



AGRIHOLDINGS PLC – C-57008

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

COMPANY ANNOUNCEMENT

The following is a Company Announcement issued by the Company pursuant to Rule 4.11.12 of the Prospects Rules.

QUOTE

The Company is pleased to announce that the Half Yearly Report for the period ended 31st December 2021 was duly considered and approved by the Board of Directors.

The Half Yearly Report is appended herewith and is also available for viewing on the Company’s website:

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

A handwritten signature in black ink, appearing to read "D. Cassar", with a long horizontal stroke extending to the right.

Dr Desiree Cassar

28th February 2022

AGRIHOLDINGS PLC HALF YEARLY REPORT

DECEMBER 2021

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

Mr Victor Rizzo Giusti (Non-Executive Director)

Mr Frank Sekula (Director)

Mr Stephen Muscat (Non-Executive Director)

Patrick Heininger (Non-Executive Director)

The Board of Directors was appointed by the annual general meeting of the 28th October 2021.

INTERIM DIRECTORS' REPORT

The board of directors are hereby presenting unaudited interim financial statements for 31st December 2021. 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:

- Corporate banking services n Malta;
- Fee based invoices funding to companies in the European Union (EU), referred to as factored receivables;
- Lending to the agricultural sector in the United Kingdom as part of its old strategy; as well as
- Lending for renewable energy project developemnt and real estate in Malta and in the EU.

During the period under review, the company and the group changed its functional and reporting currency from GBP to EUR. This was due to the expected future growth on the Group's business denominated in the EUR mainly due to the new factoring business in the EU and reduction of its activities in the UK.

PERFORMANCE REVIEW

During the half year under review, the Company registered a loss before taxation of EUR193,390 (for six months ending Dec 2020: EUR24,800) and the Group a profit before taxation of EUR310,474 (a loss before taxation for six months ending Dec 2020 of: EUR21,022).

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 2021

	The Group		The Company	
	Period from 1 Jul 2021 to 31 Dec 2021 EUR	Period from 1 Jul 2020 to 31 Dec 2020 EUR	Period from 1 Jul 2021 to 31 Dec 2021 EUR	Period from 1 Jul 2020 to 31 Dec 2020 EUR
Revenue				
Interest income	698,200	706,453	41,049	40,008
Interest expense	(216,454)	(245,315)	(111,731)	(52,668)
Net interest income	481,746	461,139	(70,683)	(12,660)
Fee and commission income	1,246,290	481,544	88,283	87,282
Fee and commission expense	(308,645)	(150,986)	(4,415)	(4,211)
Net fee and commission income	937,645	330,558	83,867	83,071
Net operating income before net impairment gains	1,419,391	791,697	13,184	70,411
Net impairment (losses) / gains	5,133	120,573	-	-
Net operating income	1,424,524	912,270	13,184	70,411
Employee compensation and benefits	617,313	481,071	-	-
General administrative expenses	361,329	343,847	157,380	72,478
Amortisation of intangible assets	37,577	35,414	-	-
Depreciation of property, plant and equipment	61,589	35,762	49,195	22,732
Depreciation of right of use of assets	36,241	37,198	-	-
Total expense	1,114,050	933,292	206,575	95,210
Profit / (Loss) before tax	310,474	(21,022)	(193,390)	(24,800)
Income tax credit/(charge)	-	-	-	-
Profit / (Loss) for the period	310,474	(21,022)	(193,390)	(24,800)
Other comprehensive (expense)/income				
Items that may be reclassified subsequently to profit or loss				
Net (loss)/gain on debt investments measures at FVTOCI	(38,855)	144,040	-	-
Other comprehensive (expense)/income for the period, net of tax	(38,855)	144,040	-	-
Total comprehensive profit/(loss) for the period	271,619	123,018	(193,390)	(24,800)

STATEMENTS OF FINANCIAL POSITION

as at 31 December 2021

	The Group		The Company	
	Dec 2021 EUR	Jun 2021 EUR	Dec 2021 EUR	Jun 2021 EUR
Assets				
Balance with Central Bank of Malta, and cash and cash equivalents	13,244,890	22,015,640	8,176	7,866
Investments measured at amortised cost	197,120	198,947	-	-
Fair value through other comprehensive				
Income investments	2,408,980	2,446,548		
Finance lease receivable	6,741,357	8,955,441	-	-
Loans to customers	10,625,282	9,888,614	-	-
Factored receivables	13,969,212	2,858,954		
Right-of-use assets	71,067	107,308	-	-
Investment in subsidiary	-	-	10,840,466	10,840,466
Investment in subordinated bonds	-	-	1,684,000	1,684,000
Intangible assets	556,456	496,127	505,245	454,493
Property, plant and equipment	69,066	97,629	-	-
Deferred Tax	-	-		
Assets held for realisation	277,255	253,060	-	-
Other assets	1,178,562	1,414,953	(7,242)	16,175
Prepayments and accrued income	569,274	352,258	179,428	161,297
Total assets	49,908,520	49,085,479	13,210,073	13,164,297
Liabilities				
Amounts owed to customers	39,676,198	38,098,003	-	-
Debt securities in issue	4,166,938	4,169,163	4,166,938	4,110,988
Other liabilities	352,215	1,335,515	616,944	401,228
Accruals	880,696	779,865	516,987	549,486
Lease Liabilities	50,273	89,533	-	-
Total liabilities	45,126,320	44,472,079	5,300,869	5,061,702
Equity				
Share capital	98,582	98,582	98,582	98,582
Shareholders' advances	8,700,058	8,700,058	8,466,054	8,466,054
General banking risk reserve	29,345	68,200	-	-
Fair Value Reserve	128,783	94,550	-	-
Excessive NPL Reserve	22,054	63,412	-	-
Currency Translation Reserve	(496,493)	(496,493)	(63,145)	(63,145)
Accumulated losses	(3,700,129)	(3,914,909)	(592,286)	(398,897)
Total equity	4,782,200	4,613,400	7,909,204	8,102,594
Total liabilities and equity	49,908,520	49,085,479	13,210,073	13,164,297

