



REVIEWED CONDENSED CONSOLIDATED INTERIM FINANCIAL RESULTS FOR THE SIX MONTHS TO 31 DECEMBER 2024

MAS P.L.C. Registered in Malta Registration number: C99355

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MAS P.L.C.

INTRODUCTION AND BACKGROUND

MAS (hereafter Group or Company) continued to perform strongly in the first half of the 2025 financial year. MAS achieved Distributable Earnings of 5.09 eurocents per share for the six-month period (13.1% increase year-on-year). The Group's financial results and progress with strategic matters are detailed in this commentary.

Unless otherwise stated, amounts included in this commentary are presented with reference to International Financial Reporting Standards (IFRS) based reported results. Segmental reporting, prepared on a proportionate consolidated basis, continues to be reported on and included in the Group's financial results, to assist interpretation of IFRS financial results. Detailed financial results and Company Profile (updated on 31 December 2024), including highlights and supplemental operational information, are available on MAS' corporate website. This report does not include information or potential effects of any potential transaction with respect to MAS' investment in the Development Joint Venture (DJV) with co-investor and developer Prime Kapital.

The Group remains committed to maximising total long-term returns from property investments on a per share basis, aimed to be achieved by continued focus on capital allocation, operational excellence, sensible leveraging, and cost efficiency. MAS operates directly-owned income property in Central and Eastern Europe (CEE) and employs capital in commercial and residential developments owned indirectly via the DJV. Benefiting from the long-term, continual high growth in consumption in CEE, and leveraging its strong asset prospects and asset management capabilities to generate robust like-for-like (LFL) net rental income (NRI) growth from retail operations through increasing tenants' sales and implementing asset management initiatives, as well as its downside-protected exposure to high-quality commercial and residential developments via DJV, MAS is well positioned to provide its shareholders with best-in-class total long-term returns.

FINANCIAL RESULTS

The Group generates returns from: (i) directly-owned income property and operations in CEE; (ii) Central and Eastern European investments with Prime Kapital in DJV (including equity-accounted earnings from its proportion of completed DJV-owned income properties, net results of residential sales and development activities); (iii) remaining directly-owned Western European income property, and (iv) investments in financial instruments (including other elements disclosed as Corporate).

MAS' IFRS earnings for the six months to 31 December 2024 were €76.1million, consisting of distributable earnings of €35.0million (€31.0million for the six-month period to 31 December 2023) and non-distributable earnings of €41.1million (€37.6million for the six-month period to 31 December 2023). IFRS Tangible net asset value (TNAV) on 31 December 2024 was €1.78 per share, being a 7.2% increase to the IFRS TNAV of €1.66 per share on 30 June 2024, and 14.1% total shareholders return (TSR) for the trailing 12-months to 31 December 2024.

The Group's good financial performance is the result of several factors impacting MAS' IFRS earnings compared to the same six months of the previous financial year, including positive outcomes from:

- (i) retail properties' exceptional operational performance in CEE, leading to 7.3% like-for-like (LFL) increase in passing NRI and improved asset valuations, supported by excellent rental and service charge collections;
- (ii) increase in the DJV's profits, and MAS' share thereof, resulting mainly from (a) the outstanding performance of DJV's commercial properties, which led to passing NRI improvements as well as increases in commercial asset valuations, (b) a return to profitability, albeit small, of the residential business and these gains were somewhat offset by increases in finance costs mostly relating to additional preferred equity coupon accruals, and
- (iii) finance income increases resulting from MAS' additional investments in preferred equity issued by DJV during the twelve months preceding 31 December 2024.

The above positive variances were partially offset by realised gains on MAS bonds repurchased during the six months to 31 December 2023 not repeating in the current six-month period, and increases in interest expenditure due to additional secured debt contracted by the Group in preparation for repayment of its funding commitments, including the upcoming maturity of the bond in May 2026, net of income derived from placing cash raised in bank deposits and returns on financial assets.

