



## **AGRI HOLDINGS PLC – C57008**

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 4.11.13 of the Prospectus MTF Rules.

Quote

The Company hereby announces, that the Board of Directors has approved the Unaudited Interim Financial Statements of the Company for period ending 30<sup>th</sup> June 2022. The Unaudited Interim Financial Statements are attached herewith and are also available for viewing on the Company’s website:

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

A handwritten signature in black ink, appearing to read "D. Cassar", written over a horizontal line.

Desiree Cassar  
Company Secretary

25<sup>th</sup> August 2022

# **AGRIHOLDINGS PLC SIX MONTHLY AND TWELVE MONTHLY REPORT**

**JUNE 2022**

## **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 Frank J. Sekula, II (Chairman and Non-Executive Director)

Mr Victor Rizzo Giusti (Non-Executive Director)

Mr Stephen Muscat (Non-Executive Director)

Mr Patrick Heininger (Non-Executive Director)

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

## **INTERIM DIRECTORS' REPORT**

The board of directors are hereby presenting unaudited interim financial statements for 30<sup>th</sup> June 2022. 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 in Malta;
- Factoring services in the EU.;
- Lending to the agricultural sector in the United Kingdom; and
- Lending for renewable energy project development and real estate in Malta and in the EU.

During the twelve months 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.

The company and its subsidiary have changed the accounting reference period from June to December with the current financial period starting from 1 July 2021 and ending 31 December 2022. Subsequently, financial years will be from 1 January to 31 December.

## **PERFORMANCE REVIEW**

During the six months ending 30 June 2022, the Company registered a profit before taxation of EUR 62,483 versus a loss before taxation for the six months ending 30 June 2021 of EUR 99,535; and during the six months ending 30 June 2022, the Group registered a profit before taxation of EUR 328,231 versus a loss before taxation for the six months ending June 2021 of EUR 303,062.

During the twelve months ending 30 June 2022, the Company registered a profit before taxation of EUR 124,965 versus a loss before taxation for the twelve months ending 30 June 2021 of EUR 199,070. During the twelve months ending 30 June 2022, the Group registered a profit before taxation of EUR 628,771 versus a loss before taxation of EU 511,575 for twelve months ending 30 June 2021.

The directors consider that the ultimate beneficial owners changed on the 24th of June 2022 from Frank J. Sekula II who owned 100% of the Bank to Atilla Aytekin and Umut Akpinar who own 45% each indirect and beneficial interest in the Bank as at the reporting date.

## **RESULTS AND DIVIDENDS**

No interim dividend is being proposed.

## STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the six months ended 30 June 2022

	The Group		The Company	
	Period from 1 Jan 2022 to 30 Jun 2022 EUR	Period from 1 Jan 2021 to 30 Jun 2021 EUR	Period from 1 Jan 2022 to 30 Jun 2022 EUR	Period from 1 Jan 2021 to 30 Jun 2021 EUR
<b>Revenue</b>				
Interest income	636,557	698,961	41,048	41,956
Interest expense	(202,601)	(246,678)	(111,247)	(92,926)
<b>Net interest income</b>	<b>433,956</b>	<b>452,283</b>	<b>(70,199)</b>	<b>(50,970)</b>
Fee and commission income	1,557,639	573,617	86,783	90,269
Fee and commission expense	(392,935)	(179,089)	(4,453)	(4,421)
<b>Net fee and commission income</b>	<b>1,164,704</b>	<b>394,528</b>	<b>82,330</b>	<b>85,848</b>
<b>Net operating income before net impairment gains</b>	<b>1,598,660</b>	<b>846,811</b>	<b>12,131</b>	<b>34,878</b>
Net impairment (losses) / gains	13,897	(54,451)	-	-
<b>Net operating income</b>	<b>1,612,557</b>	<b>792,360</b>	<b>12,131</b>	<b>34,878</b>
Employee compensation and benefits	771,120	538,038	-	-
General administrative expenses	291,295	349,727	(100,382)	103,585
Amortisation of intangible assets	34,871	32,714	-	-
Depreciation of property, plant and equipment	62,015	43,648	50,030	30,828
Depreciation of right of use of assets	36,634	36,745	-	-
<b>Total expense</b>	<b>1,195,936</b>	<b>1,000,872</b>	<b>(50,351)</b>	<b>134,413</b>
<b>Profit / (Loss) before tax</b>	<b>416,621</b>	<b>(208,512)</b>	<b>62,482</b>	<b>(99,535)</b>
Income tax credit/(charge)	-	-	-	-
<b>Profit / (Loss) for the period</b>	<b>416,621</b>	<b>(208,512)</b>	<b>62,482</b>	<b>(99,535)</b>
<b>Other comprehensive (expense)/income</b>				
<b>Items that may be reclassified subsequently to profit or loss</b>				
Net (loss)/gain on debt investments measures at FVTOCI	(88,391)	(94,550)	-	-
<b>Other comprehensive (expense)/income for the period, net of tax</b>	<b>(88,391)</b>	<b>(94,550)</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive profit/(loss) for the period</b>	<b>328,231</b>	<b>(303,062)</b>	<b>62,483</b>	<b>(99,535)</b>

## STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the twelve months ended 30 June 2022

	The Group		The Company	
	Period from 1 Jul 2021 to 30 Jun 2022 EUR	Period from 1 Jul 2020 to 30 Jun 2021 EUR	Period from 1 Jul 2021 to 30 Jun 2022 EUR	Period from 1 Jul 2020 to 30 Jun 2021 EUR
<b>Revenue</b>				
Interest income	1,334,757	1,397,923	82,097	83,911
Interest expense	(419,055)	(493,356)	(222,494)	(185,852)
<b>Net interest income</b>	<b>915,702</b>	<b>904,566</b>	<b>(140,397)</b>	<b>(101,941)</b>
Fee and commission income	2,803,929	1,147,234	173,565	180,539
Fee and commission expense	(675,889)	(358,178)	(8,906)	(8,843)
<b>Net fee and commission income</b>	<b>2,128,039</b>	<b>789,056</b>	<b>164,659</b>	<b>171,696</b>
<b>Net operating income before net impairment gains</b>	<b>3,043,741</b>	<b>1,693,622</b>	<b>24,262</b>	<b>69,755</b>
Net impairment (losses) / gains	(16,594)	(108,903)	-	-
<b>Net operating income</b>	<b>3,027,147</b>	<b>1,584,719</b>	<b>24,262</b>	<b>69,755</b>
Employee compensation and benefits	1,388,433	1,076,076	-	-
General administrative expenses	652,625	699,454	(200,763)	207,170
Amortisation of intangible assets	72,457	65,428	-	-
Depreciation of property, plant and equipment	123,595	87,296	100,061	61,655
Depreciation of right of use of assets	72,875	73,490	-	-
<b>Total expense</b>	<b>2,309,986</b>	<b>2,001,744</b>	<b>(100,703)</b>	<b>268,825</b>
<b>Profit / (Loss) before tax</b>	<b>717,162</b>	<b>(417,025)</b>	<b>124,965</b>	<b>(199,070)</b>
Income tax credit/(charge)	-	-	-	-
<b>Profit / (Loss) for the period</b>	<b>717,162</b>	<b>(417,025)</b>	<b>124,965</b>	<b>(199,070)</b>
<b>Items that may be reclassified subsequently to profit or loss</b>				
Net (loss)/gain on debt investments measures at FVTOCI	(88,391)	(94,550)	-	-
<b>Other comprehensive(expense)/income for the period, net of tax</b>	<b>(88,391)</b>	<b>(94,550)</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive profit/(loss) for the period</b>	<b>628,771</b>	<b>511,575</b>	<b>124,965</b>	<b>(199,070)</b>

