

# **Tum Finance plc**

**C91228**

**Interim Condensed Consolidated Financial Statements**

**30 June 2024**

# Tum Finance plc

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# Tum Finance plc

## Directors' report

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### **Pursuant to Capital Markets Rules 5.75.2 for the period 1 January to 30 June 2023**

The Board of Directors of Tum Finance p.l.c. (the "Company") submit their director's report, together with unaudited interim condensed financial statements of the Company (on a separate and consolidated basis) for the six-month period ended 30 June 2023.

### **Principal activity**

The Company and its subsidiaries (the "Group") are involved in real estate development, investment and leasing in Malta. The Company holds investments in subsidiaries for capital growth and income generation. It also provides financing to companies forming part of the Group and to other related companies.

### **Performance review**

#### *The Company*

The Company incurred a profit before tax of EUR 48,239 (2023: loss before tax of EUR 27,919).

#### *The Group*

The Group interim condensed statement of comprehensive income is set out on page 5. During the period, the Group generated a profit before tax of EUR 1,895,209 (2023: EUR 423,321) mainly contributed by the realisation of income from the disposal of capital contribution reserve.

### **Principal risks and uncertainties for the remaining six-month period ended 2024**

The Group is exposed to liquidity risk in relation to meeting future obligations associated with its financial liabilities, which comprise principally of debt securities in issue, bank loan, loans from related parties, other payables, and other financial liabilities. Prudent liquidity risk management includes maintaining sufficient cash and committed credit lines to ensure the availability of an adequate amount of funding to meet the Group's obligations.

### **Related party transactions**

Related party transactions undertaken during the period are disclosed in Note 8.

### **Directors**

The names of the Directors of the Company who held office during the year to date are:

Mr. Anthony Fenech  
Mr. Matthew Fenech  
Mr. Silvan Fenech  
Dr. Stanley Portelli  
Mr. Mario Vella  
Mr. William Wait

In accordance with the Company's Memorandum and Articles of Association, the present Directors shall remain in office for a period of three (3) years from their date of appointment.

### **Dividends**

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

### **Recent developments**

On 17 January 2024, the Group transferred its 50% shareholding in Develco Malta Limited to BBT plc in exchange for additional shares in the latter.

On 29 January 2024, the Group further transferred its shareholding in MOSM Ltd, Missag Ltd and Regeneration Projects Ltd to BBT Logistics Limited at nominal value.

On 22 February 2024, Tum Developments Limited invested in a 25% shareholding in a newly created company, Risparmio Casa Malta Limited.

# Tum Finance plc

## Interim Directors' report – continued

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### Recent developments - continued

On 21 May 2024, the ordinary shares of Tum Developments Limited were transferred, in their entirety, from Mr. Anthony Fenech to the Group.

On 8 April 2024, the Group invested in 100% shareholding in two newly created companies: TFL Property Development Limited and In-Nahal Property Limited.

Approved by the Board of Directors and signed on its behalf by:



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**SILVAN FENECH**  
Executive Director

Date: 26 August 2024



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**ANTHONY FENECH**  
Executive Director

# Tum Finance plc

## Directors' statement pursuant to Capital Markets Rule 5.75.3

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We hereby confirm that to the best of our knowledge:

- a) The condensed half-yearly report, including the condensed interim financial statements (separate and consolidated) gives a true and fair view of the financial position of the Group and Company as at 30 June 2024, and of its financial performance and its 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 (IAS 34 *Interim Financial Reporting*);
- b) The Interim Directors' report includes a fair review of the information required in term of Capital Markets Rules 5.81 to 5.84.