DEBT, COST OF DEBT AND LIQUIDITY

On 31 December 2024, MAS had €182.4million in cash, money market instruments and undrawn credit facilities. MAS' management has made considerable progress in raising new secured debt finance, having drawn down €90.5million of additional secured debt during the six months to 31 December 2024. The Group also has term sheets in place for an additional €45million of secured debt, subject to documentation being finalised. On 31 January 2025, MAS and DJV concluded the disposal of their respective strip mall assets in Romania, collecting a combined €52.5million, following which the Group's required additional funds to cover its funding commitments to 30 June 2026 decreased to €66.4million. While substantial progress has been achieved to date, and all but one of MAS' directly held assets have been encumbered, the extent of the remaining shortfall until maturity of the bond requires that, in absence of the implementation of a potential transaction with respect to MAS' investment in DJV, dividends remain on hold until at least the 2027 financial year, while further asset disposals are likely.

On 31 December 2024, the Group had €563.5million of outstanding debt (bonds and secured bank loans, €475.4million on 30 June 2024), and its loan-to-value (LTV) ratio was 25.6% on an IFRS consolidated basis (26.3% on 30 June 2024). As a result of the Group having amassed substantial liquidity from secured debt drawn down, MAS has placed part of its cash in low-volatility, short-term financial investments (money market instruments), which provide slightly higher yields than bank deposits, and benefit from similar or lower risk exposure. On 31 December 2024, the Group had €35.3million invested in fund units, which management treats as 'near cash' instruments for operational purposes, as these are readily convertible to cash, with a 24-hour notice.

MAS' weighted average cost of debt (WACD) for the period, on an IFRS consolidated basis, remained relatively constant at 5.55% per annum (5.52% for the financial year to 30 June 2024). Except for MAS' undrawn revolving credit facility, exposure to interest rates for all secured debt is hedged. The Group hedges its interest rate exposure,

typically via interest rate caps, protecting against future increases in variable EURIBOR rates over loans' terms to maturity.

The Group's self-imposed, long-term overall debt limit is a maximum LTV ratio of 35%, or, on a forward-looking basis, six times NRI, which is considerably more restrictive than its covenant tolerances. On 31 December 2024, the Group's bond and unsecured facility ratios demonstrated satisfactory headroom compared to covenant tolerances, on both IFRS and proportionate consolidation bases.

Table 1

	Tolerance	Actual IFRS	Actual proportionate consolidation basis
Solvency ratio	Shall not exceed 0.6	0.32	0.31
Consolidated coverage ratio	At least 2.5:1	3.71	3.70
Adjusted consolidated coverage ratio	At least 2.8:1	n/a	2.81
Unencumbered consolidated total assets/ unsecured consolidated total debt	Minimum 180%	391%	382%
Unencumbered consolidated total adjusted assets/ unsecured consolidated total debt	Minimum 120%	n/a	244%

On 31 December 2024, DJV's liquidity comprised €30.3million in cash, which was in excess of debt of €29.2million, secured against a single operational commercial property (figures not proportioned with MAS' ordinary interest in DJV). As a result, DJV benefited from a negative LTV, as well as substantial secured debt capacity.

FUNDING COMMITMENTS TO DJV

MAS had invested €444.7million in preferred equity and had an ongoing undrawn commitment to invest €25.3million in DJV preferred equity, as well as a requirement to provide DJV with a €30million revolving credit facility, which was undrawn on 31 December 2024.

OPERATIONS

Information regarding MAS' Central and Eastern European directly owned assets' LFL footfall and tenants' sales (compared to the same period in 2023) and collection rates for the six months to 31 December 2024 is detailed in Table 2. All figures were reported on 26 February 2025.

Table 2

	Jul 24	Aug 24	Sep 24	Oct 24	Nov 24	Dec 24	Total
Footfall (2024 compared to 2023)	%	104	108	108	106	104	104
Open-air malls	%	104	111	110	107	104	105
Enclosed malls	%	103	102	103	103	103	102
Tenants' sales per m² (2024 compared to 2023)	%	104	108	109	109	109	108
Open-air malls	%	106	111	113	112	109	110
Enclosed malls	%	102	104	105	104	107	105
Collection rate	%	99.9	99.9	99.9	99.9	99.7	99.8

Consumption in all Central and Eastern European countries where the Group operates continued its growth trend, with robust trading and footfall in all Group properties for the six months to 31 December 2024, supporting healthy occupancy cost ratios at 10.6% (excluding certain tenant categories: supermarkets, DIY stores, entertainment and services; 10.9% on 31 December 2023). Collection rates were excellent, and occupancy of Central and Eastern European assets improved to 98% on 31 December 2024 (97.7% on 31 December 2023).

