



19-25, Conservatory Street, Floriana, Malta
Company Registration Number C89431
(the "Company")

Company Announcement

The following is a company announcement issued by FES Finance p.l.c. ("FES" or the "Company") pursuant to Rule 4.11.12 of the Prospects Rules.

Quote

Approval and Publication of Interim Financial Statements

The Company hereby announces that during the meeting of its Board of Directors held on Wednesday 28th August 2019, the Company's interim financial statements for the financial period ended 30th June 2019 were approved.

Copies of the aforesaid interim financial statements are attached to this announcement and are also available for viewing and download on the following link on the Company's website:

<https://fes.com.mt/news/fes-finance-plc-half-year-interim-financial-statements-2019>

The Board of Directors resolved not to declare an interim dividend

Unquote

A handwritten signature in blue ink, consisting of a series of loops and a long horizontal stroke extending to the right.

Dr Reuben Debono

Company Secretary

28 August 2019

FES Finance p.l.c.
Half-yearly financial report
30th June 2019

FES Finance p.l.c.
Interim Financial Statements (unaudited)
for the period 15 November 2018 to 30 June 2019

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FES Finance p.l.c.
Directors' Report pursuant to Prospects Rule 4.11.12
for the period 15 November 2018 to 30 June 2019

This Half-Yearly Report is being published in terms of Chapter 4 of the Prospects Rules of the Malta Stock Exchange and the Prevention of Financial Markets Abuse Act, 2005. The Half-Yearly Report comprises the unaudited interim financial statements for the period 15 November 2018 (being the date of incorporation) to 30 June 2019 prepared in accordance with IAS 34, 'Interim Financial Reporting'. In accordance with the terms of Prospects Rules 4.11.12 the interim report has not been audited or reviewed by the Company's independent auditors.

Principal activities

The principal activity of FES Finance p.l.c. (the company) is to carry on the business of a finance company, principally by advancing the capital raised to its parent company, FES Projects Limited, when and as required.

Performance Review

During the period under review the company generated finance income amounting to €73,487 from a loan advanced to its parent company, while accrued interest on Bonds amounted to €71,233 for the period ending 30 June 2019. The company's profit before tax amounted to €4,663.

The bond holders are due to receive their first annual interest payment on the 18th March 2020.

The Directors expect the present level of activity to be sustained in the foreseeable future.

Dividends

No interim dividends are being proposed as at the date of this report.

These interim Financial Statements have been approved by the Board of Directors on the 28th of August 2019.



Christopher Vella
Director

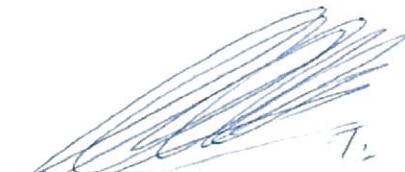


Reuben Debono
Director

Registered address:
19, Conservatory Street
Floriana, FRN 1521
Malta

FES Finance p.l.c.
Directors' Statement

At the best of our knowledge, we confirm that the Interim financial statements, which have been prepared in accordance with IAS 34 'Interim Financial Reporting' give a true and fair view of the assets, liabilities, financial position and profit of FES Finance p.l.c. as at 30 June 2019 and the interim Directors' report comprises a fair view of the information required in terms of Prospect Rule 4.11.12.



Christopher Vella
Director

Date: 28 August 2019



Reuben Debono
Director

Date: 28 August 2019

FES Finance p.l.c.
Statement of Comprehensive Income
For the period 15 November 2018 to 30 June 2019

	Period 15 November 2018 to 30 June 2019
	€
Finance income (Note 2)	73,487
Finance cost (Note 3)	(71,233)
Net interest income	<u>2,254</u>
Other Income	11,397
Administration Expenses	(8,988)
Profit before Tax	<u>4,663</u>
Income Taxation	<u>(1,632)</u>
Profit for the period	<u>3,031</u>
Comprehensive Income for the Period	<u>3,031</u>

FES Finance p.l.c.
Statement of Financial Position
As at 30 June 2019

	As at 30th June 2018 (unaudited) €
Assets	
Non-Current Assets	
Loan receivable (note 4)	3,558,023
Current assets	
Cash and cash equivalents	1,404,845
Trade and other receivables	102,498
	<u>1,507,343</u>
Total Assets	<u>5,065,366</u>
Equity and Liabilities	
Capital and Reserves	
Called up and issued share capital	50,000
Retained earnings	3,031
	<u>53,031</u>
Non-current Liabilities	
Borrowings	4,932,838
Current Liabilities	
Trade and Other Payables	6,632
Taxation due	1,632
Accruals	71,233
	<u>79,497</u>
Total Equity and Liabilities	<u>5,065,366</u>

The Notes on pages 7 and 8 form an integral part of these financial statements.

