



Presentation to Financial Intermediaries

14 May 2018



FINANCIAL RESULTS OVERVIEW

Financial Overview – Income Statement



Summarised Results	2017	2016	2015	2014	2013
	€'000	€'000	€'000	€'000	€'000
Continuing Operations:					
Revenue	4,636	8,674	41,042	13,311	7,796
Cost Of Sales	(3,050)	(3,885)	(31,123)	(12,116)	(6,705)
Gross Profit	1,586	4,789	9,919	1,195	1,091
Gains from changes in fair value of investment properties	-	-	4,851	-	1,786
Administrative expenses	(4,506)	(2,637)	(1,852)	(1,763)	(1,784)
Other Income	134	(521)	205	175	92
Operating Profit/(Loss)	(2,786)	1,631	13,123	(393)	1,185
Net finance (costs)/income	(2,255)	(3,726)	(3,203)	(2,813)	(2,752)
Impairment charge on goodwill	-	-	(448)	-	-
Share of results of joint venture	26,281	(18)	(14)	(5)	-
Result before tax	21,240	(2,113)	9,457	(3,211)	(1,566)
Result for the year: Continuing Operations	20,775	(2,516)	9,920	(2,152)	(1,424)
Result for the year: Discontinued Operations	-	-	-	-	(36)
Overall Result for the year	20,775	(2,516)	9,920	(2,152)	(1,460)
Earnings Per Share	0.097	(0.012)	0.046	(0.010)	(0.007)

General Commentary

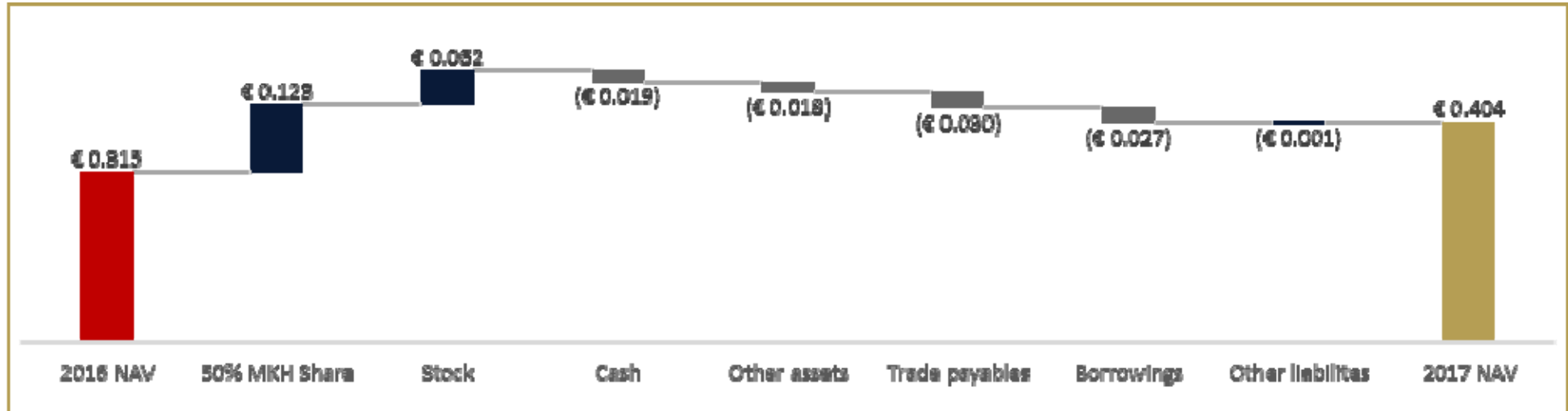
- Profit after tax of €20.8 million for the financial year 2017 (2016: loss after tax of €2.5 million)
- Operating loss of €2.8 million (2016: operating profit €1.6 million)
- During 2017, turnover amounted to €4.6 million (2016: €8.7 million)
 - 1. Property Rental and Management Services** - €4.5 million (2016: €3.1 million)
 - 2. Sale of Properties** - €185k (2016: €5.6 million)
 - Midi recognises the revenues for apartments sales at the time of entering the final deeds. The majority of deeds pertaining to Q2 will be entered into in 2018.
- Positive impact of investment in Mid Knight Holdings
 - MKH's immovable property revalued from €35.4 million to €95 million
 - MIDI share of MKH profits profit amount to €26.3
- Increase in administration expenses is largely due to an impairment of €1 million in the book value of the HVAC plant operated by Solution and Infrastructure Services Limited.