## STATEMENTS OF FINANCIAL POSITION

as at 30 June 2022

	The Group		The Company	
	Jun 2022 EUR	Jun 2021 EUR	Jun 2022 EUR	Jun 2021 EUR
<b>Assets</b>				
Balance with Central Bank of Malta, and cash and cash equivalents	11,496,435	22,015,640	7,941	7,866
Investments measured at amortised cost	196,129	198,947	-	-
Fair value through other comprehensive				
Income investments	2,343,221	2,446,548		
Finance lease receivable	5,589,325	8,955,441	-	-
Loans to customers	11,029,367	9,888,614	-	-
Factored receivables	23,545,781	2,858,954		
Right-of-use assets	34,433	107,308	-	-
Investment in subsidiary	-	-	10,840,466	10,840,466
Investment in subordinated bonds	-	-	1,684,000	1,684,000
Intangible assets	510,543	496,127	470,483	454,493
Property, plant and equipment	61,273	97,629	-	-
Assets held for realisation	234,181	253,060	-	-
Other assets	759,222	1,414,953	(6,260)	16,175
Prepayments and accrued income	472,785	352,258	203,694	161,297
<b>Total assets</b>	<b>56,272,696</b>	<b>49,085,479</b>	<b>13,200,323</b>	<b>13,164,297</b>
<b>Liabilities</b>				
Amounts owed to customers	46,143,105	38,098,003	-	-
Debt securities in issue	4,097,182	4,169,163	4,097,182	4,110,988
Other liabilities	389,207	1,335,515	635,327	401,228
Accruals	850,240	779,865	581,063	549,486
Lease Liabilities	12,194	89,533	-	-
<b>Total liabilities</b>	<b>51,491,928</b>	<b>44,472,079</b>	<b>5,313,572</b>	<b>5,061,702</b>
<b>Equity</b>				
Share capital	8,223,828	98,582	8,223,828	98,582
Shareholders' advances	234,004	8,700,058	-	8,466,054
General banking risk reserve	88,391	68,200	-	-
Fair Value Reserve	-	94,550	-	-
Excessive NPL Reserve	22,084	63,412	-	-
Currency Translation Reserve	(496,493)	(496,493)	(63,145)	(63,145)
Accumulated losses	(3,291,045)	(3,914,909)	(273,932)	(398,897)
<b>Total equity</b>	<b>4,780,769</b>	<b>4,613,400</b>	<b>7,886,751</b>	<b>8,102,594</b>
<b>Total liabilities and equity</b>	<b>56,272,697</b>	<b>49,085,479</b>	<b>13,200,323</b>	<b>13,164,297</b>

## STATEMENTS OF CHANGES IN EQUITY

For the twelve months ended 30 June 2022

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
<b>PERIOD ENDED 30 JUNE 2022</b>							
Balance as at 1 July 2021 as restated	8,798,640	(3,914,909)	68,200	94,550	63,412	(496,493)	4,613,400
Transfer to general banking reserve	-	-	20,191	-	-	-	20,191
Transfer from excessive NPL reserve	-	-	-	-	(41,328)	-	(41,328)
		<b>(3,914,909)</b>		<b>94,550</b>			
	<b>8,798,640</b>		<b>88,391</b>		<b>22,084</b>	<b>(496,493)</b>	<b>4,592,263</b>
Other comprehensive income	(340,808)	(93,298)	-	(94,550)	-	-	(528,656)
Currency translation reserve	-	-	-	-	-	-	-
Profit for the period	-	717,162	-	-	-	-	717,162
<b>At 30 June 2022</b>	<b>8,457,832</b>	<b>(3,291,045)</b>	<b>88,391</b>	<b>-</b>	<b>22,084</b>	<b>(496,493)</b>	<b>4,780,769</b>
<b>PERIOD ENDED 30 June 2021</b>							
Balance as at 1 July 2020 translated to EUR at the applicable rates of exchange	8,798,640	(3,497,884)	94,550	164,771	240,260	-	5,800,337
Effect of change in accounting policy	-	-	-	-	-	(493,746)	(493,746)
Balance as at 1 July 2020 as restated	<b>8,798,640</b>	<b>(3,497,884)</b>	<b>94,550</b>	<b>164,771</b>	<b>240,260</b>	<b>(493,746)</b>	<b>5,306,591</b>
Transfer from excessive NPL reserve	-	-	-	-	-	-	-
	8,798,640	(3,497,884)	94,550	164,771	240,260	(493,746)	5,306,591
Other comprehensive income	-	-	(26,350)	(70,221)	-	-	(96,571)
Currency translation reserve	-	-	-	-	(176,848)	(2,747)	(179,595)
Profit for the period	-	(417,025)	-	-	-	-	(417,025)
<b>At 30 June 2021</b>	<b>8,798,640</b>	<b>(3,914,909)</b>	<b>68,200</b>	<b>94,550</b>	<b>63,412</b>	<b>(496,493)</b>	<b>4,613,400</b>