The financial statements on pages 3 to 8 were authorised for Issue by the Board of Directors on the 28th of August 2019, and signed on its behalf by:



Christopher Vella
Director



Reuben Debono
Director

FES Finance p.l.c.
Statement of Changes in equity
As at 30 June 2019

	Share Capital	Retained	Total Equity
	€	Earnings	€
		€	€
15 November 2018	-	-	-
Issue of Share Capital	50,000	-	50,000
Profit for the period	-	3,031	3,031
Balance as at 30th June 2019	50,000	3,031	53,031

FES Finance p.l.c.
Statement of Cash flows
For the period 15 November 2018 to 30 June 2019

	15 November 2018 to 30 June 2019 €
Operating Activities	
Operating Profit for the Period	4,663
Add back	
Amortisation expenses	1,970
Working capital Changes:	
Changes in trade and other receivables	(102,498)
Changes in trade and other payables	77,865
	<hr/>
Net cash used in Operating Activities	(18,000)
	<hr/>
Investing Activities	
Loan advanced to Parent Company	(3,558,023)
	<hr/>
Net Cash used in Investment Activities	(3,558,023)
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Financing Activities	
Proceeds from Issue of Shares	50,000
Net proceeds from Issue of Bonds	4,930,868
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Net Cash from Financing Activities	4,980,868
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Net movements in cash and cash equivalents	1,404,845
Opening Cash and Cash Equivalents	-
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Closing Cash and Cash Equivalents	1,404,845
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FES Finance p.l.c.
Notes to the Interim Financial Statements
For the period ended June 2019

1. Basis of preparation

1.1 Statement of compliance

The interim financial information for the period ended 30 June 2019 has been prepared in accordance with IAS 34 "Interim Financial Reporting".

The interim financial statements do not include all the information and disclosures required in the annual financial statements. The first official Financial Statements will be issued as at 31 December 2019, which will be prepared in accordance with International Financial Reporting Standards as adopted by the EU.

1.2 Basis of measurement

The financial statements are prepared on a historical cost basis

2. Finance Income

30 June 2019
(unaudited)
€

Interest receivable on loan due from parent
company

73,487

3. Finance cost

30 June 2019
(unaudited)
€

Interest payable on bonds

71,233

FES Finance p.l.c.
Notes to the Interim Financial Statements
For the period ended June 2019

4. Loan receivable	30 June 2019 (unaudited) €
Loan receivable from parent company	<u>3,558,023</u>
5. Borrowings	30 June 2019 (unaudited) €
5% Secured Bonds 2029	4,932,838
Bond Outstanding at face value	<u>5,000,000</u>
Amortisation of gross amount of bond issue costs	
Gross amount of bond issue costs	(69,132)
Amortisation charge for the year	<u>1,970</u>
Unamortised bond issue costs	<u>(67,162)</u>
Amortised cost and closing carrying amount	<u>4,932,838</u>

The following is an extract of the minutes of a meeting of the Board of Directors of FES Operations Limited, hereinafter referred to as the Company held at 19-23, Conservatory Street, Floriana.

The meeting was informed that the Company was considering whether to operate its bank accounts with Bank of Valletta p.l.c. (hereinafter the "Bank") and whether to otherwise deal with the Bank via the Bank's alternative delivery channels that may currently be accessed through internet, fixed line telephony and mobile telephony.

At the meeting there were tabled a copy of the Important Information and Terms and Conditions of Use of the said delivery channels.

It was resolved to approve all the said documents which were duly approved by the Board in their form and content.