*Approved by the Board of Directors and signed on its behalf by:*



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**SILVAN FENECH**  
Executive Director

Date: 26 August 2024



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**ANTHONY FENECH**  
Executive Director

# Tum Finance plc

## Interim condensed consolidated statement of comprehensive income

For the six months ended 30 June 2024

(in EUR)

	Notes	The Group		The Company	
		6 months to 30 June 2024	6 months to 30 June 2023	6 months to 30 June 2024	6 months to 30 June 2023
<b>Revenue</b>	3,4,8	<b>2,428,396</b>	931,225	<b>319,063</b>	206,563
Administrative and other operating expenses		(362,993)	(358,068)	(101,553)	(64,824)
Operating profit		<b>2,065,403</b>	573,157	<b>217,510</b>	141,739
Finance income	8	<b>33,468</b>	-	<b>232,354</b>	231,077
Finance costs		(412,207)	(424,720)	(401,625)	(400,735)
Gain on loan extinguishment	9	-	143,032	-	-
Share in profit of associates	7	<b>208,545</b>	131,852	-	-
Profit/(loss) before tax		<b>1,895,209</b>	423,321	<b>48,239</b>	(27,919)
Income tax (expense)/benefit		(227,568)	(207,108)	-	51,194
<b>Profit for the period from continuing operations</b>		<b>1,667,641</b>	216,213	<b>48,239</b>	23,275
Profit for the period from discontinued operations	9	-	3,648,000	-	-
<b>Total profit for the period</b>		<b>1,667,641</b>	3,864,213	<b>48,239</b>	23,275
Other comprehensive income		-	-	-	-
<b>Total comprehensive income for the period</b>		<b>1,667,641</b>	3,864,213	<b>48,239</b>	23,275
<b>Attributable to:</b>					
Owners of the parent		<b>1,673,837</b>	3,795,357	<b>48,239</b>	23,275
Non-controlling interest		(6,196)	68,856	-	-
		<b>1,667,641</b>	3,864,213	<b>48,239</b>	23,275
<b>Earnings per share (basic and diluted)</b>		<b>0.09</b>	0.21	<b>0.00</b>	0.00

# Tum Finance plc

## Interim condensed consolidated statement of financial position

As at 30 June 2024

(in EUR)

	Notes	The Group 30 June 2024	31 December 2023	The Company 30 June 2024	31 December 2023
<b>ASSETS</b>					
<b>Non-current assets</b>					
Investment property	4	30,702,636	30,500,451	-	-
Property, plant and equipment		12,564,550	8,567,039	-	-
Investment in subsidiary		-	-	20,074,623	20,074,623
Investment in associates	7	30,968,831	29,618,575	-	-
Loans to related parties	5,8	370,000	325,000	17,348,264	17,115,910
Goodwill		346,295	-	-	-
		<u>74,952,312</u>	<u>69,011,065</u>	<u>37,422,887</u>	<u>37,190,533</u>
<b>Current assets</b>					
Loans to related parties	5,8	-	-	2,228,222	2,228,222
Due from related parties	8	2,487,469	4,815,549	887,068	1,417,938
Trade and other receivables		732,207	261,670	12,745	6,251
Tax recoverable		13,849	154,717	-	96,708
Dividend receivable		-	-	200,000	-
Cash and cash equivalents		901,326	845,721	28,361	4,602
		<u>4,134,851</u>	<u>6,077,657</u>	<u>3,356,396</u>	<u>3,753,721</u>
<b>TOTAL ASSETS</b>		<u><b>79,087,163</b></u>	<u><b>75,088,722</b></u>	<u><b>40,779,283</b></u>	<u><b>40,944,254</b></u>

# Tum Finance plc

## Interim condensed consolidated statement of financial position – continued

As at 30 June 2024  
(in EUR)

	Notes	The Group		The Company	
		30 June 2024	31 December 2023	30 June 2024	31 December 2023
<b>EQUITY AND LIABILITIES</b>					
<b>Capital and reserves</b>					
Share capital		17,693,000	17,693,000	17,693,000	17,693,000
Retained earnings		12,085,781	19,251,438	646,483	598,244
Capital contribution	8	2,379,016	3,915,811	2,456,016	2,456,016
Other reserve		9,392,017	542,683	-	-
Equity attributable to the owners of the parent		41,549,814	41,402,932	20,795,499	20,747,260
Non-controlling interest		(15,735)	(9,539)	-	-
<b>Total equity</b>		<b>41,534,079</b>	<b>41,393,393</b>	<b>20,795,499</b>	<b>20,747,260</b>
<b>Non-current liabilities</b>					
Deferred tax liability		3,031,303	3,031,303	-	-
Lease liabilities		202,302	191,737	-	-
Debt securities in issue	6	19,740,166	19,702,894	19,740,166	19,702,894
Bank loan		7,850,259	5,215,927	-	-
Loans from related parties	8	1,756,007	1,756,007	-	-
		<b>32,580,037</b>	<b>29,897,868</b>	<b>19,740,166</b>	<b>19,702,894</b>
<b>Current liabilities</b>					
Trade and other payables		992,414	753,054	110,938	42,481
Debt securities in issue	6	52,634	391,081	52,634	391,081
Due to related parties	8	3,472,867	2,277,001	80,046	60,538
Tax payable		455,132	376,325	-	-
		<b>4,973,047</b>	<b>3,797,461</b>	<b>243,618</b>	<b>494,100</b>
<b>Total liabilities</b>		<b>37,553,084</b>	<b>33,695,329</b>	<b>19,983,784</b>	<b>20,196,994</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>79,087,163</b>	<b>75,088,722</b>	<b>40,779,283</b>	<b>40,994,254</b>

