,631 | 9,595 |
| Corona Real Estate Partners Limited | | | | | | | | | | |
| · Legal and professional expenses | | (42) | (190) | (337) | 75 | 231 | 569 | 39 | - | 6 |
| | | (42) | (190) | (337) | 75 | 231 | 569 | 39 | - | 6 |
| Harneys Fiduciary | | | | | | | | | | |
| · Directors' fees and legal and professional fees | | (9) | (45) | (50) | 9 | 35 | 47 | - | (10) | - |
| | | (9) | (45) | (50) | 9 | 35 | 47 | - | (10) | - |
| | | 8,174 | 21,254 | 56,405 | 98,180 | 54,387 | (79,433) | 287,060 | 361,624 | 180,706 |

25. Reconciliation of amounts reported under IFRS to Segmental analysis – proportionate accounts

| Six-month period to 31 December 2022 (reviewed) | | | IFRS amounts | | | | |
|---|---|------|--------------------------|----------------------------|----------------|------------------|---------------------------|
| Consolidated Statement of Profit or Loss | Proportionate accounts line item | Note | Continuing operations | Discontinued operations | Add 40% DJV | Other reclass | Proportionate accounts |
| Rental income | Net rental income - income property | 6.1 | 30,754 | 1,741 | 716 | (2,409) | 30,802 |
| Service charge income and other recoveries | | 6.2 | 9,312 | 783 | 315 | (10,410) | - |
| Gross revenue | | | 40,066 | 2,524 | | | |
| Reversal of impairment/(Impairment) of receivables | | 6 | 88 | (41) | 4 | (51) | - |
| Service charge and other property operating expenses | | 6.2 | (11,099) | (1,440) | (358) | 12,897 | - |
| Net rental income | | | 29,055 | 1,043 | | | |
| Corporate expenses | | | (3,433) | (299) | | | |
| Corporate expenses | Net corporate expenses | | (3,433) | (299) | (156) | 451 | (3,437) |
| | Share-based payment expense | | - | - | - | (452) | (452) |
| Net margin - residential sales | Net margin - residential sales | | - | - | 251 | 80 | 331 |
| Other income | | | 5,914 | 312 | | | |
| Dividend income | Net dividends - listed securities | 7 | 4,383 | - | - | 428 | 4,811 |
| Other income | Other distributable net income/(cost) | 7 | 177 | 312 | 1,120 | (1,440) | 169 |
| Gain on bonds repurchased | Other non-distributable income/(cost) | 7 | 1,354 | - | - | (475) | 879 |
| Investment expenses | Investment expenses | 8 | (517) | (586) | (318) | (1) | (1,422) |
| Fair value adjustments | | | 35,821 | (2,545) | | | |
| Gain/(loss) on fair value of inv. prop, incl. inv. prop. held for sale | Fair value adjustments - income property | 9 | 20,945 | (2,545) | 2,020 | 6,620 | 27,040 |
| Gain/(loss) on fair value of fin. investments | Fair value adjustments - listed securities | 9 | 11,149 | - | (886) | 886 | 11,149 |
| Change in fair value of financial assets | Fair value adjustments - interest rate derivatives | 9 | 3,727 | - | - | 372 | 4,099 |
| Gain from disposal of inv. prop. held for sale | | 5.1 | - | 5,380 | - | (5,380) | - |
| Gain/(loss) from disposal of subsidiary | | | - | - | - | - | - |
| Foreign currency exchange differences | Foreign currency exchange differences | | (196) | 5 | (76) | (1,812) | (2,079) |
| Exchange (loss)/gain on disposal on liquidation of subsidiaries | | | (1,870) | (9) | - | 1,879 | - |
| Share of profit from eq.-acc. investee | | 13 | 1,953 | - | (1,953) | - | - |
| Profit before finance income/(costs) | | | 66,727 | 3,301 | | | |
| Finance income | | | 9,678 | - | | | |
| Interest on preferred equity | Net income - preferred equity | 10 | 9,613 | - | - | (3,846) | 5,767 |
| Interest on bank deposits | | 10 | 65 | - | 44 | (109) | - |
| | Interest capitalised on developments | | - | - | - | 1,892 | 1,892 |
| Finance costs | | | (9,438) | (478) | | | |
| Interest on bank loans | Interest on debt financing | 10 | (2,295) | (458) | 315 | (7,324) | (9,762) |
| Bond borrowing costs | Interest on debt financing | 10 | (7,125) | - | - | 7,125 | - |
| Negative interest on bank deposits | | 10 | (18) | (20) | (35) | 73 | - |
| Profit before tax | | | 66,967 | 2,823 | | | |
| Current tax | | | (1,983) | (1,129) | | | |
| Current tax | Income tax | 11 | (1,983) | (1,129) | (371) | 2,110 | (1,373) |
| Deferred tax | Tax on sale of property | | - | - | - | (1,104) | (1,104) |
| | Deferred tax | 11 | (3,046) | 510 | (632) | - | (3,168) |
| Tax expense | | | (5,029) | (619) | | | |
| Profit for the period | Earnings | | 61,938 | 2,204 | - | - | 64,142 |

