

## **ABBAY PLC**

### **INTERIM STATEMENT FOR THE SIX MONTHS ENDED 31 OCTOBER 2020**

The Board of Abbey plc reports a profit before taxation of €26.00m which compares with a profit of €21.59m for the corresponding period last year. Profits at the operating level were €26.00m as compared to €21.45m at the half way stage last year. Included in operating profits are Foreign Exchange gains of €3.52m recognised in the period.

Our housebuilding division completed 291 sales (UK 237; Ireland 36; Czechia 18) with a turnover of €105.45m resulting in an operating profit of €25.04m. Trading in the UK has been good particularly in the second quarter boosted by the reduction in stamp duty. Determined effort from production and sales has mitigated the impact of the lock down experienced early in the half year. Margins continue to be satisfactory. Forward reservations are buoyant and give cause for optimism that, subject to production, a reasonable second half is in prospect. There are signs that supply chain and skilled labour shortages may emerge in the year ahead. In Ireland progress is steady and year end completions are on track to be significantly ahead of last year. In Prague our project in Přezletice is close to completion and we have now reserved over 50 units on our apartment scheme in Horomeřice. First completions from Horomeřice are anticipated next year. In both the UK and Ireland terms have recently been agreed for the commitment of €63.4m to acquire new land for development.

M & J Engineers, our UK plant hire business, generated operating profits of €435,000 on a turnover of €7.56m. Turnover continue to be substantially behind year ago levels and a difficult second half is in prospect.

Rental income for the period amounted to €520,000.

Further to the authority granted at the Annual General Meeting on 4 October 2019 the company purchased for cancellation in the period 40,859 ordinary shares at a total cost €655,000.

The Group maintained good cash flow during the period and held €121.41m in cash at the end of October. The Group is planning significant investment in land in the year ahead.

The Board is not declaring a dividend for the period. A further review of dividend policy will take place prior to our full year results.

Shareholders should carefully note the exchange rates used for this statement. The income statement uses the average rate for the period of 100 cents: STG 90.16 and 100 cents: CZK 26.76. The balance sheet uses the rate prevailing on 31 October 2019 of 100 cents: STG 90.06 and 100 cents: CZK 27.29.

The Group is on course for, in all the circumstances, a reasonable outcome for the year. There remains considerable uncertainty over longer term prospects. Some difficult, perhaps very difficult, trading periods may lie ahead.

Copies of this statement are available to shareholders and members of the public at the company's registered office, 25/28 North Wall Quay, Dublin 1.

**On behalf of the Board**  
**Charles H Gallagher – Chairman**  
**10th December 2020**

#### **RECOMMENDED OFFER**

The Board of Gallagher Holdings Limited ("GHL") and an independent committee of the board of Abbey plc have reached agreement on the terms of a recommended cash offer by GHL for the entire issued and to be issued ordinary share capital of Abbey (excluding shares already owned by GHL). Consequently, GHL will imminently announce a firm intention to make an offer under Rule 2.5 of the Irish Takeover Rules.

This announcement contains inside information for the purposes of EU Market Abuse Regulation 596/2014 ("MAR"). The person responsible for arranging for the release of this announcement on behalf of Abbey plc is David Dawson, Company Secretary.

Interim Group Consolidated Income Statement  
31 October 2020

	Note	Unaudited 6 months ended 31/10/2020 €'000	Unaudited 6 months ended 31/10/2019 €'000
Revenue		113,534	103,580
Cost of sales - operating		(85,571)	(76,289)
Gross profit		27,963	27,291
Administrative expenses	5	(1,968)	(5,845)
Operating profit	5	25,995	21,446
Finance income		2	142
Profit before taxation		25,997	21,588
Income tax expense		(4,894)	(4,075)
Profit attributable to equity shareholders of the parent		21,103	17,513
Earnings per share - basic	7	101.03 c	82.44 c
Earnings per share - diluted	7	101.03 c	82.44 c

