

AGM Presentation May 2024

Main Street Complex p.l.c.

Review

Financial Year 2023 and  
Outlook 2024



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A stable year



Inflation exerting pressure on costs



Preparation for reconfiguration of the complex

# 2023 Overview



# Business Overview 2023



# Corporate Matters

- Embassy Ltd remains the largest shareholder – 34.1% equity stake.
- Remaining equity held by circa 170 shareholders.
- 7 Board meetings held during the year.
- 5 Audit committee meetings held during the year.
- Property revaluation exercise carried out – no adjustments necessary.

# Business Overview 2023

Occupancy in the complex remained consistent at 98.5% throughout the year

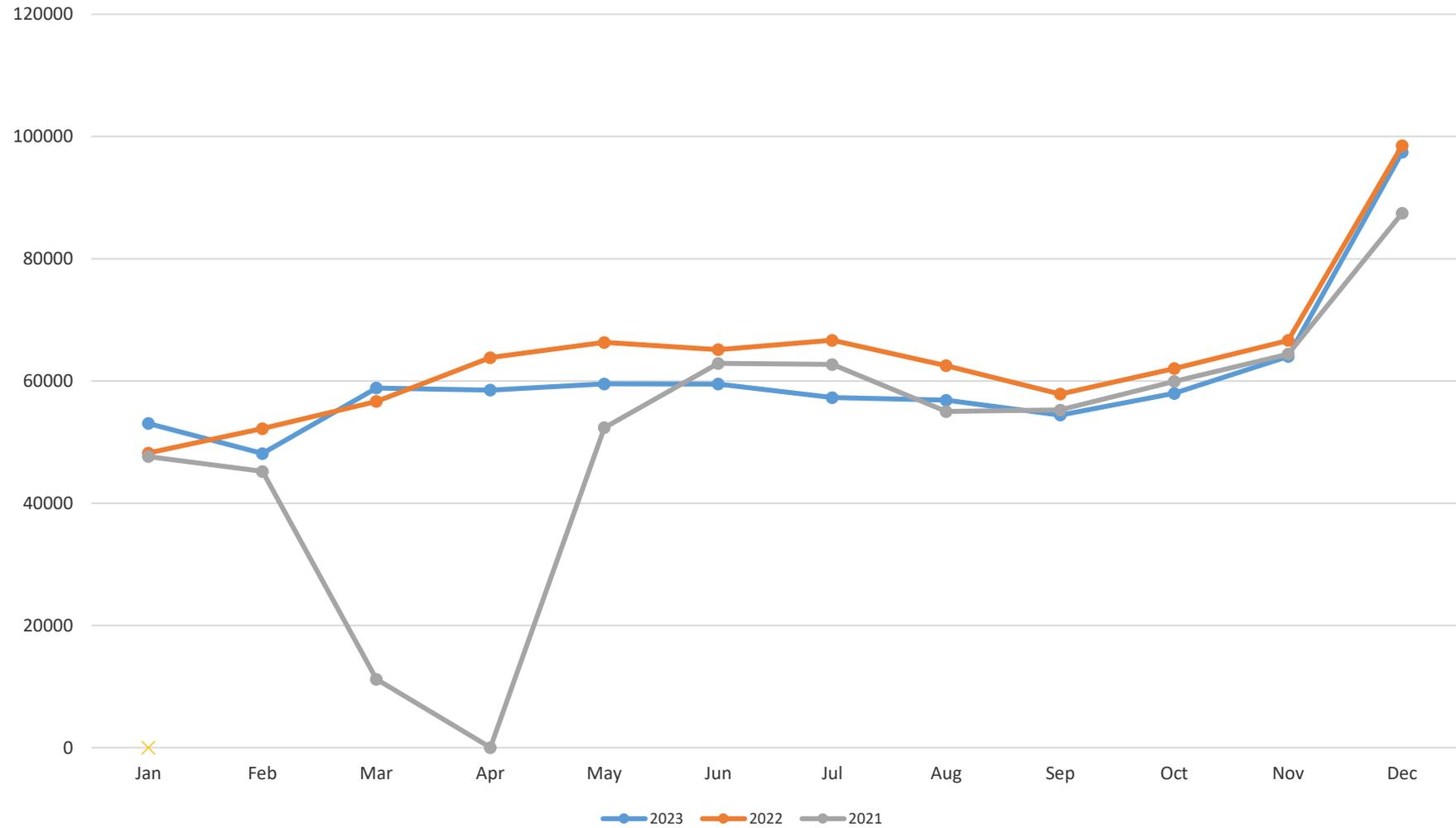
Footfall – 5% less than 2022

Tenants reporting varying performance levels

Paola area including Main Street Complex has weaker pull than previous years

Cost of living increases impacting disposal income

Main Street Footfall 2023 - 2021





# Revenue 2023

- Revenue has increased by 3% over previous year.
- Revenue 1% short of 2019 (highest revenue for the company).