These condensed interim financial statements on pages 5 to 19 were approved and authorised for issue by the directors, on 26 August 2024 and signed by:

  
SILVAN FENECH  
Executive Director

  
ANTHONY FENECH  
Executive Director



# Tum Finance plc

## Interim condensed consolidated statement of changes in equity - Group

For the six months ended 30 June 2024

(in EUR)

	Share capital	Retained earnings	Other reserves	Capital contribution	Non-controlling interest	Total
<b>Balance as at 1 January 2024</b>	<b>17,693,000</b>	<b>19,251,438</b>	<b>542,683</b>	<b>3,915,811</b>	<b>(9,539)</b>	<b>41,393,393</b>
Prior year adjustment	-	9,840	-	-	-	9,840
Total comprehensive income/(loss) for the year	-	1,673,837	-	-	(6,196)	1,667,641
Reclassification of acquisition reserves to retained earnings	-	(8,849,334)	8,849,334	-	-	-
Disposal of associates	-	-	-	(1,536,795)	-	(1,536,795)
<b>Balance as at 30 June 2024 (unaudited)</b>	<b>17,693,000</b>	<b>12,085,781</b>	<b>9,392,017</b>	<b>2,379,016</b>	<b>(15,735)</b>	<b>41,534,079</b>
<b>Balance as at 1 January 2023</b>	<b>17,693,000</b>	<b>13,983,686</b>	<b>542,683</b>	<b>3,915,811</b>	<b>4,624,058</b>	<b>40,759,238</b>
Profit for the year	-	3,795,357	-	-	68,856	3,864,213
Disposal of investment in subsidiary	-	-	-	-	(4,713,955)	(4,713,955)
Additional contribution	-	-	-	-	165,380	165,380
<b>Balance as at 30 June 2023 (unaudited)</b>	<b>17,693,000</b>	<b>17,779,043</b>	<b>542,683</b>	<b>3,915,811</b>	<b>144,339</b>	<b>40,074,876</b>
<b>Balance as at 31 December 2023 (audited)</b>	<b>17,693,000</b>	<b>19,251,438</b>	<b>542,683</b>	<b>3,915,811</b>	<b>(9,539)</b>	<b>41,393,393</b>

# Tum Finance plc

## Interim condensed statements of changes in equity - Company

For the six months ended 30 June 2024

(in EUR)

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	Share capital	Retained earnings	Capital contribution	Total
Balance as at 1 January 2024	17,693,000	598,244	2,456,016	20,747,260
Total comprehensive income for the period	-	48,239	-	48,239
Balance as at 30 June 2024	17,693,000	646,483	2,456,016	20,795,499
Balance as at 1 January 2023	17,693,000	470,253	2,456,016	20,619,269
Total comprehensive income for the period	-	23,275	-	23,275
Balance as at 30 June 2023	17,693,000	493,528	2,456,016	20,642,544
Balance as at 31 December 2023 (audited)	17,693,000	598,244	2,456,016	20,747,260

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# Tum Finance plc

## Interim condensed consolidated statement of cash flows

For the six months ended 30 June 2024

(in EUR)

