Directors' commentary and Consolidated annual financial statements for the year to 30 June 2024

29 August 2024

Released on 2 September 2024

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Directors' commentary

Introduction and background

MAS (hereafter referred to as the Group or Company) performed satisfactorily during the second half of the financial year ended 30 June 2024, achieving adjusted distributable earnings for the year of 8.01eurocents per share, resulting from the continued exceptional operational results in commercial retail properties operated by the Group, combined with net results from the residential business of the development joint venture (DJV[1]) with developer Prime Kapital.

With the release of MAS' financial results for the financial year to 30 June 2023, the outcome of the Group's strategy review at the time was discussed in detail. A revised debt management plan was put in place to raise bank funding secured against all of MAS' unencumbered properties in Central and Eastern Europe (CEE) aimed at reducing refinancing risks associated with its bond maturity in May 2026. The plan also takes into account MAS' other funding commitments to the same date, as well as suspension of dividend payments to cover the shortfall. Updates with respect to progress thereon, as well as financial results to 30 June 2024 are elaborated in detail within. In addition to the reported International Financial Reporting Standards (IFRS) results, this commentary also includes segmental reporting prepared on a proportionate consolidated basis, which assists the interpretation of the former rather than replacing it. Detailed financial results and the Company Profile, for the year ended 30 June 2024, including highlights and supplemental operational information, are available on MAS' corporate website. Unless otherwise stated, all amounts in the Directors' commentary are presented on an adjusted proportionate consolidated basis.

MAS primarily invests in, and operates, retail assets in CEE. The Group is well positioned to leverage the region's long-term, continual, high growth in consumption and generate strong like-for-like (LFL) net rental income (NRI) growth from retail holdings through increasing tenants' sales and implementing asset management initiatives. MAS remains committed to maximising total long-term returns from property investments on a per share basis. This is aimed to be achieved by concentrating on capital allocation, operational excellence, sensible leveraging, and cost efficiency, thereby sustainably growing distributable earnings per share.

Financial results

Group adjusted total earnings are, on a segmented basis, the combined return of: (i) directly-owned income property and operations in CEE; (ii) Central and Eastern European investments with Prime Kapital in the DJV (including earnings from a proportion of completed DJV-owned income properties, net income from DJV's residential business, development activities and income from funding provided to the DJV); (iii) the remaining directly-owned income property operations in Western Europe (WE), and (iv) investments in listed securities and other elements disclosed as Corporate.

Adjusted total earnings for the six months to 30 June 2024 were €63.9million and consisted of adjusted distributable earnings of €20.7million and adjusted non-distributable earnings of €43.2million. Tangible net asset value (NAV) was €1.73 per share on 30 June 2024, an 8.1% increase from 31 December 2023 (19.3% increase from Tangible NAV on 30 June 2023). Adjusted distributable earnings for the financial year were 8.01eurocents per share (10.3% decrease compared to financial year to 30 June 2023) and resulted from 3.22eurocents per share for the six months to 30 June 2024 and 4.79eurocents per share for the preceding six months. MAS achieved diluted adjusted distributable earnings for the financial year of 7.87eurocents per share. Of this, commercial and corporate operations contributed 9.63eurocents per share. Excluding DJV's residential business net realisable value impairments, adjusted distributable earnings from the Group's operations were 9.19eurocents per share, within the earnings guidance range of 8.83 – 9.31eurocents per share provided in March 2024.

The variance in MAS' adjusted total earnings compared to the six months to 31 December 2023, is due to positive outcomes arising from:

(i) continued outstanding performance of, and increase in, fair value and passing NRI from retail properties in CEE, enhanced by excellent rental and service charge collections and exceptional trading at commercial centres operated by MAS, partly attributable to the newly opened Carolina Mall (August 2023) and Arges Mall (April 2024);

(ii) interest rate derivatives' valuations for the Group's secured debt stabilising in the second half of the financial year, therefore not repeating losses in the previous six-month period, leading to a positive variation more than offsetting increases in net interest expenses (increased interest on debt financing and lower interest capitalised on developments as a result of Carolina Mall and Arges Mall completing development during the financial year and a number of residential projects being on hold) for the six months to 30 June 2024;

(iii) lower fair value losses than recognised in the previous period resulting from Flensburg Galerie, the last Western European asset remaining to be sold, as well as foreign exchange gains related to the disposal of Arches street retail units (UK), and

(iv) increased income from preferred equity, resulting from additional investments during the current and previous six-month periods.

These positives have been offset by (i) gains in the previous period resulting from the removal of management's estimate for disposal realisation costs and losses for Western European assets remaining to be sold, not being repeated, (ii) net losses derived from the DJV's residential business caused by the continuing challenging residential sales market environment requiring the DJV to recognise a significant decrease in net realisable value for its residential projects, (iii) realised gains on MAS bonds repurchased during the six months to 31 December 2023 not being repeated in the current six-month period.

Retail operations

There was excellent trading in all Central and Eastern European countries where the Group operates retail properties during the first six months of the 2024 calendar year, with all the Group's properties benefiting from robust footfall and tenant sales.

Information regarding MAS' Central and Eastern European like-for-like (LFL) footfall and tenants' sales (compared to the same period of the previous financial year), and collection rates for the six months to 30 June 2024, is detailed in Table 1.

[1] DJV is an abbreviation for a separate corporate entity named PKM Development Ltd (PKM Development), an associate of MAS since 2016 with independent governance. MAS owns 40% of PKM Development's ordinary equity (€20million), an investment conditional on it irrevocably undertaking to provide preferred equity to PKM Development on notice of drawdown. By 30 June 2024, MAS had invested €428.1million in preferred equity and had an obligation of €41.9million outstanding. In addition, MAS has committed to provide PKM Development a revolving credit facility of €30million at a 7.5% fixed rate, which was undrawn on 30 June 2024 (figures not proportionally consolidated). The balance of the ordinary equity in PKM Development (€30million) was taken up by Prime Kapital in 2016 in cash. In terms of applicable contractual undertakings and restrictions, Prime Kapital:
(i) is not permitted to undertake real estate development in CEE outside of PKM Development until the DJV's capital commitments are fully drawn and invested or 2030 (end of exclusivity period);
(ii) contributes secured development pipeline to PKM Development at cost;
(iii) takes responsibility for sourcing further developments, and
(iv) provides PKM Development with all necessary construction and development services via integrated in-house platform.

Table 1

		Jan 24	Feb 24	Mar 24	Apr 24	May 24	Jun 24	Total
Footfall (2024 compared to 2023)	**%**	**106**	**111**	**106**	**99**	**104**	**109**	**106**
Open-air malls	%	107	112	105	100	105	111	106
Enclosed malls	%	105	108	107	98	103	104	104
Tenants' sales per m^2 (2024 compared to 2023)	**%**	**106**	**107**	**112**	**100**	**110**	**110**	**108**
Open-air malls	%	108	108	110	101	112	113	108
Enclosed malls	%	104	106	115	98	108	106	106
Collection rate	**%**	**99.8**	**99.8**	**99.7**	**99.7**	**99.8**	**99.8**	**99.8**

Footfall (LFL) performance was satisfactory for the six months to 30 June 2024, increasing 6% compared to the same period in the previous year, confirming the continued robust demand for the Group's retail offering.

Overall, LFL tenants' sales outperformed levels achieved in the six-month period to 30 June 2023 by 8% in open-air malls and 6% in enclosed malls. Certain categories, services, home appliances, health and beauty, shoes, toys and food service have delivered impressive results, surpassing the overall growth trend during the six months to 30 June 2024, with complements, clothing and DIY categories also continuing to outperform during the six months to 30 June 2024.

Passing NRI increased significantly, by 8.7% compared to 31 December 2023 and by 16.6% compared to 30 June 2023. Over half of the improvement is attributable to new developments becoming operational during the financial year (Carolina Mall in August 2023, and Arges Mall in April 2024), with the balance of improvement being attributable to exceptional operational performance of standing assets, and delivering passing NRI increases on a LFL basis by 7.2% compared to 30 June 2023.

Tenants' excellent sales performance underpinned both the stability of occupancy cost ratios (OCR) (excluding certain tenant categories: supermarkets, DIYs, entertainment, and services), at 10.6% on 30 June 2024 (10.7% on 31 December 2023), as well as exceptional collection rates at over 99.8% for the entire six-month period.

In addition, occupancy of Central and Eastern European retail assets continues to be impressive at 97.4% (97.7% on 31 December 2023). The Group's occupancy with respect to CEE retail assets on a LFL basis increased during the financial year to 98.2% on 30 June 2024 (97.4% on 30 June 2023), and leasing efforts to sustainably increase occupancy are ongoing.

At Flensburg Galerie (Germany), the property's occupancy increased substantially, to 97.1% (89.6% on 31 December 2023), and passing NRI by 10.3% compared to 31 December 2023, positioning the property well for a disposal when the German market is suitable. The property's operational metrics continued to be healthy, with footfall levels for the six months to 30 June 2024 increasing by 6.2%, and tenants' sales increasing by 11.6% compared to the same period in 2023.

The DJV's residential operations reflected a €10.6million loss (on a proportionate basis) for the six months to 30 June 2024 (€11.7million for the financial year). Of this, net losses on residential sales comprise €3.1million, attributable to units handed over at Avalon Estate, Silk District and Marmura Residence. Residential results also include €7.3million in net realisable value loss adjustments on residential units in respect of all projects. The results from sales of units do not include Silk District Phase 2 and Pleiades Residence, previously scheduled for delivery to clients starting July 2024. However, the projects were also tested for net realisable value loss adjustments.

Debt, cost of debt and liquidity

On 30 June 2024, MAS had €101.3million in cash and undrawn credit facilities (figures not proportionally consolidated). On the same date, the Group's outstanding debt amounted to €487.5million on a proportionate consolidation basis. This comprised €212.5million in unsecured bonds, and €275million in bank loans secured on the Group's properties, which includes €12.1million DJV's secured debt.

MAS monitors its financial resources closely and has communicated updates to shareholders regularly since 30 June 2023. With the 30 June 2023 results, management set out the expected new capital requirements to be in a position to repay the bond in May 2026 and to fulfil other commitments (including its capital commitments to DJV, capital expenditure requirements, and debt amortisation payments), assuming MAS suspends dividend payments and receives no dividends from the DJV until the bond's maturity.
Since then, management has made significant progress with raising new secured debt finance, finalising and drawing down €156million in new secured loans. A further €40.5million is available for drawdown (all approvals and agreements are in place).

With respect to unsecured funding, conditions for sub-investment grade real estate companies remain challenging. However, in April 2024 the Group issued €40.2million in unsecured debt via a private placement to an existing noteholder ('New Notes'). The New Notes mature in April 2029 and were issued in exchange for existing notes maturing in May 2026. The New Notes have a coupon of 6.5% per annum and include a dividend payment restriction in the form of a financial covenant. Should the Company declare and pay a dividend in respect of a period for which the adjusted consolidated coverage ratio was less than the relevant covenant level, a put option would be triggered, potentially requiring the Company to immediately redeem the New Notes.

On 30 June 2024 MAS' remaining capital commitments to 30 June 2026 were €354million. Envisaged sources of capital comprised €69million in cash and near cash instruments available, €109.5million in additional secured debt, of which €40.5million is available for drawdown and €69million is under negotiation, with the balance including retained earnings and other ongoing processes for sourcing additional capital.

The Group's LTV ratio on 30 June 2024 was 25.7% on a proportionate consolidation basis and 26.3% on an IFRS consolidation basis. The weighted average cost of debt was 5.52% per annum for the financial year ended 30 June 2024 (on an IFRS consolidation basis).

Covenant ratios on the Group's unsecured debt (comprising the Group's bond maturing in May 2026, the New Notes maturing in April 2029 as well as the revolving credit facility) demonstrated comfortable headroom compared to covenant tolerances, as illustrated in Table 2 below.

Table 2

	Tolerance	Actual IFRS	Actual proportionate consolidation basis
Solvency ratio	Shall not exceed 0.6	0.29	0.29
Consolidated coverage ratio	At least 2.5:1	3.70	3.90
Unencumbered consolidated total assets/ unsecured consolidated total debt	Minimum 180%	422%	440%
Adjusted consolidated coverage ratio	At least 2.8:1	n/a	3.22
Unencumbered consolidated total adjusted assets/ unsecured consolidated total debt	Minimum 120%	n/a	308%

Funding commitments to the DJV

On 30 June 2024, PK Investments Limited, a wholly-owned subsidiary of PKM Development, owned a total of 133,978,198 MAS shares, as a result of additional acquisitions during the six-month period then ended. One of the funding sources for the additional investment was preferred equity funding drawn down from MAS, which MAS has a contractual obligation to provide. Consequently, by 30 June 2024, MAS had invested a total of €428.1million in preferred equity and had ongoing undrawn commitments to DJV of €71.9million, of which €30milion in the undrawn revolving credit facility (figures not proportionally consolidated).

Property valuations

The income property fair value uplift of €42.0million for the six months to 30 June 2024 reflects positive fair value adjustments to income property in CEE of €44.7million (an improvement of 4.4% compared to the CEE valuations on 31 December 2023 and 9% compared to 30 June 2023). Western European property had a fair value decrease of €2.7million (4.6% decrease compared to 31 December 2023), mainly driven by an increase in the valuation discount rate used for Flensburg Galerie, the Group's last property in WE after finalising the disposal process for the Arches street retail units in June 2024.

Valuations of MAS' (and the DJV's) properties are determined biannually by external, independent professional valuers, with appropriate, recognised qualifications and recent experience in the relevant location and category of property. Valuations are primarily based on discounted forecast cash flows and are therefore forward-looking.

Income property fair value gains were a result of passing NRI increases on a LFL basis of 3.2% since December 2023 (7.2% since June 2023) driven by strong operational performance, while the weighted average unlevered discount rate for income property valuations in CEE imperceptibly increased to 9.59% from 9.56% compared to valuations for the six months to 31 December 2023 (and decreased from 9.94% on 30 June 2023).

Developments, extensions, and refurbishments in the DJV

Progress with commercial and residential developments and changes to secured commercial development pipeline are detailed below.

Completed commercial developments

Arges Mall, the dominant 51,200m^2 GLA regional enclosed mall, was completed and opened on 25 April 2024 with 95% of the GLA occupied. The mall is the DJV's largest commercial development to date and has consolidated the region's modern retail offering in the city of Pitesti, the capital and largest city of Arges county, with a population of approximately 170,000. The mall's catchment area comprises approximately 621,000 residents. Since opening, the centre's footfall and tenants' sales were exceptional.

Commercial developments

Construction continues at Mall Moldova, in Iasi, Romania, to extend and redevelop Era Shopping Centre (previously 29,600m^2 GLA) into a super-regional enclosed mall, part of a retail node incorporating approximately 125,700m^2 of destination GLA. Leasing is progressing well with high demand from national and international tenants.

Zoning is ongoing for the DJV's commercial projects in Bucharest (28,000m^2 GLA open-air mall component on 54ha of a former industrial platform, where a mixed-use urban regeneration project is planned), Bacau (51,200m^2 enclosed mall component of a transformational project on a former industrial platform of approximately 34.2ha) and Cluj (130,000m^2 GLA enclosed mall component on a 17ha land plot where the DJV plans a large-scale mixed-use urban regeneration project).

Several other retail development opportunities are being pursued, and further updates will be provided in due course.

Residential developments

The first phase of the Avalon Estate residential project, comprising 352 residential units as well as the perimeter walls, clubhouse, and internal and external infrastructure works are complete, with over 80% sold and handed over to clients, and an additional 8% of units currently rented.

Construction on the first two phases of Silk District's residential component was finalised during the financial year, and of the first phase's 315 units, 300 were handed over to clients. The second phase's 346 units are substantially contracted (320 units: 92%), with handover to clients scheduled to commence in September 2024. Sales commenced for the project's third phase (380 units) in March 2024, whilst construction works have started in July 2024 with 126 units contracted.

At Pleiades Residence, construction of the 142 units in two buildings planned for the residential component of the 10.1ha mixed use urban regeneration in downtown Ploiesti, completed by 30 June 2024. Sales continue and 66% of the completed units were contracted, and the first units are scheduled to be handed over to clients starting September 2024.

Extensions and refurbishments to directly-owned assets

Galleria Burgas's refurbishment was completed in May 2024, as scheduled, improving the centre's overall leisure and entertainment facilities. Similarly, the Group's 2,900m^2 extension to Prahova Value Centre, was completed as scheduled in May 2024. Further updates regarding other extension and refurbishment projects to directly owned assets in CEE, will be provided when appropriate.

Changes to the Board of Directors and Committees

Brett Nagle has stepped down as Non-Executive Director from MAS' Board of Directors with effect from 22 August 2024. The Board expressed its gratitude for Brett's contribution to MAS during his tenure and wished him the best in his future endeavours. Following this change and having considered the most appropriate restructuring of the Audit and Risk Committee, the Board has appointed Claudia Pendred as Committee member.
As a result of changes mentioned, the Board's Committees are structured as follows:

- Audit and Risk Committee Chair: Vasile Iuga; Members: Claudia Pendred, Mihail Vasilescu
- Remuneration and Nomination Committee Chair: Dan Pascariu; Members: Mihail Vasilescu, Werner Alberts
- Environmental, Social and Ethics Committee Chair: Claudia Pendred; Members: Werner Alberts, Irina Grigore

Earnings guidance

Diluted adjusted distributable earnings per share for the 2025 financial year is expected to range from 9.54eurocents to 10.45eurocents per share. This guidance is based on the assumptions that MAS implements its current debt management plan as scheduled, no additional material macroeconomic disruption occurs, a stable political environment prevails in the Group's markets, developments are delivered as scheduled, residential units are handed over to clients by DJV as scheduled and at current estimated selling prices and no major corporate failures occur.

Shareholders should note that the Company's estimates and distributable earnings per share targets are subject to change. Inevitably, some assumptions will not materialise, plans will change, and unanticipated events and circumstances may affect the ultimate financial results. The Company will not hesitate to adopt changes in strategy, or to take action that may impact negatively on distributable income per share, if this is considered appropriate from a long-term, risk-adjusted, total return perspective.

This forecast has not been audited or reviewed by MAS' auditors and is the responsibility of the Board.

Irina Grigore
Chief Executive Officer

Nadine Bird
Chief Financial Officer

29 August 2024
Malta

Released on 2 September 2024

Statement of Directors' responsibilities

In accordance with the applicable laws and regulations, the Directors are required to prepare financial statements which give a true and fair view of the financial position of the Group for each period end and the financial performance for that period.
In preparing the Directors' commentary and consolidated annual financial statements, the Directors are responsible for:

- ensuring that the financial statements have been prepared in accordance with the International Financial Reporting Standard ('IFRS') issued by the International Accounting Standards Board ('IASB'), SAICA Financial Reporting Guides, as issued by the Accounting Practices Committee in South Africa and Financial Pronouncements as issued by Financial Reporting Standards Council in South Africa and IFRS issued by the EU, and;
- selecting and applying appropriate accounting policies;
- making accounting estimates that are reasonable in the circumstances, and
- preparing the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business as a going concern.

The Directors are also responsible for designing, implementing, and maintaining internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and that comply with the Maltese Companies Act (Cap. 386). They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website.

Legislation governing the preparation and dissemination of financial statements may differ from one jurisdiction to another.

The consolidated annual financial statements have been prepared under the supervision of Nadine Bird and Irina Grigore.

CEO and CFO confirmation
Each of the Directors, whose names are stated below, hereby confirm that:
(a) the annual financial statements set out on pages 1 to 63, fairly present in all material respects the financial position, financial performance and cash flows of the issuer in terms of IFRS;
(b) to the best of our knowledge and belief, no facts have been omitted or untrue statements made that would make the annual financial statements false or misleading;
(c) internal financial controls have been put in place to ensure that material information relating to the issuer and its consolidated subsidiaries have been provided to effectively prepare the annual financial statements of the issuer;
(d) the internal financial controls are adequate and effective and can be relied upon in compiling the annual financial statements, having fulfilled our role and function as Executive Directors with primary responsibility for implementation and execution of controls;
(e) where we are not satisfied, we have disclosed to the audit and risk committee and the auditor any deficiencies in design and operational effectiveness of the internal financial controls, and have remediated the deficiencies, and
(f) we are not aware of any fraud involving directors.

The consolidated annual financial statements on pages 1 to 63 were approved and authorised for issue by the Board of Directors on 29 August 2024 and signed on its behalf by:

Nadine Bird
Chief Financial Officer

Irina Grigore
Chief Executive Officer

29 August 2024
Ta' Xbiex
Malta

Independent auditor's report

To the Shareholders of MAS P.L.C.

Report on the audit of the consolidated annual financial statements

Our opinion

In our opinion:

- The Consolidated annual financial statements (the "financial statements") of MAS P.L.C. give a true and fair view of the Consolidated annual financial position as at 30 June 2024, and of their financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards ('IFRSs') as adopted by the EU and IFRSs as issued by the International Accounting Standards Board ('IASB'); and
- The financial statements have been prepared in accordance with the requirements of the Maltese Companies Act (Cap. 386).

What we have audited

MAS P.L.C.'s financial statements, set out on pages 1 to 63, comprise:

- the Consolidated statement of profit or loss for the year ended 30 June 2024;
- the Consolidated statement of other comprehensive income for the year then ended;
- the Consolidated statement of financial position as at 30 June 2024;
- the Consolidated statement of changes in equity for the year then ended;
- the Consolidated statement of cash flows for the year then ended; and
- the notes to the Consolidated annual financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

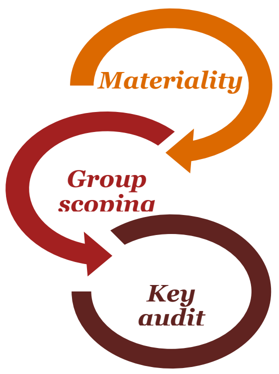
We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) together with the ethical requirements of the Accountancy Profession (Code of Ethics for Warrant Holders) Directive issued in terms of the Accountancy Profession Act (Cap. 281) that are relevant to our audit of the financial statements in Malta. We have fulfilled our other ethical responsibilities in accordance with these Codes.
To the Shareholders of MAS P.L.C.

Independent auditor's report - continued

To the Shareholders of MAS P.L.C.

Our audit approach

Overview



- Overall group materiality: €15,500,000, which represents approximately 1% of the Group's total assets.

- We conducted a full scope audit of the most significant components and performed specified audit procedures on certain account balances of other components.
- The Group engagement team performed oversight procedures on the work of the component teams for all significant locations.

- Valuation of investment property and the investment property within the equity-accounted investee.

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated financial statements. In particular, we considered where the directors made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall group materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Overall group materiality	€15,500,000
How we determined it	Approximately 1% of the Group's total assets
Rationale for the materiality benchmark applied	We chose consolidated total assets as the benchmark as, in our view, this is the main benchmark against which users of the financial statements most frequently measure the Group's performance. We chose 1% based on our professional judgement, noting that it is also within the range of quantitative materiality thresholds that we consider acceptable.

We agreed with the Audit and Risk Committee that we would report to them misstatements identified during our audit above €770,000 as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the Key audit matter
Valuation of investment property and the investment property within the equity-accounted investee Refer to the following accounting policies and notes to the financial statements for details: • Note 12 'Investment property', • Note 13 'Investment in equity-accounted investee' and • Note 24 'Critical accounting estimates, judgements and errors'. The Group's investment property includes retail properties in Central and Eastern Europe and retail properties in Western Europe. The fair value of investment property is €1,030,329 thousand and the fair value of the investment in equity-accounted investee is €33,098 thousand. A significant portion of the share of profit from the equity-accounted investee, net of tax, underlying the investment in the equity-accounted investee, comprises fair value adjustments for investment properties.	Given the inherent subjectivity involved in the valuation of the property portfolio, and therefore the need for strong market knowledge when determining the most appropriate assumptions and the technicalities of valuation methodology, we involved our internal valuation experts with relevant qualifications to assist us in this area. We assessed the independent property valuers' qualifications and expertise and read their terms of engagement with the Group to determine whether there were any matters that might have affected their objectivity or may have imposed scope limitations upon their work. We also considered fees and other contractual arrangements that might exist between the Group and the valuers. We found no evidence to suggest that the objectivity of the valuers was compromised. We read the valuation reports for a sample of the properties and confirmed that the valuation approach for each property selected was in accordance with RICS (Royal Institute of Chartered Surveyors) standards or equivalent and suitable for

Key audit matter	How our audit addressed the Key audit matter
On a biannual basis, management assesses the fair value of its property portfolio based on external valuations prepared by independent property valuers using various valuation models as further explained in Note 12. The valuation of the Group's investment property was identified as a key audit matter given that the valuation is inherently subjective due to, among other factors, the individual nature of each property, its location and the expected future rental streams for that particular property. The significance of accounting estimates and judgements involved warrants specific audit focus, coupled with the fact that only small differences in individual property valuations when aggregated could result in a material misstatement.	use in determining the carrying value for the purpose of the financial statements in accordance with IFRSs. We held meetings with management and the valuers, as appropriate, where the valuations and the key assumptions and rationale therein were discussed and challenged, focusing on the largest properties in the portfolio, significant valuation movements and where the valuation basis has changed in the year. We obtained details of material properties held by the Group on a sample basis and set an expected range for yield determined by reference to published benchmarks and using our experience and knowledge of the market. We compared investment yields used by the valuers with the range of expected yields and the year on year movement to our expected range. We also considered the reasonableness of other assumptions that are not so readily comparable with published benchmarks, such as estimated rental value. We developed multiple sensitivity analyses on these inputs that were assessed as significant and tested the impact. Where assumptions were outside the expected range or otherwise appeared unusual, and/or valuations showed unexpected movements, we undertook further investigations, and when necessary, held further discussions with management and the valuers and obtained evidence to support explanations received. The valuation commentaries provided by the valuers and other supporting evidence enabled us to consider the property specific factors that may have had an impact on value, including recent comparable transactions where appropriate. We performed testing on the standing data the Group provided to the valuers for use in the performance of the valuation on a sample basis, to satisfy ourselves of the accuracy of the property information supplied by management. For land assets (land plots held for future development) we developed an independent expected valuation and assessed the reasonableness of the assumptions and adjustments used by the external valuer and concluded that the market value is reasonably estimated.

Key audit matter	How our audit addressed the Key audit matter
	The above procedures were also performed, on a sample basis, on investment property held by the equity-accounted investee. Based on the work performed we found that the assumptions used in the valuations were supported by the evidence obtained. We also considered the adequacy of the disclosures made in Note 12 'Investment property', Note 13 'Investment in equity-accounted investee' and Note 24 'Critical accounting estimates, judgements and errors' to the consolidated annual financial statements and consider these to be adequate.

How we tailored our group audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

The Group comprises a number of holding companies and other investment property owning subsidiaries. It also holds an investment in an equity-accounted investee. The consolidated financial statements are a consolidation of all of these components.

We performed full scope audits for financially significant components, and in addition, we performed a combination of audits of certain account balances or analytical review procedures over the remaining components. This, together with additional procedures performed at the group level, including testing of consolidation journals and intercompany eliminations, gave us the evidence we needed to form our opinion on the consolidated financial statements as a whole.

In establishing the overall audit approach to the group audit, we determined the type of work that needed to be performed by us, as the group engagement team, and by component auditors from other PwC network firms operating under our instruction. Where the work was performed by component auditors, we determined the level of involvement we needed to have in the audit work at those reporting components to be able to conclude whether sufficient appropriate audit evidence had been obtained as a basis for our opinion on the consolidated annual financial statements as a whole.

Other information

The directors are responsible for the other information. The other information comprises the Directors' commentary and the Statement of Directors' responsibilities (but does not include the financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report, and other information to be included in the Annual Report, which is expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon except as explicitly stated within the *Report on other legal and regulatory requirements.*
In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Independent auditor's report - continued

To the Shareholders of MAS P.L.C.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance in accordance with International Standards on Auditing.

Responsibilities of the directors and those charged with governance for the financial statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs as adopted by the EU and IFRSs as issued by the IASB, and the requirements of the Maltese Companies Act (Cap. 386), and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

The *Directors' Commentary and Consolidated annual financial statements 2024* contains other areas required by legislation or regulation on which we are required to report. The Directors are responsible for these other areas.

The table below sets out these areas presented within the *Directors' Commentary and Consolidated annual financial statements 2024*, our related responsibilities and reporting, in addition to our responsibilities and reporting reflected in the *Other information* section of our report. Except as outlined in the table, we have not provided an audit opinion or any form of assurance.

