



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.

The Company hereby announces that during the meeting of its Board of Directors held on Tuesday 18<sup>th</sup> August 2020, the Company’s interim financial statements for the six-month financial period ended 30<sup>th</sup> June 2020 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/>

The Board of Directors resolved not to declare an interim dividend

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

18 August 2020

**FES Finance p.l.c.**  
**Condensed Interim Financial Statements (unaudited)**  
**for the period 1 January 2020 to 30 June 2020**

---

**Contents**

|   | Page   |
|---|--------|
| Directors' Report pursuant to Prospectus Rule 4.11.12 | 1      |
| Directors' statement                                  | 2      |
| Condensed interim statement of comprehensive income   | 3      |
| Condensed interim statement of financial position     | 4      |
| Condensed interim statement of changes in equity      | 5      |
| Condensed interim statement of cash flows             | 6      |
| Notes to the condensed interim financial statements   | 7 to 8 |

**FES Finance p.l.c.**  
**Directors' Report pursuant to Prospectus Rule 4.11.12**  
**for the period 1 January 2020 to 30 June 2020**

---

This Half-Yearly Report is being published in terms of Chapter 4 of the Prospectus 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 1 January 2020 to 30 June 2020 prepared in accordance with IAS 34, 'Interim Financial Reporting'. In accordance with the terms of Prospectus 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 €131,008 from a loan advanced to its parent company, while accrued interest on Bonds amounted to €125,000 for the period ending 30 June 2020. The company's profit before tax amounted to €2,180.


Interest was paid to the bondholders on 18 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 condensed interim financial statements have been approved by the Board of Directors on 18 August 2020.



Christopher Vella  
**Director**

Registered address:  
19-23, Conservatory  
Street  
Floriana, FRN 1521  
Malta

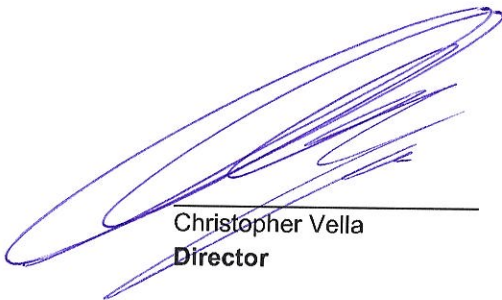


Dr. Edward Woods  
**Director**

**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 2020 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: 18 August 2020



Dr. Edward Woods  
**Director**

Date: 18 August 2020

**FES Finance p.l.c.**  
**Condensed interim statement of comprehensive income**  
**For the period 1 January 2020 to 30 June 2020**

|  | <b>Period 1<br/>January<br/>2020 to 30<br/>June 2020<br/>€</b> | <b>Period 1<br/>January<br/>2019 to<br/>June 2019<br/>€</b> |
|--|--|---|
| Finance income (Note 2)                    | 131,008  | 73,487  |
| Finance cost (Note 3)                      | (125,000)  | (71,233)  |
| Net interest income                        | 6,008  | 2,254   |
| Other Income                               | 30,000   | 11,397  |
| Administration Expenses                    | (33,828)   | (8,988)   |
| <b>Profit before Tax</b>                   | <b>2,180</b>   | <b>4,663</b>  |
| Income Taxation                            | (763)  | (1,632)   |
| <b>Profit for the period</b>               | <b>1,417</b>   | <b>3,031</b>  |
| <b>Comprehensive Income for the Period</b> | <b>1,417</b>   | <b>3,031</b>  |


**FES Finance p.l.c.**  
**Condensed interim statement of financial position**  
**As at 30 June 2020**

|  | As at 30th<br>June 2020<br>(unaudited)<br>€ | As at 31st<br>December<br>2019<br>(audited)<br>€ |
|--|---|--|
| <b>Assets</b>                                      |   |  |
| <b>Non-Current Assets</b>                          |   |  |
| Loan receivable (note 4)                           | 4,752,662                                   | 4,123,011  |
| <b>Current assets</b>                              |   |  |
| Cash and cash equivalents                          | 213,517                                     | 775,246  |
| Trade and other receivables                        | 116,746                                     | 258,830  |
|  | <u>330,263</u>                              | <u>1,034,076</u>                                 |
|  | <b><u>5,082,925</u></b>                     | <b><u>5,157,087</u></b>                          |
| <b>Equity and Liabilities Capital and Reserves</b> |   |  |
| Called up and issued share capital                 | 50,000                                      | 50,000   |
| Retained earnings                                  | 1,838                                       | 421  |
|  | <u>51,838</u>                               | <u>50,421</u>                                    |
| <b>Non-current Liabilities</b>                     |   |  |
| Borrowings   | 4,910,738                                   | 4,905,615  |
| <b>Current Liabilities</b>                         |   |  |
| Trade and Other Payables                           | 119,359                                     | 200,824  |
| Taxation due                                       | 990   | 227  |
|  | <u>120,349</u>                              | <u>201,051</u>                                   |
| <b>Total Equity and Liabilities</b>                | <b><u>5,082,925</u></b>                     | <b><u>5,157,087</u></b>                          |

