



AGRIHOLDINGS PLC – C57008

Level 1, SkyParks Business Centre
Malta International Airport
Luqa LQA 4000
(the “Company”)

COMPANY ANNOUNCEMENT

This is a company announcement issued by the Company in terms of the Rules of Prospects, the market regulated as a multi-lateral trading facility operated by the Malta Stock Exchange

QUOTE

The Board of Directors of the Company is pleased to announce that the Half Yearly Report for the financial period ending 31st December 2019 was duly considered and approved.

The Company’s Half Yearly Report for the financial period ending 31st December 2019 is reproduced below and is also available for viewing on the Company’s website:

<https://agribankplc.com/agriholdings/>

Desiree Cassar

Company Secretary

26th February 2020

AGRIHOLDINGS PLC HALF YEARLY REPORT

DECEMBER 2019

COMPANY INFORMATION

Company Registration No.: C57008

Registered Office: Level 1, SkyParks Business Centre
Malta International Airport
Luqa LQA 4000, Malta

Company Secretary: Dr. Desiree Cassar

Board of Directors

Dr Joseph Borg (Non-Executive Chairman)

Mr Victor Rizzo Giusti (Non-Executive Director)

Mr Jonathan Bellizzi (Chief Executive Officer and Director)

Mr Paul Grech (Chief Financial Officer and Director)

Mr Frank Sekula (Director)

Mr Stephen Muscat (Non-Executive Director)

Mr Mario Vella (Non-Executive Director)

The Board of Directors was appointed by the annual general meeting of the 30th of October 2019 except where indicated specifically and remain in office until the next annual general meeting in 2020.

INTERIM DIRECTORS' REPORT

The board of directors are hereby presenting unaudited interim financial statements for 31st December 2019. The group consist of AgriHoldings plc and AgriBank plc, the "Bank", its sole subsidiary.

PRINCIPAL ACTIVITIES

The Bank within the Group is licensed as a credit institution under the Banking Act, Cap.371. The Bank is engaged in lending to the agricultural sector in the UK. Agricultural lending is extended in the form of leases, hire purchase agreements and secured loans. Lending is funded with deposits, wholesale funding, bonds and equity. The Bank is also engaged in offering corporate banking services to different industry background companies registered in Malta.

PERFORMANCE REVIEW

During the half year under review, the Company registered a loss before taxation of GBP6,399 (for six months ending Dec 2018: GBP27,250) and the Group GBP462,548 (for six months ending Dec 2018: GBP155,737).

RESULTS AND DIVIDENDS

No interim dividend is being proposed.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the six months ended 31 December 2019

	The Group		The Company	
	Period from 1 Jul 2019 to 31 Dec 2019	Period from 1 Jul 2018 to 31 Dec 2018	Period from 1 Jul 2019 to 31 Dec 2019	Period from 1 Jul 2018 to 31 Dec 2018
	GBP	GBP	GBP	GBP
Revenue				
Interest income	518,496	717,937	34,975	41,400
Interest expense	(314,224)	(288,858)	(51,607)	(89,085)
Net interest income	204,272	429,079	(16,631)	(47,685)
Fee and commission income	195,046	142,417	77,673	77,578
Fee and commission expense	(110,085)	(100,857)	(3,796)	(3,796)
Net fee and commission income	84,961	41,560	73,877	73,781
Net operating income	289,233	470,639	57,246	26,096
Employee compensation and benefits	349,911	447,910	-	-
General administrative expenses	265,874	280,648	43,547	33,249
Amortisation of intangible assets	30,599	5,432	20,098	20,098
Depreciation of property, plant and equipment	36,908	24,419	-	-
Net impairment losses	68,489	(48,174)	-	-
Total expense	751,781	710,235	63,645	53,346
(Loss)/profit before tax	(462,548)	(239,596)	(6,399)	(27,250)
Income tax credit/(charge)	-	83,859	-	-
(Loss)/ profit for the year total comprehensive (loss)/income for the year	(462,548)	(155,737)	(6,399)	(27,250)