During this period, on a LFL basis, Central and Eastern European tenants' sales continued to be outstanding, and both open-air malls and enclosed malls outperformed by 10% and 4%, respectively, compared to the same period in 2023. Notable outperformance of the aggregate was achieved by DIY, shoes, home appliances, entertainment, home furnishings, services and food service tenant categories. Specialist and pet shop categories have however performed less admirably.

Passing NRI of the Group's directly-owned properties in CEE increased by 7.3% year-on-year, which is attributable to rent indexation, rental from coverage as well as outstanding rent reversions during the period.

Trading in DJV's operational retail properties, managed by MAS' asset management team, was exceptional during the six months to 31 December 2024. LFL footfall and tenants' sales improved by 8% and 7%, respectively, compared to the same period in 2023. Similarly to MAS' directly-owned assets, collection rates were outstanding at 99.9%. Occupancy was stable at 97.2% on 31 December 2024 (97.3% on 31 December 2023), and the occupancy cost ratio was a healthy 10.2% (excluding certain tenant categories: supermarkets, DIY stores, entertainment and services).

DJV's residential business returned to profitability and realised minor positive earnings of €1.0million for the six months to 31 December 2024, which comprised €1.8million profit from the sale of completed residential units in all of DJV's residential projects, as well as €0.2million in rental income from residential units, offset by selling expenses of €1.0million (figures not proportioned with MAS' ordinary interest in DJV).

PROPERTY VALUATIONS

The overall €34.5million income property fair value uplift was the result of positive fair value adjustments of €37.4million to directly-owned income property in CEE (LFL improvement of 4.1% compared to valuations on 30 June 2024) and a decrease of €2.9million in WE (5.6% decrease compared to valuations on 30 June 2024, mainly due to an increase in the valuation discount rate for Flensburg Galerie). The valuation of MAS' (and DJV's) properties is determined biannually by external, independent professional valuers, with appropriate, recognised qualifications and recent experience in the relevant location and property category. Valuations are primarily based on discounted

forecast cash flows and are therefore forward-looking. Compared to valuations on 30 June 2024, the weighted average unlevered discount rate for income property in CEE decreased from 9.56% to 9.44%.

ASSET DISPOSALS

MAS contracted the disposal of its strip mall assets located in Focsani, Slobozia, Ramnicu Sarat, Sebes, Targu Secuiesc, Fagaras and Gheorghieni in December 2024 at a price above the Strip Malls' book values on 30 June 2024. The Group, as well as DJV, which joined the transaction for the sale of the Slobozia Value Centre Extension, completed the transaction and collected the proceeds on 31 January 2025. The Group has also identified other assets as non-core to its strategy to efficiently recycle and re-allocate capital. Further updates will be provided when appropriate.

DJV DEVELOPMENTS

Progress with DJV's developments and secured pipeline are detailed below.

Construction at Mall Moldova continues as scheduled. Romania's second super-regional enclosed mall and retail node will open in April 2025. The centre will offer its substantial catchment area comprising approximately 4million inhabitants with the most diverse fashion and largest entertainment destination offering in the region. Leasing is progressing very well, with approximately 85% of the destination GLA secured for the largest shopping destination outside of Bucharest. The estimated rental value (ERV) income of the completed property, including the currently operational section, is estimated to be €17.3million. The existing centre is anchored by a Carrefour hypermarket, and the tenant mix benefits from an unparalleled range of more than 250 national and international tenants, with approximately 40 new retailers in the region and 50 in Iasi. The retail node will also benefit from a major Scandinavian furniture and household goods retailer's first store in the Moldova region, to which DJV has contracted the sale of approximately 5,25ha of the site.

Zoning continues on DJV's commercial projects in Cluj-Napoca, Bucharest and Bacau, as previously disclosed.

Sales continue for DJV's residential projects in Bucharest (Phase I and II of Avalon Estate and Marmura Residence), Iasi (Phases I, II and Phase III of Silk District, the latter having recently started construction) and Ploiesti (Pleiades Residence).