<table>
<tr><th>Area of the Directors' Commentary and Consolidated annual financial statements 2024 and the related Directors' responsibilities</th><th>Our responsibilities</th><th>Our reporting</th></tr>
<tr><td>Directors' commentary and Statement of Directors' responsibilities
(on pages a to e)
The Maltese Companies Act (Cap. 386) requires the directors to prepare a Directors' report, which includes the contents required by Article 177 of the Act and the Sixth Schedule to the Act.</td><td>We are required to consider whether the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

We are also required to express an opinion as to whether the Directors' report has been prepared in accordance with the applicable legal requirements.

In addition, we are required to state whether, in the light of the knowledge and understanding of the Group and its environment obtained in the course of our audit, we have identified any material misstatements in the Directors' report, and if so to give an indication of the nature of any such misstatements.</td><td>In our opinion:
• the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
• the Directors' report has been prepared in accordance with the Maltese Companies Act (Cap. 386).

We have nothing to report to you in respect of the other responsibilities, as explicitly stated within the Other information section.</td></tr>
<tr><td></td><td>Other matters on which we are required to report by exception
We also have responsibilities under the Maltese Companies Act (Cap. 386) to report to you if, in our opinion:
• adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us.
• the financial statements are not in agreement with the accounting records and returns.
• we have not received all the information and explanations which, to the best of our knowledge and belief, we require for our audit.</td><td>We have nothing to report to you in respect of these responsibilities.</td></tr>
</table>

Independent auditor's report - continued

To the Shareholders of MAS P.L.C.

Other matter – use of this report

Our report, including the opinions, has been prepared for and only for the Parent Company's shareholders as a body in accordance with Article 179 of the Maltese Companies Act (Cap. 386) and for no other purpose. We do not, in giving these opinions, 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 written consent.

Christopher Cardona
Principal

For and on behalf of
PricewaterhouseCoopers
78, Mill Street
Zone 5, Central Business District
Qormi
Malta

30 August 2024

Consolidated statement of profit or loss

	Note	Year to 30 June 2024	Year to 30 June 2023
Continuing operations			
Rental income	5.1	72,237	66,519
Service charge income and other recoveries	5.2	23,557	21,369
Gross revenue		**95,794**	**87,888**
Impairment of receivables	5	(427)	(76)
Service charge and other property operating expenses	5.2	(28,247)	(25,617)
Net rental income	5	**67,120**	**62,195**
Corporate expenses	6	(7,143)	(6,965)
Other income	7	7,694	10,097
Investment expenses	8	(1,414)	(1,129)
Fair value adjustments	9	55,237	40,392
Foreign currency exchange differences		(53)	(2,213)
Share of profit from equity-accounted investee, net of tax	13	7,686	4,315
Reversal of impairment/(impairment) of share-based payment prepayments	20.2	184	(9,624)
Profit before finance income/(costs)		**129,311**	**97,068**
Finance income	10	31,571	20,628
Finance costs	10	(25,325)	(19,993)
Profit before tax		**135,557**	**97,703**
Current tax		(3,402)	(4,165)
Deferred tax		(10,981)	(6,542)
Taxation	11	**(14,383)**	**(10,707)**
Profit from continuing operations		**121,174**	**86,996**
Discontinued operations			
Profit from discontinued operations, net of tax	4.1	2,009	3,836
Profit for the year		**123,183**	**90,832**
Attributable to:			
Owners of the Group		123,183	90,832
Profit for the year		**123,183**	**90,832**
IFRS Earnings per share for profit attributable to the ordinary equity holders of the Group - total	20.3		
IFRS Basic earnings per share (eurocents)		*17.91*	*13.20*
IFRS Diluted earnings per share (eurocents)		*17.73*	*13.04*
IFRS Earnings per share for profit attributable to the ordinary equity holders of the Group - continuing operations	20.3		
IFRS Basic earnings per share (eurocents)		*17.61*	*12.65*
IFRS Diluted earnings per share (eurocents)		*17.44*	*12.49*

The consolidated statement of profit or loss for the year to 30 June 2023 has been represented as a result of reclassifying certain assets between discontinued and continuing operations. For more details, refer to note 4 and note 24.

All amounts in € thousand unless otherwise stated.

Consolidated statement of other comprehensive income

	Note	Year to 30 June 2024	Year to 30 June 2023
Profit for the year - continuing operations		121,174	86,996
Profit for the year - discontinued operations		2,009	3,836
Profit for the year		**123,183**	**90,832**
Other comprehensive income			
Items that are or may be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign operations - continuing operations		188	3,406
Exchange differences on translation of foreign operations - discontinued operations		(3,604)	178
Items reclassified through profit or loss			
Foreign exchange loss previously recognised in other comprehensive income recycled on liquidation of subsidiaries - continuing operations		-	(1,871)
Foreign exchange gain previously recognised in other comprehensive income recycled on liquidation of subsidiaries - discontinued operations		1,706	-
Total comprehensive income for the year		**121,473**	**92,545**
Attributable to:			
Owners of the Group		121,473	92,545
Total comprehensive income for the year		**121,473**	**92,545**

The notes on pages 6 to 63 form part of these consolidated annual financial statements.
All amounts in € thousand unless otherwise stated.

Consolidated statement of financial position

	Note	On 30 June 2024	On 30 June 2023
Non-current assets			
Investment property	12.1	1,030,329	901,472
Financial assets	17.4	467,496	338,949
Investment in equity-accounted investee	13	33,098	25,412
Other non-current assets	15	8,235	10,542
Deferred tax assets	11	2,993	2,389
Intangible assets	14	1,696	1,696
Total non-current assets		**1,543,847**	**1,280,460**
Current assets			
Financial investments	17.1	-	36,504
Trade and other receivables	17.2	17,961	37,852
Cash and cash equivalents	17.3	81,302	60,361
Investment property held for sale	4.2	-	58,848
Total current assets		**99,263**	**193,565**
Total assets		**1,643,110**	**1,474,025**
Equity			
Share capital and share premium	20.1	654,586	654,643
Share capital		7,161	7,161
Share premium		647,425	647,482
Treasury shares	20.1	(31,013)	(31,184)
Retained earnings		472,705	349,522
Share-based payment reserve	20.2	2,014	1,602
Foreign currency translation reserve		(11,637)	(9,927)
Equity attributable to owners of the Group		**1,086,655**	**964,656**
Non-current liabilities			
Bonds	18.1	211,977	290,752
Bank loans	18.1	253,668	108,629
Deferred tax liabilities	11	47,338	35,753
Other non-current liabilities	16	6,921	6,716
Total non-current liabilities		**519,904**	**441,850**
Current liabilities			
Bonds	18.1	526	84
Bank loans	18.1	9,240	45,100
Trade and other payables	18.2	26,785	22,335
Total current liabilities		**36,551**	**67,519**
Total liabilities		**556,455**	**509,369**
Total shareholder equity and liabilities		**1,643,110**	**1,474,025**

These consolidated annual financial statements were approved and authorised for issue by the Board of Directors on 29 August 2024 and signed on their behalf by:

Nadine Bird
Chief Financial Officer

Irina Grigore
Chief Executive Officer

The notes on pages 6 to 63 form part of these consolidated annual financial statements.
All amounts in € thousand unless otherwise stated.

MAS P.L.C.
Consolidated annual financial statements for the year to 30 June 2024

Consolidated statement of changes in equity

	Note	Share capital	Share premium	Treasury shares	Retained earnings	Share-based payment reserve	Foreign currency translation reserve	Equity attributable to owners of the Group
Balance on 30 June 2022		**7,146**	**645,976**	**(29,663)**	**314,961**	**1,370**	**(11,640)**	**928,150**
Comprehensive income for the year								
Profit for the year		-	-	-	90,832	-	-	**90,832**
Other comprehensive income for the year		-	-	-	-	-	1,713	**1,713**
Total comprehensive income for the year		**-**	**-**	**-**	**90,832**	**-**	**1,713**	**92,545**
Equity transactions								
Employee share schemes – value of employee services	20.2	-	-	-	-	232	-	**232**
Total equity transactions		**-**	**-**	**-**	**-**	**232**	**-**	**232**
Transactions with the owners of the Group								
Issue of shares	20.1	15	1,506	(1,521)	-	-	-	**-**
Distributions	20.1	-	-	-	(56,271)	-	-	**(56,271)**
Total transactions with the owners of the Group		**15**	**1,506**	**(1,521)**	**(56,271)**	**-**	**-**	**(56,271)**
Balance on 30 June 2023		**7,161**	**647,482**	**(31,184)**	**349,522**	**1,602**	**(9,927)**	**964,656**
Comprehensive income for the year								
Profit for the year		-	-	-	123,183	-	-	**123,183**
Other comprehensive loss for the year		-	-	-	-	-	(1,710)	**(1,710)**
Total comprehensive income for the period		**-**	**-**	**-**	**123,183**	**-**	**(1,710)**	**121,473**
Equity transactions								
Employee share schemes - shares forfeited and brought back	20.1	-	(94)	94	-	-	-	**-**
Employee share schemes - value of employee services	20.2	-	-	-	-	449	-	**449**
Employee share schemes - unlocked shares sales	20.2	-	37	77	-	(37)	-	**77**
Total equity transactions		**-**	**(57)**	**171**	**-**	**412**	**-**	**526**
Balance on 30 June 2024		**7,161**	**647,425**	**(31,013)**	**472,705**	**2,014**	**(11,637)**	**1,086,655**

The notes on pages 6 to 63 form part of these consolidated annual financial statements.
All amounts in € thousand unless otherwise stated.

Consolidated statement of cash flows

	Note	Year to 30 June 2024	Year to 30 June 2023
Operating activities			
Cash generated from operating activities	17.3	66,781	74,220
Coupon received on PKM Development preferred equity	17.4	7,170	-
Interest received on PKM Development revolving credit facility	17.4	1,377	1,106
Income taxes paid		(3,608)	(3,083)
Reimbursements/(Payments) of federal tax and capital gains tax		684	(1,168)
Distribution paid to geared share purchase plan participants	20.2	-	(431)
Net cash inflow from operating activities		**72,404**	**70,644**
Investing activities			
Capitalised expenditure on investment property paid	12.1	(10,052)	(7,804)
Capitalised expenditure on investment property held for sale paid	4.2	(83)	(1,486)
Proceeds from sale of investment property held for sale	4	22,780	11,420
Subscription for PKM Development preferred equity	17.4	(118,599)	(36,573)
Drawdowns of PKM Development revolving credit facility	17.4	(27,550)	(52,374)
Proceeds from PKM Development revolving credit facility	17.4	38,000	9,528
Settlement of Spark II Portfolio acquisition		-	(89,764)
Proceeds from disposal of financial investments	17.1	37,626	69,701
Investment expenses paid		(541)	(1,876)
Interest paid on bank deposits	10	-	(88)
Tax paid on investing activities		(27)	(497)
Net cash outflow from investing activities		**(58,446)**	**(99,813)**
Financing activities			
Consideration for bond repurchases paid	18.1	(73,187)	(5,251)
Bond coupon paid	18.1	(10,877)	(12,575)
Transaction costs relating to bonds	18.1	(466)	-
Drawdowns of bank loans	18.1	136,000	-
Repayment of capital on bank loans	18.1	(21,755)	(9,441)
Interest paid on bank loans	18.1	(12,434)	(5,887)
Transaction costs relating to bank loans paid	18.1	(1,891)	(177)
Acquisition of interest rate caps		(3,350)	-
Drawdown of bank revolving credit facility	18.1	-	5,000
Repayment of bank revolving credit facility	18.1	(5,000)	-
Distributions paid	20.1	-	(56,271)
Net cash inflow/(outflow) from financing activities		**7,040**	**(84,602)**
Net increase/(decrease) in cash and cash equivalents		**20,998**	**(113,771)**
Cash and cash equivalents at the beginning of the year	17.3	60,361	174,176
Effect of movements in foreign exchange rate fluctuations on cash held		(57)	(44)
Cash and cash equivalents at the end of the year	**17.3**	**81,302**	**60,361**

The cash flows above relate to continuing and discontinued operations. See note 4.3 for cash flow summary on discontinued operations.

All amounts in € thousand unless otherwise stated.

Notes to the consolidated annual financial statements

Corporate information

MAS P.L.C. (the 'Company' or 'MAS') is domiciled in Malta and subject to the Maltese Companies Act 1995. The address of its registered office is Suite 11, Marina Business Centre, Abate Rigord Street, Ta' Xbiex, XBX1129, Malta.

These consolidated annual financial statements in respect of the year to 30 June 2024 comprise the Company and its subsidiaries (together referred to as the 'Group') and are available for inspection at the registered office of the Company and on the corporate website.

Additionally, the Company issues separate financial statements in respect of the year to 30 June 2024 which are available for inspection at the registered office of the Company and on the corporate website.

Comparative figures are included for the year to 30 June 2023.
All amounts disclosed have been rounded to the nearest thousand euro ('€ thousand'), unless otherwise stated.

Group subsidiaries

The Group's subsidiaries on 30 June 2024 and 30 June 2023 are set out below. Unless otherwise stated, subsidiaries' share capital consists solely of ordinary shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group.

Entity name	Jurisdiction	Ownership interest held by the Group
Atrium Mall SRL	Romania	100%
Baia Mare Value Centre SRL	Romania	100%
Barlad Value Centre SRL	Romania	100%
Braunschweig Limited	Isle of Man	100%
Chippenham Properties Limited	Isle of Man	100%
Dambovita Mall SRL	Romania	100%
DN1 Value Centre SRL	Romania	100%
Flensburg Limited	Isle of Man	100%
Galleria Burgas ead	Bulgaria	100%
Galleria Stara Zagora ead	Bulgaria	100%
Intonata Capital Sarl	Luxembourg	100%
Langley Properties Limited	Isle of Man	100%
MAS (European) Holdings Limited	Isle of Man	100%
MAS (IOM) Holdings Limited	Isle of Man	100%
MAS CEE Holdings Ltd	Malta	100%
MAS Ginger SRL	Romania	100%
MAS Jupiter SRL	Romania	100%
MAS One PCC Limited	Isle of Man	100%
MAS Pearl SA	Romania	100%
MAS Property Holding SRL (name changed from MAS CEE Management Holding SRL on 11 August 2023)	Romania	100%
MAS Property Management Bulgaria eood	Bulgaria	100%
MAS Property Management GmbH	Germany	100%
MAS Property Management Poland sp zoo	Poland	100%
MAS RE Malta Holding Ltd	Malta	100%
MAS Saturn SRL	Romania	100%
MAS Securities BV	Netherlands	100%
MAS Velvet SRL	Romania	100%
MAS WE Holdings Ltd	Malta	100%
Militari Shopping Centre SRL	Romania	100%
New Waverley 10 Limited	Isle of Man	100%
New Waverley 20 Limited	United Kingdom	100%
North Street Quarter Limited	Isle of Man	100%
Nova Park sp zoo	Poland	100%
PK Red SRL	Romania	100%
Prahova Value Centre SRL	Romania	100%
Rhea Mezzi Limited	Isle of Man	100%
Roman Value Centre SRL	Romania	100%
Sepsi Value Centre SRL	Romania	100%
Zalau Value Centre SRL	Romania	100%

Liquidated subsidiaries

Entity name	Jurisdiction	Ownership interest held by the Group
Braehead Properties Limited (dissolved on 14 August 2023)	Isle of Man	100%
Brandenburg Retail Capital Sarl (dissolved on 18 June 2024)	Luxembourg	100%
Impromptu Capital Sarl (dissolved on 10 June 2024)	Luxembourg	100%
Incantada Capital Sarl (dissolved on 12 April 2024)	Luxembourg	100%
Innova Capital Sarl (dissolved on 4 October 2023)	Luxembourg	100%
Instrumento Capital Sarl (dissolved on 21 June 2024)	Luxembourg	100%
Interlude Capital Sarl (dissolved on 23 November 2023)	Luxembourg	100%
Intermezzo Capital Sarl (dissolved on 10 April 2024)	Luxembourg	100%
Istempo Capital Sarl (dissolved on 14 December 2023)	Luxembourg	100%
Leipzig Retail Capital Sarl (dissolved on 18 June 2024)	Luxembourg	100%
Magdeburg Retail Capital Sarl (dissolved on 18 June 2024)	Luxembourg	100%
MAS CEE Developments Ltd (merged with MAS CEE Holdings Ltd effective 30 June 2023*)	Malta	100%
MAS Real Estate Finance SRL (merged with MAS Property Holding SRL effective 1 July 2023)	Romania	100%
MAS Three Limited (dissolved on 29 April 2024)	Isle of Man	100%
New Waverley 12 Limited (dissolved on 22 April 2024)	Isle of Man	100%
New Waverley 14 Limited (dissolved on 29 July 2024, subsequent to current year end)	Isle of Man	100%
Petrusse Capital Sarl (dissolved on 27 June 2024)	Luxembourg	100%
PKM Investments (Netherlands) BV (merged with MAS CEE Holdings Ltd on 27 January 2023)	Netherlands	100%
Prime Kapital CEE Property Investments Management Ltd (dissolved on 13 January 2023)	British Virgin Islands	100%

* Approved on 21 September 2023.

Auditors

At the annual general meeting held on 7 December 2023, PricewaterhouseCoopers (Malta) was reappointed as the Group and Company's external auditor.

All amounts in € thousand unless otherwise stated.

Contents of the notes

All amounts in € thousand unless otherwise stated.

1. Significant events in the current year

The financial position and performance of the Group was influenced by the following events and transactions during the current year:

- Disposal of listed real estate equity securities portfolio; see further information in note 17.1.
- Drawdown of bank loans secured against CEE and WE income property; see further information in note 18.1.
- Bonds repurchased at a discount to their nominal value; see further information in note 18.1.
- New notes issued via a private placement, exchanged with bonds maturing May 2026; see further information in note 18.1.
- Disposal of investment property held for sale, in accordance with the Group's WE disposal strategy; see further information in note 4.2.

2. Going concern

Management has, at the time of approving these consolidated annual financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus, management continues to apply the going concern basis of accounting in preparing the consolidated annual financial statements.

3. Segmental analysis – proportionate accounts

Segmental analysis

Segment results used by management include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

The Group's reportable segments are designed so that management can optimally analyse assets and their performance on a regional level, consistent with the Group's strategy to focus on CEE markets. The Group prepares proportionate accounts for the use of investors, analysts, rating agencies and any other interested parties for the purpose of providing a transparent view of how management considers the Group's operational performance and determines its financial position. A segment's performance is measured with two indicators, tangible net asset value per segment and adjusted distributable earnings per segment, with each segment described in the table below.

The Group has a significant investment in PKM Development Ltd. ('DJV') following the agreement with Prime Kapital Holdings Ltd ('Prime Kapital', 'PK'). Presentation of financial information by using the proportionate consolidation method enhances clarity to interested parties in respect of the Group's operations.

Reportable segment	Description
CEE direct assets (CEE)	Income properties located in CEE fully owned and managed by the Group.
CEE development joint venture (DJV)	Income and development properties located in CEE operated by the Group and indirectly owned through DJV with Prime Kapital. Information presented represents the Group's 40% share in the joint venture. In addition, the segment includes other balances and transactions in relation to the DJV, including 60% of the preferred equity and the revolving credit facility made available to the DJV (40% of the redemption value, income related to preferred equity and revolving credit facility is eliminated on proportionate consolidation).
WE direct assets (WE)	Income properties held to be sold located in WE fully owned and managed by the Group. The fair value of these assets was tested by independent valuers in terms of IAS 40 and is disclosed in the Western European segment as income property. Management also includes an estimation for WE disposal realisation costs in this segment.
Corporate (Co)	Other assets, liabilities and activities related to the Group's management, including investments, Group level financing, as well as corporate level administration.

Management analyses the operational performance and financial position of the Group by aggregating the Group's operations into the four reportable segments described above. These reportable segments have different risk profiles and generate revenue/income from different sources. Accordingly, it allows management to make well informed strategic decisions for the Group.

Proportionate accounts - basis for preparation

The Group's management accounts are not intended to be a replacement of the Group's IFRS financial statements but a complement to these. In considering the accounting policies for the management accounts, management analysed best practice recommendations by industry institutions (EPRA, SA REIT).

The main changes in presentation of financial information in accordance with IFRS as compared to Segmental analysis are disclosed below.

Presentation	IFRS	Segmental analysis – proportionate accounts
Joint ventures and non-controlling interests	Equity accounting	Proportionate accounting to reflect the Group's 40% ordinary equity interest in the DJV
Statement of profit or loss	Aggregation based on function (presented as continuing and discontinued operations in accordance with IFRS 5)	Aggregation based on nature
Investment property held for sale	Current assets	Investment property based on type
Statement of financial position – line descriptions	Aggregation with limited details (explanatory notes needed for clarity)	Limited aggregation

All amounts in € thousand unless otherwise stated.

Presentation	IFRS	Segmental analysis – proportionate accounts
Statement of financial position – classification by current/non-current	Yes	No
Statement of financial position – equity	Classification by type	Total equity amount

Presentation of the consolidated statement of profit or loss for the purpose of proportionate accounts reflects operational performance per segment, categorised as distributable earnings and non-distributable earnings. Management monitors earnings generated by each area of the business and its impact on the total adjusted earnings for each segment.

- Net result – residential property includes proceeds from sale of residential units during the reporting period, less expenses which are directly attributable to the delivered units (Cost of Sales) or attributable to each residential project (e.g. operational, selling and administrative expenses and, if applicable, net realisable value impairment adjustments).
- Expenses incurred by corporate entities servicing multiple WE subsidiaries, mainly relating to fees attributable to disposal of the WE assets have been reclassified from Co segment to WE segment.
- Net dividends - listed securities have been adjusted to include withholding taxes reclassified from income tax.
- Share-based payment expense has been adjusted with impairment or reversal of impairment of share-based payment prepayments.
- Other non-distributable income/(cost) has been adjusted with the gain on bonds repurchases net of tax, and expenses incurred during the process.

Presentation of the consolidated statement of financial position is disaggregated in a similar manner, to identify the assets and liabilities generating the corresponding earnings for each segment of the business. As such, for a more comprehensive review process as monitored by management, the following line items have been presented differently as compared to IFRS to clearly show elements included in each category.

- Investment property, investment property held for sale and inventory property have been disaggregated to show Income property, Developments – income property and Developments – residential property.
- Financial assets and investments have been disaggregated to show Preferred equity and revolving credit facility, Listed securities gross exposure (including DJV's investment in MAS, at cost), Interest rate derivative financial assets and Other assets.
- Trade and other receivables have been split in VAT receivable, Share-based payment prepayments and Trade and other receivables.

Segment adjusted proportionate accounts

In addition to segmental proportionate accounts, the presentation includes a set of segment adjusted proportionate accounts, derived from adjustments specific for real estate companies, as described in more detail below.

1. *Net dividends - listed securities*
   Dividends from listed securities are recognised in adjusted distributable earnings on a basis which is commensurate with and matching the holding period of the securities with the reporting period of the Company. Consequently, any excess or shortfall in dividends received is reclassified 'to' and, respectively, 'from' non-distributable earnings fair value movements in listed securities (together with any expected withholding tax).
2. *Goodwill*
   No goodwill is included in adjusted proportionate accounts. Consequently, goodwill and related impairments are eliminated.
3. *Share-based payments*
   The allocation of part of the purchase price in a transaction settled in shares to share-based payments is an accounting treatment required under IFRS. Share-based payments related to the 2019 Transaction between MAS and Prime Kapital (November 2019) are reversed in adjusted proportionate accounts so that the entire 2019 Transaction purchase price is treated as being paid for Prime Kapital's effective economic interest in the IJV and all amounts exceeding the net tangible asset value thereof eliminated.
4. *Deferred* tax
   Deferred tax, which is unlikely to crystallise on disposal as an actual tax, a purchase price adjustment, or any other cost, is reversed.
5. *Estimation for WE disposal realisation costs*
   Estimated costs likely to crystalise on disposal of the assets in WE, and the liquidation of all holding entities in the WE segment, including early bank debt repayment penalties, agency fees, tax advisory fees, legal fees, capital expenditure requirements and other related costs and losses. This includes an estimated loss on disposal of the properties when it can be estimated reliably. Based on the information available to management on the date of this report, an amount of €254 thousand was raised in the calculation of Tangible NAV to provide for these expected costs. In the prior year these costs also included an estimated loss as strategically the group may have sold the assets for a price less than its fair value.
6. *Elimination of cross-shareholding between MAS and DJV*
   Elimination of MAS' 40% proportion of the DJV's investment in MAS shares, at cost.
7. *Elimination of DJV's dividend income from MAS*
   Elimination of the 40% proportionate part of Net dividends – listed securities recognised by the DJV as dividend income received from MAS.
8. *Geared share purchase plan interest income*
   Interest charged by MAS to participants' outstanding loans with reference to the geared share purchase plan, accrued at the Group's weighted average cost of debt.

A reconciliation and disaggregation of the amounts reported in these consolidated annual financial statements to the proportionate accounts is presented in note 27.

All amounts in € thousand unless otherwise stated.

Year to	Proportionate accounts					Adjustments					Adjusted proportionate accounts				
30 June 2024	**Total**	**CEE**	**DJV**	**WE**	**Co**	**Total**	**CEE**	**DJV**	**WE**	**Co**	**Total**	**CEE**	**DJV**	**WE**	**Co**
EARNINGS	**123,183**	**97,576**	**36,631**	**(3,215)**	**(7,809)**	**34,935**	**11,905**	**2,421**	**19,636**	**973**	**158,118**	**109,481**	**39,052**	**16,421**	**(6,836)**
DISTRIBUTABLE EARNINGS	**51,333**	**49,796**	**14,846**	**106**	**(13,415)**	**890**	**-**	**-**	**-**	**890**	**52,223**	**49,796**	**14,846**	**106**	**(12,525)**
Net rental income – income property	70,902	65,439	3,708	1,755	-	-	-	-	-	-	70,902	65,439	3,708	1,755	-
Net result – residential property	(11,693)	-	(11,693)	-	-	-	-	-	-	-	(11,693)	-	(11,693)	-	-
Net income – preferred equity and revolving credit facility	17,367	-	17,367	-	-	-	-	-	-	-	17,367	-	17,367	-	-
Net dividends – listed securities[1]	-	-	-	-	-	290	-	-	-	290	290	-	-	-	290
Net corporate expenses	(7,023)	(2,869)	(432)	(364)	(3,358)	-	-	-	-	-	(7,023)	(2,869)	(432)	(364)	(3,358)
Interest on debt financing	(23,751)	(10,050)	(341)	(1,261)	(12,099)	-	-	-	-	-	(23,751)	(10,050)	(341)	(1,261)	(12,099)
Interest capitalised on developments	6,775	-	6,775	-	-	-	-	-	-	-	6,775	-	6,775	-	-
Other distributable net income/(cost)[8]	2,808	190	97	13	2,508	600	-	-	-	600	3,408	190	97	13	3,108
Income tax	(4,052)	(2,914)	(635)	(37)	(466)	-	-	-	-	-	(4,052)	(2,914)	(635)	(37)	(466)
NON-DISTRIBUTABLE EARNINGS	**71,850**	**47,780**	**21,785**	**(3,321)**	**5,606**	**34,045**	**11,905**	**2,421**	**19,636**	**83**	**105,895**	**59,685**	**24,206**	**16,315**	**5,689**
Fair value adjustments – income property	82,745	65,148	23,763	(6,166)	-	-	-	-	-	-	82,745	65,148	23,763	(6,166)	-
Fair value adjustments – interest rate derivatives	(5,420)	(5,037)	(335)	(48)	-	-	-	-	-	-	(5,420)	(5,037)	(335)	(48)	-
Fair value adjustments – listed securities[1]	1,124	-	-	-	1,124	(290)	-	-	-	(290)	834	-	-	-	834
Foreign currency exchange differences	1,706	-	-	1,706	-	-	-	-	-	-	1,706	-	-	1,706	-
Investment expenses	(1,383)	(426)	(50)	(89)	(818)	-	-	-	-	-	(1,383)	(426)	(50)	(89)	(818)
Share-based payment expense[3]	(634)	(186)	-	-	(448)	634	186	-	-	448	-	-	-	-	-
Other non-distributable income	6,501	-	828	-	5,673	-	-	-	-	-	6,501	-	828	-	5,673
Tax on sale of property	613	-	-	613	-	-	-	-	-	-	613	-	-	613	-
Deferred tax[4]	(13,402)	(11,719)	(2,421)	663	75	14,065	11,719	2,421	-	(75)	663	-	-	663	-
Estimation for WE disposal realisation costs[5]	-	-	-	-	-	19,636	-	-	19,636	-	19,636	-	-	19,636	-
Weighted average adjusted number of shares											**652,305,097**				
Diluted weighted average adjusted number of shares											**663,886,665**				
Adjusted distributable earnings per share (eurocents)											8.01				
Diluted adjusted distributable earnings per share (eurocents)											7.87				

All amounts in € thousand unless otherwise stated.