2019	2020	2021	2022	2023
820K	517K	638K	787K	810K
+10%	-37%	+23%	+23%	+3%

# Profitability 2023

- Professional & listing fees - 1% decrease from 2022.
- Security, cleaning and repairs and maintenance expenses - 13% increase over 2022.
- Total cost base increased by 8% reflecting the upward pressures due to cost of living increases.
- Profit before tax up by 3% over 2022 (short of 2019 by 7%).
- Profit after tax increased by 3% over 2022.

€ 000s	2019	2020	2021	2022	2023
<b>Operating Overheads</b>	200	190	193	212	229
<b>Depreciation</b>	102	102	108	111	101
<b>Profit before tax</b>	516	224	335	462	478
<b>Profit after tax</b>	391	144	242	342	354



## Financial Position 2023

- Healthy cash position
- Positive working capital
- All Creditors paid up to date

€ 000s	2019	2020	2021	2022	2023
<b>EBITDA</b>	619	336	445	574	580
<b>Cash balance</b>	258	255	579	636	751
<b>Working Capital</b>	60	146	432	485	588

# Financial Position 2023

- No adjustment to the Fair value of property was necessary in 2023 (reduced by €593K in 2022 and €500K in 2021).
- Equity financing 88% of total assets.
- No external finance other than normal trade-related creditors.

€	2021	2022	2023
<b>Property (PPE)</b>	12.25m	11.57m	11.47m
<b>Total Assets</b>	13.04m	12.34m	12.38m
<b>Total Liabilities*</b>	1.58m	1.43m	1.45m
<b>Total Equity</b>	11.46m	10.91m	10.92m
<b>* Of which Deferred Tax</b>	1.22m	1.14m	1.14m



# Return On Capital Employed (ROCE)

	2019	2020	2021	2022	2023
<b>Earnings per share</b>	0.020	0.007	0.012	0.018	0.018
<b>ROCE (Profit before tax)</b>	3.99%	1.73%	2.65%	3.83%	3.96%
<b>ROCE (Profit after tax)</b>	3.02%	1.12%	1.91%	2.83%	2.94%

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# Net Dividends

	2019	2020	2021	2022	2023
<b>Interim</b>	€161K	NIL	NIL	€129K	€140K
<b>Final</b>	€161K	NIL	€241K	€212K	€214K
<b>% of Year's Profit</b>	82%	0%	100%	100%	100%
<b>Paid during year</b>	€351K	€161K	NIL	€372K	€352K
<b>Dividend Paid to Equity</b>	3%	1.4%	0%	3.4%	3.2%

# 2024 Outlook

# Q1/2024

€ 000	2021	2022	2023	2024
<b>REVENUE</b>	113	162	190	195
<b>EBITDA</b>	72	109	141	138
<b>PROFIT BEFORE TAX</b>	48	86	118	115

- Revenue up by 3% over Q1 2023.
- Profitability down due to higher costs.
- Company's financial position remains strong – no debt / interest payable.
- Increased spend on marketing deemed necessary to attract customers and tenants.
- Decrease in footfall namely in March 2024 possibly linked to opening of Shoreline.
- Tenants expressing uncertainty due to impact of new malls.

# Business Outlook 2024

3 new lease agreements signed with existing tenants.

3 tenants did not renew contract after expiry (shops vacant from April 24).

Works to reconfigure level -1 in progress – due to be completed in June 2024.