PROSPECTS AND DIVIDEND

The Company suspended dividend payments starting August 2023 to accumulate liquidity to meet capital requirements in a more challenging funding environment. As previously disclosed, MAS does not expect it will be able to consider resuming dividend payments for financial periods ending prior to December 2026 if the status quo prevails. MAS' remaining shortfall to cover capital commitments until 30 June 2026 is likely to require MAS to accelerate further non-core asset disposals or raise additional unsecured financing with more restrictive covenants. Unencumbered DJV properties are not available for MAS to secure debt funding against, which causes MAS to be reliant on funding in the unsecured market. The perceived complexities of the DJV arrangement, coupled with current liquidity constraints, have adversely affected MAS' credit rating and weakened investor confidence. As a result of encumbering most of MAS' directly-owned assets and not already having, by November 2024, the full cash on balance sheet necessary for a bond redemption in May 2026, both credit rating agencies, Moody's and, more recently, Fitch, have further downgraded MAS' credit ratings. These additional downgrades place further uncertainty regarding MAS' access to, and feasibility of, the sub-investment grade bond market. MAS' dividend is likely to remain on hold until MAS can successfully access the unsecured debt market, or until further non-core disposal transactions are completed. More restrictive covenants on further unsecured debt could restrict MAS' ability to declare dividends post the 2026 calendar year. However, MAS will consider and is committed to resuming dividend payments when capital requirements are sufficient to cover its funding commitments and depending on the attractiveness of investment opportunities relative to the available liquidity at the time.

EARNINGS GUIDANCE

Earnings guidance for the 2025 financial year, previously provided on a proportionate accounting basis in the range from 9.54 to 10.45 eurocents per share, remains in place, and corresponds to an IFRS basis MAS distributable earnings range from 9.27 to 10.13 eurocents per share. There are no substantial differences between distributable earnings on a proportionate accounting basis and IFRS basis. If removing non-cash earnings from DJV's preferred and ordinary equity from MAS' IFRS distributable earnings range, the cash-backed distributable earnings would range between 5.11 to 5.44 eurocents per share in respect of the 2025 financial year. The distributable earnings range for the six months to 30 June 2025 is narrowed between 4.28 to 4.70 eurocents per share.

This guidance is based on the assumptions that no additional material macroeconomic disruption occurs, a stable political environment prevails in the Group's markets, developments continue as scheduled and no major corporate failures ensue. The effects of a potential transaction being concluded with respect to MAS' investment in DJV was not taken into account for this guidance. Shareholders should note that MAS' estimates and distributable earnings per share targets have not been reviewed by the Group's auditors and are subject to change. Inevitably, some assumptions will not materialise, plans will change, and unanticipated events and circumstances may affect eventual financial results. MAS will not hesitate to adopt changes in strategy, or to take action that will impact negatively on distributable earnings 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 of Directors.

Irina Grigore
Chief Executive Officer
Nadine Bird
Chief Financial Officer

27 February 2025, Malta
Released on 3 March 2025

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 31 December 2024, MAS had invested €444.7million in preferred equity and had an obligation of €25.3million 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 31 December 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 its integrated in-house platform.

All amounts in € thousand unless otherwise stated.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION	On 31 Dec 2024 (Reviewed)	On 31 Dec 2023 (Reviewed)	On 30 Jun 2024 (Audited)
Non-current assets	1,579,319	1,413,960	1,543,847
Current assets	230,593	112,007	99,263
Total assets	1,809,912	1,525,967	1,643,110
Equity attributable to owners of the Group	1,162,670	1,033,526	1,086,655
Total equity	1,162,670	1,033,526	1,086,655
Non-current liabilities	583,371	456,388	519,904
Current liabilities	63,871	36,053	36,551
Total liabilities	647,242	492,441	556,455
Total shareholder equity and liabilities	1,809,912	1,525,967	1,643,110

