

HUDSON MALTA PLC

Condensed interim financial statements (unaudited)

For the period 1 January 2024 to 29 February 2024

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Interim directors' report

This Condensed Interim Report is being published in terms of Article 199 of Maltese Companies Act (Chapter 386 of the laws of Malta). The condensed interim financial information included in this report has been extracted from the Company's unaudited financial information for the period ending 29 February 2024. In accordance with the terms of Article 199 of Maltese Companies Act (Chapter 386 of the laws of Malta), this interim report has not been audited or reviewed by the Company's independent auditors.

Principal activities

Hudson Malta p.l.c. (the "Company") holds an investment in Hudson Malta Sales Ltd ("HMS") which operates retail stores in Malta. In 2018, the Company raised €12m from a public Bond issue for the main purpose of financing the retail expansion in Malta and overseas of the Hudson Group. The money raised was loaned to HMS, to its parent company Hudson Holdings Limited and a sister company also falling part of the Hudson Group. The Company earns interest from these loans.

Review of the business

During the period ended 29 February 2024, the Company reported a profit after tax of €5,926,985 (February 2023: €26,120) which is mainly attributable to an interim dividend distribution declared by HMS on 28th February 2024 amounting to €5.9 million.

As at 29 February 2024, the Company had a working capital position of €7,118,776 which is an increase of €5,931,751 when compared to last year. This is mainly attributable to the dividend receivable from HMS.

Dividend

The Board proposes an interim dividend distribution of €5.9 million, which proposed dividend has not been reflected in these Financial Statements. Had it been so reflected then the total equity would have reduced from €28.6m to €22.7m.

Directors' Statement

We hereby confirm, to the best of our knowledge:

- That the condensed interim financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the financial position of the Company as at 29 February 2024, and of its financial performance and its cash flows for period then ended and;
- The Interim Directors' Report includes a fair view of the information required in terms of Article 199 of Maltese Companies Act (Chapter 386 of the laws of Malta).

Signed on behalf of the Board of Directors,


Alfred Borg
Director


Christopher Muscat
Director

Registered office:
Hudson House
Burmarrad Road, Burmarrad
St. Paul's Bay SPB 9060, Malta

26th March 2024

Statement of financial position

	Note	As at 29 February 2024 Unaudited €	As at 31 December 2023 Unaudited €
ASSETS			
Non-current assets			
Investments in subsidiaries	5	22,400,000	22,400,000
Financial assets at amortised cost		11,032,470	11,032,470
Total non-current assets		33,432,470	33,432,470
Current assets			
Trade and other receivables		7,278,255	1,252,761
Current tax assets		36,281	45,795
Cash and cash equivalents		374,204	370,751
Total current assets		7,688,740	1,669,307
Total assets		41,121,210	35,101,777

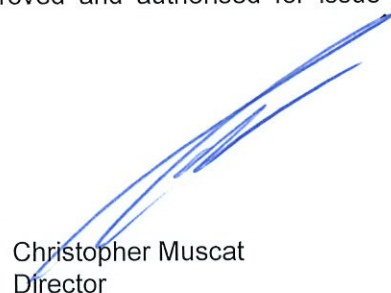
Statement of financial position - continued

	As at 29 February 2024	As at 31 December 2023
Note	Unaudited €	Unaudited €
EQUITY AND LIABILITIES		
Capital and reserves		
Share capital	22,450,000	22,450,000
Retained earnings	6,160,800	233,815
Total equity	28,610,800	22,683,815
Non-current liabilities		
Borrowings	4 11,940,446	11,935,680
Total non-current liabilities	11,940,446	11,935,680
Current liabilities		
Trade and other payables	569,964	482,282
Total current liabilities	569,964	482,282
Total liabilities	12,510,410	12,417,962
Total equity and liabilities	41,121,210	35,101,777

The notes on pages 7 to 9 are an integral part of these financial statements.

The financial statements on pages 2 to 9 were approved and authorised for issue by the Board on 26th March 2024 and were signed on its behalf by:


Alfred Borg
Director


Christopher Muscat
Director

Statement of comprehensive income

	Period from 1 January to 29 Feb 2024 Unaudited €	Period from 1 January to 28 Feb 2023 Unaudited €
Operation and administrative expenses	(3,277)	(4,142)
Operating loss	(3,277)	(4,142)
Income from investment in subsidiary	9,076,923	-
Finance income	117,262	117,262
Finance costs	(87,000)	(87,000)
Profit before tax	9,103,908	26,120
Income tax expense	(3,176,923)	-
Profit for the period – total comprehensive income	5,926,985	26,120

The notes on pages 7 to 9 are an integral part of these financial statements.

Statement of changes in equity

	Share capital €	Retained earnings €	Total €
Balance as at 1 January 2023	22,450,000	123,907	22,573,907
Comprehensive income			
Profit for the period	-	26,120	26,120
Balance as at 28 February 2023	22,450,000	150,027	22,600,027
Balance as at 1 January 2024	22,450,000	233,815	22,683,815
Comprehensive income			
Profit for the period	-	5,926,985	5,926,985
Balance as at 29 February 2024	22,450,000	6,160,800	28,610,800

The notes on pages 7 to 9 are an integral part of these financial statements.