<i>Summarised Financial Position</i>					
	<i>2017</i>	<i>2016</i>	<i>2015</i>	<i>2014</i>	<i>2013</i>
	<i>€'000</i>	<i>€'000</i>	<i>€'000</i>	<i>€'000</i>	<i>€'000</i>
Shareholders' funds	86,621	67,359	71,248	60,428	62,394
Borrowings	66,137	60,448	50,074	52,646	51,327
Total Capital Employed	152,758	127,807	121,322	113,074	113,721
Non-Current Assets	80,727	56,203	57,832	47,436	34,553
Current Assets	154,575	147,577	129,630	144,231	144,366
Total Assets	235,302	203,780	187,462	191,667	178,919
Liabilities (excluding borrowings)	(82,545)	(75,972)	(66,140)	(78,594)	(65,199)
Total assets less liabilities (excluding borrowings)	152,757	127,808	121,322	113,073	113,720
Gearing	39%	40%	36%	42%	39%
Net Asset Value per Share	0.40	0.31	0.33	0.28	0.29

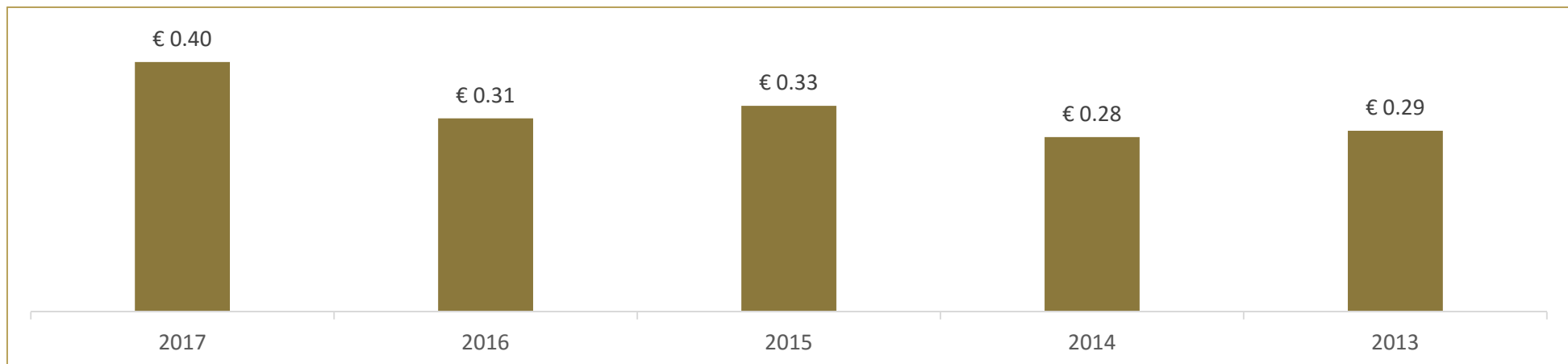
Asset	2017 Value (€'000s)	2016 Value (€'000s)
Manoel Island inventory	87,737	83,389
Q2 inventory	37,493	29,076
50% Investment in MKH	28,244	1,963
Tigne Point Car Park	16,400	16,681
Pjazza Tigné Commercial outlets	11,900	11,900
Other Investment Properties	9,828	9,828
Cash and cash equivalents	10,135	14,173
Loans Receivable from joint venture	9,701	9,701
Other assets (Other Inventories etc.)	23,864	27,069
Total Assets	235,302	203,780

Liability	2017 Value (€ '000s)	2016 Value (€ '000s)
Bond	49,211	49,119
Bank borrowings	13,000	11,329
Government liabilities (Manoel Island)	42,229	40,360
Government liabilities (Tigne Point)	7,533	9,862
Q2 deposits – Payments on account	16,192	10,298
Other liabilities	20,516	40,264
Total Liabilities	148,681	161,232

Movement in NAV per Share 2016 – 2017 (€)



Net Asset Value per Share (€)