| On 31 December 2022 (reviewed) | | | IFRS amounts | | | | |
|--|--|------|-----------------------|-------------------------|----------------|------------------|------------------------|
| Consolidated Statement of Financial Position | Proportionate accounts line item | Note | Continuing operations | Discontinued operations | Add 40% DJV | Other reclass | Proportionate accounts |
| <i>Non-current assets</i> | | | | | | | |
| Investment property | | | 887,328 | - | | | |
| Income-generating property | Income property | 12.1 | 882,755 | - | 20,168 | 59,660 | 962,583 |
| Dev. property and land bank | Developments - income property | 12.1 | 4,573 | - | 50,057 | - | 54,630 |
| | Developments - residential property | | - | - | 59,970 | - | 59,970 |
| Intangible assets | | | 1,696 | - | - | - | - |
| Goodwill | Goodwill | 14 | 1,696 | - | - | - | 1,696 |
| Inv. in equity-accounted investee | | 13 | 23,050 | - | (23,050) | - | - |
| Financial assets | | | 275,533 | - | | | |
| PKM Dev preferred equity and revolving credit facility | Preferred equity and revolving credit facility | 17.3 | 275,533 | - | - | (110,213) | 165,320 |
| Interest rate swaps | Interest rate derivative financial assets | | - | - | - | 9,183 | 9,183 |
| Other non-current assets | | 15 | 27,436 | - | 3,263 | (30,699) | - |
| Deferred tax asset | Deferred tax asset | 11 | 4,280 | - | 120 | (1) | 4,399 |
| Total non-current assets | | | 1,219,323 | - | | | |
| <i>Current assets</i> | | | | | | | |
| Financial assets | Other assets | | - | - | - | 2,950 | 2,950 |
| Investment property held for sale | | 5.2 | - | 59,660 | - | (59,660) | - |
| Financial investments | Listed securities | 17.1 | 101,104 | - | 19,570 | - | 120,674 |
| Trade and other receivables | | | 37,016 | - | | | |
| Trade and other receivables | Trade and other receivables | | 36,555 | - | 1,573 | 7,409 | 45,537 |
| VAT receivable | VAT receivable | | 461 | - | 2,375 | - | 2,836 |
| | Share-based payment prepayments | | - | - | - | 11,150 | 11,150 |
| Cash and cash equivalents | Cash and cash equivalents | 17.2 | 66,225 | - | 1,427 | - | 67,652 |
| Total current assets | | | 204,345 | 59,660 | - | | |
| Total assets | Assets | | 1,423,668 | 59,660 | 135,473 | (110,221) | 1,508,580 |
| <i>Non-current liabilities</i> | | | | | | | |
| Bonds | Debt financing | 18 | 290,042 | - | - | (290,042) | - |
| Bank loans | Debt financing | 18 | 112,489 | - | 116,304 | 227,123 | 455,916 |
| Other non-current liabilities | | 16 | 6,820 | - | 1,048 | (7,868) | - |
| Deferred tax liability | Deferred tax liability | 11 | 33,638 | - | 2,309 | - | 35,947 |
| Total non-current liabilities | | | 442,989 | - | | | |
| <i>Current liabilities</i> | | | | | | | |
| Bonds | | 18 | 6,391 | - | - | (6,391) | - |
| Bank loans | | 18 | 40,554 | - | 457 | (41,011) | - |
| Financial liabilities | Other liabilities | | - | - | - | 108 | 108 |
| Trade and other payables | Trade and other payables | | 26,325 | - | 15,355 | 7,860 | 49,540 |
| Total current liabilities | | | 73,270 | - | | | |
| Total liabilities | Liabilities | | 516,259 | - | 135,473 | (110,221) | 541,511 |
| Total equity | Net asset value | | 967,069 | - | - | - | 967,069 |