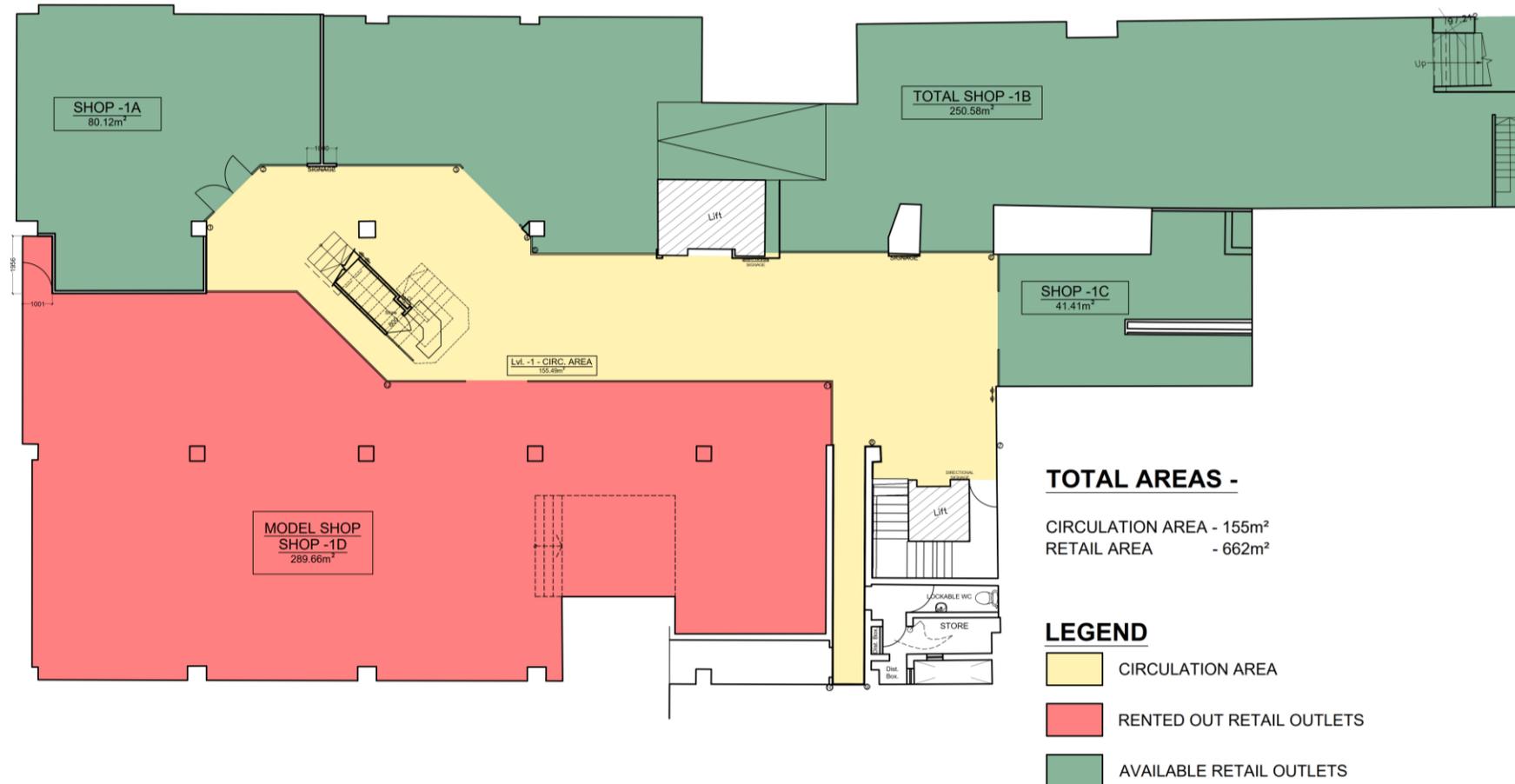
Fine-tuning of plans on other floors.

Negotiations with existing tenants and new concepts ongoing.

Added competition in the surrounding areas and weaker purchasing power affecting business.

Various projects in the immediate vicinity include the new Vincent Moran Regional Health Centre and upgrading of Gnien il-Mediterran – both likely to have positive impact on footfall in the area.

# Re-configuration Project – Level -1 Plan





# Financial Outlook 2024

- Revenue expected to reach €725K (-11%) – drop namely due to vacant spaces, period of closure due to works and new rates to be contracted.
  - Capital expenditure for ongoing works to be paid from accumulated cash balance.
  - Q1/24 advance in profits expected to be absorbed throughout the year due to above factors.
  - Profit before Tax estimated at €365K (-24%).
  - Company expects positive cashflows and dividend pay-out.
  - Board remains committed to refurbish complex and find suitable tenants.
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# Thank you

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