	The Group		The Company	
	6 months to 30 June 2024	6 months to 30 June 2023	6 months to 30 June 2024	6 months to 30 June 2023
<b>Cash flows from operating activities</b>				
Profit/(loss) before tax	1,895,209	423,321	48,239	(27,919)
Adjustments for:				
Depreciation	25,094	17,355	-	-
Finance costs	412,207	424,720	401,625	400,735
Finance income	(33,468)	-	(232,354)	(231,077)
Dividend income	-	-	(319,063)	(119,063)
Goodwill	(346,295)	-	-	-
Share in profit of associates	(208,545)	(131,852)	-	-
Income from disposal of capital contribution reserve	(1,536,795)	-	-	-
Write off investment in Center Parc Holdings Ltd	150,484	-	-	-
Gain on loan extinguishment	-	(143,032)	-	-
Other	(1,028)	(4,550)	-	-
Operating profit/(loss) before working capital movement	356,863	585,962	(101,553)	22,676
Movement in trade and other receivables	(470,537)	(509,574)	(6,494)	3,540
Movement in due from/to related parties	3,523,946	1,175,824	669,440	2,841,538
Movement in due from/to associates	(1,350,256)	-	-	-
Movement in trade and other payables	244,643	418,601	68,458	(18,086)
Income taxes (paid)/refund	2,304,659 (7,893)	1,670,813 (47,307)	629,851 96,708	2,849,668 83,477
Net cash flows continuing operations	2,296,766	1,623,506	726,559	2,933,145
Net cash flows from discontinued operations	-	(485,586)	-	-
<i>Net cash flows (used in)/from operating activities</i>	<u>2,296,766</u>	<u>1,137,920</u>	<u>726,559</u>	<u>2,933,145</u>
<b>Cash flows (used in)/from investing activities</b>				
Purchase of property, plant and equipment	(3,920,224)	(271,724)	-	-
(Purchase)/disposal of investment property	(202,185)	89,070	-	-
<i>Net cash flows used in investing activities</i>	<u>(4,122,409)</u>	<u>(182,654)</u>	<u>-</u>	<u>-</u>
<b>Cash flows used in financing activities</b>				
Repayment of lease liabilities	(5,284)	(23,998)	-	-
Loans repaid to related parties	(45,000)	-	-	(2,183,260)
Proceeds from loan	2,634,332	-	-	-
Proceeds on loan extinguishment	-	5,823,197	-	-
Bond interest paid	(702,800)	(746,190)	(702,800)	(746,190)
<i>Net cash flows from/(used in) financing activities</i>	<u>1,881,248</u>	<u>5,053,009</u>	<u>(702,800)</u>	<u>(2,929,450)</u>

# Tum Finance plc

## Interim condensed statements of cash flows – continued

For the six months ended 30 June 2024  
(in EUR)

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	<b>The Group</b>		<b>The Company</b>	
	<b>6 months to 30 June 2024</b>	<b>6 months to 30 June 2023</b>	<b>6 months to 30 June 2024</b>	<b>6 months to 30 June 2023</b>
<b>Net movement in cash and cash equivalents</b>	<b>55,605</b>	<b>6,008,275</b>	<b>23,759</b>	<b>3,695</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>845,721</b>	<b>105,226</b>	<b>4,602</b>	<b>285</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>901,326</b>	<b>6,113,501</b>	<b>28,361</b>	<b>3,980</b>

# Tum Finance plc

## Notes to the interim condensed financial statements

For the six months ended 30 June 2024

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### 1. Company's information and activities

Tum Finance plc is a public limited company registered in Malta under the Companies Act, (Cap. 386) with registration number C91228 (the "Company"). The registered office of the Company is at Tum Invest Head Office, Zentrum Business Centre, Mdina Road, Qormi, QRM 9010, Malta.

The Company is 99.9 % owned subsidiary of Tum Invest Limited. The Company acts as an investment and holding company, whilst the Group is engaged in the investment, development and operation of immovable properties in Qormi, Malta. The Group also has an investment in BBT p.l.c., a company incorporated for the development and operation of properties of its joint venture parties as well as for the investment in and operation of further properties. In addition to this, the Group also has investments in BBT Logistics Limited, BBTF Holdings Limited, and Risparmio Casa Malta Limited, a newly incorporated company.