**Interim Group Consolidated  
Statement of Comprehensive Income  
for the six months ended 31 October 2020**

	Unaudited 6 months ended 31/10/2020 €'000	Unaudited 6 months ended 31/10/2019 €'000
Profit for the period	21,103	17,513
<i>Items that can be reclassified to profit and loss</i>		
Foreign currency translation	(11,070)	(642)
Unrealised gain on fair value of financial investments	9	-
Other comprehensive loss for the period, net of tax	(11,061)	(642)
Total comprehensive income for the period, net of tax attributable to equity shareholders of the parent	10,042	16,871

**Interim Group Consolidated Statement of Changes in Equity (unaudited)  
for the six months ended 31 October 2020**

	Issued Capital €'000	Share Premium €'000	Revaluation Reserve €'000	Capital Redemption Reserve Fund €'000	Currency Translation €'000	Retained Earnings €'000	Total €'000
Attributable to equity holders of the parent At 1 May 2020	6,694	13,321	6,175	5,689	(30,964)	377,820	378,735
Profit for the period	-	-	-	-	-	21,103	21,103
Other comprehensive loss, net of tax	-	-	(220)	-	(10,850)	9	(11,061)
Total comprehensive (loss) / income, net of tax attributable to equity shareholders of the parent	-	-	(220)	-	(10,850)	21,112	10,042
Purchase of own shares	(13)	-	-	13	-	(656)	(656)
At 31 October 2020	6,681	13,321	5,955	5,702	(41,814)	398,276	388,121

**Interim Group Consolidated Statement of Changes in Equity (unaudited)  
for the six months ended 31 October 2019**

	Issued Capital €'000	Share Premium €'000	Revaluation Reserve €'000	Capital Redemption Reserve Fund €'000	Currency Translation €'000	Retained Earnings €'000	Total €'000
Attributable to equity holders of the parent At 1 May 2019	6,861	13,321	6,408	5,522	(27,668)	362,165	366,609
Change in accounting policy (note 3)	-	-	-	-	-	(27)	(27)
Restated total equity at the beginning of the financial year	6,861	13,321	6,408	5,522	(27,668)	362,138	366,582
Profit for the period	-	-	-	-	-	17,513	17,513
Other comprehensive loss, net of tax	-	-	(19)	-	(623)	-	(642)
Total comprehensive (loss) / income, net of tax attributable to equity shareholders of the parent	-	-	(19)	-	(623)	17,513	16,871
Equity dividends paid (note 6)	-	-	-	-	-	(2,311)	(2,311)
Purchase of own shares	(138)	-	-	138	-	(6,532)	(6,532)
At 31 October 2019	6,723	13,321	6,389	5,660	(28,291)	370,808	374,610

Interim Group Consolidated Balance Sheet  
at 31 October 2020

	Note	Unaudited 31/10/2020 €'000	Unaudited 31/10/2019 €'000	Audited 30/04/2020 €'000
<b>ASSETS</b>				
<i>Non-current assets</i>				
Property, plant and equipment		31,412	39,392	35,869
Investment properties		2,239	2,499	2,272
Right-to-use-asset	3	156	190	175
Investments		6	6	6
Deferred taxation		855	452	1,043
Defined benefit pension scheme surplus		-	1,007	-
		<u>34,668</u>	<u>43,546</u>	<u>39,365</u>
<i>Current assets</i>				
Trade and other receivables		9,198	11,314	13,849
Inventories		273,299	273,300	292,586
Financial investments		4,512	-	4,683
Income tax receivable		560	151	3,050
Restricted cash		2,934	1,390	1,834
Cash and cash equivalents		121,407	106,252	70,783
		<u>411,910</u>	<u>392,407</u>	<u>386,885</u>
<b>TOTAL ASSETS</b>		<u>446,578</u>	<u>435,953</u>	<u>426,250</u>
<b>LIABILITIES</b>				
<i>Current liabilities</i>				
Trade and other payables	3	(56,715)	(60,131)	(45,917)
Provisions		(333)	(485)	(341)
		<u>(57,048)</u>	<u>(60,616)</u>	<u>(46,258)</u>
<b>NET CURRENT ASSETS</b>		<u>354,862</u>	<u>331,791</u>	<u>340,627</u>
<i>Non-current liabilities</i>				
Provisions		(531)	(540)	(341)
Lease liabilities	3	(136)	(187)	(147)
Defined benefit pension scheme deficit		(742)	-	(769)
		<u>(1,409)</u>	<u>(727)</u>	<u>(1,257)</u>
<b>TOTAL LIABILITIES</b>		<u>(58,457)</u>	<u>(61,343)</u>	<u>(47,515)</u>
<b>NET ASSETS</b>		<u>388,121</u>	<u>374,610</u>	<u>378,735</u>
<b>EQUITY</b>				
<i>Equity attributable to equity holders of the parent</i>				
Issued capital		6,681	6,723	6,694
Share premium		13,321	13,321	13,321
Revaluation reserve		5,955	6,389	6,175
Other reserves		5,702	5,660	5,689
- Capital redemption reserve fund		(41,814)	(28,291)	(30,964)
- Currency translation	3	398,276	370,808	377,820
Retained earnings				
		<u>388,121</u>	<u>374,610</u>	<u>378,735</u>
<b>TOTAL EQUITY</b>		<u>388,121</u>	<u>374,610</u>	<u>378,735</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>446,578</u>	<u>435,953</u>	<u>426,250</u>