On 30 June 2024	Proportionate accounts Total	CEE	DJV	WE	Co	Adjustments Total	CEE	DJV	WE	Co	Adjusted proportionate accounts Total	CEE	DJV	WE	Co
NET ASSET VALUE	**1,086,655**	**717,096**	**500,647**	**36,460**	**(167,548)**	**11,081**	**45,167**	**(33,832)**	**(254)**	**-**	**1,097,736**	**762,263**	**466,815**	**36,206**	**(167,548)**
ASSETS	**1,682,847**	**1,036,174**	**540,388**	**59,960**	**46,325**	**(42,508)**	**(2,171)**	**(40,337)**	**-**	**-**	**1,640,339**	**1,034,003**	**500,051**	**59,960**	**46,325**
Income property	1,160,223	973,093	135,369	51,761	-	-	-	-	-	-	1,160,223	973,093	135,369	51,761	-
Developments – income property	29,205	5,475	23,730	-	-	-	-	-	-	-	29,205	5,475	23,730	-	-
Developments – residential property	47,499	-	47,499	-	-	-	-	-	-	-	47,499	-	47,499	-	-
Preferred equity and revolving credit facility	280,498	-	280,498	-	-	-	-	-	-	-	280,498	-	280,498	-	-
Listed securities[6]	40,337	-	40,337	-	-	(40,337)	-	(40,337)	-	-	-	-	-	-	-
Goodwill[2]	1,696	1,696	-	-	-	(1,696)	(1,696)	-	-	-	-	-	-	-	-
Deferred tax asset	4,263	1,036	1,270	1,882	75	-	-	-	-	-	4,263	1,036	1,270	1,882	75
Interest rate derivative financial assets	6,881	6,325	528	28	-	-	-	-	-	-	6,881	6,325	528	28	-
Other assets	673	64	280	133	196	-	-	-	-	-	673	64	280	133	196
VAT receivable	2,361	161	1,987	124	89	-	-	-	-	-	2,361	161	1,987	124	89
Share-based payment prepayments[3]	475	475	-	-	-	(475)	(475)	-	-	-	-	-	-	-	-
Trade and other receivables	21,042	13,686	2,498	2,831	2,027	-	-	-	-	-	21,042	13,686	2,498	2,831	2,027
Cash and cash equivalents	87,694	34,163	6,392	3,201	43,938	-	-	-	-	-	87,694	34,163	6,392	3,201	43,938
LIABILITIES	**596,192**	**319,078**	**39,741**	**23,500**	**213,873**	**(53,589)**	**(47,338)**	**(6,505)**	**254**	**-**	**542,603**	**271,740**	**33,236**	**23,754**	**213,873**
Debt financing	487,532	243,180	12,120	19,709	212,523	-	-	-	-	-	487,532	243,180	12,120	19,709	212,523
Deferred tax liability[4]	53,843	47,338	6,505	-	-	(53,843)	(47,338)	(6,505)	-	-	-	-	-	-	-
Trade and other payables	54,817	28,560	21,116	3,791	1,350	-	-	-	-	-	54,817	28,560	21,116	3,791	1,350
Estimation for WE disposal realisation costs[5]	-	-	-	-	-	254	-	-	254	-	254	-	-	254	-
Adjusted number of shares in issue											**634,454,070**				
Tangible net asset value per share (eurocents)											173				

All amounts in € thousand unless otherwise stated.

Year to 30 June 2023	Proportionate accounts					Adjustments					Adjusted proportionate accounts				
	Total	CEE	DJV	WE	Co	Total	CEE	DJV	WE	Co	Total	CEE	DJV	WE	Co
EARNINGS	**90,832**	**71,053**	**24,772**	**(94)**	**(4,899)**	**602**	**16,276**	**(1,066)**	**(15,725)**	**1,117**	**91,434**	**87,329**	**23,706**	**(15,819)**	**(3,782)**
DISTRIBUTABLE EARNINGS	**60,345**	**51,487**	**19,187**	**752**	**(11,081)**	**(1,408)**	**-**	**(2,323)**	**-**	**915**	**58,937**	**51,487**	**16,864**	**752**	**(10,166)**
Net rental income – income property	63,899	60,156	1,454	2,289	-	-	-	-	-	-	63,899	60,156	1,454	2,289	-
Net result – residential property	(193)	-	(193)	-	-	-	-	-	-	-	(193)	-	(193)	-	-
Net income – preferred equity and revolving credit facility	12,279	-	12,279	-	-	-	-	-	-	-	12,279	-	12,279	-	-
Net dividends – listed securities[1]	9,394	-	2,323	-	7,071	(1,862)	-	(2,323)	-	461	7,532	-	-	-	7,532
Net corporate expenses	(6,604)	(2,036)	(240)	(560)	(3,768)	-	-	-	-	-	(6,604)	(2,036)	(240)	(560)	(3,768)
Interest on debt financing	(19,815)	(4,702)	(11)	(912)	(14,190)	-	-	-	-	-	(19,815)	(4,702)	(11)	(912)	(14,190)
Interest capitalised on developments	3,939	-	3,939	-	-	-	-	-	-	-	3,939	-	3,939	-	-
Other distributable net income/(cost)[8]	428	(82)	13	(30)	527	454	-	-	-	454	882	(82)	13	(30)	981
Income tax	(2,982)	(1,849)	(377)	(35)	(721)	-	-	-	-	-	(2,982)	(1,849)	(377)	(35)	(721)
NON-DISTRIBUTABLE EARNINGS	**30,487**	**19,566**	**5,585**	**(846)**	**6,182**	**2,010**	**16,276**	**1,257**	**(15,725)**	**202**	**32,497**	**35,842**	**6,842**	**(16,571)**	**6,384**
Fair value adjustments – income property	41,275	32,620	6,812	1,843	-	(5,380)	-	-	(5,380)	-	35,895	32,620	6,812	(3,537)	-
Fair value adjustments – interest rate derivatives	3,818	3,464	352	-	2	-	-	-	-	-	3,818	3,464	352	-	2
Fair value adjustments – listed securities[1]	8,550	-	-	-	8,550	(461)	-	-	-	(461)	8,089	-	-	-	8,089
Foreign currency exchange differences	(2,095)	-	-	-	(2,095)	-	-	-	-	-	(2,095)	-	-	-	(2,095)
Investment expenses	(2,247)	(242)	(371)	(1,157)	(477)	1,018	-	-	1,018	-	(1,229)	(242)	(371)	(139)	(477)
Share-based payment expense[3]	(10,560)	(9,897)	-	-	(663)	10,560	9,897	-	-	663	-	-	-	-	-
Other non-distributable income	914	-	49	-	865	-	-	-	-	-	914	-	49	-	865
Tax on sale of property	(1,369)	-	-	(1,369)	-	-	-	-	-	-	(1,369)	-	-	(1,369)	-
Deferred tax[4]	(7,799)	(6,379)	(1,257)	(163)	-	7,636	6,379	1,257	-	-	(163)	-	-	(163)	-
Estimation for WE disposal realisation costs[5]	-	-	-	-	-	(11,363)	-	-	(11,363)	-	(11,363)	-	-	(11,363)	-
Weighted average adjusted number of shares											**659,897,913**				
Diluted weighted average adjusted number of shares											**670,049,844**				
Adjusted distributable earnings per share (eurocents)											8.93				
Diluted adjusted distributable earnings per share (eurocents)											8.80				

All amounts in € thousand unless otherwise stated.

On 30 June 2023	Proportionate accounts					Adjustments					Adjusted proportionate accounts				
	Total	CEE	DJV	WE	Co	Total	CEE	DJV	WE	Co	Total	CEE	DJV	WE	Co
NET ASSET VALUE	**964,656**	**770,620**	**364,411**	**51,449**	**(221,824)**	**(3,719)**	**32,806**	**(16,637)**	**(19,888)**	**-**	**960,937**	**803,426**	**347,774**	**31,561**	**(221,824)**
ASSETS	**1,510,948**	**944,599**	**401,341**	**89,573**	**75,435**	**(22,517)**	**(2,947)**	**(19,570)**	**-**	**-**	**1,488,431**	**941,652**	**381,771**	**89,573**	**75,435**
Income property	979,056	896,390	23,856	58,810	-	-	-	-	-	-	979,056	896,390	23,856	58,810	-
Developments – income property	70,769	5,120	65,649	-	-	-	-	-	-	-	70,769	5,120	65,649	-	-
Developments – residential property	75,526	-	75,526	-	-	-	-	-	-	-	75,526	-	75,526	-	-
Preferred equity and revolving credit facility	203,369	-	203,369	-	-	-	-	-	-	-	203,369	-	203,369	-	-
Listed securities[6]	56,074	-	19,570	-	36,504	(19,570)	-	(19,570)	-	-	36,504	-	-	-	36,504
Goodwill[2]	1,696	1,696	-	-	-	(1,696)	(1,696)	-	-	-	-	-	-	-	-
Deferred tax asset	2,510	1,170	121	1,219	-	-	-	-	-	-	2,510	1,170	121	1,219	-
Interest rate derivative financial assets	8,951	8,088	863	-	-	-	-	-	-	-	8,951	8,088	863	-	-
Other assets	2,549	11	2,091	132	315	-	-	-	-	-	2,549	11	2,091	132	315
VAT receivable	5,038	24	4,698	263	53	-	-	-	-	-	5,038	24	4,698	263	53
Share-based payment prepayments[3]	1,251	1,251	-	-	-	(1,251)	(1,251)	-	-	-	-	-	-	-	-
Trade and other receivables	40,268	11,703	2,068	25,094	1,403	-	-	-	-	-	40,268	11,703	2,068	25,094	1,403
Cash and cash equivalents	63,891	19,146	3,530	4,055	37,160	-	-	-	-	-	63,891	19,146	3,530	4,055	37,160
LIABILITIES	**546,292**	**173,979**	**36,930**	**38,124**	**297,259**	**(18,798)**	**(35,753)**	**(2,933)**	**19,888**	**-**	**527,494**	**138,226**	**33,997**	**58,012**	**297,259**
Debt financing	452,717	115,172	8,152	33,508	295,885	-	-	-	-	-	452,717	115,172	8,152	33,508	295,885
Deferred tax liability[4]	38,686	35,753	2,933	-	-	(38,686)	(35,753)	(2,933)	-	-	-	-	-	-	-
Trade and other payables	54,889	23,054	25,845	4,616	1,374	-	-	-	-	-	54,889	23,054	25,845	4,616	1,374
Estimation for WE disposal realisation costs[5]	-	-	-	-	-	19,888	-	-	19,888	-	19,888	-	-	19,888	-
Adjusted number of shares in issue											**661,007,502**				
Tangible net asset value per share (eurocents)											145				

All amounts in € thousand unless otherwise stated.

The reconciliations of adjusted distributable earnings for the years to 30 June 2024 and 30 June 2023 are provided below.

Segment	Adjusted distributable earnings for the six-month period to 31 December 2023	Adjusted distributable earnings for the six-month period to 30 June 2024	Adjusted distributable earnings for the year to 30 June 2024
CEE	25,543	24,253	49,796
DJV	12,234	2,612	14,846
WE	287	(181)	106
Co	(6,497)	(6,028)	(12,525)
Total	**31,567**	**20,656**	**52,223**
Weighted average adjusted number of shares in issue for the period	659,510,512	645,020,502	652,305,097
Diluted weighted average adjusted number of shares in issue for the period	671,159,433	656,533,976	663,886,665
Adjusted distributable earnings per share (eurocents)	**4.79**	**3.22**	**8.01**
Diluted adjusted distributable earnings per share (eurocents)	**4.70**	**3.17**	**7.87**
Dividend per share (eurocents)	**-**	**-**	**-**

Segment	Adjusted distributable earnings for the six-month period to 31 December 2022	Adjusted distributable earnings for the six-month period to 30 June 2023	Adjusted distributable earnings for the year to 30 June 2023
CEE	25,170	26,317	51,487
DJV	8,100	8,764	16,864
WE	239	513	752
Co	(4,341)	(5,825)	(10,166)
Total	**29,168**	**29,769**	**58,937**
Weighted average adjusted number of shares in issue for the period	659,507,502	660,294,795	659,897,913
Diluted weighted average adjusted number of shares in issue for the period	669,659,433	670,446,726	670,049,844
Adjusted distributable earnings per share (eurocents)	**4.42**	**4.51**	**8.93**
Diluted adjusted distributable earnings per share (eurocents)	**4.36**	**4.44**	**8.80**
Dividend per share (eurocents)	**4.36**	**-**	**4.36**

The Diluted weighted average adjusted number of shares and Diluted adjusted number of shares in issue are presented below.

Six months to 30 June 2024

Date	Transaction	Number of shares	Cumulative number of shares outstanding	% of period	Diluted weighted average
1-Jan-24	Opening	671,159,433	671,159,433	40.4%	265,513,622
12-Mar-24 to 27 Jun-24	Shares acquired by the DJV (40%)	(25,191,889)	645,967,544	59.6%	391,020,354
30-Jun-24	**Closing**	**645,967,544**	**645,967,544**	**100.0%**	**656,533,976**

Six months to 31 December 2023

Date	Transaction	Number of shares	Cumulative number of shares outstanding	% of period	Diluted weighted average
1-Jul-23	Opening	671,159,433	671,159,433	100.0%	671,159,433
31-Dec-23	**Closing**	**671,159,433**	**671,159,433**	**100.0%**	**671,159,433**

Six months to 30 June 2023

Date	Transaction	Number of shares	Cumulative number of shares outstanding	% of period	Diluted weighted average
1-Jan-23	Opening	669,659,433	669,659,433	47.5%	318,180,725
27-Mar-23	Share scheme shares granted	1,500,000	671,159,433	52.5%	352,266,001
30-Jun-23	**Closing**	**671,159,433**	**671,159,433**	**100.0%**	**670,446,726**

All amounts in € thousand unless otherwise stated.

Six months to 31 December 2022

Date	Transaction	Number of shares	Cumulative number of shares outstanding	% of period	Diluted weighted average
1-Jul-22	Opening	669,659,433	669,659,433	100.0%	669,659,433
31-Dec-22	**Closing**	**669,659,433**	**669,659,433**	**100.0%**	**669,659,433**

4. Investment property held for sale and discontinued operations

Accounting policy

Investment property held for sale

Properties identified for disposal, that met the criteria for classification as held for sale, as described in the accounting policy in note 12, are presented in the consolidated financial statements as investment property held for sale at fair value, as the properties are actively marketed and for which it was probable that the sale transactions would occur in the following twelve months from the period then ended.

This judgement is based on criteria outlined in IFRS 5 which states that the assets should be classified as held for sale and excluded from investment property, if management assesses that the properties are actively marketed, part of a committed plan to sell and an active programme is in place to locate buyers.

Discontinued operations

Key judgements are made in respect of the investment property held for sale, whether a segment meets the criteria for classification as held for sale and a disposal of a significant business segment. If the criteria are met, in accordance with IFRS 5 the entire segment is treated as a discontinued operation and the consolidated statement of profit or loss for the current and comparative periods must separately disclose discontinued operations from the rest of the business.

Therefore, the results of the respective segment are removed from the consolidated statement of profit or loss, on a line-by-line basis, and the result of the segment is recognised as a single financial statement line item named 'Profit from discontinued operations, net of tax' in the consolidated statement of profit or loss.

During the year to 30 June 2024, following the assessment of the IFRS 5 criteria for classifying assets held for sale, Flensburg Galerie was reclassified from assets held for sale to non-current assets, as income-generating property. The asset is no longer actively marketed for sale at a price that is reasonable in relation to its current fair value and the sale is therefore not expected to qualify for recognition as a completed sale within one year from the date of initial classification. The exceptions described in IFRS 5 no longer apply. In accordance with IFRS 5, the results of Flensburg Galerie for the prior period were removed from the single financial statement line item named 'Profit from discontinued operations, net of tax' and were recognised on a line-by-line basis in the consolidated statement of profit or loss from continuing operations for the current and comparative period presented.

During the year to 30 June 2024, the Group completed the sale of Arches street retail units (UK) by means of an asset deal, as detailed in note 4.2.
The Group also received the second instalment for the disposal of Langley Park on 2 February 2024 amounting to €11,895 thousand and for NSQ properties on 21 July 2023 amounting to €9,483 thousand, concluding these transactions.

Properties held for sale disposed of or reclassified from or to discontinued operations

Property name	Country	Discontinued	Status: On 30 June 2024	Status: On 30 June 2023	Completion date
Langley Park	UK	Yes	Sold	Sold	21 December 2022
Arches street retail units	UK	Yes	Sold	Held for sale	14 June 2024
Flensburg Galerie	Germany	No	Investment property	Held for sale	n/a

4.1. Profit from discontinued operations, net of tax

	Note	Year to 30 June 2024	Year to 30 June 2023
Rental income	5.1	271	282
Service charge income and other recoveries	5.2	27	83
Gross revenue		**298**	**365**
Reversal of impairment of receivables	5.1	4	25
Service charge and other property operating expenses	5.2	(228)	(140)
Net rental income	**5**	**74**	**250**
Corporate expenses	6	(266)	(335)
Other income	7	113	870
Investment expenses[1]	8	81	(747)
Fair value adjustments	9	(350)	(103)
Foreign exchange gain recycled through income statement		1,706	-
Gain from disposal of investment property held for sale	4.2	23	5,320
Profit before finance costs		**1,381**	**5,255**
Finance income	10	45	8

All amounts in € thousand unless otherwise stated.

	Note	Year to 30 June 2024	Year to 30 June 2023
Finance costs	10	(15)	(23)
Profit before tax		**1,411**	**5,240**
Current tax		598	(1,404)
Taxation	11	**598**	**(1,404)**
Profit from discontinued operations, net of tax		**2,009**	**3,836**

[1]Net investment expenses of €81 thousand reflect €390 thousand in additional costs incurred for the entire discontinued WE segment set off by €471 thousand provisions released following the disposal of Langley Park and were recognised as on a net basis; refer to note 8.

The Group elected to disclose in these consolidated financial statements, detailed elements of relevant line items of profit from discontinued operations in comparison with continuing operations, as detailed in each relevant note.

4.2. Investment property held for sale

Reconciliation of the Group's investment property held for sale is detailed below.

	Note	Year to 30 June 2024	Year to 30 June 2023
Opening balance		**58,848**	**78,509**
Disposal proceeds		(1,666)	(23,176)
Profit from disposal of investment property held for sale		23	5,320
Capitalised expenditure[2]		83	2,770
Transfer to investment property[1]		(56,961)	-
Fair value adjustment		(350)	(4,347)
Foreign currency translation reserve		23	(228)
Closing balance		**-**	**58,848**

[1] Flensburg Galerie has been reclassified from investment property held for sale to investment property, as described above.
[2] €83 thousand capitalised expenditure incurred during the period (30 June 2023: €2,770 thousand), was paid in cash (30 June 2023: €1,486 thousand).

Investment property held for sale disposed of
Reconciliation of the profit from disposal of investment property held for sale is disclosed below.

Property name	Period	Fair value at completion date	Transaction value	Foreign currency translation	Profit from disposal
Arches street retail units	30-Jun-24	1,620	1,666[1]	23	23
Langley Park	30-Jun-23	18,084	23,176[2]	(228)	5,320

[1]Of which €55 thousand transaction fees were deducted at the transaction date. The Group received in cash €1,402 thousand in June 2024 and has a retention of €209 thousand.
[2]Of which €255 thousand transaction fees were deducted at the transaction date.

Profit from disposal of investment properties held for sale includes (a) investment properties fair valued on the most recent date prior to disposal and (b) lease incentive accruals. The transaction value is the sale price in accordance with sale and purchase agreements (SPAs) entered into.

4.3. Cash flows from discontinued operations

		Year to 30 June 2024	Year to 30 June 2023
Net cash outflow from operating activities		(818)	(14,023)
Net cash inflow from investing activities		22,751	9,363
Net cash inflow/(outflow) from discontinued operations		**21,933**	**(4,660)**

5. Net rental income

	Note	Year to 30 June 2024	Year to 30 June 2023
Continuing operations			
Rental income	5.1	72,237	66,519
Service charge income and other recoveries	5.2	23,557	21,369
Gross revenue - continuing operations		**95,794**	**87,888**
Impairment of receivables		(427)	(76)
Service charge and other property operating expenses	5.2	(28,247)	(25,617)
Net rental income - continuing operations		**67,120**	**62,195**

All amounts in € thousand unless otherwise stated.

	Note	Year to 30 June 2024	Year to 30 June 2023
Discontinued operations			
Rental income	5.1	271	282
Service charge income and other recoveries	5.2	27	83
Gross revenue - discontinued operations		**298**	**365**
Reversal of impairment of receivables		4	25
Service charge and other property operating expenses	5.2	(228)	(140)
Net rental income - discontinued operations		**74**	**250**
Total			
Rental income	5.1	72,508	66,801
Service charge income and other recoveries	5.2	23,584	21,452
Gross revenue		**96,092**	**88,253**
Impairment of receivables		(423)	(51)
Service charge and other property operating expenses	5.2	(28,475)	(25,757)
Net rental income		**67,194**	**62,445**

Disaggregation of the net rental income by segment is disclosed in note 3.

5.1. Rental income

Accounting policy

Rental income from investment properties subject to operating leases is recognised through profit or loss on a straight-line basis over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are recognised as an expense over the lease term on the same basis as the lease income.

Tenant lease incentives are recognised as a reduction of rental income on a straight-line basis over the term of the lease. The term of the lease is the non-cancellable period together with any further term for which the tenant has the option to continue the lease, where, at the inception of the lease, there is reasonable certainty that the tenant will exercise that option.

Turnover rent represents the portion of the Group's rental income related to variable lease payments. Turnover rent is contingent on the underlying performance of the tenant and, as such, it is recognised as incurred.

		Year to 30 June 2024	Year to 30 June 2023
Continuing operations			
Gross rental income		63,273	57,831
Turnover rent		8,964	8,688
Rental income – continuing operations		**72,237**	**66,519**
Impairment of receivables		(427)	(76)
Rental income, net of impairment – continuing operations		**71,810**	**66,443**
Discontinued operations			
Gross rental income		271	282
Reversal of impairment of receivables		4	25
Rental income, net of impairment – discontinued operations		**275**	**307**
Total			
Gross rental income		63,544	58,113
Turnover rent		8,964	8,688
Rental income		**72,508**	**66,801**
Impairment of receivables		(423)	(51)
Rental income, net of impairment		**72,085**	**66,750**

No single tenant represented a quantum of more than 10% of the Group's total rental income during the periods presented.

All amounts in € thousand unless otherwise stated.

The future aggregate minimum rental receivable under non-cancellable operating leases is as follows.

	Year to 30-Jun-24	Year to 30-Jun-23
No later than 1 year	72,486	67,834
1-2 years	62,405	58,977
2-3 years	42,820	41,657
3-4 years	27,570	26,654
4-5 years	16,050	17,868
Greater than 5 years	21,792	22,688
Total	**243,123**	**235,678**

The table above presents the future aggregate minimum rental receivable. For the year to 30 June 2024, it includes Flensburg Galerie, no longer classified as discontinued operations. Amounts included for the comparative year to 30 June 2023 have been adjusted to include Flensburg Galerie's future aggregate minimum rental receivable, in accordance with reclassification of properties from discontinued operations policy, described in note 24.

5.2. Service charge

Accounting policy

Service charge income and other recoveries

The Group has lease agreements in terms of which costs relating to common areas and general services are shared amongst tenants. The costs that can be recharged are specified in the lease agreements and, are separately invoiced and represent distinct non-lease components.

As specified in the lease agreements, the Group typically has the primary responsibility for providing services to tenants (such as electricity, water and gas utilities, interior and exterior cleaning, security, maintenance and repairs). These contracts are concluded between the Group subsidiaries which own the properties and the direct suppliers.

As the Group sometimes uses the same providers for services across its properties, it can negotiate better prices through economies of scale. The Group is considered principal in these transactions, per IFRS 15 'Revenue from Contracts with Customers' requirements.

The Group negotiates and pays all relevant property operating expenses incurred by or on behalf of the tenants and then re-invoices these costs to them as defined in the contractual clauses included in the lease agreements. A flat fee is charged monthly during the year. This fee is estimated based on the previous year's actual costs and an annual service charge reconciliation is performed based on current year's actual costs incurred by the Group. For contracts terminated during the year, the Group estimates the service charge to be collected for the leased period based on the current budget and prior year's actual costs.

The Group has elected to apply the practical expedient in paragraph 121 of IFRS 15 'Revenue from Contracts with Customers' and does not disclose information about remaining performance obligations for contracts in which the Group has a right to consideration from tenants in an amount that corresponds directly with the value to the tenant of the Group's performance completed to date.

Service charge and other property operating expenses

Service charge and other property operating expenses are expenses incurred in relation to the properties held by the Group. These expenses comprise direct expenses in relation to income-generating properties and are recognised in profit or loss in the period in which they are incurred, on an accrual basis.

Staff costs which relate to the operating of investment properties are included in property operating expenses to the extent that they relate to income-generating properties.

	Year to 30 June 2024	Year to 30 June 2023
Continuing operations		
Gross service charge income and other recoveries	23,557	21,369
Service charge and other recoveries, net – continuing operations	**23,557**	**21,369**
Property expenses	(17,593)	(16,049)
Property management expenses	(6,651)	(5,781)
Marketing fees	(3,007)	(2,610)
Insurance expenses	(510)	(440)
Other service charge expenses	(486)	(737)
Service charge and other property operating expenses – continuing operations	**(28,247)**	**(25,617)**
Net service charge – continuing operations	**(4,690)**	**(4,248)**
Discontinued operations		
Gross service charge income and other recoveries	27	83
Service charge and other recoveries, net – discontinued operations	**27**	**83**

All amounts in € thousand unless otherwise stated.

	Year to 30 June 2024	Year to 30 June 2023
Property expenses	(148)	(126)
Insurance expenses	(6)	(6)
Other service charge expenses	(74)	(8)
Service charge and other property operating expenses – discontinued operations	**(228)**	**(140)**
Net service charge – discontinued operations	**(201)**	**(57)**
Total		
Gross service charge income and other recoveries	23,584	21,452
Service charge and other recoveries, net	**23,584**	**21,452**
Property expenses	(17,741)	(16,175)
Property management expenses	(6,651)	(5,781)
Marketing fees	(3,007)	(2,610)
Insurance expenses	(516)	(446)
Other service charge expenses	(560)	(745)
Service charge and other property operating expenses	**(28,475)**	**(25,757)**
Net service charge	**(4,891)**	**(4,305)**

6. Corporate expenses

Accounting policy
Corporate expenses include items such as: staff costs, office and administration expenses, professional fees (legal, accounting, audit), depreciation and other corporate expenses. These are recognised through profit or loss in the period in which they are incurred.

Staff costs are considered corporate expenses, to the extent these do not relate to operating investment properties (which are recognised as property management expenses in service charge) or development of properties (which are capitalised).

	Year to 30 June 2024	Year to 30 June 2023
Continuing operations		
Employee costs and non-executive director fees	(2,124)	(2,208)
Legal and professional	(1,962)	(1,709)
Audit and accounting fees	(1,410)	(1,284)
Share-based payments	(819)	(935)
Office and administration expenses	(600)	(588)
Investor communications	(242)	(296)
Depreciation	(74)	(86)
Listing fees	(99)	(105)
Net earnings from management services	187	246
Corporate expenses – continuing operations	**(7,143)**	**(6,965)**
Discontinued operations		
Office and administration expenses	(136)	(158)
Legal and professional	(114)	(112)
Audit and accounting fees	(16)	(65)
Corporate expenses – discontinued operations	**(266)**	**(335)**
Total		
Employee costs and non-executive director fees	(2,124)	(2,208)
Legal and professional	(2,076)	(1,821)
Audit and accounting fees[1]	(1,426)	(1,349)
Share-based payments	(819)	(935)
Office and administration expenses	(736)	(746)
Investor communications	(242)	(296)
Depreciation	(74)	(86)
Listing fees	(99)	(105)
Net earnings from management services	187	246
Corporate expenses	**(7,409)**	**(7,300)**

[1] Of the total amount of €1,426 thousand (30 June 2023: €1,349 thousand) of audit and accounting fees incurred during the year to 30 June 2024, €608 thousand (30 June 2023: €599 thousand) were audit fees charged in respect of MAS' consolidated annual financial statements, condensed consolidated interim financial statements, separate financial statements and Fiscal Unit consolidated financial statements.

All amounts in € thousand unless otherwise stated.

7. Other income

Accounting policy
Other income includes gain on bonds repurchased, dividend income from financial investments and other income that cannot be directly attributed to investment property.

Dividend income earned on financial investments is recognised in profit or loss on the date on which the Group's right to receive payment is established. Such dividends are disclosed gross of tax, with any tax consequences included as part of tax, as the Group is liable to settle the related taxes.