| Six-month period to 31 December 2021 (reviewed) | | | IFRS amounts | | | | |
|---|---|------|--------------------------|----------------------------|----------------|------------------|---------------------------|
| Consolidated Statement of Profit or Loss | Proportionate accounts Line Item | Note | Continuing operations | Discontinued operations | Add 40% DJV | Other reclass | Proportionate accounts |
| Rental income | Net rental income - income property | 6.1 | 17,947 | 3,667 | 3,384 | (3,037) | 21,961 |
| Service charge income and other recoveries | | 6.2 | 5,608 | 661 | 1,233 | (7,502) | - |
| Gross revenue | | | 23,555 | 4,328 | | | |
| Impairment of receivables | | 6 | (335) | (2) | (14) | 351 | - |
| Service charge and other property operating expenses | | 6.2 | (6,429) | (2,057) | (1,401) | 9,887 | - |
| Net rental income | | | 16,791 | 2,269 | | | |
| Corporate expenses | | | (3,273) | (181) | | | |
| Corporate expenses | Net corporate expenses | | (3,273) | (181) | (454) | 1,217 | (2,691) |
| | Share-based payment expense | | - | - | - | (1,217) | (1,217) |
| Other income | | | 1,032 | 636 | | | |
| Dividend income | Net dividends - listed securities | 7 | 1,032 | - | - | 1,684 | 2,716 |
| Other income | Other distributable net income/(cost) | 7 | - | 636 | 1,891 | (2,366) | 161 |
| | Other non-distributable income/(cost) | | - | - | - | (308) | (308) |
| Investment expenses | Investment expenses | 8 | (908) | (1,201) | - | 386 | (1,723) |
| Fair value adjustments | | | 24,898 | 1,347 | | | |
| Gain/(loss) on fair value of inv. prop, incl. inv. prop. held for sale | Fair value adj. - income property | 9 | 24,886 | 1,259 | 14,390 | 9,222 | 49,757 |
| Gain/(loss) on FV of fin. investments | Fair value adj.- listed securities | 9 | 12 | - | 2,715 | (2,715) | 12 |
| Change in FV of interest rate swaps | Fair value adj.- interest rate derivatives | 9 | - | 88 | - | - | 88 |
| Gain/(loss) from disposal of inv. prop. held for sale | | 5.1 | - | 11,289 | - | (11,289) | - |
| Gain/loss from disposal of subsidiary | | | - | (2,630) | - | 2,630 | - |
| Foreign currency exchange differences | Foreign currency exchange differences | | (262) | - | 6 | 2,470 | 2,214 |
| Exchange gain on liquidation of subsidiaries | | | - | 2,625 | - | (2,625) | - |
| Share of profit from eq. acc. investees | | 13 | 14,616 | - | (14,616) | - | - |
| Profit before finance income/(costs) | | | 52,894 | 14,154 | | | |
| Finance income | | | 10,774 | - | | | |
| Interest on preferred equity | Net income - preferred equity | 10 | 10,774 | - | - | (4,344) | 6,430 |
| Interest on bank deposits | | | - | - | 5 | (5) | - |
| | Interest capitalised on developments | | - | - | - | 1,269 | 1,269 |
| Finance costs | | | (7,656) | (1,915) | | | |
| Interest on bank loans | Interest on debt financing | 10 | (157) | (1,086) | (4,828) | (2,262) | (8,333) |
| Bonds borrowing costs | Interest on debt financing | 10 | (7,052) | - | - | 7,052 | - |
| Debt break fees | | 10 | - | (737) | - | 737 | - |
| Negative interest on bank deposits | | 10 | (447) | (92) | (226) | 765 | - |
| Profit before tax | | | 56,012 | 12,239 | | | |
| Current tax | | | (349) | (215) | | | |
| Current tax | Income tax | 11 | (349) | (215) | (23) | 93 | (494) |
| UK - corporation tax | Tax on sale of property | | - | - | - | (93) | (93) |
| Deferred tax | Deferred tax | 11 | 316 | (1,092) | (2,062) | - | (2,838) |
| Taxation expense | | | (33) | (1,307) | | | |
| Profit for the period | Earnings | | 55,979 | 10,932 | - | - | 66,911 |

