MIZZI ORGANISATION

Condensed Combined Interim Financial Information (unaudited)

30 June 2009

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Directors' statement

The directors of all the entities constituting the Mizzi Organisation are responsible for the preparation and fair presentation of the condensed combined interim financial information of the Mizzi Organisation.

The directors confirm that, to the best of their knowledge, the accompanying condensed combined interim financial information gives a true and fair view of the financial position of the entities constituting the Mizzi Organisation as at 30 June 2009 and of their financial performance and cash flows for the six month period then ended in accordance with International Financial Reporting Standards as adopted by the EU applicable to interim financial reporting and IAS 34 "Interim Financial Reporting".

Approved by the boards of directors of the entities constituting the Mizzi Organisation on 29 October 2009 and signed on their behalf by:

Brian R. Mizzi
Director

Consolidated Holdings Limited
Kastell Limited
Mizzi Holdings Limited
The General Soft Drinks Company Limited

Kenneth C. Mizzi
Director

Kastell Limited
Mizzi Holdings Limited

Condensed combined statement of financial position

	Notes	As at 30 June 2009 (unaudited) €'000	As at 31 December 2008 (audited) €'000
ASSETS			
Non-current assets			
Property, plant and equipment	3	**92,585**	92,562
Investment property	4	**21,779**	22,440
Investments in associates		**15,775**	16,495
Other non-current assets		**13,332**	11,955
Total non-current assets		**143,471**	143,452
Current assets			
Inventories		**19,041**	19,170
Trade and other receivables		**26,000**	28,726
Other current assets		**3,411**	4,586
Total current assets		**48,452**	52,482
Total assets		**191,923**	195,934
EQUITY AND LIABILITIES			
Capital and reserves		**85,781**	86,707
Non-current liabilities			
Borrowings	5	**36,539**	53,183
Deferred tax liabilities		**9,294**	9,078
Total non-current liabilities		**45,833**	62,261
Current liabilities			
Trade and other payables		**21,111**	21,455
Borrowings	5	**39,013**	25,214
Other current liabilities		**185**	297
Total current liabilities		**60,309**	46,966
Total liabilities		**106,142**	109,227
Total equity and liabilities		**191,923**	195,934

The condensed combined interim financial information on pages 2 to 6 was authorised for issue by the boards of directors of the entities constituting the Mizzi Organisation on 29 October 2009 and were signed on their behalf by:

Brian R. Mizzi
Director

Kenneth C. Mizzi
Director

Condensed combined income statement

		Six months ended 30 June	
	Notes	**2009**	2008
		€'000	€'000
Revenue		**49,848**	58,811
Gross profit		**12,894**	13,153
Operating profit	6	**1,497**	1,477
Net finance costs		**(1,744)**	(1,907)
Share of results of associates		**(435)**	364
Loss before tax		**(640)**	(16)
Tax expense		**(171)**	(175)
Loss for the period		**(811)**	(191)
Earnings per share (expressed in € per share)	7	**(0.77)**	(0.18)

Combined statement of comprehensive income

	Six months ended 30 June	
	2009	2008
	€'000	€'000
Loss for the period	**(811)**	(191)
Other comprehensive income		
Movement in deferred tax liability on revalued land and buildings determined on the basis applicable to capital gains	**(47)**	(89)
Losses from changes in fair value of available-for-sale financial assets	**(90)**	(212)
Currency translation differences	**22**	(249)
Other comprehensive income	**(115)**	(550)
Total comprehensive income for the period	**(926)**	(741)

Condensed combined statement of changes in equity

	Share capital €'000	Revaluation reserves €'000	Fair value gains and other reserves €'000	Retained earnings €'000	Total €'000
Balance at 1 January 2008	2,468	37,335	10,830	35,621	86,254
Total comprehensive income for the period ended 30 June 2008	-	(301)	(249)	(191)	(741)
Transfers to retained earnings upon realisation of amounts recognised directly in equity	-	(131)	(35)	166	-
Balance at 30 June 2008	2,468	36,903	10,546	35,596	85,513
Balance at 1 January 2009	2,468	37,884	10,613	35,742	86,707
Total comprehensive income for the period ended 30 June 2009	-	(137)	22	(811)	(926)
Transfers to retained earnings upon realisation of amounts recognised directly in equity	-	(112)	96	16	-
Balance at 30 June 2009	**2,468**	**37,635**	**10,731**	**34,947**	**85,781**

Condensed combined statement of cash flows

	Six months ended 30 June	
	2009	2008
	€'000	€'000
Net cash generated from operating activities	**5,836**	4,998
Net cash used in investing activities	**(3,237)**	(14,197)
Net cash generated from financing activities	**6,410**	8,195
Net movements in cash and cash equivalents	**9,009**	(1,004)
Effects of exchange rates fluctuations on the translation of cash flows of foreign operations	**23**	(421)
Cash and cash equivalents at beginning of period	**(20,288)**	(17,795)
Cash and cash equivalents at end of period	**(11,256)**	(19,220)

Notes to the combined interim financial information

1. Basis of preparation

This condensed combined interim financial information of the Mizzi Organisation for the six months ended 30 June 2009 has been prepared in accordance with IAS 34 ''Interim financial reporting''. The condensed combined interim financial information, which has not been audited or reviewed, should be read in conjunction with the historical combined financial information of Mizzi Organisation for the years ended 31 December 2008 and 2007 which have been prepared in accordance with International Financial Reporting Standards as adopted by the EU.