	Note	Year to 30 June 2024	Year to 30 June 2023
Continuing operations			
Gain on bonds repurchased[1]	18.1	7,469	1,354
Other income		225	425
Dividend income earned on financial investments	17.1	-	8,318
Other income - continuing operations		**7,694**	**10,097**
Discontinued operations			
Other income		113	870
Other income - discontinued operations		**113**	**870**
Total			
Gain on bonds repurchased	18.1	7,469	1,354
Other income		338	1,295
Dividend income earned on financial investments	17.1	-	8,318
Other income		**7,807**	**10,967**

[1]During the period to 30 June 2024, the Group repurchased bonds for a capital consideration of €73,187 thousand (30 June 2023: €5,251 thousand) at a 9.26% discount to their nominal value (30 June 2023: 20.5% discount) of €80,656 thousand (30 June 2023: €6,605 thousand) and coupon payments made at the repurchase date in respect of the bonds repurchased, amounted to €1,948 thousand (30 June 2023: €106 thousand).

8. Investment expenses

Accounting policy
Investment expenses are incurred in the process of acquiring and disposing of investments, either investment property or financial investments.

Expenses incurred in respect of investment property that do not meet the criteria for capitalisation and those incurred in the process of acquiring and disposing of financial investments are recognised in profit or loss in the period to which they relate.

		Year to 30 June 2024	Year to 30 June 2023
Continuing operations			
Legal investment fees		(497)	-
Transaction fees on disposal of investment property held for sale		(175)	(317)
Costs of abandoned projects		(416)	-
Investment expenses related to acquisitions		-	(380)
Other investment expenses		(326)	(432)
Investment expenses – continuing operations		**(1,414)**	**(1,129)**
Discontinued operations			
Transaction fees on disposal of investment property held for sale[1]		81	(747)
Investment expenses – discontinued operations		**81**	**(747)**
Total			
Legal investment fees		(497)	-
Transaction fees on disposal of investment property held for sale		(94)	(1,064)
Costs of abandoned projects		(416)	-
Investment expenses related to acquisitions		-	(380)
Other investment expenses		(326)	(432)
Investment expenses		**(1,333)**	**(1,876)**

[1] Transaction fees on disposal of investment property held for sale of €81 thousand reflect €390 thousand in additional costs incurred for the entire discontinued WE segment set off by €471 thousand provisions released following the disposal of Langley Park and were recognised as on a net basis.

All amounts in € thousand unless otherwise stated.

Transaction fees on disposal of investment property held for sale

In continuing operations expenses of €175 thousand (30 June 2023: €317 thousand) were incurred by corporate entities, mainly relating to legal fees attributable to the WE investment properties' disposal plan. These fees are allocated to the WE segment for segmental reporting purposes.

9. Fair value adjustments

The following items are measured at fair value on the reporting date. Changes in fair value are recognised within fair value adjustments in profit or loss in the period in which they occur.

	Note	Year to 30 June 2024	Year to 30 June 2023
Continuing operations			
Gain on fair value of investment property	12.1	59,197	28,376
Gain on fair value of financial investments - listed securities (realised and unrealised)	17.1	1,124	8,550
(Loss)/Gain on fair value of financial assets - interest rate caps		(5,084)	3,466
Fair value adjustments - continuing operations		**55,237**	**40,392**
Discontinued operations			
Loss on fair value of investment property held for sale	4.2	(350)	(103)
Fair value adjustments - discontinued operations		**(350)**	**(103)**
Total			
Fair value adjustments		**54,887**	**40,289**

10. Finance income and finance costs

Accounting policy
Finance income and finance costs include the following:
- Interest income from financial assets held at amortised cost;
- Interest expense from financial liabilities held at amortised cost;
- Interest on bank deposits;
- Bank charges, and
- Impact of interest rate derivatives.

Finance income and costs are recognised using the effective interest method.

	Note	Year to 30 June 2024	Year to 30 June 2023
Continuing operations			
Finance income			
Coupon on PKM Development preferred equity	17.4	27,600	19,000
Income on PKM Development revolving credit facility	17.4	1,345	1,465
Interest on bank deposits and other finance income		2,626	163
Finance income - continuing operations		**31,571**	**20,628**
Finance costs			
Interest on bank loans	18.1	(14,259)	(6,545)
Bonds borrowing costs	18.1	(13,666)	(13,997)
Impact of interest rate derivatives		2,719	613
Bank charges		(119)	(64)
Finance costs - continuing operations		**(25,325)**	**(19,993)**
Discontinued operations			
Finance income			
Interest on bank deposits and other finance income		45	8
Finance income - discontinued operations		**45**	**8**
Finance costs			
Bank charges		(15)	(23)
Finance costs - discontinued operations		**(15)**	**(23)**
Total			
Finance income		**31,616**	**20,636**
Finance costs		**(25,340)**	**(20,016)**

All amounts in € thousand unless otherwise stated.

11. Taxation

Income tax for the year comprises current and deferred tax. Income tax is recognised through profit or loss except to the extent that it relates to items recognised in other comprehensive income or directly in equity, in which case it is recognised in other comprehensive income or equity.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the reporting period plus/(minus) any adjustments to the tax payable or receivable in respect of previous years.
The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted on the reporting date in the countries where the Group operates. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current tax assets and current tax liabilities can be offset if, and only if, the entity has a legally enforceable right to set off the recognised amounts, and intends either to settle on a net basis, or to realise the asset and settle the liability.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the fiscal values used for tax purposes, except for the following temporary differences which are not provided for:

- those arising from goodwill not deductible for tax purposes;
- those arising from the initial recognition of assets or liabilities that affect neither accounting nor taxable profit, and are not part of a business combination, and
- those arising on investments in subsidiaries and associates where the timing of the reversal can be controlled, and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated annual financial statements.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised and is reduced to the extent that it is no longer probable that the related tax benefit will be realised.

The carrying value of the Group's investment property is assumed to be realised through sale at the end of use. The capital gains tax rate applied is that which would apply on a direct sale of the property recorded in the consolidated statement of financial position regardless of whether the Group would structure the sale via the disposal of the subsidiary holding the asset, to which a different tax rate may apply. The deferred tax is then calculated based on the respective temporary differences and tax consequences arising from recovery through sale.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on the same taxable entity. The Group recognises deferred taxes on temporary differences on an asset-by-asset basis.

The MAS Group's parent legal entity is registered in Malta. Operating subsidiaries of the Group, however, are subject to tax in the jurisdictions in which they operate and, potentially, in the jurisdictions through which the subsidiary investment companies are held. The current tax expense incurred by the Group reflects tax accrued in its subsidiaries located in, or operations conducted in, Malta, Romania, Bulgaria, Poland, Germany, Switzerland, the Netherlands, Luxembourg, the United Kingdom and the Isle of Man.

Output Value Added Tax (VAT) related to sales is payable to tax authorities on either the collection of receivables from customers or the delivery of services to customers depending on which occurs first. Input VAT is generally recoverable against output VAT upon receipt of the invoice. The tax authorities in individual countries permit the settlement of VAT on a net basis. VAT relating to sales and purchases is recognised in the consolidated statement of financial position on a net basis and is disclosed separately as an asset or liability, as the case may be. Where provision has been made for impairment of receivables, the loss is recorded for the gross amount of the debt, including VAT.

The Group's tax includes the following.

		Year to 30 June 2024	Year to 30 June 2023
Continuing operations			
Current tax		(3,402)	(4,165)
Deferred tax		(10,981)	(6,542)
Taxation – continuing operations		**(14,383)**	**(10,707)**
Discontinued operations			
Current tax		598	(1,404)
Taxation – discontinued operations		**598**	**(1,404)**
Total			
Current tax		(2,804)	(5,569)
Deferred tax		(10,981)	(6,542)
Taxation		**(13,785)**	**(12,111)**

All amounts in € thousand unless otherwise stated.

The current tax, including under/over-provisions in respect of earlier periods, for each jurisdiction is as disclosed below.

	Year to 30 June 2024		Year to 30 June 2023	
	Statutory rate %	Amount	Statutory rate %	Amount
Continuing operations				
Income/corporation tax				
Malta[1]	35.0	(164)	35.0	(382)
Poland	19.0	(773)	19.0	(807)
Netherlands	25.8	(170)	25.8	(450)
Germany	15.8	(22)	15.8	-
Bulgaria	10.0	(512)	10.0	(7)
Romania	16.0	(1,761)	16.0	(1,271)
		(3,402)		**(2,917)**
Withholding tax				
Netherlands[2]	15.0	-	15.0	(1,248)
		-		**(1,248)**
Continuing operations - Current tax		**(3,402)**		**(4,165)**
Discontinued operations				
Income/corporation tax				
UK	25.0	162	20.5	(24)
Germany	15.8	39	15.8	283
Switzerland[3]	31.9	437	31.9	(459)
		638		**(200)**
Wealth tax				
Luxembourg	0.5	(40)	0.5	(36)
		(40)		**(36)**
Federal tax				
Switzerland[4]	8.5	-	8.5	(1,168)
		-		**(1,168)**
Discontinued operations - Current tax		**598**		**(1,404)**

[1] Following the implementation of a Fiscal Unit in Malta during the 2023 year, the applicable tax rate for entities within the fiscal unit is 5% (5.7% on 30 June 2023).
[2] €1,248 thousand on 30 June 2023 related to withholding tax on the gross dividend received in respect of financial investments.
[3] €437 thousand on 30 June 2024 related to capital gains tax reimbursement on the Zurich property (30 June 2023: €459 thousand tax paid).
[4] €1,168 thousand on 30 June 2023 related to federal tax paid on the Zurich property.

Reconciliation of deferred tax is presented below.

	On 30 June 2024	On 30 June 2023
Net deferred tax liability brought forward	**(33,364)**	**(26,822)**
Current year deferred tax changes	(10,981)	(6,542)
Net deferred tax liability carried forward	**(44,345)**	**(33,364)**

The breakdown of net deferred tax liability is presented below.

	On 30 June 2024	On 30 June 2023
Deferred tax asset	2,993	2,389
Deferred tax liability	(47,338)	(35,753)
Net deferred tax liability	**(44,345)**	**(33,364)**

All amounts in € thousand unless otherwise stated.

Deferred tax asset and liability result from the following types of differences.

	On 30 June 2024	On 30 June 2023
Revaluation of investment property and investment property cumulative statutory tax allowance	1,723	1,061
Fiscal losses[1]	1,270	1,328
Deferred tax asset	**2,993**	**2,389**
Revaluation of investment property and investment property cumulative statutory tax allowance	(51,650)	(40,828)
Deductible interest expense	4,547	5,033
Other (taxable)/deductible temporary differences	(235)	42
Deferred tax liability	**(47,338)**	**(35,753)**
Net deferred tax liability	**(44,345)**	**(33,364)**

[1]Of total fiscal losses carried forward, €1,037 thousand relate to CEE operating legal entities, €75 thousand to Maltese legal entities, while the remaining €158 thousand to WE operating legal entities. Fiscal losses are carried forward if deemed recoverable and were generated as a result of i) leases transferred at acquisition from third parties, with the same terms as negotiated by the previous owners, and ii) non-recoverable expenses incurred in the properties' first years of operation. Under local tax law, fiscal losses may be carried forward up to five years by Romanian legal entities starting January 2024 (up to seven years before January 2024), from the date on which they were incurred, while for the Maltese and German legal entities, fiscal losses may be carried forward indefinitely. Management expects the fiscal losses to crystalise against future expected profits realised by the entities.

Reconciliation of effective tax rate is presented below.

	Year to 30 June 2024	Year to 30 June 2023
Continuing operations		
Profit before tax	**135,557**	**97,703**
Applicable Group weighted average tax rate	10.6%	10.6%
Net tax expense based on applicable Group weighted average tax rate	**(14,382)**	**(10,389)**
Reconciling items		
Effect of borrowing costs used	(486)	(347)
Fiscal losses utilised or expired	374	481
Fiscal losses derecognised	-	(1,085)
Non-deductible expenses	(3,420)	(1,359)
Non-taxable income	3,807	4,041
Effect of accounting losses for which no deferred tax asset was recognised	(276)	(792)
Effect of other taxes applicable in different Group subsidiaries' jurisdictions	-	(1,257)
Net taxation	**(14,383)**	**(10,707)**
Effective tax rate	**10.6%**	**11.0%**
Discontinued operations		
Profit before tax	**1,411**	**5,240**
Applicable Group weighted average tax rate	29.8%	25.5%
Net tax expense based on applicable Group weighted average tax rate	**(420)**	**(1,336)**
Reconciling items		
Non-deductible expenses	(38)	-
Non-taxable income	591	1,617
Effect of accounting losses for which no deferred tax asset was recognised	(156)	(12)
Effect of other taxes applicable in different Group subsidiaries' jurisdictions	621	(1,673)
Net taxation	**598**	**(1,404)**
Effective tax rate	**(42.4)%**	**26.8%**
Weighted average effective tax rate – continuing and discontinued operations	**10.1%**	**11.8%**

All amounts in € thousand unless otherwise stated.

The applicable Group weighted average tax rate has been determined using the applicable tax rate of each jurisdiction in which the Group operates.

Except for changes during the comparative period, related to redomiciliation to Malta of certain legal entities in the Group and the increase in applicable tax rates in the United Kingdom, there have been no other changes in the applicable tax rates.

The decrease in the effective tax rate from 11.8% for the year to 30 June 2023 to 10.1% for the year to 30 June 2024 is a result of the following:
- release of a portion of Flensburg Galerie's deferred tax asset on 30 June 2023, which the Group expected would no longer be utilised on disposal of this property.
- reimbursement of capital gains tax on the Langley Park and Zurich property disposals, while previously other taxes included withholding tax on dividends received on listed securities investment, and federal tax paid by WE entities.

These decreases were partially offset by the following items:
- non-deductible expenses (mostly intragroup) generated by subsidiary legal entities deemed non-trading, comprising of financing and holding entities within the Group, and incurred losses on fair value of interest rate derivatives reflected as an increase in non-deductible expenses for the period. For the comparative periods, these derivative instruments achieved fair value gains which were included in non-taxable income. The decrease in non-taxable income compared to the previous year partially offset an increase relating to gain on bonds repurchased during the period.
- lower non-taxable income, in respect of discontinuing operations, relating mostly to gain from recycling of foreign currency translation reserve for WE subsidiaries dissolved during the period. The higher non-taxable income accounted for in the previous period relating to income tax reimbursements and capital gains effects of Langley Park disposal.

12. Investment property

12.1. Investment property

Accounting policy
1) Investment property – initial recognition and measurement

The Group's investment property is comprised of:
- Income property;
- Development property;
- Land bank; and
- Investment property held for sale.

Income property
Income properties are held to earn rental income, for capital appreciation or for both.
Income property is initially recognised at cost. The cost of income property acquired by any other means than a business combination consists of the purchase price (including related transaction costs) and directly attributable expenditure. Transaction costs include transfer taxes, professional fees for legal services or other relevant fees directly attributable to the transaction and initial leasing commissions to bring the property to the condition necessary for it to be operational.

Subsequent expenditure relating to income property is capitalised when future economic benefits from the use of the asset are probable and the cost of the item can be measured reliably. All other subsequent expenditure is recognised as an expense during the period it is incurred.

After initial recognition, income properties are measured at fair value.

Development property and land bank
Property that is being constructed or developed for future use as income property is classified as development property and carried at cost until construction or development is complete, or until its fair value can be reliably determined.

The land on which development properties are constructed is carried at fair value.

Advances for developments are generally for land bank. Advances are generally subject to pre-conditions to be met by the seller. They are presented as part of development property in the consolidated statement of financial position.

Land bank refers to land plots held for future development. Land bank is initially recognised at cost. The cost of land bank acquired by any other means than a business combination consists of the purchase price (including related transaction costs) and directly attributable expenditure. Transaction costs include transfer taxes, professional fees for legal services or other relevant fees directly attributable to the transaction. After initial recognition, land bank properties are measured at fair value.

Investment property held for sale
An investment property is classified as held for sale when it is expected that its carrying amount will be recovered principally through sale rather than from continuing use.

For this to be the case, the property must be available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such property and its sale must be highly probable.

For the sale to be highly probable, the below conditions must be met.

- The Board must be committed to a plan to sell the property and an active programme to locate a buyer and complete the plan must have been initiated.
- The property must be actively marketed for sale at a price that is reasonable in relation to its current fair value.
- Actions required to complete the plan indicate that it is unlikely that the plan will be significantly changed or withdrawn.
- The sale should be expected to qualify for recognition as a completed sale within one year from the date of classification.

The measurement requirements of IFRS 5 'Non-current assets held for sale and discontinued operations', do not apply to investment property, as such investment property continues to be measured at fair value once transferred to investment property held for sale.

Leasing fees

Leasing fees incurred before the property was operational are capitalised against the asset to which they relate. These are assumed to have contributed to the decision to develop the property.

Any other leasing fees (for example, incurred, for leases after the property became operational and lease renewals) are presented as current assets and expensed in profit or loss over the lease term to which each leasing fee refers.

Borrowing costs capitalised

Bank loans are allocated to either specific or general borrowings. Specific or general borrowing costs are capitalised if they are directly attributable to the acquisition, construction or production of qualifying assets which are assets that necessarily take a substantial period of time to get ready for their intended use or sale. These are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Borrowing costs consist of interest and other costs incurred in connection with the borrowing of funds.

All other borrowing costs are recognised in the consolidated statement of profit or loss in the period in which they are incurred.

Interest is capitalised from the commencement of the development work until the date of practical completion, i.e., when substantially all the development work is completed. The capitalisation of interest is suspended if there are prolonged periods when development activity is interrupted.

Interest is also capitalised on the purchase cost of a site of property acquired specifically for redevelopment, but only where activities necessary to prepare the asset for redevelopment are in progress.

2) Investment property – measurement of fair values

Valuation process for level 3 investment property

Fair value of investment property is determined semi-annually, on 30 June and 31 December, by external, independent professional valuers, with appropriate and recognised qualifications and recent experience in the location and category of property being valued. For details of the valuers used by the Group in its valuation process on 30 June 2024, refer to page 67. For all investment properties, their current values equate to the highest and best use.

Fair value hierarchy

The fair value measurement of all the Group's investment properties has been categorised as level 3 in the fair value hierarchy based on the significant unobservable inputs into the valuation techniques used.

Valuation techniques and significant unobservable inputs

Discounted cash flows ('DCF') method

The valuation model considers the present value of net cash flows to be generated from the property, taking into account expected rental growth rates, void periods, occupancy rates, lease incentive costs such as rent-free periods and other costs not paid by tenants. The expected net cash flows are discounted using risk-adjusted discount rates. Among other factors, the discount rate estimation considers the quality of a building and its location, tenant credit quality and lease terms.

Unobservable inputs used in the DCF valuation model are risk-adjusted discount rates, net rental income, net rental income growth, unrecoverable capital expenditures and others, as relevant. The most significant inputs are considered to be the discount rate, net rental income and the valuation yield. The estimated fair value would increase/(decrease) if the expected net rental income was higher/(lower) and/or the yield was lower/(higher).

Capitalisation method

The valuation model considers the value of the property based on its location, size and quality taking into account market data and the capitalisation rate of future income streams at the valuation date. Significant unobservable inputs used in the capitalisation rate model are the capitalisation rate and the estimated rental value. The estimated fair value would increase/(decrease) if either the yield was lower/(higher) or if the estimated market rent was higher/(lower).

Residual method

The valuation model considers the gross development value of the property based on an independent view of market values for the completed development less any build costs. The valuation starts with an estimation of the value of the completed development, normally referred to as the Gross Development Value ('GDV'). Thereafter, various costs to complete the development are deducted (including construction costs, professional fees, marketing fees/costs, borrowing costs, together with the developer's profit); to arrive at a 'residual' site value, which is the price which a developer could afford to pay for the land (and still generate their target profit level). Significant unobservable inputs used in the residual method are the GDV and the profit on GDV. The estimated fair value would increase/(decrease) if the GDV was higher/(lower) or if the target profit was lower/(higher).

Market comparison

The market comparison (or sale comparison approach) is based upon direct comparison of the subject property with other comparable properties, which have been recently sold or are currently offered for sale. The market comparison approach to value is based on the principle of substitution, which states that a prudent purchaser will not pay more for a property than the price of an equally desirable substitute property under similar conditions.

Purchase price
The valuation model takes into account the recent acquisition price, which equals the amount a third party would be willing to pay. Significant unobservable inputs used in the purchase price method represent the purchase price for the property. The estimated fair value would increase/(decrease) if the number of the interested parties was higher/(lower) and/or if the availability of comparable properties was lower/(higher), thus altering the acquisition price, or the estimated costs to complete were lower/(higher).

Firm offers less costs to complete
Fair value is based on the amount a third party is willing to pay less any costs to complete. Significant unobservable inputs used in the firm offers less costs to complete method are the firm offers and costs to complete (excluding transaction costs). The estimated fair value would increase/(decrease) if the number of the interested parties were higher/(lower) and/or, the availability of comparable properties lower/(higher), thus altering the offer price, or the estimated costs to complete was lower/(higher) and/or, the residential unit price was higher/(lower).

Changes to valuation methods used
There were no changes to valuation methods used in the year to 30 June 2024 compared to the previous year.

The Group's investment property is categorised as detailed below.

Type	Detail
Income-generating property	Property held to earn rental income.
Development property and land bank	Property under construction, in process of being developed for future use as income property and land plots held for future developments.

The carrying value of the Group's investment property is presented below.

		On 30 June 2024	On 30 June 2023
Income-generating property		1,024,854	896,352
Development property and land bank		5,475	5,120
		1,030,329	**901,472**

Year to 30 June 2024	Note	Income property	Development property and Land bank	Total
Opening balance		**896,352**	**5,120**	**901,472**
Fair value adjustment	9	58,740	457	59,197
Acquisition of land		-	806	806
Disposal of land		-	(431)	(431)
Capitalised expenditure[1]		8,957	3,705	12,662
Transfer from development property to income property[2]		3,844	(3,844)	-
Discontinued development projects		-	(338)	(338)
Transfer from investment property held for sale to income property[3]	4.2	56,961	-	56,961
Closing balance		**1,024,854**	**5,475**	**1,030,329**

[1] The Group paid €9,677 thousand in relation to capitalised expenditure during the year to 30 June 2024.
[2] Prahova Value Centre extension amounting to €3,513 became operational during the period and Nova Park land for extension amounting to €331 thousand was transferred from development property to income property.
[3] Flensburg Galerie transferred from investment property held for sale to income property, refer to note 4.2.

Year to 30 June 2023	Note	Income property	Development property and Land bank	Total
Opening balance		**859,778**	**720**	**860,498**
Acquisition of land		-	3,903	3,903
Capitalised expenditure[1]		4,135	316	4,451
Fair value adjustment	9	32,439	181	32,620
Closing balance		**896,352**	**5,120**	**901,472**

[1] The Group paid €3,901 thousand in relation to capitalised expenditure during the year to 30 June 2023.

Income generating property value on 30 June 2024 includes lease incentive accruals of €201 thousand for Flensburg Galerie, while for the previous period they were included in investment property held for sale (30 June 2023: €240 thousand); see further information in note 4.2.

Bank loans
On 30 June 2024 bank loans of €262,946 thousand were secured against investment property with a carrying value of €715,846 thousand.

All amounts in € thousand unless otherwise stated.

12.2. Valuation sensitivity analysis

Significant inputs

Property valuations reflect the external valuers' assessment, and the Group analysed a range of +/- 2.5% for Net Rental Income, a range of +/- 0.25% for NRI/BV (key valuation assumptions) and a range of +/- 0.25% for the discount rate for the sensitivity analysis on the current market conditions, as detailed in the tables below.

					Sensitivity analysis (variance)					
30 June 2024	**Country/Type**	**Valuation Method**	**Discount rates Range**	**Carrying amount € thousand 30 June 2024**	**NRI € thousand +2.5%**	**NRI € thousand -2.5%**	**NRI/BV € thousand -0.25%**	**NRI/BV € thousand +0.25%**	**Discount rate € thousand -0.25%**	**Discount rate € thousand +0.25%**
Investment property				**1,024,854**	**25,626**	**(25,626)**	**36,227**	**(33,825)**	**17,150**	**(17,027)**
CEE income property - continuing operations				**973,055**	**24,326**	**(24,326)**	**34,081**	**(31,842)**	**16,150**	**(15,927)**
	Romania									
	Open-air Malls	DCF	9.28%-9.97%	518,845	12,971	(12,971)	18,875	(17,595)	8,896	(8,695)
	Enclosed Malls	DCF	9.58%-9.80%	183,106	4,578	(4,578)	6,628	(6,181)	3,143	(3,072)
	Strip Malls	DCF	10.04%-10.51%	47,531	1,188	(1,188)	1,494	(1,405)	777	(758)
	Bulgaria									
	Enclosed Malls	DCF	10.43%	139,407	3,485	(3,485)	4,533	(4,256)	2,338	(2,286)
	Poland									
	Enclosed Malls	DCF	6.90%	84,166	2,104	(2,104)	2,551	(2,405)	996	(1,116)
WE income property - continuing operations				**51,799**	**1,300**	**(1,300)**	**2,146**	**(1,983)**	**1,000**	**(1,100)**
	Germany									
	Enclosed Malls	DCF	7.00%	51,799	1,300	(1,300)	2,146	(1,983)	1,000	(1,100)

Net Rental income (NRI): rental income less non-recoverable property related expenses for properties valued using the discounted cash flow method; estimated rental value for properties valued using the capitalisation method.
Information presented in the table above reflects inputs as included in valuation reports.
All properties except land are valued either by discounted cash flows or by capitalisation method. For the latter, the sensitivity analysis for the discount rate is not applicable.
Land is valued either by residual or by firm offers less costs to complete method.
The Group does not present any sensitivity analysis for the land, as it is not considered relevant, land being valued considering its best use.

Other inputs

Ranges of significant inputs considered by the valuers in their discounted cash flow models (where such method was applied for the assets' valuation) are presented below.

Year to 30 June 2024	Void at expiry[3] (months)	Estimated rental value long-term growth rate	Capex reserve as % of Net Rental Income
Retail assets			
Romania	2	2.2%	5.0-10.0%
Bulgaria	3	2.5%	1%[2]
Poland	6	n/a[1]	9.0%
Germany	9-12	1.0%	9.9%

Year to 30 June 2023	Void at expiry[3] (months)	Estimated rental value long-term growth rate	Capex reserve as % of Net Rental Income
Retail assets			
Romania	3-4	2.5-3.3%	5.0-10.0%
Bulgaria	4-5	3.0%	10.0%
Poland	6	2.5%	10.0%
Germany – held for sale	9-12	1.0%	9.4%

[1] The valuation model is based on growth implicit cash flows. The model does not include specific assumptions regarding inflation or rental growth. The risk connected with inflation and rental growth has been included in the applied discount rate (see significant inputs section above).
[2] Capex reserves decreased due to recent refurbishments completed.
[3] Void at expiry is represented by estimated months of vacancy between two contractual periods either for the same tenant (renewal) or between two different tenants for the same space. This should cover either renovation fit-out costs for the same tenant or a necessary period for finding a new tenant for the space. During this period it is assumed the tenant does not pay any rent.

All amounts in € thousand unless otherwise stated.

13. Investment in equity-accounted investee

Accounting policy

Equity-accounted investees comprise investments in associates. Associates are entities in which the Group has significant influence, which is the power to participate in the financial and operating policy decisions of the investee but does not result in control or joint control of those entities.

Interests in associates are initially recognised at cost including transaction costs. Subsequently, they are accounted for using the equity method. The Group recognises its share of profit or loss and other comprehensive income of the associate from the date on which significant influence commences, until the date on which significant influence ceases. Distributions received from the associates reduce the carrying amount of the investment.

Unrealised losses on transactions are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

When the Group's share of losses exceeds its interest in an equity-accounted investee, the carrying amount of the investment, including any long-term interests that form part thereof, is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

Cross-shareholdings are eliminated.

Interests in associates are assessed for impairment if there is an impairment indicator. An impairment loss in respect of an equity-accounted investee is measured by comparing the recoverable amount of the investment with its carrying amount. An impairment loss is recognised in profit or loss and is reversed if there has been a favourable change in the estimates used to determine the recoverable amount.

PKM Development Ltd.

The Group has an investment in PKM Development Ltd. (incorporated in the Isle of Man and redomiciled to Malta in July 2023) ('PKM Development' or 'DJV'), a holding entity of a group which develops retail, residential and office properties in Romania, as well as with a mandate for other CEE countries.

The Group owns 40% of the DJV's ordinary shares. The remaining 60% of the ordinary shares are owned by Prime Kapital.

Under the joint venture agreement between MAS and Prime Kapital, Prime Kapital is responsible for all property identification, development and sales, allocation of capital and funding for the DJV, while MAS is responsible for the property and asset management of the DJV's operational/completed properties. MAS assessed it does not have control over the DJV. However, MAS assessed it has significant influence over the DJV through its ability to appoint a director to the DJV's board and hence is accounting for its investment in the DJV as an associate in accordance with the IAS 28 equity method.