### 2.1 Basis of preparation and statement of compliance

The interim condensed separate and consolidated financial statements for the six-month period ended 30 June 2024 have been prepared in accordance with IAS 34 *Interim Financial Reporting* as adopted by the European Union. The comparative amounts reflect the separate and consolidated position of the Company and Group as included in the audited financial statements for the year ended 31 December 2024. The financial statements are presented in euro (EUR), which is also the functional currency of the Group and the Company.

The interim condensed separate and consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual consolidated financial statements as at 31 December 2023.

### 2.2 Going concern assumption

As at 30 June 2024, the Group's current liabilities exceeded current assets by EUR 838,196 (31 December 2023: current assets exceeded current liabilities by EUR 2,280,196).

The directors have assessed the appropriateness of the going concern basis by reviewing cash flow forecasts prepared by Management. These projections indicate that the Group will have sufficient resources to meet its obligations as they fall due. The shareholders have furthermore confirmed their commitment to support the Group financially or otherwise should this be required.

At the time of approving these interim condensed financial statements, the Directors have determined that there is a reasonable expectation that the Group has adequate resources to continue operating for the foreseeable future and continue adopting the going concern basis in preparing the financial statements.

### 2.3. New standards, interpretations and amendments adopted by the Group and Company

*Standards, interpretations, and amendments to published standards effective during the reporting period*

There are no accounting pronouncements which have become effective from 1 January 2024 that have a significant impact on the interim condensed consolidated financial statements of the Group and the Company.

# Tum Finance plc

## Notes to the interim condensed financial statements – continued

For the six months ended 30 June 2024

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### 2.3. New standards, interpretations and amendments adopted by the Group and Company - continued

Other Standards and amendments that are effective for the first time in 2024 and could be applicable to the Group are:

#### Non-current Liabilities with Covenants (Amendments to IAS 1)

#### Classification of Liabilities as Current or Non-current (Amendments to IAS 1)

On 31 October 2022, the IASB issued Non-current Liabilities with Covenants (Amendments to IAS 1) to clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability.

The amendments in Non-current Liabilities with Covenants (Amendments to IAS 1) modify the requirements introduced by Classification of Liabilities as Current or Non-current on how an entity classifies debt and other financial liabilities as current or non-current in particular circumstances: Only covenants with which an entity is required to comply on or before the reporting date affect the classification of a liability as current or non-current. In addition, an entity has to disclose information in the notes that enables users of financial statements to understand the risk that non-current liabilities with covenants could become repayable within twelve months.

#### Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)

Lease Liability in a Sale and Leaseback (Amendments to IFRS 16) requires a seller-lessee to subsequently measure lease liabilities arising from a leaseback in a way that it does not recognise any amount of the gain or loss that relates to the right of use it retains. The new requirements do not prevent a seller-lessee from recognising in profit or loss any gain or loss relating to the partial or full termination of a lease.

While the November 2020 Exposure Draft had proposed that a seller-lessee initially measures the right-of-use asset and lease liability arising from a leaseback using the present value of expected lease payments at the commencement date, the final amendments do not prescribe specific measurement requirements for lease liabilities arising from a leaseback.

#### Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)

The amendments in Supplier Finance Arrangements (Proposed amendments to IAS 7 and IFRS 7) do not define supplier finance arrangements. Instead, the amendments describe the characteristics of an arrangement for which an entity is required to provide the information. The amendments note that arrangements that are solely credit enhancements for the entity or instruments used by the entity to settle directly with a supplier the amounts owed are not supplier finance arrangements.

The amendments add two disclosure objectives. Entities will have to disclose in the notes information that enables users of financial statements

- to assess how supplier finance arrangements affect an entity's liabilities and cash flows and
- to understand the effect of supplier finance arrangements on an entity's exposure to liquidity risk and how the entity might be affected if the arrangements were no longer available to it.