The Mizzi Organisation is not a legal entity and does not constitute a group of companies within the meaning of the Companies Act, Cap 386 of the laws of Malta. The Organisation is a conglomerate of companies principally comprising Consolidated Holdings Limited, Kastell Limited, Mizzi Holdings Limited and The General Soft Drinks Company Limited (the "Guarantors"), together with all their respective subsidiaries. The Mizzi Organisation also includes Falcon Wines & Spirits Limited and Mizzi Motors Limited, which are an integral component of the Guarantors' beverage and automotive business activities. Indeed, the related operations of the Guarantors and the activities of these two entities are managed on a collective basis.

This combined interim financial information has been prepared on the basis of the assumption that the Mizzi Organisation has operated as a legal group. The combined interim financial information for the Mizzi Organisation have been prepared by aggregating the consolidated financial information of the guarantors and their subsidiaries together with the stand-alone financial information of the other two companies (Falcon Wines & Spirits Limited and Mizzi Motors Limited) constituting the Mizzi Organisation, since all these entities are under common management and control but do not form a legal group. In terms of generally accepted accounting practice, all entities managed in this manner should be, and have been, included in the combined financial information.

2. Accounting policies

Except as described below, the accounting policies applied in this interim financial information are consistent with those used in the preparation of the historical combined financial information of the Mizzi Organisation for the years ended 31 December 2008 and 2007, as described in those financial statements.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings. Accordingly, income tax expense is recognised based on management's best estimate of the weighted average income tax rate expected for the full financial year.

In 2009, the entities constituting the Mizzi Organisation adopted new standards, amendments and interpretations to existing standards that are mandatory for the accounting period beginning on 1 January 2009. The adoption of these revisions to the requirements of International Financial Reporting Standards as adopted by the EU did not result in substantial changes to the accounting policies of the entities constituting the Mizzi Organisation.

2. **Accounting policies** - continued

New standards, amendments to standards and interpretations, which are mandatory for the first time for the financial year beginning on 1 January 2009 and which are relevant to the Organisation, include:

- IAS 1 (revised) ''Presentation of financial statements''. This interim financial information has been prepared under the revised disclosure requirements, principally in relation to the presentation of the statement of comprehensive income and the requirement that all 'non-owner changes in equity' are to be shown in a performance statement. The revised standard prohibits the presentation of items of income and expense ('non-owner changes in equity') in the statement of changes in equity, requiring 'non-owner changes in equity' to be presented separately from 'owner changes in equity' in a statement of comprehensive income. As a result the Organisation presents all 'owner changes in equity' in the statement of changes in equity, whereas all 'non-owner changes in equity' are presented in the statement of comprehensive income.

- IAS 23 (amendment) ''Borrowing costs''. The amendment requires an entity to capitalise borrowing costs directly attributable to the acquisition and construction or development of a qualifying asset (one that takes a substantial period of time to get ready for use) as part of the cost of that asset. The option of immediately expensing those borrowing costs has been removed. No significant changes to the Organisation's accounting policies were required in this respect.

- IFRIC 13 ''Customer loyalty programmes''. IFRIC 13 clarifies that where goods or services are sold together with a customer loyalty incentive, the arrangement is a multiple-element arrangement, and the consideration receivable from the customer is allocated between the components of the arrangement using fair values. This application of the requirements of this interpretation did not have a significant impact on the Organisation's financial results.

3. **Property, plant and equipment**

	Six months ended 30 June	
	2009	2008
	€'000	€'000
Opening net book amount as at 1 January	**92,562**	86,622
Additions	**2,835**	14,371
Disposals	**(181)**	(317)
Depreciation charge	**(2,631)**	(2,780)
Exchange differences	**-**	172
Closing net book amount as at 30 June	**92,585**	98,068

Additions to property, plant and equipment during the period ended 30 June 2009 relate to ongoing capital expenditure in the ordinary course of the Organisation's activities and do not reflect extensive capital projects undertaken unlike the comparative figure of additions for the six month period ended 30 June 2008.