| On 31 December 2021 (reviewed) | | | IFRS amounts | | | | |
|--|-------------------------------------|------|-----------------------|-------------------------|----------------|------------------|------------------------|
| Consolidated Statement of Financial Position | Proportionate accounts Line Item | Note | Continuing operations | Discontinued operations | Add 40% DJV | Other reclass | Proportionate accounts |
| <i>Non-current assets</i> | | | | | | | |
| Investment property | | | 487,530 | - | | | |
| Income-generating property | Income property | 12.1 | 486,817 | - | 124,456 | 88,761 | 700,034 |
| Dev. property and land bank | Developments - income property | 12.1 | 713 | - | 26,809 | - | 27,522 |
| | Developments - residential property | | - | - | 48,306 | - | 48,306 |
| Intangible assets | | | 1,696 | - | | | |
| Goodwill | Goodwill | 14 | 1,696 | - | - | - | 1,696 |
| Inv. in equity-accounted investees | | 13 | 51,981 | - | (51,981) | - | - |
| Financial assets | | | 300,009 | - | | | |
| PKM Dev preference shares | Preferred equity | 17.3 | 300,009 | - | - | (120,004) | 180,005 |
| Other non-current assets | | 15 | 9,869 | - | 690 | (10,559) | - |
| Deferred tax asset | Deferred tax asset | 11 | 2,376 | - | 129 | - | 2,505 |
| Total non-current assets | | | 853,461 | - | | | |
| <i>Current assets</i> | | | | | | | |
| Financial assets | Other assets | | - | - | - | 1,009 | 1,009 |
| Investment property held for sale | | 5.2 | - | 88,761 | - | (88,761) | - |
| Financial investments | Listed securities | 17.1 | 110,619 | - | 19,570 | - | 130,189 |
| Trade and other receivables | | | 31,239 | - | | | |
| Trade and other receivables | Trade and other receivables | | 30,072 | - | 2,366 | (2,346) | 30,092 |
| VAT receivable | VAT receivable | | 1,167 | - | 1,912 | (1) | 3,078 |
| | Share-based payment prepayments | | - | - | - | 11,895 | 11,895 |
| Cash and cash equivalents | Cash and cash equivalents | 17.2 | 193,712 | - | 7,762 | - | 201,474 |
| Total current assets | | | 335,570 | 88,761 | | | |
| Total assets | Assets | | 1,189,031 | 88,761 | 180,019 | (120,006) | 1,337,805 |
| <i>Non-current liabilities</i> | | | | | | | |
| Bonds | Debt financing | 18 | 295,192 | - | - | (295,192) | - |
| Bank loans | Debt financing | 18 | - | - | 135,052 | 228,004 | 363,056 |
| Other non-current liabilities | | 16 | 2,260 | - | 2,817 | (5,077) | - |
| Deferred tax liability | Deferred tax liability | 11 | 23,866 | - | 6,218 | - | 30,084 |
| Total non-current liabilities | | | 321,318 | - | | | |
| <i>Current liabilities</i> | | | | | | | |
| Bonds | | 18 | 6,556 | - | - | (6,556) | - |
| Bank loans | | 18 | 37,416 | - | 8,844 | (46,260) | - |
| Financial liabilities | Other liabilities | | - | - | - | 1,071 | 1,071 |
| Trade and other payables | Trade and other payables | | 17,463 | - | 27,088 | 4,004 | 48,555 |
| Total current liabilities | | | 61,435 | - | | | |
| Total liabilities | Liabilities | | 382,753 | - | 180,019 | (120,006) | 442,766 |
| Total equity | Net asset value | | 895,039 | - | - | - | 895,039 |