The Group discloses further details on its judgements and estimates regarding the control and influence assessments over the DJV in note 24.

Carrying value of MAS' ordinary equity investment in PKM Development

		On 30 June 2024	On 30 June 2023
Opening balance		**25,412**	**25,202**
Share of profit from equity-accounted investee, net of tax		7,686	4,315
Distribution received		-	(4,105)
Closing balance		**33,098**	**25,412**

In addition to the investment in ordinary shares, the Group has invested in 7.5% preferred equity issued by PKM Development and made available to the DJV a €30million revolving credit facility. For further details on the preferred equity and revolving credit facility granted to the DJV, refer to note 17.4.

Ordinary, preferred equity and revolving credit facility combined exposure to PKM Development

		On 30 June 2024	On 30 June 2023
Investment in equity-accounted investee		33,098	25,412
PKM Development preferred equity (including accrued coupon)		467,496	328,467
PKM Development revolving credit facility (including accrued interest)		-	10,482
Exposure to PKM Development		**500,594**	**364,361**

MAS shares held by PKM Development

PKM Development, through a subsidiary PK Investments Limited, increased its cross-shareholding during the year to 30 June 2024 by 62,979,722 MAS shares to a total of 133,978,198 shares (30 June 2023: 70,998,476 shares). The investment is fair valued at €111,322 thousand on 30 June 2024 (30 June 2023: €73,143 thousand).

On consolidation, MAS' proportion of 40% of the shares held by the DJV, are adjusted to their original cost of €40,337 thousand (30 June 2023: €19,570 thousand), so that gains or losses arising from cross-shareholdings are derecognised.

All amounts in € thousand unless otherwise stated.

Summarised financial information of PKM Development

The following table summarises the financial information of PKM Development prepared in accordance with IFRS.

Statement of financial position PKM Development		**On 30 June 2024**	**On 30 June 2023**
Investment Property		390,055	220,481
Income property		338,422	59,640
Development property		51,633	160,841
Financial investments in listed securities at fair value		111,322	73,143
Deferred tax assets		3,175	299
Interest bearing loans receivable		-	3,485
Other non-current assets		2,022	3,908
Non-current assets		**506,574**	**301,316**
Inventory property		118,746	188,816
Investment property held for sale		7,691	3,282
Receivables and advance payments		11,213	16,911
Cash and cash equivalents		15,979	8,826
Current assets		**153,629**	**217,835**
Total assets		**660,203**	**519,151**
MAS' preferred equity and revolving credit facility		467,496	338,949
Bank loans		29,028	20,552
Deferred tax liabilities		16,262	7,333
Other non-current liabilities		5,429	5,063
Non-current liabilities		**518,215**	**371,897**
Bank loans		1,273	104
Trade and other payables		47,358	59,273
Current liabilities		**48,631**	**59,377**
Total liabilities		**566,846**	**431,274**
Net assets		**93,357**	**87,877**
Percentage of the Group's ownership interest		40%	40%
Un-adjusted Group share of net assets		**37,343**	**35,151**
Elimination of cross-shareholding		(4,304)	(9,798)
Net assets attributable to the Group		**33,039**	**25,353**
Capitalised costs		59	59
Carrying amount		**33,098**	**25,412**

PKM Development's investment properties have been valued by external independent valuers in a manner consistent with the policies disclosed in note 12.

Statement of profit or loss and other comprehensive income PKM Development		**Year to 30 June 2024**	**Year to 30 June 2023**
Gross rental income		10,907	3,951
Service charge income and other recoveries		3,618	1,712
(Impairment)/Reversal of impairment of receivables		(106)	10
Service charge and other property operating expenses		(5,292)	(2,074)
Net rental income		**9,127**	**3,599**
Revenue from sales of inventory property		86,405	14,788
Cost of sales of inventory property		(94,315)	(13,938)
Net realisable value adjustment of inventory property		(19,190)	(498)
Operational expenses related to residential property		(2,132)	(1,198)
Net result - residential property		**(29,232)**	**(846)**
Other income		2,209	5,874
Corporate expenses		(1,080)	(600)
Investment expenses		(124)	(928)
Fair value adjustments of investment property		59,408	9,614
Fair value adjustments of financial investments in listed securities		(13,735)	(9,689)
Fair value adjustments on financial asset - interest rate cap		(839)	881

All amounts in € thousand unless otherwise stated.

Statement of profit or loss and other comprehensive income PKM Development	Year to 30 June 2024	Year to 30 June 2023
Foreign currency exchange differences	(333)	(165)
Finance income	639	363
Finance costs	(12,921)	(2,923)
Taxation	(7,642)	(4,083)
Total profit	**5,477**	**1,097**
Percentage of the Group's ownership interest	40%	40%
Total profit and other comprehensive income attributable to the Group	**2,191**	**439**
Elimination of fair value adjustment on cross-shareholding	5,495	3,876
Group's share of profit	**7,686**	**4,315**

PKM Development has no other comprehensive income.

An impairment test was performed on the Group's existing exposure to PKM Development's ordinary equity on 30 June 2024, in accordance with the Group's accounting policies. No impairment arose as a result.

14. Intangible assets

Accounting policy

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the fair value of net identifiable assets acquired and liabilities assumed.

Goodwill impairment reviews are undertaken at each reporting date or more frequently if events or changes in circumstances indicate a potential impairment. For impairment testing, assets are grouped together into the smallest groups of assets that generate cash inflows from continuing use that are largely independent of the cash inflows of other cash generating units ('CGUs'). Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of the CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on estimated future cash flows, discounted to the present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to CGU.

An impairment loss is recognised if the carrying amount of the CGU exceeds its recoverable amount. Impairment losses are recognised through profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis. An impairment loss in respect of goodwill is not reversed.

	On 30 June 2024	On 30 June 2023
Goodwill	1,696	1,696
Intangible assets	**1,696**	**1,696**

Goodwill is allocated to Spark I portfolio (€1,628 thousand) and Property Management Platform (PMP) (€68 thousand) for both years presented.
An impairment test was performed on 30 June 2024, in accordance with the Group's accounting policies. No impairment arose as a result.

All amounts in € thousand unless otherwise stated.

15. Other non-current assets

Accounting policy

Other non-current assets include interest rate hedging derivative assets, prepaid equity share-based payments, right-of-use assets, guarantees received from property suppliers, property, plant and equipment, and computer and other licenses.

For the accounting policy regarding share-based payments, refer to note 20.2.

Interest rate hedging derivative assets

Interest rate hedging derivative assets are classified as other non-current assets if they meet the criteria to be classified as financial assets at fair value through profit or loss. The Group initially recognises these interest rate hedging derivative assets at the trade date. These derivative assets are subsequently measured at fair value and changes therein are recognised in profit or loss in the period in which they occur.

Right-of-use assets

Rental contracts in respect of corporate offices leased by the Group are typically contracted for fixed periods but may have extension options.
The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment, with similar terms, security and conditions.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs, and
- restoration costs.

Right-of-use assets that meet the definition of investment property are presented within investment property, detailed in note 12.

Impairment of non-financial assets

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. Non-financial assets, other than goodwill, that have suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

	Note	On 30 June 2024	On 30 June 2023
Financial assets			
Interest rate derivatives	19	6,353	8,088
Property retentions related to disposal of assets		1,164	1,392
		7,517	**9,480**
Non-financial assets			
Equity-settled share-based payment expense	20.2	125	603
Lease incentive accrual		201	-
Right-of-use asset		156	272
Other non-current assets		194	138
Property, plant and equipment		42	49
		718	**1,062**
Total other non-current assets		**8,235**	**10,542**

Interest rate derivatives

On 30 June 2024 and 30 June 2023, the Group only had interest rate caps as interest rate derivative instruments.
These interest rate derivatives are classified as financial assets at fair value through profit or loss. Hedge accounting under IFRS 9 has not been applied.

16. Other non-current liabilities

Accounting policy

Other non-current liabilities include security deposits received from tenants and construction suppliers, with an expiry date of more than one year from the reporting date, as well as lease liabilities. These are measured at amortised cost.

Security deposits from tenants

Deposits from tenants are obtained as a guarantee for returning the property at the end of the lease term in a specified (good) condition. The Group treats such deposits as financial liabilities in accordance with IFRS 9, and they are initially recognised at fair value. The difference between fair value and cash received is considered to be part of the minimum lease payments received for the operating lease. The deposit is subsequently measured at amortised cost.

All amounts in € thousand unless otherwise stated.

Lease liability
Lease liabilities result from the application of IFRS 16.
Liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of fixed payments less any lease incentives receivable and termination payments. The lease payments are discounted using the interest rate implicit in the lease.
In determining lease liabilities recognised following the application of IFRS 16 full retrospective approach, the following assumptions were considered:
- Lease payments, as the cash outflows, are discounted using the effective interest rate applicable to each contract;
- Expenses related to variable lease payments are included in the measurement of the lease liabilities;
- Future cash outflows are reflected in the measurement of the lease liabilities;
- Duration of concession agreements in place for right-of-use asset land on which the Group engaged to develop an asset; the concessions have no restrictions or future obligations and can be extended at expiration date.

		On 30 June 2024	On 30 June 2023
Security deposits from tenants		4,142	3,709
Lease liability		2,387	2,532
Security deposits from construction suppliers		392	475
Total other non-current liabilities		**6,921**	**6,716**

17. Financial assets

Accounting policy

Financial instruments
Initial recognition and measurement
Financial instruments are recognised when the Group becomes party to the contractual terms of the instrument. They are initially recognised at fair value plus any directly attributable transaction costs, except for transaction costs attributable to financial instruments classified as at fair value through profit or loss, which are recognised in profit or loss as incurred.

Financial assets
The Group classifies its financial assets into the following categories: financial assets at amortised cost and financial assets at fair value through profit or loss.

Financial assets at amortised cost
Financial assets are classified as financial assets at amortised cost only if both the following criteria are met:

- the financial asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest is the consideration for the time value of money and credit risk associated with the principal amount outstanding.

These financial assets are subsequently measured at amortised cost using the effective interest method, less any impairment losses.
Financial assets measured at amortised cost comprise receivables from preferred equity issued by, and revolving credit facility granted to, PKM Development, as well as cash and cash equivalents and loans granted.

Impairment
The Group recognises loss allowances for expected credit losses on financial assets measured at amortised cost, lease receivables and contract assets.

For lease receivables, trade receivables and contract assets, the Group applies the simplified approach to measuring expected credit losses. Therefore, there is no need to monitor significant increases in credit risk and loss allowance is recognised based on lifetime expected credit losses.

For other financial assets such as PKM Development preferred equity, 12-month expected credit losses are recognised where the financial asset is determined to have a low credit risk and for those financial instruments for which the credit risk has not increased significantly since initial recognition. When determining whether the credit risk of a financial asset has increased significantly since initial recognition the Group considers both quantitative and qualitative information that is reasonably available and such as: financial position, historic and future operating performance, payment delays, covenant breaches and general economic and market conditions.

Lifetime expected credit losses are expected defaults over the expected life of the financial asset. 12-month expected credit losses are expected defaults within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group is exposed to credit risk.

When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Write-off
Financial assets are written-off, in whole, when the Group has exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery. The write-off represents a derecognition event. The Group may write-off financial assets that are still subject to enforcement activity when the Group seeks to recover amounts that are contractually due, however, there is no reasonable expectation of recovery.

Financial assets at fair value through profit or loss
Financial assets are classified as financial assets at fair value through profit or loss if they do not meet either criteria for classification of a financial asset at amortised cost or if they are held for trading; derivative financial instruments or financial assets designated as at fair value. The Group initially recognises these financial assets at fair value at the trade date. These financial assets are subsequently measured at fair value and changes therein are recognised in profit or loss in the period in which they occur.

All amounts in € thousand unless otherwise stated.

Derecognition of financial assets

The Group derecognises a financial asset when the contractual terms of the asset expire or the asset has been transferred, and the transfer of that asset is subsequently eligible for derecognition.

Financial investments

Financial investments are classified as a financial asset at fair value through profit or loss. The fair value measurement of all the Group's financial investments have been categorised as level 1 in the fair value hierarchy as they are traded in active markets and are measured at quoted market prices at the end of the reporting period. Fair value adjustments in relation to financial investments represent the full fair value movement of the financial investment portfolio, including fair value movements on purchases and disposals during the year.

Trade and other receivables

The Group's trade and other receivables include financial assets and non-financial assets. The non-financial assets include prepayments, lease incentive accruals and VAT.

Cash and cash equivalents

The Group's cash and cash equivalents are financial instruments and are classified as financial assets at amortised cost.

17.1. Financial investments

During the year to 30 June 2024 the Group disposed of the remaining shares held in NEPI Rockcastle N.V. for €37,626 thousand and realised a profit of €1,122 thousand.

The full notional exposure for all positions, for the comparable period, is disclosed below.

Financial investments	**Share price**	**No of shares**	**Fair value**	**Carrying**
NEPI Rockcastle N.V.	**€**	**'000**	**financial investments**	**value**
On 30 June 2023	5.37	6,800	36,504	**36,504**

Reconciliation of financial investments is disclosed below.

	Note	**Financial investments at fair value**
On 30 June 2022		**97,655**
Cash proceeds from disposal		(69,701)
Fair value adjustment - unrealised[1]	9	1,696
Fair value adjustment - realised[1]	9	6,854
On 30 June 2023		**36,504**
Cash proceeds from disposal		(37,626)
Fair value adjustment - realised[1]	9	1,122
On 30 June 2024		**-**

[1] Non-cash flow movements

The total fair value gains related to financial investments for the year to 30 June 2024 were €1,122 thousand (for the year to 30 June 2023: fair value gains €8,550 thousand); refer to note 9. Fair value adjustments in relation to financial investments include fair value movements until the date of disposal.

No dividend income resulted from the Group's financial investments for the year to 30 June 2024 (30 June 2023: dividend income of €8,318 thousand), refer to note 7.

17.2. Trade and other receivables

	Note	**On 30 June 2024**	**On 30 June 2023**
Financial assets			
Trade receivables from lessees		10,486	9,362
Other receivables		2,640	1,871
Property retentions related to disposal of assets[1]		785	436
Receivables from disposals of assets		-	21,419
		13,911	**33,088**
Non-financial assets			
Equity settled share-based payment expense			
– Incentive Share Participants	20.2	350	242
– PK Prepaid Development Services	20.2	-	406
Prepaid expenses		2,946	2,507
VAT and other tax receivables		754	1,369
Lease incentive accrual		-	240
		4,050	**4,764**
Trade and other receivables		**17,961**	**37,852**

[1] Property retentions related to disposal of assets of €785 thousand (30 June 2023: €436 thousand) are amounts receivable, held at amortised cost, in relation to properties disposed, in accordance with the SPAs concluded.

The fair value of trade and other receivables are reasonably approximated by their carrying values.
For the current year movement in receivables allowance, see the credit risk section in note 25.

17.3. Cash and cash equivalents

		On 30 June 2024	On 30 June 2023
Bank balances		81,302	60,361
		81,302	**60,361**

Bank balances disclosed above and in the consolidated statement of cash flows include €12,423 thousand (30 June 2023: €5,624 thousand) in cash balances deemed as restricted cash, of which €8,681 thousand for debt service reserve accounts (30 June 2023: €3,812 thousand) restricted through terms agreed with banks for secured loans in place and €3,742 thousand tenants' guarantees received (30 June 2023: € 1,812 thousand).

Cash flow information

Reconciliation of cash generated from operating activities is presented below.

	Note	Year to 30 June 2024	Year to 30 June 2023
Profit for the year - continuing operations		**121,174**	**86,996**
Profit for the year - discontinued operations		**2,009**	**3,836**
Adjustments:			
Fair value adjustments	9	(54,887)	(40,289)
Finance income	10	(31,616)	(20,636)
Finance costs	10	25,340	20,016
Share of profit from equity-accounted investees	13	(7,686)	(4,315)
Tax expense	11	13,785	12,111
Investment expenses	8	1,333	1,876
Share-based payment expense	6	819	935
Depreciation and amortisation	6	74	86
Gain on disposal of investment property held for sale	4.2	(23)	(5,320)
Foreign exchange differences, including FCTR recycled		(1,653)	2,213
Other income from bonds repurchased	18.1	(7,469)	(1,354)
(Reversal)/impairment of share-based payment prepayments	20.2	(184)	9,624
Decrease in trade receivables and other operating assets		907	8,681
Increase/(Decrease) in trade payables and other operating liabilities		4,858	(240)
Cash generated from operating activities		**66,781**	**74,220**

17.4. Financial assets – PKM Development preferred equity and revolving credit facility

PKM Development preferred equity and revolving credit facility
The Group has committed to fund PKM Development via 7.5% cumulative preferred equity issued by PKM Development. The total committed amount is €470million. The drawdown period is until 23 March 2030. The Group also provides PKM Development with a revolving credit facility of €30million carrying interest of 7.5% per annum, until 23 March 2030. The revolving credit facility is aimed at improving cash management in PKM Development and providing short-term flexibility.

There is no limit to the number of preferred equity issues that can be made until the end of the contractually agreed period (i.e. 2030), except that if funding is requested, but not immediately available, the Group's funding obligations are limited to €120million on a rolling six-month basis.

	Note	PKM Development revolving credit facility	PKM Development preferred equity
Balance on 30 June 2022		**-**	**236,067**
Non-cash movements			
Income on revolving credit facility / preferred equity	10	1,465	19,000
Subscription for preferred equity / drawdown revolving credit facility[1]		4,104	36,827
Proceeds from revolving credit facility[1]		(36,500)	-
Interest received on revolving credit facility[1]		(327)	-
		(31,258)	**55,827**
Cash movements			
Subscription for preferred equity / drawdown revolving credit facility		52,374	36,573

All amounts in € thousand unless otherwise stated.

	Note	PKM Development revolving credit facility	PKM Development preferred equity
Proceeds from revolving credit facility		(9,528)	-
Interest received on revolving credit facility		(1,106)	-
		41,740	**36,573**
Balance on 30 June 2023		**10,482**	**328,467**
Non-cash movements			
Income on revolving credit facility / preferred equity	10	1,345	27,600
		1,345	**27,600**
Cash movements			
Drawdown revolving credit facility / subscription for preferred equity		27,550	118,599
Proceeds from revolving credit facility		(38,000)	-
Interest received from revolving credit facility / preferred equity coupon settled		(1,377)	(7,170)
		(11,827)	**111,429**
Balance on 30 June 2024		-	**467,496**
Less: Accrued interest on revolving credit facility/ Accrued income on preferred equity*		-	**(39,429)**
Outstanding commitment on 30 June 2024		**30,000**	**41,933**
Total facility		**30,000**	**470,000**

*Accrued income on preferred equity includes unpaid coupon compounded on 30 June 2023 and 30 June 2024.

[1]During the year to 30 June 2023, the revolving credit facility drawdowns amounted to €56,478 thousand, of which €4,104 thousand was a non-cash transaction settling ordinary distributions received from PKM Development. During the 2023 year €36,827 thousand principal and accrued interest under the revolving credit facility were net off against preferred equity drawdowns, with no cash impact.

Preferred equity coupon and interest received on the revolving credit facility are considered revenue generating activities from both instruments, and in the consolidated statement of cash flows these are shown as cash inflows from operating activities.

Preferred equity may be issued by a single counterparty, PKM Development. Preferred equity and the revolving credit facility have no contractual drawdown schedules, therefore concentration risk is managed mainly by maintaining sufficient liquidity to match PKM Development's estimated preferred equity issuance and drawdowns of the revolving credit facility. The Group must ensure sufficient liquidity is available to meet these preferred equity subscription requests and revolving credit facility drawdowns from PKM Development.

The preferred equity and revolving credit facility committed to PKM Development are held at amortised cost.

The Group has performed an expected credit loss assessment on 30 June 2024 and concluded that there has not been a significant increase in credit risk in relation to PKM Development, and that any expected credit loss is not significant in the reporting periods. Expected credit loss assessment is detailed in note 25.

18. Financial liabilities

Accounting policy

The Group's financial liabilities are classified as financial liabilities at amortised cost and financial liabilities at fair value through profit or loss. Financial liabilities are recognised when the Group becomes party to the contractual terms of the liability.

Financial liabilities at amortised cost

All financial liabilities are classified as financial liabilities at amortised cost unless they meet the criteria for classification as financial liabilities at fair value through profit or loss. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

Financial liabilities measured at amortised cost comprise bank loans and trade and other payables.

Financial liabilities at fair value through profit or loss

Financial liabilities are classified as financial liabilities at fair value through profit or loss if they are financial liabilities that are held for trading, derivative financial instruments or financial liabilities designated as at fair value.

The Group initially recognises these financial liabilities at fair value at the trade date. These financial liabilities are subsequently measured at fair value and changes therein are recognised in profit or loss in the period in which they occur.

The Group may elect to designate financial liabilities as financial liabilities at fair value that would otherwise meet the criteria to be classified as a financial liability at amortised cost, if doing so eliminates or significantly reduces a measurement or recognition inconsistency that would arise if the financial liability were measured at amortised cost.

All amounts in € thousand unless otherwise stated.

Derecognition of financial liabilities
The Group derecognises a financial liability when it is paid or when the contractual obligations of the liability are extinguished, for example when the obligation specified in the contract is discharged, cancelled or expires.

Trade and other payables
The Group's trade and other payables include financial and non-financial liabilities. The non-financial liabilities include deferred income, provisions, current tax payable and VAT payable.

Bank loans and bonds
Borrowings are recognised initially at the fair value of the liability (determined using the prevailing market rate of interest if significantly different from the transaction price) net of transaction costs incurred. In subsequent periods, borrowings are carried at amortised cost using the effective interest method. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated statement of profit or loss over the period of the borrowings, using the effective interest method, unless they are directly attributable to the acquisition, construction or production of a qualifying asset, in which case they are capitalised as part of the cost of that asset. Borrowings are classified as current liabilities, unless the Group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

In accordance with IFRS 9, borrowings are removed from the consolidated statement of financial position when the obligation specified in the contract is extinguished (i.e., discharged, cancelled or expires). The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the consolidated statement of profit or loss.

An exchange between the Group and its original lenders of debt instruments with substantially different terms, as well as substantial modifications of the terms and conditions of existing financial liabilities, are accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10% different from the discounted present value of the remaining cash flows of the original financial liability. The Group also considers the qualitative factors when entering into debt instruments contracts, such as monitoring credit ratings.

If an exchange of debt instruments or modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognised as part of the gain or loss on the extinguishment. If the exchange or modification is not accounted for as an extinguishment, any costs or fees incurred adjust the carrying amount of the liability and are amortised over the remaining term of the modified liability.

Modifications of liabilities that do not result in extinguishment are accounted for as a change in estimate using a cumulative catch-up method, with any gain or loss recognised in the consolidated statement of comprehensive income, unless the economic substance of the difference in carrying values is attributed to a capital transaction with owners and is recognised directly to equity.

Finance costs include interest and other costs that the Group incurs in connection with the borrowing of funds, including interest on borrowings, amortisation of discounts or transactions costs relating to borrowings, debt break fees and amortisation of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

18.1. Bonds and bank loans

		On 30 June 2024	On 30 June 2023
Non-current			
Bonds		211,977	290,752
Bank loans		253,668	108,629
		465,645	**399,381**
Current			
Bonds		526	84
Bank loans		9,240	45,100
		9,766	**45,184**
Total bonds and bank loans		**475,411**	**444,565**

Unsecured fixed coupon notes (Bonds)

	Note	On 30 June 2024	On 30 June 2023
Opening balance		**290,836**	**296,019**
Changes from financing cash flows			
Bonds repurchased		(73,187)	(5,251)
Coupon payment		(10,877)	(12,575)
Transaction costs paid for repurchase and exchange of bonds		(466)	-
Non cash-flow movements			
Finance costs	**10**	**13,666**	**13,997**
Accrued coupon on bonds		10,763	12,539
Amortisation of bonds discount		1,192	676
Amortisation of capitalised borrowing costs		1,245	782
Transaction costs for repurchase and exchange of bonds		466	-

All amounts in € thousand unless otherwise stated.

	Note	On 30 June 2024	On 30 June 2023
Nominal value of bonds issued		40,223	-
Nominal value of bonds exchanged		(40,223)	-
Bond repurchase gain		(7,469)	(1,354)
Closing balance		**212,503**	**290,836**

The Group issued, in May 2021, unsecured fixed coupon notes (bonds) to the value of €300,000 thousand. The 5-year Eurobonds maturing on 19 May 2026, listed on Euronext Dublin, carrying a 4.25% fixed coupon, were issued at 98.903% of nominal value.
The bond proceeds were used to refinance Eligible Projects in accordance with the Group's Green Financing Framework, to repay bank loans secured against investment properties in CEE, and for the Spark II Portfolio acquisition.

During the year to 30 June 2024, the Group repurchased bonds for a consideration of €73,187 thousand at a 9.26% discount to their nominal value of €80,656 thousand. Coupon payments in respect of the bonds repurchased amounted to €1,948 thousand.

Additionally, in April 2024, the Group issued €40,223 thousand in unsecured notes carrying a 6.5% coupon, maturing in April 2029. This was achieved via a private placement subscribed to by an existing noteholder and settled by exchanging the same notional in notes maturing in May 2026. Coupon payments in respect of the bonds exchanged amounted to €1,597 thousand. This transaction was accounted as an extinguishment and new issue in accordance with IFRS 9.

During the year to 30 June 2023, the Group repurchased bonds for a consideration of €5,251 thousand at a 20.5% discount to their nominal value of €6,605 thousand. Coupon payments in respect of the bonds repurchased amounted to €106 thousand.

Bonds overview

Bonds		ISIN	Carrying value	Coupon Rate	Market price	On 30 June 2024 Maturity
MAS Securities B.V. 4.25% due 19 May 2026		XS2339025277	171,807	4.25%	93.52%	19-May-26
MAS Securities B.V. 6.50% due 25 Apr 2029		XS2811552459	40,696	6.50%	87.95%	25-Apr-29

Bonds		ISIN	Carrying value	Coupon Rate	Market price	On 30 June 2023 Maturity
MAS Securities B.V. 4.25% due 19 May 2026		XS2339025277	290,836	4.25%	82.25%	19-May-26

The Group's liability towards bondholders does not vary in line with the market price of listed notes, as on contractual maturity of the bonds, the bond issuer is liable to redeem the notes at their nominal value.

On 30 June 2024, MAS had a corporate family credit rating of Ba2 (negative outlook) and a bond rating of Ba3 (negative outlook) from Moody's, while the Group's rating from Fitch was BB (stable outlook). On 22 July 2024, Fitch placed MAS PLC's BB Rating on Rating Watch Negative.

Summary of terms and covenants
In accordance with the Group's unsecured fixed coupon notes' offering memorandum, covenant tolerances on issued bonds are disclosed on both IFRS and proportionate consolidation bases, as follows.

	Tolerances	On 30 June 2024 IFRS	On 30 June 2024 Proportionate consolidation basis	On 30 June 2023 IFRS	On 30 June 2023 Proportionate consolidation basis
Bond 4.25% due 19 May 2026					
Solvency Ratio	shall not exceed 0.6	0.29	0.29	0.31	0.30
Consolidated Coverage Ratio	at least 2.5:1	3.70	3.90	4.25	4.93
Unencumbered Consolidated Total Assets /Unsecured Consolidated Total Debt	minimum 180%	422%	440%	360%	369%
Bond 6.50% due 25 Apr 2029					
Solvency Ratio	shall not exceed 0.6	0.29	0.29	-	-
Adjusted Consolidated Coverage Ratio[1]	at least 2.8:1	n/a	3.22	-	-
Unencumbered Consolidated Total (Adjusted) Assets /Unsecured Consolidated Total Debt[1]	minimum 120%	n/a	308%	-	-

[1] The Adjusted Consolidated Coverage Ratio and Unencumbered Consolidated Total (Adjusted) Assets /Unsecured Consolidated Total Debt ratios are only measured on a proportionate consolidation basis. If the Adjusted Consolidated Coverage Ratio is below 2.8 times and the Group elects to distribute a dividend, a put option is triggered on this bond.

All amounts in € thousand unless otherwise stated.

Secured bank loans and unsecured revolving credit facility

Reconciliation of the Group's carrying value of bank loans and revolving credit facility is detailed below.