4. Investment property

	Six months ended 30 June	
	2009	2008
	€'000	€'000
Opening carrying amount as at 1 January	**22,440**	16,722
Additions	**539**	235
Reclassification from assets classified as held for sale	**509**	-
Reclassification to inventories	**(1,709)**	-
Closing carrying amount as at 30 June	**21,779**	16,957

Additions to investment property during the period ended 30 June 2009 principally relate to capital expenditure on specific property developments. The transfer from assets classified as held for sale relates to reclassification as a result of management's decision to retain property, which was previously earmarked for disposal, for the purposes of rental and capital appreciation. The transfer to inventories relates to reclassification of property as a result of changes in intended use evidenced by development with a view to sale.

5. Borrowings

The significant movements in borrowings during the six month period ended 30 June 2009 are attributable to bank financing as follows:

	Six months ended 30 June	
	2009	2008
	€'000	€'000
Proceeds from bank borrowings	**7,013**	8,593
Repayments of bank borrowings	**(585)**	(379)

6. Operating profit

The following items of unusual nature, size or incidence have been reflected in operating profit during the six month period ended 30 June 2008:

i) inventory write-downs amounting to €573,000 in relation to motor vehicle stocks attributable to the market circumstances prevailing during the period; and
ii) a decrease in the depreciation charge of €330,000 as a result of the review of the estimated remaining useful life of certain components of plant and machinery and motor vehicles within property, plant and equipment.

The effect of the latter changes in accounting estimates has been included in the determination of the financial results for the period ended 30 June 2008 in accordance with the requirements of IAS 8. This change affects the depreciation charge in each period during the remaining useful life of the assets and the effects are recognised in the subsequent periods accordingly.

7. Earnings per share

Earnings per share is calculated by dividing the loss attributable to the owners of the Mizzi Organisation by the aggregate weighted average number of ordinary shares of the Guarantors, Falcon Wines & Spirits Limited and Mizzi Motors Limited in issue during the financial period.

	Six months ended 30 June	
	2009	2008
Net loss attributable to owners of the Organisation	**(€811,082)**	(€190,896)
Aggregate weighted average number of ordinary shares in issue	**1,059,700**	1,059,700
Earnings per share	**(€0.77)**	(€0.18)

8. Capital commitments

Commitments for capital expenditure approved by the directors but not provided for in these financial statements as at the end of the reporting period were as follows:

	As at 30 June 2009 €'000	As at 31 December 2008 €'000
Commitments in relation to property development (refer to Notes 3 and 4)	**1,700**	2,490

9. Related party transactions

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operating policy decisions.

The entities forming part of the Mizzi Organisation are ultimately fully owned by Daragon Limited, Demoncada Holdings Limited, Demoncada Limited, Maurice Mizzi Investments Limited and Maurice Mizzi. Members of the Mizzi family in turn ultimately own and control the above mentioned companies.

Accordingly, the members of the Mizzi family, the shareholder companies mentioned above, all entities owned or controlled by the members of the Mizzi family and the shareholder companies, the associates of the Organisation and the Organisation's key management personnel are the principal related parties of the entities constituting the Mizzi Organisation.

In the opinion of the directors of the entities constituting the Organisation, disclosure of related party transactions, which are generally carried out on commercial terms and conditions, is only necessary when the transactions effected have a material impact on the operating results and financial position of the Organisation. The aggregate invoiced amounts in respect of a considerable number of transaction types carried out with related parties are not considered material and accordingly they do not have a significant effect on this combined financial information.

9. Related party transactions - continued

In the ordinary course of their operations, Organisation entities sell goods held for resale and provide services to associates, key management personnel and other related parties mentioned above, for trading purposes. The Organisation's related party transactions also include financing transactions, principally advances, with associates and other related parties together with property and motor vehicle operating lease rental income receivable from associates. These transactions carried out with related parties do not have a material effect on the operating results and financial position of the Organisation and accordingly have not been disclosed for the purposes of giving a true and fair view.

The transactions referred to above were carried out on commercial terms.

Balances with the Organisation's related parties which were outstanding as at end of the reporting periods were as follows:

	As at 30 June 2009 €'000	As at 31 December 2008 €'000
Amounts owed by associates	**311**	367
Amounts owed to associates	**(333)**	(555)
Amounts owed by key management personnel	**300**	175
Amounts owed by other related parties	**1,126**	1,149

These amounts are unsecured, interest free and are repayable on demand.

Key management personnel compensation, consisting of directors' remuneration, for the six month period ended 30 June 2009 amounted to €286,577 (2008: €278,126).

10. Seasonality

The Organisation's revenue principally arising from its beverage, retailing, hospitality and leisure sectors, is subject to seasonal fluctuations, with peak demands in the second and, more importantly, third quarters of the year. However in view of the wide diversification in the Organisation's business sectors and other market factors, the seasonality factor is not deemed to have a significant impact on the Organisation's revenue streams. For the six months ended 30 June 2009, the Organisation's level of sales represent 47% of the total forecast revenues for the year ending 31 December 2009, whilst on the other hand in the comparative period the first six months of the year contributed 53% of the total revenues for the year ended 31 December 2008. The gross profit and return levels are however influenced by the seasonality factor with higher returns registered in the latter six months of the financial year.