Condensed consolidated interim financial statements for the six-month period to 31 December 2022

| Year to 30 June 2022 (audited) | | | IFRS amounts | | | | |
|--|--|------|-----------------------|-------------------------|-------------|---------------|------------------------|
| Consolidated Statement of Profit or Loss | Proportionate accounts line item | Note | Continuing operations | Discontinued operations | Add 40% DJV | Other reclass | Proportionate accounts |
| Rental income | Net rental income - income property | 6.1 | 36,344 | 5,478 | 7,676 | (4,859) | 44,639 |
| Service charge income and other recoveries | | 6.2 | 11,575 | 1,239 | 3,040 | (15,854) | - |
| Gross revenue | | | 47,919 | 6,717 | | | |
| Reversal of impairment/(Impairment) of receivables | | 6 | (338) | (23) | (35) | 396 | - |
| Service charge and other property operating expenses | | 6.2 | (13,478) | (3,121) | (3,242) | 19,841 | - |
| Net rental income | | | 34,103 | 3,573 | | | |
| Corporate expenses | | | (6,564) | (451) | | | |
| Corporate expenses | Net corporate expenses | | (6,564) | (451) | (877) | 2,486 | (5,406) |
| | Share-based payment expense | | - | - | - | (2,486) | (2,486) |
| Net margin - residential sales | Net margin - residential sales | | - | - | 2,547 | 412 | 2,959 |
| Other income | | | 5,006 | 1,009 | | | |
| Dividend income | Net dividends - listed securities | 7 | 5,006 | - | - | 1,887 | 6,893 |
| Other income | Other distributable net income/(cost) | 7 | - | 1,009 | 2,743 | (3,921) | (169) |
| | Other non-distributable income/(cost) | | - | - | - | (493) | (493) |
| Investment expenses | Investment expenses | 8 | (1,858) | (1,407) | (16) | 505 | (2,776) |
| Fair value adjustments | | | 61,223 | (1,674) | | | |
| Gain/(loss) on fair value of inv. prop, incl. inv. prop. held for sale | Fair value adjustments - income property | 9 | 75,453 | (1,763) | 30,854 | 9,872 | 114,416 |
| Gain/(loss) on fair value of fin. investments | Fair value adjustments - listed securities | 9 | (14,230) | - | 2,782 | (2,782) | (14,230) |
| | Fair value adjustments - interest rate derivatives | 9 | - | 89 | - | 828 | 917 |
| Change in fair value of financial assets | | | | | | | |
| Gain from disposal of inv. prop. held for sale | | 5.1 | - | 11,143 | - | (11,143) | - |
| Gain/(loss) from disposal of subsidiary | | | - | (2,630) | - | 2,630 | - |
| Foreign currency exchange differences | Foreign currency exchange differences | | (770) | 5 | 36 | 2,574 | 1,845 |
| Exchange gain/(loss) on disposal of subsidiary | | | - | 2,625 | - | (2,625) | - |
| Share of profit from eq.-acc. investee | | 13 | 40,901 | - | (40,901) | - | - |
| Profit before finance income/(costs) | | | 132,041 | 12,193 | | | |
| Finance income | | | 21,733 | | | | |
| Interest on preferred equity | Net income - preferred equity | 10 | 21,733 | - | - | (8,748) | 12,985 |
| Interest on bank deposits | | | - | - | 21 | (21) | - |
| | Interest capitalised on developments | | - | - | - | 2,726 | 2,726 |
| Finance costs | | | (15,256) | (2,725) | | | |
| Interest on bank loans | Interest on debt financing | 10 | (256) | (1,667) | (6,800) | (8,047) | (16,770) |
| Bond borrowing costs | Interest on debt financing | 10 | (14,073) | - | - | 14,073 | - |
| Debt break fees | | 10 | - | (1,002) | - | 1,002 | - |
| Negative interest on bank deposits | | 10 | (927) | (56) | (766) | 1,749 | - |
| Profit before tax | | | 138,518 | 9,468 | | | |
| Current tax | | | (872) | 1,550 | | | |
| Current tax | Income tax | 11 | (872) | 1,550 | (87) | (1,711) | (1,120) |
| | Tax on sale of property | | - | - | - | 1,709 | 1,709 |
| Deferred tax | Deferred tax | 11 | (6,832) | (661) | 3,025 | - | (4,468) |
| Tax expense | | | (7,704) | 889 | | | |
| Profit for the year | Earnings | | 130,814 | 10,357 | - | - | 141,171 |