## STATEMENTS OF CHANGES IN EQUITY

For the twelve months ended 30 June 2022

The Company

<b>Period Ended 30 June 2022</b>	<b>Share Capital and advance</b>	<b>Accumulated losses</b>	<b>General banking risk reserve</b>	<b>Revaluation Reserve</b>	<b>Excessive NPL reserve</b>	<b>Currency Translation Reserve</b>	<b>Total</b>
<b>At 1 July 2021</b>	<b>8,564,636</b>	<b>(398,897)</b>	-	-	-	<b>(63,145)</b>	<b>8,102,594</b>
Increase in shareholders' contribution	-	-	-	-	-	-	-
<b>Balance as at 1 July 2020 as restated</b>	<b>8,564,636</b>	<b>(398,897)</b>	-	-	-	<b>(63,145)</b>	<b>8,102,594</b>
Increase in shareholders' contribution	-	-	-	-	-	-	-
	<b>8,564,636</b>	<b>(199,827)</b>	-	-	-	<b>(63,145)</b>	<b>8,102,594</b>
Other comprehensive income	(340,808)	-	-	-	-	-	<b>(340,808)</b>
Gain / (Loss) for the period	-	124,965	-	-	-	-	<b>124,965</b>
<b>At 30 June 2022</b>	<b>8,223,828</b>	<b>(273,932)</b>	-	-	-	<b>(63,145)</b>	<b>7,886,751</b>
<b>Period Ended 30 June 2021</b>							
<b>At 1 July 2020</b>	<b>8,564,636</b>	<b>(199,827)</b>	-	-	-	<b>(63,145)</b>	<b>8,301,664</b>
Increase in shareholders' contribution	-	-	-	-	-	-	-
<b>Balance as at 1 July 2020 as restated</b>	<b>8,564,636</b>	<b>(199,827)</b>	-	-	-	<b>(63,145)</b>	<b>8,301,664</b>
Increase in shareholders' contribution	-	-	-	-	-	-	-
	<b>8,564,636</b>	<b>(199,827)</b>	-	-	-	<b>(63,145)</b>	<b>8,301,664</b>

Other comprehensive income	-	-	-	-	-	-	-
Gain / (Loss) for the period	-	(199,070)	-	-	-	-	<b>199,070</b>
<b>At 30 June 2021</b>	<b>8,564,636</b>	<b>(398,897)</b>	-	-	-	<b>(63,145)</b>	<b>8,102,594</b>