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS	Six-month period to 31 Dec 24 (Reviewed)	Six-month period to 31 Dec 23 (Reviewed)	Year to 30 Jun 24 (Audited)
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<i>Continuing operations</i>			
Rental income	39,159	35,970	72,237
Service charge income and other recoveries	12,608	11,335	23,557
Gross revenue	51,767	47,305	95,794
Reversal of impairment/(impairment) of receivables	37	(183)	(427)
Service charge and other property operating expenses	(15,285)	(13,515)	(28,247)
Net rental income	36,519	33,607	67,120
Corporate expenses	(3,533)	(3,555)	(7,143)
Other income	252	7,694	7,694
Investment expenses	(773)	(573)	(1,414)
Fair value adjustments	31,176	28,275	55,237
Foreign currency exchange differences	(48)	(16)	(53)
Share of profit from equity-accounted investee, net of tax	15,527	8,072	7,686
Reversal of impairment/(impairment) of share-based payment prepayments	39	(67)	184
Profit before finance income/(costs)	79,159	73,437	129,311
Finance income	19,000	15,175	31,571
Finance costs	(13,955)	(12,297)	(25,325)
Profit before tax	84,204	76,315	135,557
Current tax	(2,301)	(2,132)	(3,402)
Deferred tax	(5,973)	(5,341)	(10,981)
Profit from continuing operations	75,930	68,842	121,174
<i>Discontinued operations</i>			
Profit/(loss) from discontinued operations, net of tax	155	(207)	2,009
Profit for the period/year	76,085	68,635	123,183
Attributable to:			
Owners of the Group	76,085	68,635	123,183
Profit for the period/year	76,085	68,635	123,183

FINANCIAL PERFORMANCE	31 Dec 24	31 Dec 23	% Change
IFRS Net Asset Value attributable to owners of the Group (€ thousand)	1,162,670	1,033,526	12.50%
IFRS Net Asset Value per share (eurocents)	169.0	150.2	12.50%
IFRS Gross revenue from continuing operations (€ thousand)	51,767	47,305	9.43%
IFRS Earnings per share (eurocents)	12.01	10.41	15.42%
Cash dividend (eurocents)	-	-	0.00%
Headline earnings (€ thousand)	30,070	34,508	-12.86%
Headline earnings per share (eurocents)	4.75	5.23	-9.18%
Closing number of shares in issue*	688,045,349	688,045,349	0.00%
MAS Tangible Net Asset Value (€ thousand)	1,224,383	1,076,616	13.73%
MAS Tangible Net Asset Value per share (eurocents)	178.0	156.0	14.10%
Weighted Average Number of Ordinary Shares*	688,045,349	687,909,902	0.02%
MAS Distributable Earnings per share (eurocents)	5.09	4.50	13.11%

* Excluding treasury shares.

MAS DISTRIBUTABLE EARNINGS STATEMENT OF PROFIT OR LOSS	Six-month period to 31 Dec 2024	Six-month period to 31 Dec 2023	Year to 30 Jun 2024
IFRS EARNINGS	76,085	68,635	123,183
IFRS DISTRIBUTABLE EARNINGS	34,998	30,990	51,333
Net rental income	36,519	33,607	67,120
Corporate expenses	(3,415)	(3,026)	(6,325)
Finance income on preferred equity and revolving credit facility	18,059	13,578	28,945
Other finance income	941	1,597	2,626
Finance costs	(13,955)	(12,297)	(25,325)
Share of <i>distributable</i> loss from equity-accounted investee, net of tax	(1,045)	(1,344)	(14,099)
Loss from discontinued operations - <i>distributable</i>	(9)	(144)	(175)
Current tax	(2,301)	(2,132)	(3,402)
Other <i>distributable</i> net income	204	1,151	1,968
IFRS NON-DISTRIBUTABLE EARNINGS	41,087	37,645	71,850
Share of <i>non-distributable</i> profit from equity-accounted investee, net of tax	16,572	9,416	21,785
Profit/(loss) from discontinued operations - <i>non-distributable</i>	164	(63)	2,184
Investment expenses	(773)	(573)	(1,414)
Fair value adjustments	31,176	28,275	55,237
Deferred tax	(5,973)	(5,341)	(10,981)
Share based-payments	(79)	(596)	(634)
Other <i>non-distributable</i> net income	-	6,527	5,673
Weighted Average Number of Ordinary Shares	688,045,349	687,909,902	687,977,255
MAS Distributable Earnings per share (eurocents)	5.09	4.50	7.46
MAS Cash-Backed Distributable Earnings per share (eurocents)	2.61	2.80	5.50

MAS TANGIBLE NET ASSET VALUE STATEMENT OF FINANCIAL POSITION	On 31 Dec 2024	On 31 Dec 2023	On 30 Jun 2024
ASSETS	1,809,912	1,525,967	1,643,110
Investment property	1,018,827	994,441	1,030,329
Preferred equity and revolving credit facility	502,175	374,094	467,496
Investment in equity-accounted investee	48,625	33,484	33,098
Other non-current assets	7,996	10,245	11,228
Intangible assets	1,696	1,696	1,696