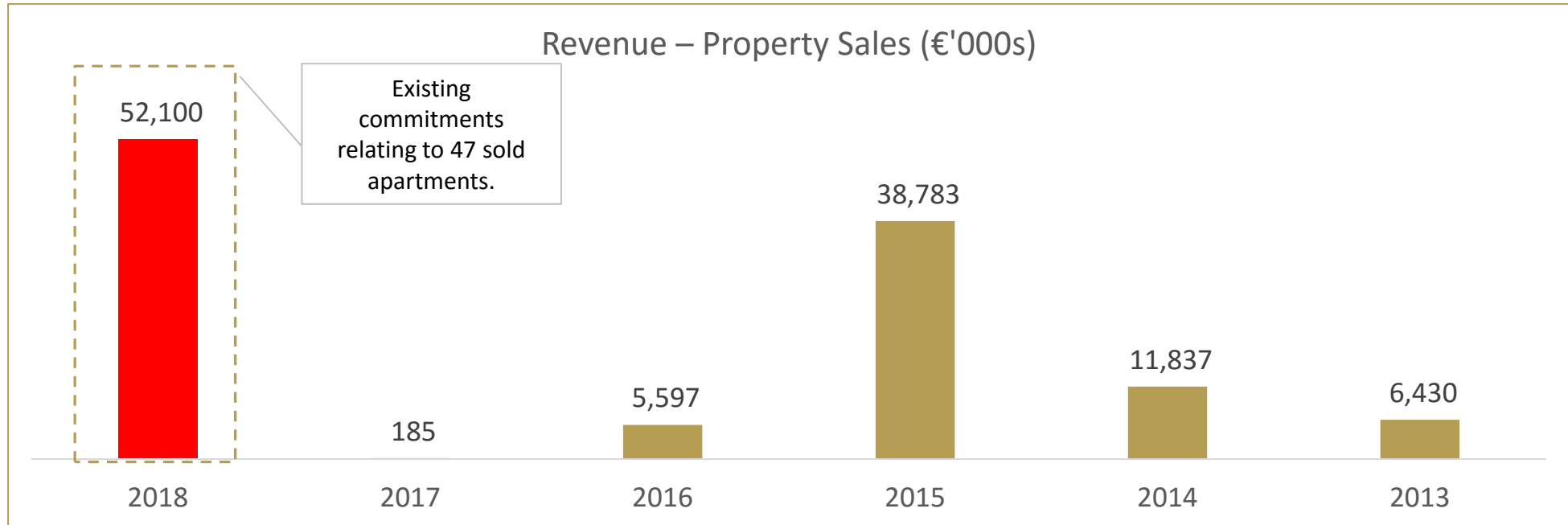




Residential Property

General Commentary

- During 2017, MIDI had no apartments available to deliver to respective buyers and this is reflected in the revenues generated from sale of property.
- During the year the Company has continued with the development works on the Q2 Residential Block with such development coming to a conclusion during the early months of 2018.



General Commentary

- During 2017, the Company launched a second batch of apartments all of which are now subject to a Promise of Sale Agreement. Remaining Q2 apartments were launched this month.
- 17 Q2 apartments have already been delivered to their owners during 2018 and it is envisaged that most of the Q2 apartments will be delivered during the course of this year. As at the end of 2017, revenues to be generated from apartments which were on POSA amounted to €52.1 million.
- Sales revenues from the sale of all Q2 apartments and parking spaces are expected to be in excess of €70 million.
- With Q2 apartments being delivered during the course of 2018, the profits generated from the sale of these properties will impact positively on the Company's 2018 financial statements.

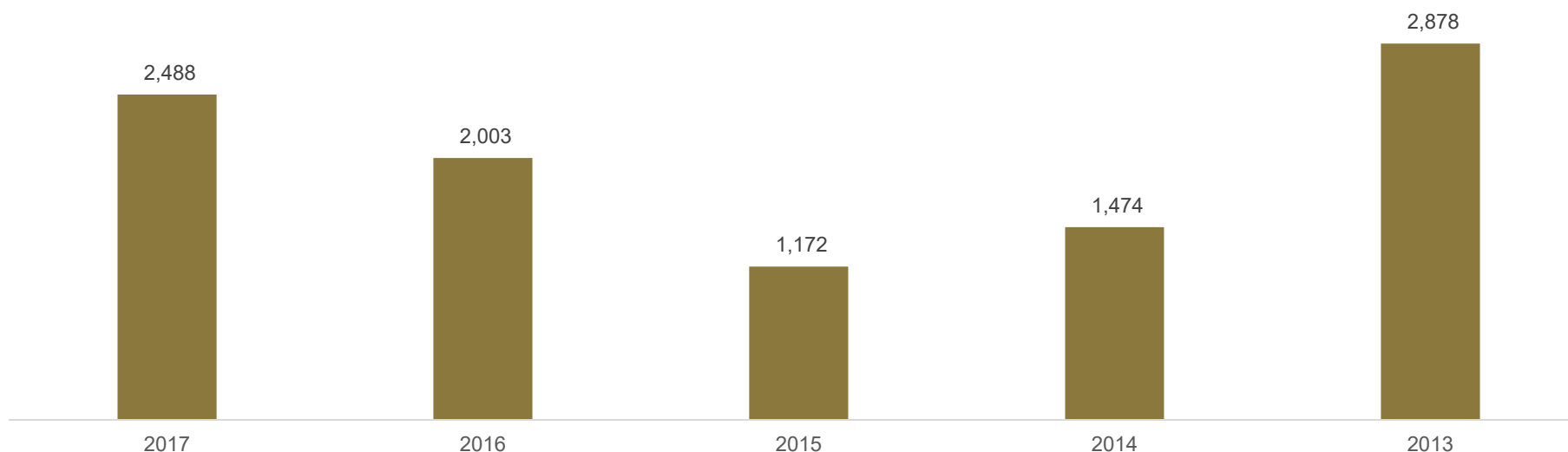


COMMERCIAL PROPERTY

General Commentary

- During 2017, revenue from commercial operations at MIDI increased by 24% reaching €2.5 million. This rental income is generated from the Pjazza retail outlets, foreshore restaurants, car park and operator concession fees from Manoel Island Yacht Marina.