	Note	On 30 June 2024	On 30 June 2023
Opening balance		**153,729**	**157,690**
Changes from financing cash flows			
Drawdowns of bank loans		136,000	-
Repayment of capital on bank loans		(21,755)	(9,441)
Drawdown of bank revolving credit facility		-	5,000
Repayment of bank revolving credit facility		(5,000)	-
Transaction costs relating to bank loans paid		(1,891)	(177)
Interest paid on bank loans		(12,434)	(5,887)
Non cash-flow movements			
Finance costs	10	14,259	6,544
Closing balance		**262,908**	**153,729**

Secured bank loans

Bank loans include current and non-current debt of €262,946 thousand (30 June 2023: €148,680 thousand) secured against CEE and WE investment properties with a carrying value of €715,846 thousand (30 June 2023: €382,189 thousand).

During the year to 30 June 2024, the Group drew down €136,000 thousand in new bank loans secured against CEE investment property, repaid €7,829 thousand in respect of bank loans secured against CEE investment properties and repaid €13,926 thousand in respect of a bank loan refinanced and secured against a WE investment property.

On 27 June 2024 the Group concluded a facility agreement for an additional €40,500 thousand secured debt, which is available for drawdown until 30 September 2024. A mortgage was registered against the respective property, valued at €85,763 thousand, subsequent to year end.

Unsecured revolving credit facility

During the year to 30 June 2024, the Group repaid €5,000 thousand (30 June 2023: drawdown of €5,000 thousand) bringing the revolving credit facility to its available amount of €20,000 thousand. The Group signed an extension of the Group's revolving credit facility to November 2025 on the same terms as the existing facility.

The fair values of secured bank loans and unsecured revolving credit facility are reasonably approximated by their carrying values.

Fixed and variable debt

The Group is subject to both fixed and variable interest rates on its borrowings, as detailed below.

		On 30 June 2024	On 30 June 2023
Fixed debt (including unsecured fixed coupon notes)		212,503	324,344
Variable/hedged debt		262,908	120,221
		475,411	**444,565**

Terms in respect of the Group's remaining bank debt are disclosed below.

		Weighted average remaining term		Weighted average margin*		
Segment	**Currency**	**On 30 June 2024**	**On 30 June 2023**	**On 30 June 2024**	**On 30 June 2023**	**Significant terms and conditions**
CEE						
Hedged debt	EUR	5.05 years	4.40 years	2.77% + 3-months EURIBOR[1]	2.80% + 3-months EURIBOR[1]	All loans are secured against specific investment properties.
WE						
Hedged/previously fixed debt	EUR	2.42 years	0.42 years	3.63% + 3-months EURIBOR[2]	2.62%	
Co						
Variable debt (unsecured revolving credit facility)	EUR	1.40 years	1.16 years	2.98% + 3-months EURIBOR	2.86% + 3-months EURIBOR	

[1] All CEE bank loans are hedged as follows: €108,021 thousand (30 June 2023: €115,172 thousand) hedged with a 1.5% interest rate cap, €74,273 thousand (30 June 2023: nil) hedged with a 4.2% interest rate cap and €60,943 thousand hedged with a 4.0% interest rate cap.
[2] WE loan's interest is hedged with a 4% interest rate cap since 30 November 2023.
* Weighted average margin includes the margin over EURIBOR on the reporting date as well as the amortisation of all transaction costs and hedging fees.

On 30 June 2024 and 30 June 2023, the Group has complied with all debt covenants.

All amounts in € thousand unless otherwise stated.

18.2. Trade and other payables

	On 30 June 2024	On 30 June 2023
Financial liabilities		
Trade payables[1]	9,707	7,450
Construction payables	3,602	1,421
Security deposits from tenants	1,805	1,458
Security deposits from construction suppliers	799	1,087
Other payables	735	688
Lease liability	223	222
	16,871	**12,326**
Non-financial liabilities		
Deferred income[2]	6,551	6,179
Current tax payable	2,175	2,549
VAT payable	1,188	1,281
	9,914	**10,009**
Trade and other payables	**26,785**	**22,335**

[1] Trade payables include amounts accrued or payable to property vendors.
[2] Deferred income comprises advance payments referring to rent, service charge and marketing contribution.

The fair value of trade and other payables is reasonably approximated by their carrying value.

19. Classification, valuation and offsetting of financial assets and financial liabilities

Accounting policy
The Group uses observable market data as far as it is available to measure the fair values of assets and liabilities. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation technique as disclosed below.
- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: Inputs for the asset or liability that are not based on observable market data.

Where the inputs used in the valuation technique fall into more than one category in the fair value hierarchy, the asset or liability is categorised into the lowest level input that is significant in the valuation of that asset or liability.
The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting year during which the change occurred.
There were no transfers from/into each level during the current and comparative periods.

On 30 June 2024	Note	Level 1	Level 2	FVTPL	Amortised cost	Non-financial instruments	Total
Financial assets							
PKM Development preferred equity	17.4	-	-	**-**	467,496	-	**467,496**
Trade receivables	17.2	-	-	**-**	13,911	-	**13,911**
VAT receivable, prepayments, contract assets and lease incentive accruals	17.2	-	-	**-**	-	3,700	**3,700**
Equity-settled share-based payment assets	15; 17.2	-	-	**-**	-	475	**475**
Interest rate derivatives	15	-	6,353	**6,353**	-	-	**6,353**
Other non-current assets	15	-	-	**-**	1,164	593	**1,757**
Cash and cash equivalents	17.3	-	-	**-**	81,302	-	**81,302**
		-	**6,353**	**6,353**	**563,873**	**4,768**	**574,994**
Financial liabilities							
Bonds	18.1	-	-	**-**	212,503	-	**212,503**
Bank loans	18.1	-	-	**-**	262,908	-	**262,908**
Trade payables	18.2	-	-	**-**	16,871	-	**16,871**
Deferred income, VAT payable and tax payable	18.2	-	-	**-**	-	9,914	**9,914**
		-	**-**	**-**	**492,282**	**9,914**	**502,196**

On 30 June 2023	Note	Level 1	Level 2	FVTPL	Amortised cost	Non-financial instruments	Total
Financial assets							
PKM Development preferred equity	17.4	-	-	**-**	328,467	-	**328,467**
PKM Development revolving credit facility	17.4	-	-	**-**	10,482		**10,482**
Financial investments	17.1	36,504	-	**36,504**	-	-	**36,504**
Trade receivables	17.2	-	-	**-**	33,088	-	**33,088**
VAT receivable, prepayments, contract assets and lease incentive accruals	17.2	-	-	**-**	-	4,116	**4,116**
Equity-settled share-based payment assets	15; 17.2	-	-	**-**	-	1,251	**1,251**
Interest rate derivatives	15	-	8,088	**8,088**	-	-	**8,088**

All amounts in € thousand unless otherwise stated.

On 30 June 2023	Note	Level 1	Level 2	FVTPL	Amortised cost	Non-financial instruments	Total
Other non-current assets	15	-	-	-	1,392	459	**1,851**
Cash and cash equivalents	17.3	-	-	-	60,361	-	**60,361**
		36,504	**8,088**	**44,592**	**433,790**	**5,826**	**484,208**
Financial liabilities							
Bonds	18.1	-	-	-	290,836	-	**290,836**
Bank loans	18.1	-	-	-	153,729	-	**153,729**
Trade payables	18.2	-	-	-	12,326	-	**12,326**
Deferred income, VAT payable and tax payable	18.2	-	-	-	-	10,009	**10,009**
		-	**-**	**-**	**456,891**	**10,009**	**466,900**

The fair value of all financial instruments is substantially in line with their carrying amount as reflected on the consolidated statement of financial position, except for the bonds and the preferred equity. However, the fair value of bonds and preferred equity might not be relevant, as with respect to the bonds the liability towards bondholders would not vary in line with the market price of its listed notes, and with respect to the preferred equity including any unpaid coupon, the Group intends to hold the preference shares until maturity and collect all principal and coupons outstanding.

On 30 June 2024, the fair value of the preferred equity, after applying the discount rate used by independent external valuers for valuing Romanian real estate properties, was at 72.1% (30 June 2023: 75.48%) of its nominal value. Similarly, the MAS bond maturing 19 May 2026 traded at 93.52% of its nominal value on the same date (30 June 2023: 82.25%), while the MAS bond maturing 25 April 2029 traded at 87.95% of its nominal value.

Level 2 financial instruments

The CEE and WE secured external debt facilities of €262,946 thousand have interest rate caps in place to hedge the interest rate exposure, refer to note 18.1. The fair value of the interest rate caps on 30 June 2024 amounts to €6,353 thousand.

Valuation techniques and observable inputs
The following table shows the valuation technique used to measure financial instruments held at fair value as well as the observable inputs used for level 2 financial instruments.

On 30 June 2024 and on 30 June 2023

Financial instrument	Valuation technique	Inputs	Inter-relationship between inputs and fair value measurement
Interest rate derivatives – asset	The fair value is based on discounting future cash flows using the interest rate curves.	- 3-month EURIBOR - Cap rate	The estimated fair value would increase/(decrease) if: - 3-month EURIBOR forward curve would increase/ (decrease)

20. Equity

20.1. Share capital, share premium and treasury shares

The reconciliation of share capital, share premium and treasury shares is detailed below.

	Note	Share capital: No of shares	Share capital	Share premium	Treasury shares: No of shares	Treasury shares	Total: No of shares	Total
Balance on 30 June 2022		**714,645,729**	**7,146**	**645,976**	**(26,738,837)**	**(29,663)**	**687,906,892**	**623,459**
Geared share purchase plan shares issued	20.2	1,500,000	15	1,506	(1,500,000)	(1,521)	-	-
Balance on 30 June 2023		**716,145,729**	**7,161**	**647,482**	**(28,238,837)**	**(31,184)**	**687,906,892**	**623,459**
Geared share purchase plan shares forfeited	20.2	(1,783,484)		(1,529)	1,783,484	1,529	-	-
Geared share purchase plan shares brought back in the scheme	20.2	1,783,484	-	1,435	(1,783,484)	(1,435)	-	-
Geared share purchase plan shares sold		-	-	37	138,457	77	138,457	114
Balance on 30 June 2024		**716,145,729**	**7,161**	**647,425**	**(28,100,380)**	**(31,013)**	**688,045,349**	**623,573**

The table below discloses the IFRS net asset value per share.

		On 30 June 2024	On 30 June 2023
Number of ordinary shares in issue		688,045,349	687,906,892
IFRS Net Asset Value per share (eurocents)		157.9	140.2

Share capital
On 30 June 2024 and on 30 June 2023, the issued and fully-paid share capital value is €7,161,457 divided into 716,145,729 ordinary shares with a nominal value of €0.01 each.

All amounts in € thousand unless otherwise stated.

Treasury shares - shares repurchases
On 30 June 2024 and 30 June 2023 MAS held as treasury shares the 16,586,906 own issued shares repurchased (2.3% of the Company's issued share capital, at a weighted average share price of €1.21 per share) via one of its subsidiaries. The nominal value of the shares repurchased is €165,869 (2.3% of subscribed share capital). The shares are not cancelled, consequently the cost of shares repurchased, of €19,989 thousand including incremental costs of €101 thousand, were deducted from the equity attributable to the owners of the Group, as treasury shares.

Treasury shares - geared share purchase plan shares
During the year to 30 June 2024, 1,783,484 allocated geared share purchase plan shares were forfeited following the departure of share purchase plan participants and subsequently returned to the scheme. The shares were forfeited at their initial issue price and returned to the scheme at the five-day weighted average share price on the date of their departure, the net value of €94 thousand being reflected as a share premium reduction.
Of the total shares brought back in the scheme, 417,419 shares were allocated to other existing participants at €0.7870 per share and 1,366,065 shares were allocated to other existing participants at €0.7908 per share.

Additionally, 138,457 unlocked geared share purchase plan shares were sold by participants that elected to sell unlocked shares, at €0.8164 per share. The value at which the shares were granted of €77 thousand was deducted from the treasury shares balance.

During the year to 30 June 2023, 1,500,000 shares were issued in the geared share purchase plan at €1.0141 per share, of which €15 thousand as share capital (€0.01 per share), and a share premium of €1,506 thousand; refer to note 20.2.

Distributions
Company's shareholders are entitled to distributions, if and when declared by the Board and to vote at the Company's general meetings. Distributions may be paid by the Company from retained earnings or as a return of capital.

The following distributions were paid by the Group.

Distribution to shareholders of the Group		On 30 June 2024	On 30 June 2023
In respect of the six-month period to 31 December 2022		-	(29,993)
In respect of the six-month period to 30 June 2022		-	(26,278)
		-	**(56,271)**

20.2. Share-based payment arrangements

On 30 June 2024, the Group had the following share-based payment arrangements:
- Incentive Share Participants;
- PK Prepaid Development Services, and
- Geared share purchase plan.

The Incentive Share Participants and the PK Prepaid Development Services are remaining arrangements (the '2019 Transaction Share-Based Payments') as a result of the 2019 Transaction.

Incentive Share Participants
In accordance with the terms of the 2019 Transaction, Prime Kapital had placed 5% (3,350,000 shares) of the Consideration Shares in reserve to be allocated to existing and future employees and service providers, who directly or indirectly provide services to or for the benefit of MAS through the Property Management Platform or as otherwise required by MAS from time to time (the 'Incentive Share Participants'). The incentive shares are held in a trust for the benefit of Incentive Share Participants. The shares are treated as equity share-based payments in accordance with the requirements of IFRS 2 'Share-based Payments'.

The terms have been communicated to participants and the grant date was determined as 1 September 2020 with a grant date fair value of €0.5525 per share. The incentive shares were initially recognised as a prepaid employee service asset of €3,866 thousand. The prepaid employee service asset is released to the statement of profit or loss as a share-based payment expense over the vesting period.

For the year to 30 June 2024, the Incentive Share Participants share-based payment expense was €370 thousand (30 June 2023: €272 thousand).

The remaining prepaid balance is allocated between non-current and current assets based on the expected remaining vesting period. The non-current prepaid employee service asset on 30 June 2024 was €125 thousand (30 June 2023: €603 thousand), refer to note 15. The current prepaid employee service asset is included in trade and other receivables and amounted to €350 thousand on 30 June 2024 (30 June 2023: €242 thousand), refer to note 17.2.

PK Prepaid Development Services
In accordance with the terms of the 2019 Transaction, Prime Kapital committed to provide property development services in relation to the refurbishment, extension and redevelopment of commercial real estate assets previously held within the IJV ('IJV assets') on a cost recovery basis. The development services are a result of a pre-existing relationship that was in place before the 2019 Transaction, and with Prime Kapital acting as a counterparty, not a shareholder of the Group. Providing the services below market value (cost recovery basis) resulted in an equity-settled share-based payment arrangement with a non-employee.

The fair value of these services has been determined in accordance with the market approach of IFRS 13 'Fair Value Measurement', and a corresponding share-based payment (prepayment for development services) had been recognised at the 27 November 2019 transaction date for the 8,813,237 Consideration Shares allocated to these development services.

Services have to be performed in a 5-year period from the Transaction date (also considered the vesting period). The prepayment is reduced with the difference between the market value and the cost of services received, as and when services are received.

Management performs an annual impairment test for these prepaid services recognised. In assessing the recoverable amount, management takes into consideration the probability of benefitting from these services provided for the IJV assets, before the expiry of the vesting period.

All amounts in € thousand unless otherwise stated.

On 30 June 2023, considering the Group's development and extension plans for the IJV assets, management assessed it was unlikely material benefits would be derived from these services during the remaining vesting period and an impairment was processed to reduce the carrying value of the asset to €406 thousand.

During the year ending 30 June 2024, the Group utilised more of the related benefit than previously estimated, resulting in a reversal of impairment of €184 thousand.

Geared share purchase plan

Eligible members of staff invited to participate in the geared share purchase plan are awarded loans to acquire Company shares at the five-day volume weighted average price of a share on the JSE, immediately preceding the grant date. The loans attract interest at a rate equal to MAS' weighted average cost of debt and are non-recourse loans.

Shares are unlocked in accordance with the scheme rules, and participants may only dispose of unlocked shares. Locked shares are forfeited, without compensation, if a participant leaves the Group prior to unlocking. Participants in the geared share purchase plan are entitled to receive dividend payments less interest accumulated on applicable loans. Proceeds from any disposal of unlocked shares are initially used to repay the corresponding loan and accrued, but unpaid, interest, with the surplus distributed to the participant.

As the shares granted relate to multiple service periods, the awards have a gradual vesting pattern whereby each tranche relating to a particular service period is recognised as an expense in profit or loss over that service period.

On 4 April 2024, some participants waived any future benefits attributable to 1,330,484 geared share purchase plan shares and the corresponding share-based payment reserve amounting to €152 thousand was reversed.

Below is a reconciliation showing the impact of the geared share purchase plan on the share-based payment reserve; a reconciliation of outstanding loans and number of shares, including grant date fair values and the remaining loan terms.

Reconciliation of share-based payment reserve

	Year to 30 June 2024	Year to 30 June 2023
Opening balance	**1,602**	**1,370**
Share-based payment recognised during the year	449	663
Distribution of gains on unlocked shares sold	(37)	-
Non-forfeitable distribution	-	(431)
Closing balance	**2,014**	**1,602**

Reconciliation of outstanding loans and shares

On 30 June 2024	Geared share purchase plan		
	Number of shares	Weighted average share price	Weighted average loan per share*
Opening outstanding balance	**10,001,931**	**€1.0302**	**€0.9979**
Shares sold	(138,457)	-	(€0.0068)
Forfeited	(1,783,484)	-	(€0.1349)
Brought back in the scheme and granted (at a price of €0.7870 per share)	417,419	-	€0.0280
Brought back in the scheme and granted (at a price of €0.7908 per share)	1,366,065	-	€0.1138
Interest	-	-	€0.0523
Share price movement	-	(€0.1993)	-
Closing outstanding balance	**9,863,474**	**€0.8309**	**€1.0503**
Exercisable	1,036,918	€0.8309	€0.6072

On 30 June 2023	Geared share purchase plan		
	Number of shares	Weighted average share price	Weighted average loan per share*
Opening outstanding balance	**10,151,931**	**€1.1667**	**€0.9954**
Forfeited and held for sale*	(1,650,000)	-	-
Granted (at a price of €1.0141 per share)	1,500,000	-	€0.0228
Interest	-	-	€0.0307
Interest repayment	-	-	(€0.0510)
Share price movement	-	(€0.1365)	-
Closing outstanding balance	**10,001,931**	**€1.0302**	**€0.9979**
Exercisable	-	-	-

*By 30 June 2023, 1,650,000 shares were forfeited and were held for sale. As the shares have not been sold and the related loans not settled by 30 June 2024, loans outstanding in respect of these shares are still recognised at €1.6740 per share, having an impact in the weighted average loan per share.

The remaining term of the loans in relation to the geared purchase plan is disclosed below.

	On 30 June 2024	On 30 June 2023
Shares granted	3.83 - 9.76 years	3.70 - 9.74 years

All amounts in € thousand unless otherwise stated.

20.3. Earnings per share

IFRS Basic earnings per share

The computation of IFRS basic earnings per share is based on the profit attributable to ordinary shareholders and the IFRS weighted-average number of ordinary shares outstanding on the relevant date.

		Year to 30 June 2024	Year to 30 June 2023
Opening issued ordinary shares		687,906,892	687,906,892
Effect of unlocked shares sold		70,363	-
IFRS Weighted-average number of ordinary shares (basic)		**687,977,255**	**687,906,892**

		Year to 30 June 2024	Year to 30 June 2023
Profit from continuing operations attributable to owners of the Group		**121,174**	**86,996**
Profit from discontinued operations attributable to owners of the Group		**2,009**	**3,836**
IFRS Weighted-average number of ordinary shares (basic)		687,977,255	687,906,892
IFRS Basic earnings per share (eurocents)		**17.91**	**13.20**
IFRS Basic earnings per share (eurocents) - continuing operations		*17.61*	*12.65*
IFRS Basic earnings per share (eurocents) - discontinued operations		*0.29*	*0.55*

IFRS Diluted earnings per share

The computation of IFRS diluted earnings per share is based on the IFRS weighted average number of ordinary shares outstanding on the relevant date after adjusting for the effects of all potential dilutive ordinary shares.

Management considers all geared share purchase plan shares that are 'in the money' at the relevant reporting date as dilutive of that period. The market value of the Company's shares for the purpose of computing if the share options are 'in the money' is based on quoted market prices at each reporting date and this value is compared to the loan per each share outstanding at the same date.

		Year to 30 June 2024	Year to 30 June 2023
IFRS Weighted-average number of ordinary shares (basic)		**687,977,255**	**687,906,892**
Effect of share options		6,652,309	8,892,342
IFRS Weighted-average number of ordinary shares (diluted)		**694,629,564**	**696,799,234**

Profit from continuing operations attributable to owners of the Group		**121,174**	**86,996**
Profit from discontinued operations attributable to owners of the Group		**2,009**	**3,836**
IFRS Weighted-average number of ordinary shares (diluted)		694,629,564	696,799,234
IFRS Diluted earnings per share (eurocents)		**17.73**	**13.04**
IFRS Diluted earnings per share (eurocents) - continuing operations		17.44	12.49
IFRS Diluted earnings per share (eurocents) - discontinued operations		0.29	0.55

All amounts in € thousand unless otherwise stated.

Headline earnings and IFRS diluted headline earnings per share

		Year to 30 June 2024		Year to 30 June 2023	
	Note	**Gross**	**Net**	**Gross**	**Net**
Profit for the year attributable to ordinary shareholders - continuing operations		**121,174**	**121,174**	**86,996**	**86,996**
Profit for the year attributable to ordinary shareholders - discontinued operations		**2,009**	**2,009**	**3,836**	**3,836**
Adjusted for:					
Fair value gain on investment property	9	(59,197)	(50,066)	(28,376)	(17,229)
(Reversal of impairment)/impairment of share-based payment prepayments	20.2	(184)	(184)	9,624	9,624
Fair value gain on investment property in associate		(23,763)	(19,961)	(3,846)	(3,230)
Fair value loss on investment property held for sale	9	350	350	103	103
Gain on disposal of investment property held for sale	4.2	(23)	(23)	(5,320)	(5,092)
Foreign exchange (gain)/loss previously recognised in OCI recycled on disposal/liquidation of subsidiaries	4.2	(1,706)	(1,706)	1,871	1,871
Headline earnings		**38,660**	**51,593**	**64,888**	**76,879**
Headline earnings per share					
IFRS Weighted-average number of ordinary shares (basic)			687,977,255		687,906,892
Headline earnings per share (eurocents)			**7.50**		**11.18**
IFRS Diluted headline earnings per share					
IFRS Weighted-average number of ordinary shares (diluted)			694,629,564		696,799,234
IFRS Diluted headline earnings per share (eurocents)			**7.43**		**11.03**

The JSE Listings Requirements require the computation of headline earnings and IFRS diluted headline earnings per share and the disclosure of a detailed reconciliation of headline earnings to the earnings numbers used in the computation of IFRS basic earnings per share, as required by IAS 33 'Earnings per Share'. Disclosure of headline earnings is not an IFRS requirement. The Directors do not use headline earnings or headline earnings per share in their assessment of the Group's performance.

21. Contingent assets and contingent liabilities

There are no contingent assets or contingent liabilities.

22. Commitments

The Group has committed to fund PKM Development through 7.5% cumulative preferred equity issued by PKM Development. The total commitment is €470million. The outstanding commitment on the reporting date is €41.9million (30 June 2023: €160.5million) and it is expected this will be invested during the drawdown period expiring on 23 March 2030.

MAS provides the DJV with a €30million revolving credit facility at a fixed interest rate of 7.5%, for the duration of the drawdown period applicable to preferred equity. On 30 June 2024 the revolving credit facility was undrawn.
MAS is entitled to give written notice to the DJV parties to liquidate the assets of, redeem the preferred equity, and voluntarily dissolve the DJV in 2035.

On 28 February 2019, the Group acquired nine properties (collectively referred to as the 'Spark I Portfolio') from PKM Development through the acquisition of 100% of the share capital of their holding companies. In the years following the acquisition, PKM Development may develop extensions for three of the completed properties on adjacent land plots. The Group has granted PKM Development an option ('the put option'), under the terms of which it can sell these completed extensions to the Group at an acquisition yield of 7.5% until 28 February 2024, if developed over the five years following the acquisition, and thereafter at an acquisition yield equating to the latest valuation yield of the relevant property. The extensions have been completed during the year to 30 June 2023. The put option is outside the scope of IFRS 9 'Financial Instruments' as it relates to the 'own use' exemption (i.e. the purpose of entering into the contract was to meet the Group's expected purchase, sale or usage requirements and cannot be settled on a net basis). Accordingly, it was not accounted for as a derivative financial instrument. Instead, the Group considered the principles of IAS 37 'Provisions, Contingent Liabilities and Contingent Assets' and concluded that no onerous contract should be recognised. PKM Development did not exercise its put option by the date these financial statements were released.

Future minimum lease payments
Dambovita Mall SRL was awarded, on 17 November 2017, the tender for 49-year building rights on a 6.88 ha land plot in Targoviste owned by the Dambovita County Council. The initial annual fee was approximately €104 thousand. This fee is increased annually with inflation and is subject to a one-off increase of up to 20% on the tenth anniversary of the contract. The terms of the contract offer an option of extending the concession for a further 49 years. For lease liabilities related to the recognised concession agreement, refer to note 16.

All amounts in € thousand unless otherwise stated.

23. Events after the reporting date

Preferred equity and revolving credit facility
By 29 August 2024, PKM Development drew down a further €4,400 thousand of the PKM Development preferred equity.

24. Critical accounting estimates, judgements and errors

The Board has made judgements, accounting estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts in the consolidated annual financial statements. The Directors continually evaluate these judgements and accounting estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses based on historical experience and on other factors that they believe to be reasonable under the circumstances. Actual results may differ from the judgements, estimates and assumptions.

The **key judgements and accounting estimates** are disclosed below.

Determination of whether investment property is classified as held for sale
The Group applies judgements to determine whether investment property meets the criteria to be classified as held for sale under IFRS 5 'Non-current assets held for sale'. The Group's strategy is to dispose of its Western European segment of investment property, and it assessed the IFRS 5 criteria and concluded for the WE assets the criteria were met. However, during the year to 30 June 2024, the management assessed whether the IFRS 5 criteria still applies for Flensburg Galerie, and as a result the asset was reclassified from assets held for sale (discontinued operations) to non-current assets, as income-generating property.

As the asset is no longer actively marketed for sale at a price that is reasonable in relation to its current fair value and, the sale is not expected to qualify for recognition as a completed sale within one year from the date of initial classification, the exceptions described in IFRS 5 no longer apply. The property was reclassified from held for sale.

Determination of whether disposal of investment property represents discontinued operations
Management concluded that the sale of the Western European assets represents an identifiable segment of the business and forms part of a co-ordinated disposal plan. The management remains committed to finalise the disposal plan. The WE assets segment that met the criteria for 'held for sale' have been treated as discontinued operations. Management assessed whether the WE assets meet the criteria for held for sale and concluded that the criteria no longer applies for Flensburg Galerie. Thus, in accordance with IFRS 5, the results for the current and prior year have been represented by reclassifying the asset's results from discontinued to continuing operations.

Determination of whether MAS has control over the DJV
Management applied significant judgements to determine whether, in accordance with IFRS 10, MAS (the investor) controls the DJV (the investee), whether it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. In accordance with IFRS 10, an investor controls an investee if and only if the investor has each of the following three elements of control:
(a) power over the investee;
(b) exposure, or rights, to variable returns from its involvement with the investee, and
(c) the ability to use its power over the investee to affect the amount of the investor's returns.
Management concluded that MAS does not have power over the DJV. By analysing MAS' involvement in the DJV's relevant activities, management concluded MAS does not control the DJV. The analysis of power also indicates that there is no joint control as the power over the most relevant activities is held by Prime Kapital (PK) and it is not shared between MAS and PK. Furthermore, management also concluded that unanimous voting required in relation to restricted matters are not related to relevant activities, it is a protective right and does not create joint control. However, MAS does have significant influence over the DJV through its ability to appoint a director to the DJV's board and through asset managing the DJV's completed/operational commercial properties.

The **key areas of estimation uncertainty** are disclosed below.

Valuation of investment properties and investment properties held for sale
The Group uses external professional valuers to determine the fair values of investment properties. The external property valuation experts use recognised valuation techniques and apply the principles of IFRS 13 'Fair Value Measurement'. The primary source of evidence for property valuations is recent, comparable market transactions on an arms' length basis. However, the valuation of the Group's property assets is inherently subjective, as it is based on valuers' assumptions which may prove to be inaccurate. The methods and significant assumptions used by the valuers in estimating fair value are set out in note 12.

Valuation of financial instruments
In determining the fair value of financial instruments measured at fair value through profit or loss, the Group is required to make estimations of inputs in determining fair value.

Loan commitments
The Group has committed to finance PKM Development by investing in preferred equity or via the available revolving credit facility; refer to note 22. Judgements are made to assess the market related rate of these loan commitments, the expected credit loss on default and the probability of default.

