

The following Half-Yearly Report is published pursuant to the terms of Chapter 5 of the Malta Financial Services Authority Listing Rules and the Prevention of Financial Markets Abuse Act 2005. The condensed financial information has been extracted from the company's unaudited financial statements for the six months ended 30 June 2014 and has been reviewed in terms of ISRE 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity'.

Interim directors' report

The directors have the pleasure of reporting the company's interim results for the six months ended 30 June 2014.

The company's principal activity is to carry on the business of a finance and investment company in connection with ownership, development, operation and financing of the business activities of the companies forming part of the Mizzi Organisation. The proceeds from the bonds issued for subscription to the general public have been advanced by the company to related parties forming part of the Mizzi Organisation.

Interest income, principally receivable from related parties, earned by the company during the six month period up to 30 June 2014 amounted to €1,159,841 (2013: €1,072,536). Profit before taxation for the period amounted to €1,721 (2013: €2,930), after deducting administrative expenses of €43,440 (2013: €43,067). Earnings per share, reflecting profit after taxation divided by the weighted average number of ordinary shares in issue during the period, amounted to €1.70 (2013: €2.92). Furthermore, the directors are not anticipating any significant changes during the forthcoming six months.

The directors do not recommend the payment of an interim dividend.

Condensed statement of comprehensive income

	Six months ended 30 June	
	2014 (unaudited) €	2013 (unaudited) €
Interest receivable, principally from related parties	1,159,841	1,072,536
Interest payable and similar charges	(1,114,680)	(1,026,539)
Net interest income	45,161	45,997
Administrative Expenses	(43,440)	(43,067)
Profit before tax	1,721	2,930
Tax expense	(24)	(12)
Profit for the period - total comprehensive income	1,697	2,918
Earnings per share	1.70	2.92

Condensed statement of financial position

	As at 30 June 2014	As at 31 December 2013
	(unaudited) €	(audited) €
ASSETS		
Non-current assets		
Loans and advances to related parties	30,225,462	29,965,462
Other financial assets	1,797,708	1,726,018
Total non-current assets	32,023,170	31,691,480
Current assets	190,410	399,951
Total assets	32,213,580	32,091,431
EQUITY AND LIABILITIES		
Capital and reserves	530,520	528,823
Non-current liabilities		
Borrowings	29,683,389	29,622,700
Other financial liabilities	1,797,708	1,726,018
Total non-current liabilities	31,481,097	31,348,718
Current liabilities		
Payables	201,963	213,890
Total liabilities	31,683,060	31,562,608
Total equity and liabilities	32,213,580	32,091,431

Directors' statement pursuant to Listing Rule 5.75.3

I confirm that to the best of my knowledge:

- The condensed interim financial statements give a true and fair view of the financial position of the company as at 30 June 2014 and of its financial performance and its cash flows for the period then ended in accordance with International Financial Reporting Standards as adopted by the EU applicable to interim financial reporting (IAS 34 'Interim Financial Reporting').
- The interim Directors' report includes a fair review of the information required in terms of Listing Rule 5.81.

Dr John C. Grech - Chairman
31 July 2014

Independent Auditor's Report on Review of Interim Financial Information

To the Board of Directors of Mizzi Organisation Finance p.l.c.

Introduction

We have reviewed the accompanying condensed statement of financial position of Mizzi Organisation Finance p.l.c. as at 30 June 2014 and the related condensed statements of comprehensive income, changes in equity and cash flows for the six-month period then ended. The directors are responsible for the preparation and fair presentation of this interim financial information in accordance with International Financial Reporting Standards as adopted by the EU applicable to interim financial reporting (IAS 34 'Interim financial reporting'). Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity'. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

This report, including the conclusion, has been prepared for, and only for, the company for the purpose of the Listing Rules of the Malta Financial Services Authority and for no other purpose. We do not, in producing this report, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information is not prepared, in all material respects, in accordance with International Accounting Standard 34 'Interim Financial Reporting'.

PricewaterhouseCoopers
78, Mill Street, Qormi, Malta

Joseph Camilleri
Partner
31 July 2014

Condensed statement of changes in equity

	Share capital	Retained earnings	Total
	€	€	€
Balance at 1 January 2013	232,937	271,264	504,201
Profit for the six months ended 30 June 2013	-	2,918	2,918
- total comprehensive income	-	2,918	2,918
Balance at 30 June 2013	232,937	274,182	507,119
Balance at 1 January 2014	232,937	295,886	528,823
Profit for the six months ended 30 June 2014	-	1,697	1,697
- total comprehensive income	-	1,697	1,697
Balance at 30 June 2014	232,937	297,583	530,520

Condensed statement of cash flows

	Six months ended 30 June	
	2014 (unaudited) €	2013 (unaudited) €
Net cash generated from operating activities	49,569	41,846
Net cash used in investing activities	(260,000)	-
Movement in cash and cash equivalents	(210,431)	41,846
Cash and cash equivalents at beginning of interim period	222,602	95,179
Cash and cash equivalents at end of interim period	12,171	137,025

Notes to the interim financial information

This condensed interim financial information for the six months ended June 2014 has been prepared in accordance with IAS 34, 'Interim financial reporting'. The interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2013, which have been prepared in accordance with IFRSs as adopted by the EU. The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2013, as described in those financial statements.

Non-current borrowings as at 30 June 2014 and 31 December 2013 represent the amortised cost and carrying amount of the 6.2% bonds 2016-2019 which the company issued to the general public in 2009. Such bonds are redeemable at par (€100 for each bond) and are due for redemption on 30 November 2019. The bonds are redeemable in whole or in part at the company's sole discretion on any date falling between and including 30 November 2016 and 30 November 2019 (Early Redemption Date/s). These borrowings have been utilised to fund advances to related parties.

Other financial assets represent the bills of exchange acquired from a related party forming part of Mizzi Organisation for the purpose of setting up a sinking fund. Other financial liabilities are attributable to the acquisition of the same bills of exchange. Other financial assets are classified as non-current since the company is not expecting to realise such assets within twelve months after the end of the interim reporting period. The related financial liabilities are repayable utilising the same terms applicable to the other financial assets.

At the end of the reporting period, bonds with a face value of €827,600 (31 December 2013: €827,600) were held by related parties, principally company directors, other officers of companies forming part of the Mizzi Organisation and close family members of these individuals.