Condensed consolidated interim financial statements for the six-month period to 31 December 2022

| On 30 June 2022 (audited) | | | IFRS amounts | | | | |
|--|-------------------------------------|------|-----------------------|-------------------------|----------------|-----------------|------------------------|
| Consolidated Statement of Financial Position | Proportionate accounts line item | Note | Continuing operations | Discontinued operations | Add 40% DJV | Other reclass | Proportionate accounts |
| <i>Non-current assets</i> | | | | | | | |
| Investment property | | | 860,498 | - | | | |
| Income-generating property | Income property | 12.1 | 859,778 | - | 14,536 | 78,508 | 952,822 |
| Dev. property and land bank | Developments - income property | 12.1 | 720 | - | 40,853 | - | 41,573 |
| | Developments - residential property | | - | - | 50,293 | - | 50,293 |
| Intangible assets | | | 1,696 | - | | | |
| Goodwill | Goodwill | 14 | 1,696 | - | - | - | 1,696 |
| Inv. in equity-accounted investee | | 13 | 25,202 | - | (25,202) | - | - |
| Financial assets | | | 236,067 | - | | | |
| PKM Dev preferred equity | Preferred equity | 17.3 | 236,067 | - | - | (94,427) | 141,640 |
| Interest rate derivatives | | | - | - | - | 5,066 | 5,066 |
| Other non-current assets | | 15 | 13,934 | - | 1,147 | (15,081) | - |
| Deferred tax asset | Deferred tax asset | 11 | 3,801 | - | 23 | - | 3,824 |
| Total non-current assets | | | 1,141,198 | | | | |
| <i>Current assets</i> | | | | | | | |
| Financial assets | Other assets | | - | - | 1,162 | 1,383 | 2,545 |
| Investment property held for sale | | 5.2 | - | 78,509 | - | (78,509) | - |
| Financial investments | Listed securities | 17.1 | 97,655 | - | 19,570 | - | 117,225 |
| Trade and other receivables | | | 38,062 | | | | |
| Trade and other receivables | Trade and other | | 34,544 | - | 48,230 | (317) | 82,457 |
| VAT receivable | VAT receivable | | 3,518 | - | 1,968 | (2,341) | 3,145 |
| | Share-based payment prepayments | | - | - | - | 11,287 | 11,287 |
| Cash and cash equivalents | Cash and cash equivalents | 17.2 | 174,176 | - | 8,481 | - | 182,657 |
| Total current assets | | | 309,893 | 78,509 | | | |
| Total assets | Assets | | 1,451,091 | 78,509 | 161,061 | (94,431) | 1,596,230 |
| <i>Non-current liabilities</i> | | | | | | | |
| Bonds | Debt financing | 18 | 295,904 | - | - | (295,904) | - |
| Bank loans | Debt financing | 18 | 117,144 | - | 94,535 | 251,858 | 463,537 |
| Other non-current liabilities | | 16 | 7,155 | - | 782 | (7,937) | - |
| Deferred tax liability | Deferred tax liability | 11 | 30,623 | - | 1,580 | - | 32,203 |
| Total non-current liabilities | | | 450,826 | | | | |
| <i>Current liabilities</i> | | | | | | | |
| Bonds | | 18 | 115 | - | - | (115) | - |
| Bank loans | | 18 | 40,546 | - | 9,828 | (50,374) | - |
| Financial liabilities | Other liabilities | | - | - | - | 109 | 109 |
| Trade and other payables | Trade and other payables | | 109,963 | - | 54,336 | 7,932 | 172,231 |
| Total current liabilities | | | 150,624 | | | | |
| Total liabilities | Liabilities | | 601,450 | - | 161,061 | (94,431) | 668,080 |
| Total equity | Net asset value | | 928,150 | - | - | - | 928,150 |