The amendments complement current requirements in IFRSs by adding to IAS 7 additional disclosure requirements about:

- the terms and conditions of the supplier finance arrangements; and
- for the arrangements, as at the beginning and end of the reporting period.

a) the carrying amounts of financial liabilities that are part of the arrangement and the associated line item presented;

# Tum Finance plc

## Notes to the interim condensed financial statements – continued

For the six months ended 30 June 2024

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### 2.3. New standards, interpretations and amendments adopted by the Group and Company – continued

#### Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7) - continued

b) the carrying amount of financial liabilities disclosed under a) for which suppliers have already received payment from the finance providers;

c) the range of payment due dates (for example, 30 to 40 days after the invoice date) of financial liabilities disclosed under a) and comparable trade payables that are not part of a supplier finance arrangement; and

- the type and effect of non-cash changes in the carrying amounts of the financial liabilities that are part of the arrangement.

The IASB decided that, in most cases, aggregated information about an entity's supplier finance arrangements will satisfy the information needs of users of financial statements.

#### Lack of Exchangeability (Amendments to IAS 21)

The amendments in Lack of Exchangeability (Amendments to IAS 21) amend IAS 21 to:

- Specify when a currency is exchangeable into another currency and when it is not — a currency is exchangeable when an entity is able to exchange that currency for the other currency through markets or exchange mechanisms that create enforceable rights and obligations without undue delay at the measurement date and for a specified purpose; a currency is not exchangeable into the other currency if an entity can only obtain an insignificant amount of the other currency.
- Specify how an entity determines the exchange rate to apply when a currency is not exchangeable — when a currency is not exchangeable at the measurement date, an entity estimates the spot exchange rate as the rate that would have applied to an orderly transaction between market participants at the measurement date and that would faithfully reflect the economic conditions prevailing.
- Require the disclosure of additional information when a currency is not exchangeable — when a currency is not exchangeable an entity discloses information that would enable users of its financial statements to evaluate how a currency's lack of exchangeability affects, or is expected to affect, its financial performance, financial position and cash flows.

The pronouncement also includes a new appendix with application guidance on exchangeability and a new illustrative example.

The amendments also extend to conforming amendments to IFRS 1 which previously referred to, but did not define, exchangeability.

These standards and amendments do not have a significant impact on these Interim Financial Statements and therefore the disclosures have not been made.

#### *Standards, interpretations, and amendments to published standards that are not yet effective*

At the date of authorisation of these interim condensed financial statements, certain new standards, amendments, and interpretations to existing standards have been published by the IASB but are not yet effective and have not been adopted early by the group and the company.

Management anticipates that all relevant pronouncements will be adopted in the Group and the Company's accounting policies for the first period beginning after the effective date of the pronouncement. No new standards, amendments and interpretations are expected to have a material impact on the Group and the Company's interim condensed financial statements.

# Tum Finance plc

## Notes to the interim condensed financial statements – continued

For the six months ended 30 June 2024

### 3. Revenue

	The Group		The Company	
	6 months to 30 June 2024	6 months to 30 June 2023	6 months to 30 June 2024	6 months to 30 June 2023
Rental income	886,645	925,814	-	-
Dividend income	-	-	319,063	119,063
Other income	1,541,751	5,411	-	87,500
	<u>2,428,396</u>	<u>931,225</u>	<u>319,063</u>	<u>206,563</u>

Management assesses the operations of the Group as one reporting segment on the basis that the Group has one line of activity based in one jurisdiction. Accordingly, no segment disclosures are being presented.

Other income contains the profit of EUR 1,536,797 as a result of the Group's disposal of its investments in MOSM, MISSAG, RPL, and Develco.

### 4. Investment property

	The Group	
	30 June 2024	31 December 2023
Opening balance	30,500,451	65,406,424
Additions from subsequent expenditure	202,185	135,716
Disposals	-	(35,041,689)
Carrying amount at period-end	<u>30,702,636</u>	<u>30,500,451</u>

The Group continued development of its investment property during the year. Additions for the year consisted of modifications to current properties held. Included in the fair value of investment property is a right of use asset in respect of ground rents payable on the land over which the property is constructed. The remaining term of the lease is until 30 April 2138.

Investment property is revalued by professionally qualified architects or surveyors on the basis of assessments of the fair value of the property in accordance with international valuations standards and professional practice.

In the years where a valuation is not obtained, Management verifies all major inputs to the independent valuation report, assesses any property valuation movements when compared to the prior year valuation report and holds discussions with the independent valuer, as necessary. The most recent valuation has been reflected in the 2020 financial statements. Management obtained an updated valuation on 31 December 2022, showing a fair value of EUR 30,945,219.