STATEMENTS OF CHANGES IN EQUITY

For the six months ended 31 December 2021

THE GROUP	Share Capital and advance	Accumulated losses	General banking risk reserve	Revaluation Reserve	Excessive NPL reserve	Currency Translation Reserve	Total
	EUR	EUR	EUR	EUR	EUR	EUR	EUR
PERIOD ENDED 31 DECEMBER 2021							
Balance as at 1 July 2021 as restated	11,074,469	(3,618,831)	94,550	68,200	63,412	(433,348)	7,248,452
Transfer to general banking reserve	-	(34,234)	34,234	-	-	-	-
Transfer from excessive NPL reserve	-	41,358	-	-	(41,358)	-	-
	11,074,469	(3,611,707)	128,783	68,200	22,054	(433,348)	7,248,452
Other comprehensive income	-	-	-	(38,855)	-	-	(38,855)
Currency translation reserve	-	-	-	-	-	-	-
Profit for the period	-	490,562	-	-	-	-	490,562
At 31 December 2021	11,074,469	(3,611,707)	128,783	29,345	22,054	(433,348)	7,700,159
PERIOD ENDED 31 DECEMBER 2020							
Balance as at 1 July 2020 translated to EUR at the applicable rates of exchange	8,651,068	(3,551,080)	157,802	164,771	240,260	-	5,662,821
Effect of change in accounting policy	-	-	-	-	-	(493,746)	(493,746)
Balance as at 1 July 2020 as restated	8,651,068	(3,551,080)	157,802	164,771	240,260	(493,746)	5,169,075
Increase in shareholders' contribution	2,423,401	-	-	-	-	-	2,423,401
Transfer to general banking risk reserve	-	83,817	(83,817)	-	-	-	-
Transfer from excessive NPL reserve	-	166,689	-	-	(166,689)	-	-
	11,074,469	(3,300,574)	73,985	164,771	73,571	(493,746)	7,592,476
Other comprehensive income	-	-	-	144,040	-	-	144,040
Currency translation reserve	-	-	-	-	-	(42,980)	(42,980)
Profit for the period	-	3,777	-	-	-	-	3,777
At 31 December 2020	11,074,469	(3,296,797)	73,985	308,811	73,571	(536,726)	7,697,313

STATEMENTS OF CHANGES IN EQUITY

For the six months ended 31 December 2021

The Company	Share capital & Contribution	Accumulated losses	Currency translation reserve	Total
	EUR	EUR	EUR	EUR
Period ended 31 December 2021				
Balance as at 1 July 2021 as restated	8,564,636	(398,897)	(63,145)	8,102,594
	8,564,636	(398,897)	(63,145)	8,102,594
Other comprehensive income	-	(193,390)	-	(193,390)
At 31 December 2021	8,564,636	(592,287)	(63,145)	7,909,204
 Period ended 31 December 2020				
Balance as at 1 July 2020 translated to EUR at the applicable rates of exchange	8,564,636	(200,927)	-	8,363,709
Effect of change in accounting policy	-	-	114,797	114,797
	8,564,636	(200,927)	114,797	8,478,506
Balance as at 1 July 2020 as restated	8,564,636	(200,927)	114,797	8,478,506
Other comprehensive income	-	(24,800)	-	(24,800)
At 31 December 2020	8,564,636	(225,727)	114,797	8,453,706

STATEMENTS OF CASH FLOWS

For the six months ended 31 December 2021

	The Group		The Company	
	31 Dec 2021	31 Dec 2020	31 Dec 2021	31 Dec 2020
	EUR	EUR	EUR	EUR
Cash flows (used in)/from operating activities				
Interest and commission received	2,324,956	1,574,000	134,360	189,905
Interest and commission paid	(477,315)	(1,273,797)	(148,878)	(209,902)
Cash payments to employees and suppliers	(1,327,764)	(163,372)	(61,953)	31,107
Cash flows (used in)/from operating activities before changes in operating assets and liabilities	519,877	136,831	(76,471)	11,110
Movement in finance lease and loans receivable	(9,922,180)	1,179,457	3,999	2,132
Movement in assets	250,545	13,266	261,234	23,921
Movement in amounts owed to banks and to customers	1,520,021	3,736,080	-	-
Net cash (used in)/from operating activities	(7,631,737)	5,065,635	188,761	37,163
Cash flows used in investing activities				
Purchase of property plant and equipment	(2,653)	(5,330)	-	-
Purchase of intangible assets	(136,363)	(37,463)	(105,760)	(37,463)
Net cash used in investing activities	(139,015)	(42,793)	(105,760)	(37,463)
Cash flows from/(used in) financing activities				
Amount received from subsidiary company	-	-	(82,690)	-
Proceeds from issue of convertible loan notes	-	-	-	-
Proceeds from shareholders' contribution	-	-	-	-
Net cash from/(used in) financing activities	-	-	(82,690)	-
Movement in cash and cash equivalents	(7,770,753)	5,022,842	(311)	(329)
Cash and cash equivalents at the beginning of the year	20,840,781	18,249,121	7,866	7,423
Cash and cash equivalents at the end of the year	13,070,028	23,271,963	8,176	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.