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

The financial statements on pages 3 to 8 were approved and authorised for issue by the Board of Directors on 18 August 2020, and signed on its behalf by:

  
 \_\_\_\_\_  
 Christopher Vella  
 Director

  
 \_\_\_\_\_  
 Dr. Edward Woods  
 Director

**FES Finance p.l.c.**  
**Condensed interim statement of changes in equity**  
**For the period 1 January 2020 to 30 June 2020**

|                                   | <b>Share<br/>Capital</b> | <b>Retained<br/>Earnings</b> | <b>Total<br/>Equity</b> |
|-----------------------------------|--------------------------|------------------------------|-------------------------|
|                                   | €                        | €                            | €                       |
| 1 January 2019                    | 50,000                   | -                            | 50,000                  |
| Profit for the period             | -                        | 3,031                        | 3,031                   |
| <b>Balance as at 30 June 2019</b> | <b>50,000</b>            | <b>3,031</b>                 | <b>53,031</b>           |
|                                   | <b>Share<br/>Capital</b> | <b>Retained<br/>Earnings</b> | <b>Total<br/>Equity</b> |
|                                   | €                        | €                            | €                       |
| 1 January 2020                    | 50,000                   | 421                          | 50,421                  |
| Profit for the period             | -                        | 1,417                        | 1,417                   |
| <b>Balance as at 30 June 2020</b> | <b>50,000</b>            | <b>1,838</b>                 | <b>51,838</b>           |

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

**FES Finance p.l.c.**  
**Condensed interim statement of cash flows**  
**For the period 1 January 2020 to 30 June 2020**

---

|  | <b>1 January 2020<br/>to 30 June<br/>2020<br/>€</b> | <b>1 January 2019<br/>to 30 June<br/>2019<br/>€</b> |
|--|---|---|
| <b>Net cash generated/(used) in Operating Activities</b> | <b>317,922</b>                                      | <b>(18,000)</b>                                     |
| <b>Net Cash used in Investment Activities</b>            | <b>(629,651)</b>                                    | <b>(3,558,023)</b>                                  |
| <b>Net Cash (used)/from Financing Activities</b>         | <b>(250,000)</b>                                    | <b>4,980,868</b>                                    |
| <b>Net movements in cash and cash equivalents</b>        | <b>(561,729)</b>                                    | <b>1,404,845</b>                                    |
| <b>Opening Cash and Cash Equivalents</b>                 | <b>775,246</b>                                      | <b>-</b>  |
| <b>Closing Cash and Cash Equivalents</b>                 | <b>213,517</b>                                      | <b>1,404,845</b>                                    |



**FES Finance p.l.c.**  
**Notes to the condensed interim financial statements**  
**For the period 1 January 2020 to 30 June 2020**

---

**Basis of preparation**

**1.1 Statement of compliance**

The interim financial information for the period ended 30 June 2020 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 were 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

| <b>2. Finance income</b>                            | <b>Period<br/>ending 30<br/>June 2020<br/>(unaudited)</b> | <b>Period<br/>ending 30<br/>June 2019<br/>(unaudited)</b> |
|---|---|---|
|   | <b>€</b>  | <b>€</b>  |
| Interest receivable on loan due from parent company | 131,008   | 73,487  |

| <b>3. Finance cost</b>    | <b>Period<br/>ending 30<br/>June 2020<br/>(unaudited)</b> | <b>Period<br/>ending 30<br/>June 2019<br/>(unaudited)</b> |
|---------------------------|---|---|
|                           | <b>€</b>  | <b>€</b>  |
| Interest payable on bonds | 125,000   | 71,233  |

FES Finance p.l.c.  
Notes to the condensed interim financial statements  
For the period 1 January 2020 to 30 June 2020

| <b>4. Loan receivable</b>                               | <b>30 June 2020</b> | <b>31 December 2019</b> |
|---|---------------------|-------------------------|
|   | <b>(unaudited)</b>  | <b>(audited)</b>        |
|   | <b>€</b>            | <b>€</b>                |
| Loan receivable from parent company                     | 4,752,662           | 4,123,011               |
| <br>  |                     |                         |
| <b>5. Borrowings</b>                                    | <b>30 June 2020</b> | <b>31 December 2019</b> |
|   | <b>(unaudited)</b>  | <b>(audited)</b>        |
|   | <b>€</b>            | <b>€</b>                |
| 5% Secured Bonds 2029                                   | 4,910,740           | 4,905,615               |
| <br>  |                     |                         |
| <b>Bond Outstanding at face value</b>                   | 5,000,000           | 5,000,000               |
| <b>Amortisation of gross amount of bond issue costs</b> |                     |                         |
|   |                     |                         |
| <b>Gross amount of bond issue costs</b>                 | (102,500)           | (102,500)               |
| <b>Amortisation charge for the period</b>               | 5,125               | 8,115                   |
| <b>Unamortised bond issue costs</b>                     | (89,260)            | (94,385)                |
| <b>Amortised cost and closing carrying amount</b>       | 4,910,740           | 4,905,615               |