For property held, the current use equates to the highest and best use. Rental income derived from the investment property amounted to EUR 886,645 (2023: EUR 925,814)

The Group has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance, and enhancements.



# Tum Finance plc

## Notes to the interim condensed financial statements – continued

For the six months ended 30 June 2024

### 4. Investment property – continued

The Group's property has been determined to fall within level 3 of the fair valuation hierarchy. Level 3 in the fair value hierarchy represents valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The Company's policy is to recognise transfers into and out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer. There were no transfers between levels during the period.

#### *Description of valuation techniques used and key inputs to valuation of investment properties*

The valuation was determined based on the income approach using the discounted cash flows (DCF) method whereby fair value is estimated using assumptions regarding the risks and benefits of ownership over the asset's life including a terminal value. This method involves the projection of cash flows to which a market-derived discount rate is applied to establish the present value of the income stream associated with the asset. Rental values and rent growth rates have been determined based on contractual agreements currently in place and used as a benchmark for the calculation of the terminal value.

	Valuation technique	Significant unobservable inputs	Discount rate	Narrative sensitivity
Investment property	Income approach	Discount rate	6%	The higher the discount rate, the lower the fair value
		Rental value per square meter	EUR 93	The higher the price per square metre, the higher the fair value
		Rent growth per annum	2.9%	The higher the rent growth, the higher the fair value

### 5. Loans to related parties

	The Group		The Company	
	30 June 2024	31 December 2023	30 June 2024	31 December 2023
<b>Non-current:</b>				
Loan receivable from subsidiary (Note i)	-	-	10,998,264	10,765,910
Loan receivable from other related parties	370,000	325,000		
Cumulative redeemable preference shares (Note ii)	-	-	6,350,000	6,350,000
	<u>370,000</u>	<u>325,000</u>	<u>17,348,264</u>	<u>17,115,910</u>
<b>Current:</b>				
Loan receivable from subsidiary (Note i)	-	-	2,228,222	2,228,222
	<u>-</u>	<u>-</u>	<u>2,228,222</u>	<u>2,228,222</u>

# Tum Finance plc

## Notes to the interim condensed financial statements – continued

For the six months ended 30 June 2024

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### 5. Loans to related parties - continued

- i. The amounts owed by subsidiary are unsecured and subject to interest rate of 3.75% per annum. EUR7,250,000 is repayable in nine equal instalments paid annually on the 20<sup>th</sup> June. The remaining portion is payable on 20 June 2029.
- ii. The preference shares are entitled to a fixed cumulative preferential dividend of 3.75%. The Company may redeem any or the whole of the outstanding preference shares at any time, but not later than 30 June 2029.

### 6. Debt securities in issue

	The Group and the Company	
	30 June 2024	31 December 2023
<b>Non-current:</b>		
3.75% Bonds redeemable	19,740,166	19,702,894
<b>Current:</b>		
3.75% Bonds redeemable	52,634	391,081

In 2019, the Group and the Company issued an aggregate principal amount of EUR 20,000,000 bonds (2019 - 2029), having a nominal value of EUR100 each, bearing interest at the rate of 3.75% per annum (the "Bonds"). The Bonds are secured by Easysell Limited (the "Guarantor"), a subsidiary of the Company. They are subject to the terms and conditions in the prospectus dated 3 June 2019. The quoted market price as at 30 June 2024 for the Bonds was EUR93.00 (2023: EUR94.00).

The Guarantor provides a corporate guarantee in favour of the Company's bondholders to affect the due and punctual performance of all payment obligations undertaken by the Company under the Bonds if it fails to do so.

# Tum Finance plc

## Notes to the interim condensed financial statements – continued

For the six months ended 30 June 2024

### 7. Investment in associates

On 17 January 2024, the Group transferred its 50% shareholding in Develeco Malta Limited to BBT plc in exchange for additional shares in the latter.

On 29 January 2024, the Group further transferred its shareholding in MOSM Ltd, Missag Ltd and Regeneration Projects Ltd to BBT Logistics Limited at nominal value.