It was further resolved:

(1) to apply to operate the following bank account/s with the Bank
Account nos:
40024385884 - FES Operations Limited A/C Santa Cruz Collection
40035901681 - FES Operations Limited A/C SC Expense
40025901717 - FES Operations Limited A/C EGH Collection
40025901720 - FES Operations Limited A/C EGH Expense

and to otherwise deal with the Bank via the Bank's alternative delivery channels that may currently be accessed through internet, fixed line telephony and mobiletelephony;

(2) that Mr. Christopher Vella of identity card number 31286M, be duly authorised and empowered to represent the Company and to sign and execute the relative application form as well as any other document that may be necessary in this respect and to bind the Company thereby;

(3) that the said Mr. Christopher Vella be duly appointed system administrator with the power to appoint any other users as may be indicated in the appropriate board resolution from time to time and to withdraw such appointment and/or limit the powers and authorities of any such other users in any manner the System Administrator shall deem fit;

(4) that the powers and authorities granted by the Company to the said Mr. Christopher Vella as system administrator shall be unlimited save in so far as any limitation applies to the Company itself; and are and shall remain continuing

and binding on the Company until such date as the Company shall have notified and the Bank received due notification of their amendment or revocation;

(5) that any changes to the persons appointed as system administrator or other users shall have no effect until such date as the Company shall have notified and the Bank received due notification of such changes;

(6) that this resolution shall not in any way effect any instructions of the Company given to the Bank regarding the operation and management of the Company's affairs other than via the Bank's alternative delivery channels and that such other instructions shall remain continuing and binding on the Company until such date as the Company shall have notified and the Bank received specific notification of their amendment or revocation.

A true and faithful extract taken from the minute book of the Company on this the



Reuben Debono
Director



Reuben Debono
Company Secretary

The following is an extract of the minutes of a meeting of the Board of Directors of FES Operations Limited, hereinafter referred to as the Company, held at 19-23, Conservatory Street, Floriana, this the 22nd August, 2019.

The meeting was informed that the Company was operating its bank accounts with Bank of Valletta p.l.c. (hereinafter the "Bank") and otherwise dealing with the Bank via the Bank's alternative delivery channels that may currently be accessed through internet, fixed line telephony and mobile telephony.

At the meeting there were tabled a copy of the Important Information and Terms and Conditions of Use of the said delivery channels.

It was resolved to approve all the said documents which were duly approved by the Board in their form and content.

The meeting was further informed of the resignation of Mr. Edward Engerer of identity card number 515687M from the position of Finance Executive of the Company.

It was hence further resolved:

- (1) to terminate the said Mr. Edward Engerer of identity card number 515687M 's authorisation to operate the following bank account/s with the Bank Account nos:

40025901681 - FES Operations SC Expenses
40024385884 - FES Operations SC Collections

and to terminate the said Mr. Edward Engerer's authorisation to otherwise deal with the Bank via the Bank's alternative delivery channels that may currently be accessed through internet, fixed line telephony and mobiletelephony;

- (2) that the said Mr. Edward Engerer shall no longer be duly authorised and empowered to represent the Company and to sign and execute the relative application form as well as any other document that may be necessary in this respect and to bind the Company thereby;

- (3) that the said Mr. Edward Engerer shall no longer be duly appointed system administrator with the power to appoint any other users as may be indicated in the appropriate board resolution from time to time and to withdraw such appointment and/or limit the powers and authorities of any such other users in any manner the System Administrator shall deem fit;

(4) that the powers and authorities granted by the Company to the said Mr. Edward Engerer as system administrator which be unlimited save in so far as any limitation applies to the Company itself shall no longer apply; and are and shall no longer remain continuing and binding on the Company as of Tuesday 20th August 2019;

(5) that any changes to the persons appointed as system administrator or other users shall have no effect until such date as the Company shall have notified and the Bank received due notification of such changes;

(6) that this resolution shall not in any way effect any instructions of the Company given to the Bank regarding the operation and management of the Company's affairs other than via the Bank's alternative delivery channels and that such other instructions shall remain continuing and binding on the Company until such date as the Company shall have notified and the Bank received specific notification of their amendment or revocation.

A true and faithful extract taken from the minute book of the Company on this the



Reuben Debono
Director



Reuben Debono
Company Secretary