All amounts in € thousand unless otherwise stated.

25. Financial risk management

The Group is exposed to the following risks from its use of financial instruments:

- Liquidity risk;
- Market price risk;
- Interest rate risk: fair value interest rate risk and cash flow interest rate risk;
- Foreign exchange risk; and
- Credit risk.

Liquidity risk

The risk that the Group will encounter difficulty in meeting its obligations associated with its financial liabilities arises when the maturity of assets and liabilities do not match. An unmatched position potentially enhances profitability but can also increase the risk of losses. The Group has an internal treasury function focused on ensuring the efficient and prudent use of cash and availability of working capital, including future cashflows and liabilities.

The main liquidity risk inherent in the business is derived from the changes in the debt markets and the increased cost of current and future anticipated debt funding. Management expects interest rates to remain at higher levels for longer than previously anticipated, which has a direct impact on the cost and potential availability of debt.

These might have an impact on the Group's ability to cover interest and capital payments on its debt, as well as subscribing for PKM Development preferred equity. To mitigate these risks, the Group has put in place a debt management plan to raise bank funding secured against its unencumbered properties in CEE aimed at reducing refinancing risks associated with its bond maturity in May 2026 (refer to note 18.1). This bond refinancing risk was further reduced by a bond buy-back in December 2023 and a bond exchange in April 2024 (note 18). The Group also concluded a disposal process of its financial investments in NEPI Rockcastle N.V. and collected proceeds on WE disposals during the year to 30 June 2024, to assist in maintaining adequate cash resources. On 30 June 2024, the Group had an undrawn bank revolving credit facility of €20,000 thousand.
A facility agreement is in place for a further €40.5million of secured debt and the Group can draw down any time until 30 September 2024 on this loan. The Group is in discussions with banks to secure a further €69million in bank debt funding. Drawing down on these facilities remains subject to banks' risk and credit approval processes, final terms being agreed, and conditions precedent being fulfilled.
Furthermore, to protect the Group against risks brought about by taking on high levels of debt capital, the Group has a self-imposed maximum loan-to-value ratio of 35%.

The Group continues to retain dividends to ordinary shareholders until such time as the Group's medium-term funding commitments are sufficiently covered.

The following reflects contractual maturities of payments and includes interest and bond coupon payments for the entire duration of contractual maturities, where applicable.

On 30 June 2024	Note	1-6 months	6-12 months	1-3 years	>3 years	Total
Capital commitments	22	**71,933**	**-**	**-**	**-**	**71,933**
- PKM Development preferred equity		41,933	-	-	-	**41,933**
- PKM Development revolving credit facility		30,000	-	-	-	**30,000**
Bonds		-	9,947	185,078	45,459	**240,484**
Bank loans		13,008	12,209	83,950	234,962	**344,129**
Trade and other payables		16,871	-	-	-	**16,871**
		101,812	**22,156**	**269,028**	**280,421**	**673,417**

On 30 June 2023	Note	1-6 months	6-12 months	1-3 years	>3 years	Total
Capital commitments	22	**139,518**	**40,533**	**-**	**-**	**180,051**
- PKM Development preferred equity		120,000	40,533	-	-	**160,533**
- PKM Development revolving credit facility		19,518	-	-	-	**19,518**
Bonds		-	12,469	318,334	-	**330,803**
Bank loans		45,374	6,130	45,694	79,980	**177,178**
Trade and other payables		12,326	-	-	-	**12,326**
		197,218	**59,132**	**364,028**	**79,980**	**700,358**

Preferred equity may be issued by a single counterparty, PKM Development. Preferred equity has no contractual drawdowns, therefore concentration risk is managed mainly by maintaining sufficient liquidity to match PKM Development's budgeted preferred equity issuance. The maturity disclosure represents PKM Development's maximum issuance and does not reflect budgeted or expected issuance of preferred equity. However, there is no limit on the number of preferred equity issues that can be made until the end of the contractually agreed period (i.e. 2030), except that if funding is requested, but not immediately available, the Group's funding obligations are limited to €120million on a rolling six-month basis. The outstanding commitment on 30 June 2024 amounts to €41,933 thousand (30 June 2023: €160,533 thousand).

Market price risk

The risk that the market price of an investment or financial instrument will fluctuate due to changes in market interest rates, market factors specific to the security or its issuer or factors generally affecting all such investments.

The risk for the Group arises as a result of an imbalance between supply and demand for the relevant investments and financial instruments in the portfolio, which could potentially lead to a disorderly market. Market price risk is mitigated through a combination of extensive initial market research prior to the asset acquisition and ongoing monitoring of the share price of the listed real estate equity securities.
On 30 June 2024, the Group did not have any investments in listed securities, as it disposed of these investments during the year.

All amounts in € thousand unless otherwise stated.

Interest rate risk

A significant part of the funding of the Group's portfolio derives from debt. Debt is actively managed, with interest rate derivatives (caps or swaps) used to hedge against adverse movements in interest rates, if applicable.

The carrying amount of assets and liabilities affected by interest risk are as follows below.

					On 30 June 2024
	Fixed rate	**Variable rate**	**No exposure**	**Non-financial instruments**	**Total**
Assets					
Financial assets	467,496	-	-	-	**467,496**
Other non-current assets (Interest rate caps)	-	6,353	-	-	**6,353**
Trade and other receivables	-	-	13,911	4,050	**17,961**
Cash and cash equivalents	-	81,302	-	-	**81,302**
	467,496	**87,655**	**13,911**	**4,050**	**573,112**
Liabilities					
Bonds	212,503	-	-	-	**212,503**
Bank loans	-	262,908	-	-	**262,908**
Trade and other payables	-	-	16,871	9,914	**26,785**
	212,503	**262,908**	**16,871**	**9,914**	**502,196**

					On 30 June 2023
	Fixed rate	**Variable rate**	**No exposure**	**Non-financial instruments**	**Total**
Assets					
Financial investments	-	-	36,504	-	**36,504**
Financial assets	338,949	-	-	-	**338,949**
Other non-current assets (Interest rate caps)	-	8,088	-	-	**8,088**
Trade and other receivables	-	-	33,088	4,764	**37,852**
Cash and cash equivalents	-	60,361	-	-	**60,361**
	338,949	**68,449**	**69,592**	**4,764**	**481,754**
Liabilities					
Bonds	290,836	-	-	-	**290,836**
Bank loans	33,508	120,221	-	-	**153,729**
Trade and other payables	-	-	12,326	10,009	**22,335**
	324,344	**120,221**	**12,326**	**10,009**	**466,900**

All bank loans' variable rates are fully hedged via interest rate caps in place. Refer to note 18.

Fair value sensitivity for fixed rate instruments
The Group does not account for any fixed rate debt and the fixed coupon on preferred equity at fair value through profit or loss. Therefore, a change in interest rates would not affect profit or loss. Refer to notes 18 and 19.

Cash flow sensitivity for variable rate instruments
For the year, if interest rates had been 50 basis points higher/lower, with all other variables held constant, pre-tax profit for the year would have been €710 thousand (30 June 2023: €586 thousand) lower/higher, arising mainly as a result of the higher/lower interest expense on variable borrowings. This sensitivity analysis assumes that all other variables remain constant.

Foreign exchange risk

The Group is exposed to currency risk as it holds both assets and liabilities denominated in currencies other than the euro, the presentation currency. The value of assets and liabilities denominated in other currencies will fluctuate due to changes in exchange rates. Currency risk is mitigated as management regularly monitors foreign exchange rates in relation to assets and liabilities. In addition, efforts are made to match foreign currency assets and liabilities to mitigate any foreign exchange risk.

All amounts in € thousand unless otherwise stated.

On 30 June 2024, the Group had the following material currency exposures.

	GBP	PLN	BGN	RON
Closing exchange rate	1.1815	0.2321	0.5113	0.2009
FINANCIAL INSTRUMENTS – ASSETS				
Trade and other receivables				
Foreign currency	361	6,830	4,307	49,873
Euro equivalent	426	1,585	2,202	10,020
Cash and cash equivalents				
Foreign currency	2,054	2,653	2,147	10,213
Euro equivalent	2,427	616	1,098	2,052
FINANCIAL INSTRUMENTS – LIABILITIES				
Trade and other payables				
Foreign currency	1,329	6,864	4,506	91,438
Euro equivalent	1,570	1,593	2,304	18,371
Total net financial asset/(liability) exposure				
Foreign currency	**1,086**	**2,619**	**1,948**	**(31,352)**
Euro equivalent	**1,283**	**608**	**996**	**(6,299)**

On 30 June 2023, the Group had the following material currency exposures.

	GBP	PLN	BGN	RON
Closing exchange rate	1.1651	0.2244	0.5113	0.2015
FINANCIAL INSTRUMENTS – ASSETS				
Trade and other receivables				
Foreign currency	18,465	6,627	4,561	41,161
Euro equivalent	21,513	1,487	2,332	8,293
Cash and cash equivalents				
Foreign currency	1,497	2,178	1,922	17,066
Euro equivalent	1,744	489	983	3,438
FINANCIAL INSTRUMENTS – LIABILITIES				
Trade and other payables				
Foreign currency	1,772	7,443	4,164	64,271
Euro equivalent	2,064	1,670	2,129	12,949
Total net financial asset/(liability) exposure				
Foreign currency	**18,190**	**1,362**	**2,319**	**(6,044)**
Euro equivalent	**21,193**	**306**	**1,186**	**(1,218)**

If the euro had strengthened/weakened against other currencies used by the Group with all other variables held constant, pre-tax profit for the year would have varied as follows.

	30 June 2024			30 June 2023		
	Movement	**Strengthening**	**Weakening**	**Movement**	**Strengthening**	**Weakening**
GBP	10%	(128)	128	10%	(2,119)	2,119
PLN	10%	(61)	61	10%	(31)	31
BGN[1]	0%	-	-	0%	-	-
RON	10%	630	(630)	10%	122	(122)
		441	**(441)**		**(2,028)**	**2,028**

[1] The Bulgarian Lev is fixed to the euro exchange rate therefore no currency risk exposure is applicable.
This sensitivity analysis assumes that all other variables remain constant.

All amounts in € thousand unless otherwise stated.

Credit risk

The Group is exposed to credit risk primarily as a result of its banking relationships, trade receivables and contract assets owed by tenants, and its investment in the PKM Development preferred equity and revolving credit facility.

The carrying amount of financial assets represents the maximum credit risk exposure, as follows.

			On 30 June 2024
	Credit risk exposure	Non-financial instruments	Total
Non-current financial assets			
Financial assets	467,496	-	**467,496**
	467,496	**-**	**467,496**
Current financial assets			
Trade and other receivables	13,911	4,050	**17,961**
Cash and cash equivalents	81,302	-	**81,302**
	95,213	**4,050**	**99,263**
	562,709	**4,050**	**566,759**

			On 30 June 2023
	Credit risk exposure	Non-financial instruments	Total
Non-current financial assets			
Financial assets	338,949	-	**338,949**
	338,949	**-**	**338,949**
Current financial assets			
Trade and other receivables	33,088	4,764	**37,852**
Financial investments	36,504	-	**36,504**
Cash and cash equivalents	60,361	-	**60,361**
	129,953	**4,764**	**134,717**
	468,902	**4,764**	**473,666**

Expected credit losses – Preferred equity and revolving credit facility (Financial assets)

The Group's preferred equity, including accrued coupon, of €467,496 thousand (30 June 2023: €328,467 thousand) and the undrawn revolving credit facility (30 June 2023: €10,482 thousand) included within financial assets are with a single counterparty, PKM Development. The maximum credit risk exposure would be from preferred equity of €470,000 thousand and revolving credit facility of €30,000 thousand if these are fully issued or drawn.

This concentration of credit risk is principally managed by assessing credit quality through quarterly reviews of PKM Development's management accounts and bi-annually reviewing property valuation reports. When determining whether the credit risk of the financial asset has increased significantly since initial recognition, the Group considers both quantitative and qualitative information that is reasonably available, such as: financial position, historic and future operating performance, payment delays, obligations, breaches and general economic and market conditions. Following the Spark II Transaction there has been a perceived liquidity risk associated with the DJV, as it disposed of its main income-generating properties on 30 June 2022. However this perceived risk was partially mitigated, during the year to 30 June 2024, as two of the DJV's new development properties became operational and the DJV also finalised its first office development.

In the Group's credit risk model for the year to 30 June 2024, the credit risk score was increased in order to reflect the latest macroeconomic trends and any perceived credit risk from the Spark II transaction, as well as from an overall increase in interest rates and higher default rates estimated for non-investment grade companies.
Despite considering a higher credit risk score for the DJV, management has concluded that there is no significant increase in credit risk, thus the risk of default remains low (stage 1) in accordance with IFRS 9.

Similar to the 2023 assessment, the expected loss rates were calculated based on probability of default computed using the average default rates reported for credit rated companies similar to the DJV (utilising a scorecard based on credit rating agencies' template scorecards). A loss given default of 25% was used, being the Basel III IRB recommended benchmark for unsecured loans and the exposure at default was considered to be the total amount of preferred equity, including any coupon and revolving credit facility outstanding less the DJV's cash balance on 30 June 2024. There was no historical credit loss rate on the preferred equity commitment or the revolving credit facility with the DJV.
Furthermore, management performed a sensitivity analysis on the probability of default and loss given default rates used and concluded that there is no significant change in the expected credit loss result.

Management has considered quantitative factors, such as the DJV's actual and forecasted profits, and qualitative factors, such as progress with the DJV's development pipeline, including related future operating income, and concluded that there is no significant expected credit loss.

Expected credit losses – other financial instruments
In order to manage the Group's financial instruments and cash and cash equivalents credit risk, management monitors its banking partners' credit risk and deposits the majority of its cash and cash equivalents with banks and financial institutions which are rated investment grade. Approximately 89.6% of the Group's cash and cash equivalents on 30 June 2024 was held with banks rated investment grade (30 June 2023: 94.2%).

All amounts in € thousand unless otherwise stated.

The Group's trade receivables do not contain any financing component and mainly represent lease receivables. Therefore, the Group applied the simplified approach under IFRS 9 and measured the loss allowance using a provision matrix based on historical collection and default experience adjusted for forward-looking factors in order to estimate the provision on initial recognition and throughout the life of the receivables at an amount equal to lifetime expected credit losses ('ECL'). The expected credit loss is not significant for the reporting periods.

The expected loss rates are based on the tenants' payment profiles over a period of 24 months before 30 June 2024 and 30 June 2023 respectively and the corresponding historical credit losses experienced within these periods. The historical loss rates are adjusted to reflect current and forward-looking factors affecting tenants' ability to settle receivables. The expected loss rate for trade receivables on 30 June 2024 amounts to 0.35% (30 June 2023: 0.42%).
The analysis by credit quality of trade and other receivables, cumulated for rent and service charge is detailed below.

						On 30 June 2024
	Current	0-30 days	31-60 days	61-90 days	More than 90 days	Total
Expected credit loss rate	**0.02%**	**0.02%**	**0.03%**	**0.10%**	**0.17%**	**0.35%**
Trade and other receivables gross	9,538	703	170	122	2,287	**12,820**
Specific impairment of receivables	-	(88)	(74)	(72)	(2,094)	**(2,328)**
Loss allowance	(2)	-	-	-	(4)	**(6)**
Carrying amount	**9,536**	**615**	**96**	**50**	**189**	**10,486**

						On 30 June 2023
	Current	0-30 days	31-60 days	61-90 days	More than 90 days	Total
Expected credit loss rate	**0.02%**	**0.03%**	**0.04%**	**0.12%**	**0.21%**	**0.42%**
Trade and other receivables gross	8,246	734	150	101	2,245	**11,476**
Specific impairment of receivables	-	(29)	(38)	(22)	(2,018)	**(2,107)**
Loss allowance	(2)	-	-	-	(5)	**(7)**
Carrying amount	**8,244**	**705**	**112**	**79**	**222**	**9,362**

On 30 June 2023, the Group's trade and other receivable also comprised €21,419 thousand receivable from disposal of assets held for sale. These were excluded from the ECL assessment, as these amounts were subsequently received as contractually agreed, for which the Group did not envisage any impairment indicators.

Movements in receivables allowance are disclosed in the table below.

		Year to 30 June 2024	Year to 30 June 2023
Opening balance		**(2,114)**	**(2,225)**
Movement of bad debt allowance through profit and loss			
Increase of receivables allowance - continuing operations		(982)	(674)
Reversal of receivables allowance - continuing operations		742	685
Reversal of receivables allowance - discontinued operations		20	100
Closing balance		**(2,334)**	**(2,114)**
Effect of trade receivables written off directly through profit and loss (with no effect in bad debt allowance balance)		**Year to 30 June 2024**	**Year to 30 June 2023**
Impairment of receivables - continuing operations		(188)	(138)
Impairment of receivables - discontinued operations		(14)	(24)

The tenants' receivable balances, which are overdue, but not impaired, are related to tenants committed to pay their outstanding balances subsequent to year-end. Furthermore, tenants' deposits may be executed by the Group, in part or in whole, if receivables due from tenants are not settled or in case of other breaches of contractual terms.

There is no other concentration of credit risks related to trade and other receivables, as the Group does not place reliance on a single counterparty. In order to manage the credit risk related to trade and other receivables, the Group continuously monitors the financial performance and reputation of its tenants. In computing the expected credit loss rates for trade and other receivables, the Group considers the historic loss rates and adjusts for forward-looking macroeconomic data. There are no material impairment losses.

Capital management

The Group's capital management strategy is to monitor bonds and bank covenants and maintain a strong capital base.

The Group's main objective in managing capital is to safeguard its ability to continue as a going concern, so that it continues to provide and maximise long-term returns for shareholders and benefits for other stakeholders.

During the year to 30 June 2024, the Group's policy was to maintain a Loan-to-Value ('LTV') ratio below 35% on both IFRS and proportionate consolidated accounting bases.

The Group's LTV ratio decreased from 30.9% on 30 June 2023 to 24.8% on 30 June 2024.

The Group also increased its weighted average debt maturity from 3.3 years at 30 June 2023 to 3.8 years at 30 June 2024.

All amounts in € thousand unless otherwise stated.

26. Related parties

Parent and ultimate controlling party

The Group has no ultimate controlling party but is controlled by its ordinary shareholders in aggregate.

Key management

Key management consists of the Executive and Non-Executive Directors ('NED').

Transactions with key management

Year to 30 June 2024

	Role	During the year	Basic salary	Benefits	Short-term incentive	Long-term incentive	Tax equalisation[7]	Sub Total	IFRS 2 option expense	Total
Irina Grigore[1]	CEO		271	96	30	-	-	**397**	124	**521**
Nadine Bird[2]	CFO		238	78	175	-	-	**491**	(20)	**471**
Stefan Briffa[3]	Executive Director and Company Secretary	Appointed	65	-	-	-	-	**65**	-	**65**
Dan Petrisor[4]	Executive Director	Resigned	22	24	-	-	-	**46**	8	**54**
Werner Alberts	NED		51	-	-	-	3	**54**	-	**54**
Brett Nagle[6]	NED		47	-	-	-	-	**47**	-	**47**
Claudia Pendred	NED		44	-	-	-	6	**50**	-	**50**
Dan Pascariu	NED		44	-	-	-	56	**100**	-	**100**
Mihail Vasilescu	NED		47	-	-	-	60	**107**	-	**107**
Pierre Goosen[5]	NED	Resigned	20	-	-	-	1	**21**	-	**21**
Vasile Iuga	NED		51	-	-	-	65	**116**	-	**116**
			900	**198**	**205**	**-**	**191**	**1,494**	**112**	**1,606**

[1] Irina Grigore's 'basic salary' comprises the Director's fixed cash-based compensation, and 'benefits' of €96 thousand refer to an allowance granted to compensate for additional living costs due to her residence in Malta. Additionally, Irina received a €30 thousand short-term incentive.
[2] Nadine Bird's 'basic salary' comprises the Director's fixed cash-based compensation, and 'benefits' of €78 thousand refer to an allowance granted to compensate for additional living costs due to her residence in Romania. Effective 4 April 2024 Nadine waived all her future benefits attributable to the Share Scheme shares she held. The Group granted her a short-term incentive of €175 thousand.
[3] Effective 25 October 2023, Stefan Briffa was appointed Executive Director. Figure shown on 'basic salary' column for Stefan reflects the Director's fixed cash-based compensation since his appointment.
[4] Effective 31 August 2023, Dan Petrisor stepped down from the Board as Executive Director. Figures shown on 'basic salary', 'benefits' and 'IFRS 2 option expense' comprises the Director's fixed cash-based compensation, benefits and share-based payments for the period to his resignation. Benefits of €24 thousand refer to an allowance granted to compensate for additional living costs due to his residence in Malta.
[5] Effective 11 December 2023, Pierre Goosen stepped down from the Board as Non-Executive Director.
[6] Effective 22 August 2024, Brett Nagle stepped down from the Board as Non-Executive Director.
[7] Tax equalisation adjustment is aimed at ensuring equality between Board members, that Non-Executive Directors' fees are competitive, and compensation is not affected by individual circumstances, such as the Directors' country of tax residence. Cost to company of Non-Executive Directors' fees is adjusted upwards, in cases where cumulated taxation effects on their compensation exceeds 30%.

All amounts in € thousand unless otherwise stated.

Year to 30 June 2023

	Role	During the year	Basic salary	Benefits	Short-term incentive	Long-term incentive	Tax equalisation[7]	Sub Total	IFRS 2 option expense	Total
Irina Grigore[1]	CEO		228	109	-	-	-	**337**	124	**461**
Nadine Bird[2]	CFO	Appointed	65	87	-	-	-	**152**	20	**172**
Raluca Buzuleac[2]	CFOO	Resigned	78	-	-	-	-	**78**	20	**98**
Dan Petrisor[3]	Executive Director		129	146	-	-	-	**275**	63	**338**
Werner Alberts	NED		51	-	-	-	4	**55**	-	**55**
Brett Nagle	NED		47	-	-	-	-	**47**	-	**47**
Claudia Pendred	NED		44	-	-	-	15	**59**	-	**59**
Dan Pascariu	NED		44	-	-	-	116	**160**	-	**160**
Malcolm Levy[4]	NED	Resigned	7	-	-	-	1	**8**	-	**8**
Martin Slabbert[5]	NED	Resigned	-	-	-	-	-	**-**	-	**-**
Melt Hamman[4]	NED	Resigned	7	-	-	-	16	**23**	-	**23**
Mihail Vasilescu[6]	NED	Appointed	25	-	-	-	35	**60**	-	**60**
Pierre Goosen	NED		44	-	-	-	3	**47**	-	**47**
Vasile Iuga	NED		51	-	-	-	135	**186**	-	**186**
			820	**342**	**-**	**-**	**325**	**1,487**	**227**	**1,714**

[1] Irina Grigore's 'basic salary' comprises the Director's fixed cash-based compensation, and 'benefits' of €109 thousand refer to an allowance granted to compensate for additional living costs due to her residence in Malta.
[2] Effective 1 February 2023, Raluca Buzuleac stepped down from the Board as Executive Director and with effect from the same date Nadine Bird was appointed CFO of the Group.
Nadine's figure shown on 'basic salary' column above comprises the Director's fixed cash-based compensation, received starting her appointment as CFO. Benefits of €87 thousand refer to expenses with respect to her relocation to Romania, and cost of living expenses comprising of rent allowance and other fringe benefits.
Raluca's figure shown on 'basic salary' column above comprises the Director's fixed cash-based compensation, received until her resignation from the CFOO role.
[3] Dan Petrisor's 'basic salary' comprises the Director's fixed cash-based compensation, and 'benefits' of €146 thousand refer to an allowance granted to compensate for his additional living costs due to his residence in Malta.
[4] Effective 25 August 2022, Melt Hamman and Malcom Levy stepped down from the Board.
[5] Effective 13 December 2022, Martin Slabbert stepped down from the Board as Non-Executive Director.
[6] Effective 13 December 2022, Mihail Vasilescu was appointed Non-Executive Director.
[7] Tax equalisation adjustment is aimed at ensuring equality between Board members, that Non-Executive Directors' fees are competitive, and compensation is not affected by individual circumstances, such as country of tax residence. Cost to company of Non-Executive Directors' fees is adjusted upwards, in cases where cumulated taxation effects on their compensation exceeds 30%. Amounts relating to tax equalisation shown for the year to 30 June 2023 include adjustment from the date of redomiciliation to Malta, effective 12 October 2021.

Related party relationships

PKM Development Ltd. and its subsidiaries
PKM Development is an associate, and the Group owns 40% of its ordinary shares. PKM Development owns shares in MAS; refer to note 13.

PK White SRL
PK White SRL owns the Pleiades residential project in Ploiesti, currently under development.

PK Burgundy SRL
PK Burgundy SRL owns the extension of Baia Mare Value Centre, operational from 29 September 2022.

PK Almond SRL
PK Almond SRL owns the extension of Roman Value Centre, operational from 1 December 2022.

PK Arsenic SRL
PK Arsenic SRL owns the extension of Slobozia Value Centre (Strip Mall), operational from 31 May 2023.

Prime Kapital Holdings Ltd
Prime Kapital Holdings Limited is an integrated real estate developer, investor and operator.

Prime Kapital Development SRL
Prime Kapital Development SRL is a subsidiary of Prime Kapital Holdings Limited, providing property management, construction and development services to the Group and PKM Development for projects that are under development (extensions, refurbishments and others). These are provided in accordance with the contractual agreements at cost plus margin.

Harneys Fiduciary
Harneys Fiduciary provided BVI corporate services and was a director of MAS RE Malta Holding Ltd (former MAS (BVI) Holdings Limited) (redomiciled to Malta on 1 August 2022) and MAS CEE Investments Limited, 100% owned subsidiaries of the Company. Services were provided by its subsidiary Epstone Ltd.

Transactions with key management

During the year to 30 June 2024, Irina Grigore, Group's CEO acquired one residential unit from PK Sepia SRL (Avalon Estate), a DJV subsidiary. The consideration paid was from own sources and at the price level established for similar residential units sold by Avalon Estate. The Board considered the Group's Conflict of Interest Policy requirements, and evaluated the transaction being conducted at arm's-length.

All amounts in € thousand unless otherwise stated.

	Note	Income/(expenses) for Year to 30 June 2024	Income/(expenses) for Year to 30 June 2023	Net (receipts)/payments for Year to 30 June 2024	Net (receipts)/payments for Year to 30 June 2023	Balances receivable/(payable) on 30 June 2024	Balances receivable/(payable) on 30 June 2023
PKM Development Ltd. and its subsidiaries							
· Equity-accounted investee	13	7,611	4,315	-	(4,105)	33,023	25,412
· Preferred equity and revolving credit facility	10; 17.4, 22, 25	28,945	20,465	99,602	82,417	467,496	338,949
· Recharged costs		-	(116)	66	380	(177)	(243)
· Assets transferred following Spark II Portfolio acquisition		-	-	-	89,764	-	-
· Balances transferred following Spark II Portfolio acquisition		-	-	-	(87)	-	-
· Other income		656	143	(453)	(143)	203	-
· Rental income		-	8	-	(8)	-	-
· Electrical energy transformation fee		-	(4)	-	55	-	-
· Rental income energy equipment		-	-	-	(71)	-	-
· Other expenses		-	(50)	(2)	52	-	2
		37,212	**24,761**	**99,213**	**168,254**	**500,545**	**364,120**
Prime Kapital Holdings Ltd and its subsidiaries							
· Prepaid development services and other receivables*	15; 17.2	184	(9,764)	(590)	-	-	406
· Other income		7	-	(4)	-	3	-
· Rental income		318	320	(316)	(302)	42	40
· Capitalised expenses		(4,389)	-	2,208	35	(2,146)	35
· Property management platform expenses		(4,609)	(3,196)	2,568	2,674	(2,563)	(522)
· Other expenses		(91)	(71)	72	53	(54)	(35)
· Service charge and other property operating expenses		(2,349)	(2,543)	2,458	963	(1,813)	(1,922)
· Balance transferred following Spark II Portfolio acquisition		-	-	-	238	-	-
		(10,929)	**(15,254)**	**6,396**	**3,661**	**(6,531)**	**(1,998)**
Harneys Fiduciary							
· Directors' fees and legal and professional fees		-	(9)	1	8	-	(1)
· Other		-	(4)	-	4	-	-
		-	**(13)**	**1**	**12**	**-**	**(1)**
		26,283	**9,494**	**105,610**	**171,927**	**494,014**	**362,121**

* As a result of the impairment assessment performed on 30 June 2024, a reversal of impairment of €184 thousand (30 June 2023: impairment of €9,624 thousand) was booked for PK Prepaid development services (see note 20.2).

All amounts in € thousand unless otherwise stated.