On 22 February 2024, Tum Developments Limited invested in 25% shareholding in a newly created company, Risparmio Casa Malta Limited.

As at 30 June 2024, the only remaining associates of the Group are BBT p.l.c. (36.23%), BBTF Holdings (32.28%), and BBT Logistics Ltd. (50%) and Risparmio Casa Malta limited (25%).

The Group's interest in these entities is accounted for using the equity method in the consolidated financial statements.

Details of each of the Group's associates as at the end of June 2024 are as follows:

Name	Principal activity	Registered address	Equity interest (%)	Associates contributed on/acquired
BBT Logistics Limited (C 100580)	Property Developer	The Watercourse, Zone 2, Central Business District, Mdina Road, Birkirkara, CBD 2010	50.00%	15-Jun-22
BBT p.l.c. (C 101666)	Financing Company	The Watercourse, Zone 2, Central Business District, Mdina Road, Birkirkara, CBD 2010	36.23%	07-Apr-22
BBTF Holdings Limited (C 103180)	Financing Company	The Watercourse, Zone 2, Central Business District, Mdina Road, Birkirkara, CBD 2010	32.28%	06-Sep-22
Risparmio Casa Malta Ltd	Retail Company	Zentrum Business Centre, Triq L-Mdina, Qormi, QRM 9010	25.00%	22-Feb-24

The carrying amount of the investment in associates are as follows:

	BBT Logistics	Develeco Malta Limited	BBT p.l.c.	BBTF Holdings Limited	Risparmio Casa Malta Ltd	Total
Carrying amount of the investment as at 01 January 2024	1	82,678	25,000,144	-	-	25,082,823
Addition/(disposal) through transaction	-	(82,678)	1,470,000	-	-	1,387,322
Addition through receivable assignment	-	-	-	-	300	300
Share in profit/(loss) of associates	(1)	-	208,377	468	(300)	208,544
<b>Carrying amount of the investment as at 30 June 2024</b>	-	-	<b>26,678,521</b>	<b>468</b>	-	<b>26,678,989</b>
Receivable from associates	4,152,553	-	137,289	-	-	4,289,842
	<b>4,152,553</b>	-	<b>26,815,810</b>	<b>468</b>	-	<b>30,968,831</b>
Unrecognised share in losses of associate for the period	(24,775)	-	-	(26,376)	(8,453)	(59,604)

# Tum Finance plc

## Notes to the interim condensed financial statements – continued

For the period ended 30 June 2024

### 8. Related party disclosures

The Company is the ultimate parent of Easysell Limited, San Gwakkinn Limited, TUM Developments Ltd., TFL Property Development Ltd., and In-Nahal Property Limited, through its direct wholly-owned subsidiary, TUM Operations Limited. The registered office of these companies is at TUM Invest Head Office, Zentrum Business Centre, Mdina Road, Qormi, Malta. The ultimate controlling party is Anthony Fenech.

During the period, the Group and the Company entered into transactions with related parties, and their balances, as set out below. Other related parties are entities having the same ultimate parent.

	The Group		The Company	
	6 months to 30 June 2024	6 months to 30 June 2023	6 months to 30 June 2024	6 months to 30 June 2023
<b>Revenue</b>				
<i>Related party transactions with:</i>				
- Subsidiaries	-	-	319,063	206,563
- Other related parties	280,081	497,812	-	-
<b>Finance income</b>				
<i>Related party transactions with:</i>				
- Subsidiaries	-	-	232,354	231,077
- Other related parties	33,468	-	-	-
	The Group		The Company	
	30 June 2024	31 December 2023	30 June 2024	31 December 2023
<b>Loans/advances to</b>				
<i>Related party balances with:</i>				
- Subsidiaries	-	-	20,463,554	20,762,070
- Ultimate parent company	370,000	325,000	-	-
- Other related parties	2,487,469	4,815,549	-	-
<b>Loans/advances from</b>				
<i>Related party balances with:</i>				
- Ultimate parent company	1,756,007	2,283,413	2,456,016	2,456,016
- Other related parties	3,472,867	1,749,595	80,046	60,538

### 9. Events after the reporting period

There were no events after the reporting period that would require adjustments to or disclosure in the financial statements.