



SHOPPING MALLS
FINANCE P.L.C.

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The “**Company**”

Financial Sustainability Forecast

Date of Announcement

29th April 2021

The following is a company announcement issued by D Shopping Malls Finance plc (the Company) pursuant to Rule 4.11.03 and 4.11.12 of the Prospects Rules, the market regulated as a multi-lateral trading facility operated by the Malta Stock Exchange (“Prospects MTF”).

QUOTE

The Company refers to the obligation to which Prospects MTF companies are subject to in terms of Rule 4.11.03 and Rule 4.11.12 relating to the publication of the twelve-month financial information as defined in Table 1 paragraph 3 and specifically the publication and dissemination via an announcement of Financial Sustainability Forecasts including management assumptions thereon (‘FSFs’). The below copy of the FSFs, as approved by the Board of Directors, are based on the following assumptions:

Revenues

The Group’s revenue for the twelve months ending 31 December 2021 is expected to total €1.7 million and is based on agreements in place for the lease of retail outlets situated in D Mall and Centre Parc, and residential units situated within the Laguna, Portomaso complex and Qui-Si-Sana. Given that the offices situated on Level-1, D Mall have not yet been leased, the projections are based on the assumption that these units will remain vacant throughout the year, due to the impact the COVID-19 pandemic had on business operations.

Direct costs

Direct costs comprise the amortisation on the right-of-use asset by the D Shopping Malls Group on D Mall and Center Parc, which is accounted for in terms of IFRS 16 Leases.

Administrative expenses

Administrative expenses are expected to total €350k, and consist primarily of administrative salaries, marketing costs, general overheads, ongoing bond issue costs, depreciation and amortisation.

Finance costs

Finance costs consist of interest on the Bond and the unwinding of interest on the finance lease liability, given that the lease entered into on D Mall and Center Parc is accounted for under IFRS 16 Leases. Consequently, net finance costs are expected to total €785k during FY2021

Taxation

Current taxation is provided at 35% chargeable income for the period.

Working capital

The Group's working capital mainly comprises of the net impact of trade receivables and trade payables and is based on historical trends.

Projected consolidated income statement

Consolidated income statement	
€000	2021
Revenue	1,660
Cost of sales	(881)
Gross profit	779
Administrative and selling expenses	(350)
Operating profit	429
Net finance cost	(785)
Loss before tax	(356)
Taxation	18
Loss after tax	(337)

Projected statement of financial position

Consolidated statement of financial position

€000	2021
ASSETS	
Non-current assets	
Deferred tax	667
Investment property	4,450
Right of use	9,292
Property, plant and equipment	1,908
Total non-current assets	16,317
Current assets	
Trade and other receivables	89
Cash and cash equivalents	1,595
Total current assets	1,684
Total assets	18,001
EQUITY AND LIABILITIES	
Equity	
Share capital	721
Retained earnings	915
Non-controlling interest	0
Total equity	1,637
Non current liabilities	
Minimum lease payments	7,463
Deferred tax	290
Borrowings	7,444
Total non-current liabilities	15,197
Current liabilities	
Minimum lease payments	400
Trade and other payables	753
Taxation	15
Total current liabilities	1,168
Total liabilities	16,364
Total equity and liabilities	18,001

Projected statement of cash flows

Consolidated statement of cash flows

€000	2021
Cash flow from operations	
EBITDA	598
Add back depreciation and amortisation	805
Working capital adjustments	
Changes in receivables	1,519
Changes in payables	(549)
Operating cash flow	2,373
Rent paid	(400)
Bond interest payable	(401)
Taxation paid	(16)
Net cash generated from operating activities	1,556
Movements in cash and cash equivalents	1,556
Cash and cash equivalents at beginning of year	39
Cash and cash equivalents at end of year	1,595



Dr Ian Vella Galea
Company Secretary

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