26. Summary of general accounting policies

Basis of preparation – statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the IASB ('IFRS'), IAS 34 'Interim Financial Reporting', the Johannesburg Stock Exchange ('JSE') Listings Requirements, the SAICA Financial Reporting Guides, as issued by the Accounting Practices Committee and Financial Pronouncements as issued by Financial Reporting Standards Council. After taking into consideration the applicable legal and regulatory requirements of the Malta Companies Act 1995, including IFRS requirements adopted by the EU (European Union), management concluded that the condensed consolidated interim financial statements are in compliance with the latter.

Basis of measurement

These condensed consolidated interim financial statements are prepared on the historical cost basis except for the following items that are measured on the fair value basis:

- Financial instruments at fair value through profit or loss ('FVTPL'); refer to note 15;
- Financial investments; refer to note 17.1;
- Share-based payments on grant date; refer to note 19.2, and
- Investment property and investment property held for sale; refer to notes 12.1 and 5.2.

Accounting policies

The accounting policies applied in the preparation of these condensed consolidated interim financial statements are consistent with those applied in the preparation of the consolidated financial statements for the year to 30 June 2022. Accordingly, these financial statements should be read in conjunction with the consolidated financial statements for the year to 30 June 2022 as well as any public announcements made by the Group during the six-month period to 31 December 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 Group. The Group is not expecting any material impacts from adopting these standards.

| Amendments/improvements to standards and interpretations not yet effective | Effective for annual periods beginning on or after |
|--|---|
| 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 |
| Sale or contribution of assets between an investor and its associate or joint venture – Amendments to IFRS 10 and IAS 28 | n/a |

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MAS P.L.C.

Company information, advisors and property valuers

Company information and advisors

Identification

MAS P.L.C.
Registration number C99355
JSE share code: MSP
ISIN: VGG5884M1041
LEI code: 213800T1TZPGQ7HS4Q13

Registered office in Malta and Correspondence address

MAS P.L.C.
Suite 11, Marina Business Centre
Abate Rigord Street
Ta' Xbiex, XBX1129
Malta

Company secretary

Nathalie Vella resigned on 25 August 2022
Roxana Bordeanu appointed on 25 August 2022

Independent auditor

PricewaterhouseCoopers
78 Mill Street, zone 5
Central Business District, Qormi
Malta, CBD 5090

JSE Sponsor

Java Capital Trustees and Sponsors (Proprietary) Limited
6th Floor, 1 Park Lane, Weirda Valley, Sandton
Johannesburg, 2196
South Africa

A2X Markets

6th Floor, Katherine Towers
1 Park Lane, Weirda Valley
Sandton, 2196
South Africa

Registrar / Transfer Secretaries

British Virgin Islands
Computershare Investor Services (BVI) Limited
Registration number 003287V Woodbourne Hall
PO Box 3162
Road Town, Tortola British Virgin Islands

South Africa
Computershare Investor Services Proprietary Limited
Registration number 2004/003647/07
Rosebank Towers
15 Biermann Avenue
Rosebank, 2196
PO Box 61051, Marshalltown 2107

Depository

Computershare Investor Services PLC
The Pavilions Bridgewater Road, Bristol
BS13 8AE, United Kingdom

Property Valuers

Romania and Bulgaria

Cushman & Wakefield Echinox
Tiriac Tower
82-94 Buzesti street, 6th Floor
District 1, Bucharest
Romania

Germany

Cushman & Wakefield (UK) LLP – German Branch
Rathenauplatz 1
D-60313, Frankfurt am Main
Germany

Poland

Cushman & Wakefield Polska Sp. z o.o.
Metropolitan
Plac Pilsudskiego 1
Warsaw, 00-078
Poland