Key management shareholdings

On 30 June 2024

	Direct	Indirect	Associate	Total
Irina Grigore	100,000	3,470,604	-	**3,570,604**
Nadine Bird[2]	125,715	-	-	**125,715**
Stefan Briffa[3]	-	-	-	-
Dan Petrisor[4]	-	-	-	-
Werner Alberts	115,097	-	-	**115,097**
Brett Nagle[6]	213,325	-	86,675[1]	**300,000**
Claudia Pendred	-	-	-	-
Dan Pascariu	902,960	-	-	**902,960**
Mihail Vasilescu	-	4,000,000	-	**4,000,000**
Pierre Goosen[5]	-	-	-	-
Vasile Iuga	-	-	-	-
	1,457,097	**7,470,604**	**86,675**	**9,014,376**

[1] Non-beneficial to director.
[2] Nadine received 187,604 additional Share Scheme shares on 4 October 2023. With effect from 4 April 2024, she waived any future benefits attributable to all the Share Scheme shares (988,464 share scheme shares in total).
[3] Effective 25 October 2023, Stefan Briffa was appointed Executive Director.
[4] Effective 31 August 2023, Dan Petrisor stepped down from the Board as Executive Director.
[5] Effective 11 December 2023, Pierre Goosen stepped down from the Board as Non-Executive Director.
[6] Effective 22 August 2024, Brett Nagle stepped down from the Board as Non-Executive Director.

There have been no changes in the shareholdings of key management between 30 June 2024 and the date of approval of the consolidated annual financial statements.

On 30 June 2023

	Direct	Indirect	Associate	Total
Irina Grigore	100,000	1,740,789	-	**1,840,789**
Nadine Bird[2]	-	800,860	-	**800,860**
Dan Petrisor	-	693,272	-	**693,272**
Raluca Buzuleac[3]	-	638,671	-	**638,671**
Werner Alberts	48,712	-	-	**48,712**
Brett Nagle	63,470	-	86,675[1]	**150,145**
Claudia Pendred	-	-	-	**-**
Dan Pascariu	902,960	-	-	**902,960**
Mihail Vasilescu[4]	-	4,000,000	-	**4,000,000**
Pierre Goosen	-	-	104,815[1]	**104,815**
Vasile Iuga	-	-	-	**-**
	1,115,142	**7,873,592**	**191,490**	**9,180,224**

[1] Non-beneficial to director.
[2] Appointed CFO and Executive Director with effect from 1 February 2023.
[3] Stepped down from her CFOO role and from the Board (as Executive Director) on 1 February 2023.
[4] Appointed Non-Executive Director on 13 December 2022.

All amounts in € thousand unless otherwise stated.

27. Reconciliation of amounts reported under IFRS to Segmental analysis – proportionate accounts

Year to 30 June 2024			IFRS amounts				
Consolidated Statement of Profit or Loss	**Proportionate accounts line item**	**Note**	**Continuing operations**	**Discontinued operations**	**Add 40% DJV**	**Other reclass**	**Proportionate accounts**
Net rental income	Net rental income - income property		**67,120**	**74**			
	Net result - residential property		-	-	(11,693)	-	(11,693)
Corporate expenses			**(7,143)**	**(266)**	**(432)**	**184**	**-**
Corporate expenses	Net corporate expenses		(7,143)	(266)	(432)	818	(7,023)
	Share-based payment expense		-	-	-	(634)	(634)
Other income			**7,694**	**113**	**884**	**618**	
Dividend income	Net dividends - listed securities	7	-	-	-	-	-
Other income	Other distributable net income/(cost)	7	225	113	884	1,586	2,808
Gain on bonds repurchased	Other non-distributable income/(cost)	7	7,469	-	-	(968)	6,501
Investment expenses	Investment expenses	8	(1,414)	81	(50)	-	(1,383)
Fair value adjustments			**55,237**	**(350)**	**23,428**	**134**	**-**
Gain/(loss) on fair value of inv. prop, incl. inv. prop. held for sale	Fair value adjustments - income property	9	59,197	(350)	23,766	132	82,745
Gain/(loss) on fair value of fin. investments	Fair value adjustments - listed securities	9	1,124	-	-	-	1,124
Change in fair value of financial assets	Fair value adjustments - interest rate derivatives	9	(5,084)	-	(338)	2	(5,420)
Gain from disposal of inv. prop. held for sale			-	23	-	(23)	-
Reversal of impairment/(impairment) of share-based payment prepayments	Share-based payment expense	20.2	184	-	-	(184)	-
Foreign currency exchange differences	Foreign currency exchange differences		(53)	-	(134)	1,893	1,706
Foreign exchange gain recycled			-	1,706	-	(1,706)	-
Share of profit from eq.-acc. investee		13	7,686	-	(7,686)	-	-
Profit/(Loss) before finance income/(costs)			**129,311**	**1,381**			
Finance income			**31,571**	**45**			
Interest on preferred equity and revolving credit facility	Net income - preferred equity and revolving credit facility	10	28,945	-	-	(11,578)	17,367
Interest on bank deposits			2,626	45	256	(2,927)	-
	Interest capitalised on developments	10	-	-	-	6,775	6,775
Finance costs			**(25,325)**	**(15)**			
Interest on bank loans	Interest on debt financing	10	(14,259)	-	(5,431)	(4,061)	(23,751)
Bond borrowing costs		10	(13,666)	-	-	13,666	-
Interest income on interest rate derivatives		10	2,719	-	263	(2,982)	-
Bank charges		10	(119)	(15)	-	134	-
Profit/(Loss) before tax			**135,557**	**1,411**			
Current tax			**(3,402)**	**598**			
Current tax	Income tax	11	(3,402)	598	(635)	(613)	(4,052)
	Tax on sale of property		-	-	-	613	613
Deferred tax	Deferred tax	11	(10,981)	-	(2,421)	-	(13,402)
Tax expense			**(14,383)**	**598**			
Profit for the year	Earnings		**121,174**	**2,009**	**-**	**-**	**123,183**

All amounts in € thousand unless otherwise stated.

On 30 June 2024

Consolidated Statement of Financial Position	Proportionate accounts line item	Note	IFRS amounts	Add 40% DJV	Other reclass	Proportionate accounts
Non-current assets						
Investment property			**1,030,329**	**-**	**3,077**	
Income-generating property	Income property	12.1	1,024,854	135,369	-	1,160,223
Dev. property and land bank	Developments - income property	12.1	5,475	20,653	3,077	29,205
	Developments - residential property		-	47,499	-	47,499
Intangible assets			**1,696**	**-**	**-**	
Goodwill	Goodwill	14	1,696	-	-	1,696
Inv. in equity-accounted investee		13	33,098	(33,098)	-	-
Financial assets			**467,496**	**-**	**(180,117)**	
PKM Dev preferred equity and revolving credit facility	Preferred equity and revolving credit facility	17.4	467,496	-	(186,998)	280,498
Interest rate caps	Interest rate derivative financial assets		-	-	6,881	6,881
Other non-current assets		15	8,235	756	(8,991)	-
Deferred tax asset	Deferred tax asset	11	2,993	1,270	-	4,263
Total non-current assets			**1,543,847**			
Current assets						
Financial assets	Other assets		-	-	673	673
Investment property held for sale		4.2	-	3,076	(3,076)	-
Financial investments	Listed securities	17.1	-	40,337	-	40,337
Trade and other receivables			**17,961**	**4,485**	**1,432**	
Trade and other receivables	Trade and other receivables	17.2	17,588	2,497	957	21,042
VAT receivable	VAT receivable	17.2	373	1,988	-	2,361
	Share-based payment prepayments	17.2	-	-	475	475
Cash and cash equivalents	Cash and cash equivalents	17.3	81,302	6,392	-	87,694
Total current assets			**99,263**			
Total assets	**Assets**		**1,643,110**	**226,739**	**(187,002)**	**1,682,847**
Non-current liabilities						
Bonds		18.1	211,977	-	(211,977)	-
Bank loans	Debt financing	18.1	253,668	11,612	222,252	487,532
	Preferred equity and revolving credit facility		-	186,998	(186,998)	-
Other non-current liabilities		16	6,921	2,172	(9,093)	-
Deferred tax liability	Deferred tax liability	11	47,338	6,505	-	53,843
Total non-current liabilities			**519,904**			
Current liabilities						
Bonds		18.1	526	-	(526)	-
Bank loans		18.1	9,240	509	(9,749)	-
Trade and other payables	Trade and other payables	18.2	26,785	18,943	9,089	54,817
Total current liabilities			**36,551**			
Total liabilities	**Liabilities**		**556,455**	**226,739**	**(187,002)**	**596,192**
Total equity	**Net asset value**		**1,086,655**	**-**	**-**	**1,086,655**

All amounts in € thousand unless otherwise stated.

Year to 30 June 2023			IFRS amounts				
Consolidated Statement of Profit or Loss	**Proportionate accounts line item**	**Note**	**Continuing operations**	**Discontinued operations**	**Add 40% DJV**	**Other reclass**	**Proportionate accounts**
Net rental income	Net rental income - income property		**62,195**	**250**	**1,439**	**15**	**63,899**
	Net result - residential property		-	-	(338)	145	(193)
Corporate expenses			**(6,965)**	**(335)**	**(240)**	**(9,624)**	**-**
Corporate expenses	Net corporate expenses		(6,965)	(335)	(240)	936	(6,604)
	Share-based payment expense		-	-	-	(10,560)	(10,560)
Other income			**10,097**	**870**	**2,350**	**(2,581)**	
Dividend income	Net dividends - listed securities	7	8,318	-	2,323	(1,247)	9,394
Other income	Other distributable net income/(cost)	7	425	870	27	(894)	428
Gain on bonds repurchased	Other non-distributable income/(cost)	7	1,354	-	-	(440)	914
Investment expenses	Investment expenses	8	(1,129)	(747)	(371)	-	(2,247)
Fair value adjustments			**40,392**	**(103)**	**322**	**13,032**	**-**
Gain/(loss) on fair value of inv. prop, incl. inv. prop. held for sale	Fair value adjustments - income property	9	28,376	(103)	3,846	9,156	41,275
Gain/(loss) on fair value of fin. investments	Fair value adjustments - listed securities	9	8,550	-	(3,876)	3,876	8,550
Change in fair value of financial assets	Fair value adjustments - interest rate derivatives	9	3,466	-	352	-	3,818
Gain from disposal of inv. prop. held for sale			-	5,320	-	(5,320)	-
Reversal of impairment/(impairment)	Share-based payment expense	20.2	(9,624)	-	-	9,624	-
Foreign currency exchange differences	Foreign currency exchange differences		(2,213)	-	(66)	184	(2,095)
Share of profit from eq.-acc. investee		13	4,315	-	(4,315)	-	-
Profit before finance income/(costs)			**97,068**	**5,255**			
Finance income			**20,628**	**8**			
Interest on preferred equity and revolving credit facility	Net income - preferred equity and revolving credit facility	10	20,465	-	-	(8,186)	12,279
Interest on bank deposits		10	163	8	145	(316)	-
	Interest capitalised on developments		-	-	-	3,939	3,939
Finance costs			**(19,993)**	**(23)**			
Interest on bank loans	Interest on debt financing	10	(6,545)	-	2,708	(15,979)	(19,815)
Bond borrowing costs		10	(13,997)	-	-	13,997	-
Interest income on interest rate derivatives		10	613	-	-	(613)	-
Negative interest on bank deposits		10	(64)	(23)	-	88	-
Profit before tax			**97,703**	**5,240**			
Current tax			**(4,165)**	**(1,404)**			
Current tax	Income tax	11	(4,165)	(1,404)	(377)	2,964	(2,982)
	Tax on sale of property		-	-	-	(1,369)	(1,369)
Deferred tax	Deferred tax	11	(6,542)	-	(1,257)	-	(7,799)
Tax expense			**(10,707)**	**(1,404)**			
Profit for the period	Earnings		**86,996**	**3,836**	**-**	**-**	**90,832**

All amounts in € thousand unless otherwise stated.

On 30 June 2023

Consolidated Statement of Financial Position	Proportionate accounts line item	Note	IFRS amounts	Add 40% DJV	Other reclass	Proportionate accounts
Non-current assets						
Investment property			**901,472**	**161,749**	**62,130**	
Income-generating property	Income property	12.1	896,352	23,856	58,848	979,056
Dev. property and land bank	Developments - income property	12.1	5,120	62,367	3,282-	70,769
	Developments - residential property		-	75,526	-	75,526
Intangible assets			**1,696**	**-**	**-**	
Goodwill	Goodwill	14	1,696	-	-	1,696
Inv. in equity-accounted investee		13	25,412	(25,412)	-	-
Financial assets			**338,949**	**-**	**(126,629)**	
PKM Dev preferred equity and revolving credit facility	Preferred equity and revolving credit facility	17.4	338,949	-	(135,580)	203,369
Interest rate caps	Interest rate derivative financial assets		-	-	8,951	8,951
Other non-current assets		15	10,542	2,905	(13,447)	-
Deferred tax asset	Deferred tax asset	11	2,389	121	-	2,510
Total non-current assets			**1,280,460**			
Current assets						
Financial assets	Other assets		-	-	2,549	2,549
Investment property held for sale		4.2	58,848	3,282	62,130	-
Financial investments	Listed securities	17.1	36,504	19,570	-	56,074
Trade and other receivables			**37,852**	**6,764**	**1,941**	
Trade and other receivables	Trade and other receivables	17.2	37,513	2,065	690	40,268
VAT receivable	VAT receivable	17.2	339	4,699	-	5,038
	Share-based payment prepayments	17.2	-	-	1,251	1,251
Cash and cash equivalents	Cash and cash equivalents	17.3	60,361	3,530	-	63,891
Total current assets			**193,565**			
Total assets	**Assets**		**1,474,025**	**172,509**	**(135,586)**	**1,510,948**
Non-current liabilities						
Bonds		18.1	290,752	-	(290,752)	-
Bank loans	Debt financing	18.1	108,629	143,800	200,288	452,717
	Preferred equity and revolving credit facility		-	135,580	(135,580)	-
Other non-current liabilities		16	6,716	2,025	(8,741)	-
Deferred tax liability	Deferred tax liability	11	35,753	2,933	-	38,686
Total non-current liabilities			**441,850**			
Current liabilities						
Bonds		18.1	84	-	(84)	-
Bank loans		18.1	45,100	42	(45,142)	-
Trade and other payables	Trade and other payables	18.2	22,335	23,709	8,845	54,889
Total current liabilities			**67,519**			
Total liabilities	**Liabilities**		**509,369**	**172,509**	**(135,586)**	**546,292**
Total equity	**Net asset value**		**964,656**	**-**	**-**	**964,656**

All amounts in € thousand unless otherwise stated.

28. Summary of general accounting policies

Basis of preparation – statement of compliance

These consolidated annual financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the IASB ('IFRS'), the Johannesburg Stock Exchange ('JSE') Listings Requirements, the SAICA Financial Reporting Guides, as issued by the Accounting Practices Committee and Financial Pronouncements as issued by Financial Reporting Standards Council. After taking into consideration the applicable legal and regulatory requirements of the Maltese Companies Act 1995, including IFRS requirements adopted by the EU (European Union), management concluded that the consolidated annual financial statements are in compliance with the latter.

Basis of measurement

These consolidated annual financial statements are prepared on the historical cost basis except for the following items that are measured on the fair value basis:

- Financial instruments at fair value through profit or loss ('FVTPL');
- Financial investments; refer to note 17.1;
- Share-based payments on grant date; refer to note 20.2, and
- Investment property and investment property held for sale; refer to notes 12.1 and 4.2.

Accounting policies

The material accounting policies applied in the preparation of these consolidated annual financial statements have been described in each note, where applicable. The following general accounting policies have also been applied. All policies have been applied consistently to all years presented, unless otherwise stated.

Principles of consolidation

Subsidiaries

The consolidated annual financial statements of the Group incorporate the assets, liabilities, operating results and cash flows of the Company and its subsidiaries. Subsidiaries are all entities, including those that are structured, over which the Group has control. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over it. Subsidiaries are fully consolidated from the date control is transferred to the Group. They are deconsolidated from the date control ceases. The acquisition method is used to account for the acquisition of subsidiaries. Identifiable acquired assets and liabilities, and contingent liabilities, assumed in a business combination are measured at their fair values on the date of acquisition. The consideration transferred for the acquired entity is measured at the fair value of the assets given up, equity instruments issued, and liabilities incurred, or assumed, including fair value of assets or liabilities from contingent consideration arrangements, but excluding acquisition related costs, such as advisory, legal, valuation and similar professional services.

The accounting policies of the subsidiaries are consistent with those of the Company. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with those of the Group.

Transactions which result in changes in ownership levels, where the Group has control of the subsidiary both before and after the transaction are regarded as equity transactions and are recognised directly in equity.

Transactions and balances eliminated on consolidation

Intra-group balances and transactions, and any gains and losses or income and expenses arising from intragroup transactions, as well as investments in subsidiaries and corresponding equity in the subsidiaries are eliminated in preparing the consolidated annual financial statements.

Functional and presentation currency

These consolidated annual financial statements are presented in euro ('€'), the Group's presentation currency.

The functional currency is determined by the relevant, primary economic environment of each entity in the Group. The other determining factor is the currency in which the majority of cash flows, goods and services are denominated and settled in the respective country. When the functional currency cannot be clearly identified, management uses judgement to determine the functional currency that most faithfully represents the economic effects of the underlying transactions, events and conditions.

Translation into presentation currency

For the purpose of presenting consolidated annual financial statements, the assets and liabilities of the Group's foreign operations are translated to euros using exchange rates prevailing at the reporting date. At each reporting date:

- monetary assets and liabilities that are denominated in foreign currencies are translated into the presentation currency at the rates prevailing at that date;
- non-monetary assets and liabilities measured at fair value that are denominated in foreign currencies are translated at the rate on the date the fair value was determined;
- non-monetary items that are measured based on the historical cost basis in a foreign currency are translated at the rate on the date of the transaction;
- income and expense items are translated at the average exchange rates for the period.

Exchange differences arising, if any, are recognised in other comprehensive income and presented in equity in the foreign currency translation reserve, except to the extent that the translation difference is allocated to non-controlling interest. Such exchange differences are reclassified to profit or loss in the period in which the foreign operation is disposed of.

Goodwill and fair value adjustments that arise on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

All amounts in € thousand unless otherwise stated.

Adoption of new/revised standards

A number of amended standards became applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these amended standards.

New and amended standards and interpretations not yet adopted

Below is a summary of new standards and amendments/improvements to existing standards and interpretations that are not yet effective, and which are expected to be applicable to the Group.

Amendments/improvements to standards and interpretations not yet effective	**Effective for annual periods beginning on or after**
Non-current liabilities with covenants – Amendments to IAS 1	1-Jan-24
Supplier finance – Amendments to IAS 7 and IFRS 7	1-Jan-24
Classification and Measurement of Financial Instruments - Amendment to IFRS 9 and IFRS 7	1-Jan-26
Presentation and Disclosure in Financial Statements - IFRS 18	1-Jan-27

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Shareholding structure on 30 June 2024

	Shareholders		Shares	
30 June 2024	**Number**	**% of total**	**Number**	**% of total**
Public shareholders	**5,370**	**99.59%**	**437,831,254**	**61.1%**
Non-public shareholders				
Major shareholders (holding over 5%)	**3**	**0.06%**	**260,883,089**	**36.4%**
PK Investments Limited*	1	0.02%	133,978,198	18.7%
Government Employees Pension Fund	1	0.02%	84,058,570	11.7%
Petrichor Joint Family Office PCC Limited Cell Eastland	1	0.02%	42,846,321	6.0%
Directors and their associates	**6**	**0.11%**	**9,014,376**	**1.3%**
Other share scheme participants	**13**	**0.24%**	**8,417,010**	**1.2%**
Total	**5,392**	**100.00%**	**716,145,729**	**100.0%**

* PK Investments Limited is a subsidiary of PKM Development Ltd.

All amounts in € thousand unless otherwise stated.

Income property overview

On 30 June 2024, the Group's directly-owned property portfolio comprised of 100% retail investment properties, and had €15.90 weighted average rental per m², by GLA. Occupancy was 97.5% of the total GLA and the annualised property yield was 7.48%.

Geographical profile

	By rentable area	By revenue
Romania	71.3%	71.5%
Bulgaria	15.0%	14.5%
Poland	8.1%	9.7%
Germany	5.6%	4.3%
Total	**100.0%**	**100.0%**

Tenant profile

	By rentable area
Category A	62.5%
Category B	19.7%
Category C	17.8%
Total	**100.0%**

Category A: Large national tenants, large listed tenants, government and major franchisees (284 tenants)
Category B: National tenants, listed tenants, franchisees (275 tenants)
Category C: Other tenants (978 tenants)

Income property detailed information

Property name	Location	Country	Type	Sector	GLA in m²	Weighted average rental per m² (€)
CEE income properties						
Militari Shopping	Bucharest	Romania	Regional	Retail	53,800	17.81
Galleria Burgas	Burgas	Bulgaria	Regional	Retail	36,700	19.98
Dambovita Mall	Targoviste	Romania	Regional	Retail	32,700	17.58
Atrium Mall	Arad	Romania	Regional	Retail	27,400	19.46
DN1 Value Centre	Balotesti	Romania	Community	Retail	27,400	18.86
Nova Park	Gorzów	Poland	Regional	Retail	32,400	19.03
Prahova Value Centre	Ploiesti	Romania	Community	Retail	24,600	13.89
Galleria Stara Zagora	Stara Zagora	Bulgaria	Regional	Retail	23,500	8.16
Baia Mare Value Centre	Baia Mare	Romania	Community	Retail	21,400	12.46
Zalau Value Centre	Zalau	Romania	Community	Retail	19,300	16.41
Roman Value Centre	Roman	Romania	Community	Retail	18,800	15.96
Sepsi Value Centre	Sfantu Gheorghe	Romania	Community	Retail	16,900	13.31
Barlad Value Centre	Barlad	Romania	Community	Retail	16,400	12.70
Slobozia Value Centre	Slobozia	Romania	Convenience	Retail	6,700	10.49
Focsani Value Centre	Focsani	Romania	Convenience	Retail	6,100	14.88
Ramnicu Sarat Value Centre	Ramnicu Sarat	Romania	Convenience	Retail	4,000	11.17
Fagaras Value Centre	Fagaras	Romania	Convenience	Retail	3,200	9.97
Sebes Value Centre	Sebes	Romania	Convenience	Retail	3,200	12.34
Targu Secuiesc Value Centre	Targu Secuiesc	Romania	Convenience	Retail	3,200	11.12
Gheorgheni Value Centre	Gheorgheni	Romania	Convenience	Retail	1,400	12.74
Total CEE Income properties					**379,100**	**16.13**
WE income properties						
Flensburg Galerie	Flensburg	Germany	Community	Retail	22,600	12.17
Total WE income properties					**22,600**	**12.17**
Total income properties					**401,700**	**15.90**

All amounts in € thousand unless otherwise stated.

MAS P.L.C.
Property information

Lease expiry profile - by revenue

Sector	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	>=2035
Retail	28.8%	25.3%	17.7%	11.6%	6.9%	2.8%	1.8%	1.4%	0.9%	0.8%	2.0%
Total	**28.8%**	**25.3%**	**17.7%**	**11.6%**	**6.9%**	**2.8%**	**1.8%**	**1.4%**	**0.9%**	**0.8%**	**2.0%**

Majority of contractual rental escalations are fully indexed to Euro 27 inflation. The above rental expiry profile includes expected escalations due to inflationary indexation.

Lease expiry profile - by rentable area

Sector	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	>=2035
Retail	25.5%	21.8%	17.4%	12.8%	7.5%	3.2%	2.0%	1.6%	1.1%	1.0%	6.1%
Total	**25.5%**	**21.8%**	**17.4%**	**12.8%**	**7.5%**	**3.2%**	**2.0%**	**1.6%**	**1.1%**	**1.0%**	**6.1%**

All amounts in € thousand unless otherwise stated.

Company information and advisors

Identification
MAS P.L.C.
Registration number C99355
JSE and A2X share code: MSP
ISIN: VGG5884M1041
LEI code: 213800T1TZPGQ7HS4Q13

Registered office in Malta and Correspondence address
MAS P.L.C.
Suite 11, Marina Business Centre
Abate Rigord Street
Ta' Xbiex, XBX1129
Malta

Company secretary
Stefan Briffa appointed on 31 August 2023
Roxana Bordeanu appointed on 25 August 2022 and resigned on 31 August 2023

Independent auditor
PricewaterhouseCoopers
78 Mill Street, zone 5
Central Business District, Qormi
Malta, CBD 5090

JSE Sponsor
Java Capital Trustees and Sponsors (Proprietary) Limited
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Johannesburg, 2196
South Africa

A2X Markets
6th Floor, 1 Park Lane, Wierda Valley, Sandton
Johannesburg, 2196
South Africa

Registrar / Transfer Secretaries
British Virgin Islands
Computershare Investor Services (BVI) Limited
Registration number 003287V Woodbourne Hall
PO Box 3162
Road Town, Tortola British Virgin Islands

South Africa
Computershare Investor Services Proprietary Limited
Registration number 2004/003647/07
Rosebank Towers
15 Biermann Avenue
Rosebank, 2196
PO Box 61051, Marshalltown 2107

Depository
Computershare Investor Services PLC
The Pavilions Bridgewater Road, Bristol
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Property Valuers

Romania
Colliers Valuation and Advisory S.R.L.
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Romania

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Germany
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D-60313, Frankfurt am Main
Germany

Poland
Colliers Poland Spółka z o.o.
Plac Pilsudskiego 3
Warsaw, 00-078
Poland

United Kingdom
CBRE Limited
7 Castle Street,
Edinburgh, EH2 3AH
Scotland

Adjusted distributable earnings	Adjusted distributable earnings are the adjusted underlying earnings of the Group from net rental income from income property, net result from residential properties, net income from preferred equity and revolving credit facility, net dividends on listed securities, net corporate expenses, interest on debt financing, interest capitalised on developments and other distributable net income or cost and income tax
Adjusted number of shares in issue	Number of shares in issue excluding MAS' 40% proportion of shares owned by the DJV in MAS
BV	Book value
BVI	British Virgin Islands
CEE	Central and Eastern Europe or Central and Eastern European
Company	MAS P.L.C.
DCF	Discounted cash flows
Development property	Property under construction, in process of being developed for future use as income property or for sale and land plots to be utilised for future developments
Diluted adjusted number of shares in issue	Adjusted number of shares in issue increased by the number of share purchase plan shares
Diluted weighted average adjusted number of shares	Diluted adjusted number of shares in issue for the applicable period, outstanding on a daily weighted average basis during such period
DJV	Development Joint Venture
ECL	Expected credit losses
EPRA	European Public Real Estate Association
FCTR	Foreign currency translation reserve
FVTPL	Fair value through profit or loss
GDV	Gross development value
GLA	Gross leasable area, the amount of retail floor space available to be rented in commercial properties, excluding short-term leases, terraces, storage areas and parking (rounded to the nearest hundred m^2)
Group	MAS P.L.C. and its subsidiaries
IASB	International Accounting Standards Board
IFRS	International Financial Reporting Standards as issued by the IASB
IJV	Investment joint venture, former joint venture with Prime Kapital, 80% owned and controlled by the Company prior to the 2019 Transaction, for investing in CEE Income properties
Income-generating property	Property held to earn rental income
Investment property	Income property, Development property and Land bank

Glossary

IOM	Isle of Man
JSE	Johannesburg Stock Exchange
Land bank	Land plots held for future developments
Lease incentive	Incentives offered to lessees to enter a lease, typically in the form of a rent-free period
NAV	Net asset value
NRI	Net rental income
Number of shares in issue	Ordinary number of shares issued excluding shares held as treasury shares (repurchased shares not cancelled and share purchase plan shares)
OCI	Other comprehensive income
PKM Development	P K M Development Limited (renamed to PKM Development Ltd. on redomiciliation to Malta)
PMP	Property Management Platform
Prime Kapital / PK	Prime Kapital Holdings Ltd
REIT	Investment in listed real estate equity securities
SA REIT	South African Real Estate Investment Trust Association, the representative umbrella body comprised of voluntary members of South African listed REIT companies and trusts
Spark II Portfolio	Collectively, the six subsidiaries or properties (as the context requires), acquired on 30 June 2022 from the DJV.
Tangible NAV	NAV which includes only assets and liabilities likely to crystallise on disposal (corresponds to NAV under adjusted proportionate accounts)
Tangible NAV per share	Tangible NAV divided by the Adjusted number of shares in issue on the reporting date
WE	Western Europe or Western European
Weighted average adjusted number of shares	Adjusted number of shares in issue for the applicable period, outstanding on a daily weighted average basis during such period
2019 Transaction	The acquisition on 27 November 2019 by the Group of Prime Kapital's effective economic interest in the IJV with MAS

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