## STATEMENTS OF CASH FLOWS

For the six months ended 30 June 2022

	The Group		The Company	
	1 Jan 2022 to 30 Jun 2022	1 Jan 2021 to 30 Jun 2021	1 Jan 2022 to 30 Jun 2022	1 Jan 2021 to 30 Jun 2021
	EUR	EUR	EUR	EUR
<b>Cash flows (used in)/from operating activities</b>				
Interest and commission received	1,087,564	1,250,122	126,422	(363,100)
Interest and commission paid	(52,095)	(1,898,995)	(92,331)	209,341
Cash payments to employees and suppliers	(56,322)	828,854	(8,914)	14,293
<b>Cash flows (used in)/from operating activities before changes in operating assets and liabilities</b>	<b>979,147</b>	<b>179,981</b>	<b>25,174</b>	<b>(139,466)</b>
Movement in finance lease and loans receivable	(8,852,998)	(4,659,463)	(4,985)	8,026
Movement in assets	34,545	331,011	23,934	318,198
Movement in amounts owed to banks and to customers	6,387,550	5,556,853	-	-
<b>Net cash (used in)/from operating activities</b>	<b>(1,451,678)</b>	<b>1,408,381</b>	<b>44,123</b>	<b>186,758</b>
<b>Cash flows used in investing activities</b>				
Purchase of property plant and equipment	(19,224)	(11,253)	-	-
Purchase of intangible assets	(16,103)	(171,891)	(16,103)	(186,649)
<b>Net cash used in investing activities</b>	<b>(35,327)</b>	<b>(183,144)</b>	<b>(16,103)</b>	<b>(186,649)</b>
<b>Cash flows from/(used in) financing activities</b>				
Amount received from subsidiary company	-	-	(28,255)	-
Proceeds from shareholders' contribution	-	-	-	-
<b>Net cash from/(used in) financing activities</b>	<b>-</b>	<b>261,189</b>	<b>(28,255)</b>	<b>-</b>
<b>Movement in cash and cash equivalents</b>	<b>(1,487,005)</b>	<b>1,486,425</b>	<b>(235)</b>	<b>109</b>
Cash and cash equivalents at the beginning of the period	13,061,851	18,256,874	8,176	7,757
<b>Cash and cash equivalents at the end of the period</b>	<b>11,574,846</b>	<b>19,743,299</b>	<b>7,941</b>	<b>7,866</b>

## STATEMENTS OF CASH FLOWS

For the twelve months ended 30 June 2022

	The Group		The Company	
	1 Jul 2021 to 30 Jun 2022  EUR	1 Jul 2020 to 30 Jun 2021  EUR	1 Jul 2021 to 30 Jun 2022  EUR	1 Jul 2020 to 30 Jun 2021  EUR
<b>Cash flows (used in)/from operating activities</b>				
Interest and commission received	2,732,226	1,343,396	(122,952)	(173,195)
Interest and commission paid	(316,431)	(1,838,879)	142,522	175,901
Cash payments to employees and suppliers	(1,314,527)	108,797	(70,867)	(132,088)
<b>Cash flows (used in)/from operating activities before changes in operating assets and liabilities</b>	<b>1,101,268</b>	<b>(386,685)</b>	<b>(51,298)</b>	<b>(129,382)</b>
Movement in finance lease and loans receivable	(18,682,220)	(5,620,668)	(986)	10,158
Movement in assets	285,168	344,277	285,168	343,445
Movement in amounts owed to banks and to customers	7,907,571	6,180,782	-	-
<b>Net cash (used in)/from operating activities</b>	<b>(9,388,213)</b>	<b>517,706</b>	<b>232,884</b>	<b>224,221</b>
<b>Cash flows used in investing activities</b>				
Purchase of property plant and equipment	(21,876)	(11,253)	-	-
Purchase of intangible assets	(152,466)	(224,112)	(121,863)	(224,112)
<b>Net cash used in investing activities</b>	<b>(174,342)</b>	<b>(235,365)</b>	<b>(121,863)</b>	<b>(224,112)</b>
<b>Cash flows from/(used in) financing activities</b>				
Amount received from subsidiary company	-	-	(110,946)	-
Proceeds from shareholders' contribution	-	-	-	-
<b>Net cash from/(used in) financing activities</b>	<b>-</b>	<b>84,727</b>	<b>(110,946)</b>	<b>-</b>
<b>Movement in cash and cash equivalents</b>	<b>(9,562,555)</b>	<b>367,067</b>	<b>75</b>	<b>109</b>
Cash and cash equivalents at the beginning of the period	20,840,777	18,256,878	7,866	7,757
<b>Cash and cash equivalents at the end of the period</b>	<b>11,278,222</b>	<b>18,623,946</b>	<b>7,941</b>	<b>7,866</b>

## **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.