STATEMENTS OF FINANCIAL POSITION

as at 31 December 2018

	The Group		The Company	
	Dec 2019 GBP	Jun 2019 GBP	Dec 2019 GBP	Jun 2019 GBP
Assets				
Balance with Central Bank of Malta, and cash and cash equivalents	13,188,477	15,557,537	7,094	7,424
Investments	2,472,200	1,231,556	-	-
Finance lease receivable	9,202,570	9,848,860	-	-
Loans to customers	5,185,662	5,172,459	-	-
Investment in subsidiary	-	-	6,950,350	6,500,000
Investment in subordinated bonds	-	-	1,434,903	1,548,248
Intangible assets	332,910	359,536	276,428	296,526
Property, plant and equipment	140,394	148,931	-	-
Assets held for realisation	103,133	115,033	-	-
Other assets	405,597	363,559	-	103,388
Prepayments and accrued income	255,771	213,175	101,561	135,654
Total assets	31,286,714	33,010,646	8,770,336	8,591,240
Liabilities				
Amounts owed to customers	23,741,298	25,810,478	-	-
Debt securities in issue	1,940,111	2,035,396	1,520,111	1,595,396
Other liabilities	154,247	141,575	465,829	614,209
Accruals	1,145,403	868,182	85,419	126,608
Total liabilities	26,971,328	28,855,631	2,071,359	2,336,213
Equity				
Share capital	80,001	80,001	80,001	80,001
Shareholders' advances	7,059,609	6,609,259	6,870,350	6,420,000
General banking risk reserve	145,278	143,326	-	-
Revaluation Reserve	273,922	111,081	-	-
Accumulated losses	(3,253,155)	(2,788,652)	(251,374)	(244,974)
Total equity	4,305,656	4,155,015	6,698,977	6,255,027
Total liabilities and equity	31,649,638	32,881,700	8,770,336	8,591,240
Memorandum Items				
Total commitments	454	20,625	-	-

The official middle rate of exchange issued by the European Central Bank between GBP Sterling and Euro as at 31 December 2019 was EUR:GBP 0.8521 (June 2019: EUR:GBP 0.8943).

STATEMENTS OF CHANGES IN EQUITY

For the six months ended 31 December 2019

The Group	Share capital & Contribution GBP	Accumulated losses GBP	Other reserves GBP	Total GBP
At 1 July 2018	6,500,001	(2,014,543)	84,613	4,570,071
Transfer to general banking risk reserve	-	(18,503)	18,503	-
Loss for the year/total comprehensive loss for the year	-	(141,236)	5,205	(136,031)
At 31 December 2018	6,500,001	(2,174,282)	108,321	4,434,040
At 1 July 2019	6,689,260	(2,788,655)	125,465	4,026,070
Transfer to general banking risk reserve	-	(1,952)	293,735	291,783
Other Increase in Equity	450,350	-	-	450,350
Loss for the period/total comprehensive loss for the year	-	(462,548)	-	(462,548)
At 31 December 2019	7,139,610	(3,253,155)	419,200	4,305,655

The Company	Share capital & Contribution GBP	Accumulated losses GBP	Other reserves GBP	Total GBP
At 1 July 2018	6,500,001	(218,505)	-	6,281,496
Loss for the year/total comprehensive loss for the year	-	(27,250)	-	(27,250)
At 31 December 2018	6,500,001	(245,755)	-	6,254,246
At 1 July 2019	6,500,001	(244,975)	-	6,255,026
Other Increase in Equity	450,350	-	-	450,350
Loss for the period/total comprehensive loss for the period	-	(6,399)	-	(6,399)
At 31 December 2019	6,950,351	(251,374)	-	6,698,977

STATEMENTS OF CASH FLOWS

For the six months ended 31 December 2019

	The Group		The Company	
	31 Dec 2019	31 Dec 2018	31 Dec 2019	31 Dec 2018
	GBP	GBP	GBP	GBP
Cash flows (used in)/from operating activities				
Interest and commission received	696,860	820,743	82,262	42,860
Interest and commission paid	(6,037)	(405,126)	(77,779)	(44,348)
Cash payments to employees and suppliers	(756,760)	(721,652)	29,694	32,954
Cash flows (used in)/from operating activities before changes in operating assets and liabilities	(65,938)	(306,035)	34,177	31,465
Movement in finance lease and loans receivable	639,582	2,479,595	-	-
Movement in assets	1,600,426	(2,445,273)	8,765	(40,948)
Movement in amounts owed to banks and to customers	(2,089,494)	(6,339,183)	-	-
Net cash (used in)/from operating activities	84,576	(6,610,896)	42,942	(9,483)
Cash flows used in investing activities				
Purchase of property plant and equipment	(16,472)	(21,032)	-	-
Purchase of intangible assets	(3,972)	(17,964)	-	-
Net cash used in investing activities	(20,444)	(38,996)	-	-
Cash flows from/(used in) financing activities				
Amount received from subsidiary company	-	-	(43,271)	9,033
Proceeds from the issue of share capital	639,609	-	-	-
Amounts pledged to Depositors' Compensation Scheme	-	-	-	-
Net cash from/(used in) financing activities	639,609	-	(43,271)	9,033
Movement in cash and cash equivalents		703,742	(6,649,892)	(329)
Cash and cash equivalents at the beginning of the year		10,014,749	9,012,332	7,423
Cash and cash equivalents at the end of the year		10,718,491	2,362,440	7,094

CLOSING REMARKS

These financial statements, consisting of the Statement of Profit or Loss and Other Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the Statement of Cash Flows, comply with International Financial Reporting Standards as adopted by the EU applicable to Interim Financial Reporting (IAS 34) and give a true and fair view of the financial position, financial performance and cash flows and they are consistent with the accounting records. The Interim Directors' report includes a fair review of the information required in terms of the Prospects Rules.

UNQUOTE

By order of the Board.

Desiree Cassar

Company Secretary

26th February 2020