Interim Group Consolidated Cash Flow Statement  
for the six months ended 31 October 2020

	Unaudited 31/10/2020 €'000	Unaudited 31/10/2019 €'000
<b>Cash flows from operating activities</b>		
Profit before tax	25,997	21,588
<b>Adjustment to reconcile profit before tax to net cash flows</b>		
Non cash:		
Depreciation and amortisation	4,075	4,702
Other non cash items	(26)	(136)
Profit on disposal of property, plant and equipment	(1,588)	(988)
Finance income	(2)	(142)
<b>Working capital adjustments:</b>		
Decrease / (increase) in inventories	24,305	(7,660)
Decrease in trade and other receivables	4,288	6,419
(Decrease) / increase in creditors and provisions	(1,092)	4,073
Income taxes paid	(2,349)	(8,497)
<b>Net cash inflow from operating activities</b>	<b>53,608</b>	<b>19,359</b>
<b>Cash flows from investing activities</b>		
Purchase of plant, property and equipment	(1,237)	(3,621)
Sale of plant, property and equipment	2,288	1,613
Finance income	2	142
<b>Net cash inflow / (outflow) from investing activities</b>	<b>1,053</b>	<b>(1,866)</b>
<b>Cash flows from financing activities</b>		
Cost of share buy backs	(656)	(6,532)
Equity dividends paid	-	(2,311)
Movement in restricted cash	(1,000)	621
<b>Net cash outflow from financing activities</b>	<b>(1,656)</b>	<b>(8,222)</b>
<b>Net increase in cash, cash equivalents and restricted cash</b>	<b>53,005</b>	<b>9,271</b>
Cash and cash equivalents at start of period	70,783	97,110
Net foreign exchange differences	(2,381)	(129)
<b>Cash and cash equivalents at end of period</b>	<b>121,407</b>	<b>106,252</b>

**NOTES TO THE INTERIM GROUP CONSOLIDATED FINANCIAL STATEMENTS (unaudited)**  
for the six months ended 31 October 2020

**1. Corporate Information**

The interim condensed consolidated financial statements of Abbey plc for the six month period ended 31 October 2020 were authorised for issue in accordance with a resolution of the directors on 9 December 2020. Abbey plc is a limited company incorporated and domiciled in Ireland. The company's shares are listed on the Euronext Growth Dublin and the Alternative Investment Market ("AIM"). The principal activities of the Group are described in note 4.

**2. Basis of Preparation of Financial Statements**

The interim condensed consolidated financial statements for the six months ended 31 October 2020 have been prepared in accordance with IAS 34 'Interim Financial Reporting'. Abbey plc (the company) has its functional currency in sterling but continues to present its group financial statements in euro. The interim condensed financial statements do not contain all the information and disclosures required in the annual financial statements and should be read in conjunction with the group's annual financial statements.