United Kingdom

CBRE Limited
7 Castle Street,
Edinburgh, EH2 3AH
Scotland

Avison Young (GVA Grimley Limited)
Sutherland House 149
St. Vincent Street
Glasgow, G2 5NW
Scotland

Glossary

| | |
|--|--|
| Adjusted distributable earnings | Adjusted distributable earnings are the adjusted underlying earnings of the Group from net rental income from income property, net margin from residential sales, net income from preferred equity and revolving credit facility, net dividends on listed securities, net corporate expenses, interest on debt financing, interest capitalised on developments and other distributable net income or cost and income tax |
| Adjusted number of shares in issue | Number of shares in issue excluding MAS' 40% proportion of shares owned by the DJV in MAS |
| BV | Book value |
| BVI | British Virgin Islands |
| CEE | Central and Eastern Europe or Central and Eastern European |
| Company | MAS P.L.C. |
| Covid-19 | Pandemic resulted following the global spread of the infectious disease caused by severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2) |
| DCF | Discounted cash flows |
| Development property | Property under construction, in process of being developed for future use as income property or for sale and land plots to be utilised for future developments |
| Diluted adjusted number of shares in issue | Adjusted number of shares in issue increased by the number of share purchase plan shares |
| Diluted weighted average adjusted number of shares | Diluted adjusted number of shares in issue for the applicable period, outstanding on a daily weighted average basis during such period |
| DJV | Development Joint Venture |
| EPRA | European Public Real Estate Association |
| FVTPL | Fair value through profit or loss |
| GDV | Gross development value |
| Group | MAS P.L.C. and its subsidiaries |
| IASB | International Accounting Standards Board |
| IFRS | International Financial Reporting Standards as issued by the IASB |
| IFRS NAV per share | IFRS Net Asset Value divided by the number of shares in issue, excluding share purchase plan shares and repurchased and not cancelled shares, on the reporting date |
| IJV | Investment joint venture, former joint venture with Prime Kapital, 80% owned and controlled by the Company prior to the 2019 Transaction, for investing in CEE Income properties |
| Income property | Property held to earn rental income |
| Investment property | Income property, Development property and Land bank |
| IOM | Isle of Man |
| JSE | Johannesburg Stock Exchange |
| Land bank | Land plots held for future developments |
| Lease incentive | Incentives offered to lessees to enter a lease, typically in the form of a rent-free period or cash contribution towards fit-out costs |

MAS P.L.C.

Glossary

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| LFL | Like-for-like, measure of growth adjusted to exclude new or disposed properties |
| LTV | Loan to value, the ratio of the nominal value of debt net of cash to investment property, listed securities and preferred equity |
| NAV | Net asset value |
| NRI | Net rental income |
| Number of shares in issue | Ordinary number of shares issued excluding shares held as treasury shares (repurchased shares not cancelled and share purchase plan shares) |
| PKM Development | P K M Development Limited |
| PMP | Property Management Platform |
| Prime Kapital / PK | Prime Kapital Holdings Limited |
| RCF | Revolving credit facility |
| REIT | Investment in listed real estate equity securities |
| SA REIT | South African Real Estate Investment Trust Association, the representative umbrella body comprised of voluntary members of South African listed REIT companies and trusts |
| Spark II Portfolio | Collectively, the six subsidiaries or properties (as the context requires), acquired on 30 June 2022 as part of the Transactions |
| Tangible NAV | Net asset value which includes only assets and liabilities likely to crystallise on disposal (corresponds to net asset value under adjusted proportionate accounts) |
| Tangible net asset value per share | Tangible NAV divided by the Adjusted number of shares in issue on the reporting date |
| Transactions | Collectively, or individually as the context requires, the acquisition of 100% of the share capital and shareholder loans of six subsidiaries from DJV ('Spark II Portfolio') and the execution of the DJV Relationship Extension Letter, effective 30 June 2022 |
| WE | Western Europe or Western European |
| Weighted average adjusted number of shares | Adjusted number of shares in issue for the applicable period, outstanding on a daily weighted average basis during such period |
| 2019 Transaction | The acquisition on 27 November 2019 by the Group of Prime Kapital's effective economic interest in the IJV with MAS |

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