Statement of cash flows

	Period from 1 January to 29 Feb 2024 Unaudited €	Period from 1 January to 28 Feb 2023 Unaudited €
Cash flows generated from / (used in) operating activities		
Cash used in operations	(36,322)	(53,152)
Interest received	117,262	117,262
Income tax refund	9,513	-
Interest paid on borrowings	(87,000)	(87,000)
Net cash generated from / (used in) operating activities	3,453	(22,890)
Cash flows used in financing activities		
Financing provided to group companies	-	(936,445)
Net cash used in financing activities	-	(936,445)
Net movement in cash and cash equivalents	3,453	(959,335)
Cash and cash equivalents at the beginning of the period	370,751	2,105,901
Cash and cash equivalents at the end of the period	374,203	1,146,564

The notes on pages 7 to 9 are an integral part of these financial statements.

Selected explanatory notes to the Condensed Interim Financial Statements

1. General information

The principal activity of Hudson Malta p.l.c (the "Company") is to own the entities operating the retail stores in Malta for the Hudson Holdings Limited group (the "Hudson Group"), of which the Company is a fully owned subsidiary.

2. Basis of preparation

The principal accounting policies applied in the preparation of these financial statements are set out below.

The condensed interim financial information as at and for the two-month period ended 29 February 2024 has been prepared in accordance with International Financial Reporting Standards as adopted by the EU applicable to interim financial reporting (International Accounting Standard 34, 'Interim Financial Reporting'). These financial statements have not been audited nor reviewed by the Company's independent auditors. The condensed interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2023, which have been prepared in accordance with IFRSs as adopted by the EU.

The accounting policies used in the preparation of the condensed interim financial statements are consistent with those of the annual financial statements of Hudson Malta p.l.c. for the year ended 31 December 2023, as described in those financial statements.

New and amended standards adopted by the Company

A number of amended standards became applicable for the current reporting period. There is no impact on the adoption of these revisions on the Company's accounting policies and on the Company's financial results.

Impact of standards issued but not yet applied by the Company

Certain amendments and interpretations to existing standards have been published by the date of authorisation for issue of these financial statements but are not mandatory for the Company's accounting periods beginning after 1 January 2024.

The Company has not early adopted these revisions to the requirements of IFRSs as adopted by the EU, and the Company's Directors are of the opinion that there are no requirements that will have a possible significant impact on the Company's financial statements in the period of initial application.

3. Fair values of financial instruments

The Company is required to disclose fair value measurements by level of a fair value measurement hierarchy for financial instruments (Level 1, 2 or 3). The different levels of the fair value hierarchy are defined as fair value measurements using:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly i.e. as prices, or indirectly i.e. derived from prices (Level 2).
- Inputs for the asset or liability that are not based on observable market data i.e. unobservable inputs (Level 3).

At 29 February 2024 and 31 December 2023, the carrying amounts of financial instruments not carried at fair value comprising cash at bank, receivables, borrowings, payables and accrued expenses reflected in the financial statements are reasonable estimates of fair value in view of the nature of these instruments or the relatively short period of time between the origination of the instruments and their expected realization.

The fair value of non-current financial instruments for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Company for similar financial instruments.

4. Borrowings

	As at 29 Feb 2024 € Unaudited	As at 31 December 2023 € Unaudited
Non-current (4.35%) bonds 2026	11,940,446	11,935,680
Total borrowings	11,940,446	11,935,680

The bond is measured at the amount of the net proceeds adjusted for the amortisation of the difference between the net proceeds and the redemption value of such bond, using the effective interest rate as set out below:

	As at 29 Feb 2024 € Unaudited	As at 31 December 2023 € Unaudited
Face Value (4.35%) bonds 2026	12,000,000	12,000,000
Bond Issue Costs	(228,745)	(228,745)
Accumulated Amortisation	169,191	164,425
Closing net book value	59,554	64,320
Amortised costs as 29 February 2024	11,940,446	11,935,680

5. Investments in subsidiaries

The subsidiaries as at 29 February 2024 are shown below. Unless otherwise stated, they have share capital consisting solely of ordinary shares.

Subsidiary	Voting rights held by the Company 2024	Interest held by the Company 2024
Hudson Malta Sales Ltd	100.0%	100.0%

The registered office of the subsidiary is *Hudson House, Burmarrad Road, Burmarrad, St Paul's Bay SPB 9060, Malta*.

6. Related party transactions

The Company is a wholly owned subsidiary of Hudson Holdings Limited, the registered office of which is situated at Hudson House, Burmarrad Road, Burmarrad, St Paul's Bay SPB 9060, Malta.

The Company has related party transactions with its ultimate parent company and entities controlled by it in the normal course of business.

The following transactions were entered into with related parties during the financial reporting period:

	Group	
	Period from 1 January to 29 Feb 2024 Unaudited €	Period from 1 January to 28 Feb 2023 Unaudited €
Revenue		
Dividend income	5,900,000	-
Interest income - related parties	117,262	117,262