Revenue - Rental & Management (€'000s)



Decrease in revenues in 2014 is due to MIDI's disposal of its 100% shareholding in Tigne Mall plc.



MANOEL ISLAND

General Commentary

- The Company's focus is now firmly on the Manoel Island project.
- In November 2017, MIDI submitted the Masterplan to the Planning Authority for its consideration and to the Environment and Resources Authority for the Environmental Impact Assessment evaluation.
- The Masterplan, which has been entrusted to the international architectural firm Foster + Partners.
- In March 2018, MIDI entered into a Guardianship Deed with the Manoel Island Foundation, which it founded with the Gzira Local Council, whereby the Company has given certain commitments governing the public park, swimming zones, Fort Manoel and building heights on Manoel Island.
- MIDI will be submitting the EIA to ERA and a public presentation of the EIA and findings is expected to be organised within the next 4 weeks. In view of the statutory time frames associated with approving the EIA the PA public hearing to consider the Master Plan (Outline Development Permit) is expected to take place by the end of Q3.

General Commentary

- The Company has identified a number of options to finance the development of Manoel Island including selecting a suitable partner to support the development of Manoel Island.
- The Company has engaged Foster + Partners to develop the detail design for the first phase of the Manoel Island development.
- Works on site are scheduled to commence by year end and vertical construction is scheduled to commence during Q2 2019.



SUBSIDIARIES & JV OPERATIONS

- Mid Knight Holding (MKH) has developed and is now operating the 15,000 M² office block “The Centre” at Tigné Point.
- Works were completed during 2017 with first tenants moving in during the 3rd quarter.
- By the end of 2017, The Centre was fully tenanted with all floors being occupied by four tenants.
- The Centre was awarded the Gold Leadership in Energy and Environmental Design (LEED) accreditation, the first local development to be awarded this level of accreditation.



MKH

- MKH has registered a profit after tax of €52.6 million in 2017 when compared to a loss of €37k in 2016.
- MKH owns all the floors of the office, with the exception of one floor which was sold to a third party for €6.8 million. The rest of the office block has been rented out except for the ground floor which use is currently under review
- In view of the above, MKH's board of directors carried out a revaluation exercise of the property through an independent architect and civil engineer. The valuation of the property was established at €95 million and has resulted in a net gain of €59.6 million before deferred taxes.
- During 2018, MKH will benefit from a full year rental revenues from all its tenants, thus effecting positively the bottom line of the income statement. MIDI will account for 50% of MKH's profits in its consolidated financial statements.

Solutions & Infrastructure Services Ltd

- Since the acquisition of the 50% shareholding in SIS Limited from Siemens SpA during 2015, SIS Board and management have actively led a restructuring programme of the Company's operations focussing on its core activities: the provision of HVAC services and building technologies for the Tigné Point development.
- In the Group's consolidated financial statements, SIS has generated a loss of €1.7 million. This includes a €1 million impairment on the book value of the HVAC plant and machinery following a re-assessment of the projected contribution of its HVAC operations.



Outlook

Tigné Point

- It is expected that most of the **Q2 apartments** will be delivered during this year and thus the contribution generated from these apartments will impact positively the 2018 financials.
- After the improvements registered on the **car park operations** during 2017, both from a financial and operational point of view, MIDI will continue to look at opportunities which will yield further value from the car park.
- The potential to adapt for **Fort Tigné** as a mixed use leisure facility is being explored together with an operator.
- The use of the additional developable **volumes** at Tigne Point is currently being assessed.

Manoel Island

- PA Board to consider Master Plan - Q3 2018
- Foster+Partners to complete detailed design of Phase 1 (circa 300 residential units) for submission of full development application to PA - Q1 2019.
- Enabling works to commence on site - Q4 2018.
- Vertical construction of Phase 1 to commence - Q2 2019.

Mid Knight Holdings (MKH)

- MKH will benefit from a full year's rental revenues from all its tenants during 2018, thus impacting positively the 2018 financials.
- Additional office capacity is scheduled to come on line during 2018 with the completion of the ground floor, thus increasing the rental revenues.