**3. IMPACT ON FINANCIAL STATEMENTS**

The Group adopted IFRS16 using the modified retrospective method of adoption with the date of initial application of 1 May 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised as an adjustment to the opening balance of retained earnings at the date of initial application. The Group elected to use the transition practical expedient allowing the standard to be applied only to contracts that were previously identified as leases applying IAS 17 and IFRIC 4 at the date of initial application. The Group also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option ('short term leases').

The effect of adoption IFRS16 is as follows:

Impact on the consolidated balance sheet (increase/(decrease)) as at 31 October 2019:

€'000

**Assets**

Plant Property and Equipment

Right-of-use asset

Total assets

Liabilities

Trade and other payables ('Lease liabilities - current')

Lease liabilities - non-current

Total liabilities

Equity

Retained earnings

Total equity

190

190

(30)

(187)

(217)

27

27

There is no material impact on the Interim Group Consolidated Income Statement from the adoption of IFRS16.

**4. SEGMENTAL INFORMATION**

Turnover, cost of sales and operating profit / (loss) are derived from continuing activities. The Group operates in three markets being Ireland, the United Kingdom and Czechia. The principal activities of the Group are building and property development, plant hire and property rental. These divisions are the basis on which the Group reports its primary segment information.

	Building and Property Development			Plant Hire	Property Rental	Unallocated	GROUP
	Ireland	United Kingdom	Czechia	United Kingdom	Ireland, United Kingdom and Czechia		
	€'000	€'000	€'000	€'000	€'000	€'000	€'000
<b>31 October 2020</b>							
<b>Income Statement Information</b>							
Revenue	12,869	88,377	4,208	7,562	520	-	113,534
Cost of Sales	(11,059)	(85,209)	(3,550)	(5,753)	-	-	(85,571)
- operating	(617)	(3,085)	(420)	(1,374)	-	-	(5,496)
Administrative expenses	(138)	3,865	1	-	-	-	3,528
Foreign currency (losses) / gain							
Operating profit	1,065	23,748	237	435	520	-	25,995
Finance income	-	4	-	(2)	-	-	2
Income tax expense	(133)	(4,545)	(32)	(72)	(112)	-	(4,894)
Profit after taxation	922	19,207	205	361	408	-	21,103
<b>Balance Sheet Information</b>							
Segment Assets	48,425	213,904	22,053	33,098	2,239	-	317,719
Segment Liabilities	(5,901)	(45,694)	(3,055)	(3,807)	-	-	(58,457)
Segment Net Assets	40,524	168,210	18,998	29,291	2,239	-	269,262
Investments	-	6	-	-	-	-	6
Financial investments	-	4,512	-	-	-	-	4,512
Cash, cash equivalents and restricted cash	18,205	98,744	3,628	3,326	-	438	124,341
<b>TOTAL NET ASSETS</b>	<b>58,729</b>	<b>271,472</b>	<b>22,626</b>	<b>32,617</b>	<b>2,239</b>	<b>438</b>	<b>388,121</b>
<b>Other Segmental Information</b>							
Depreciation	81	37	-	3,944	-	-	4,062
Profit on disposal of fixed assets	-	(1)	-	(1,587)	-	-	(1,588)
Capital expenditure	4	2	-	1,548	-	-	1,554
Non-current assets	675	2,287	-	29,467	2,239	-	34,668

**NOTES TO THE INTERIM GROUP CONSOLIDATED FINANCIAL STATEMENTS (unaudited)**  
for the six months ended 31 October 2020

**4. SEGMENTAL INFORMATION (continued)**

	Building and Property Development			Plant Hire	Property Rental	Unallocated	GROUP
	Ireland	United Kingdom	Czechia	United Kingdom	Ireland, United Kingdom and Czechia		
31 October 2019	€'000	€'000	€'000	€'000	€'000	€'000	€'000
<b><u>Income Statement Information</u></b>							
Revenue	11,609	75,847	5,080	10,509	535	-	103,580
Cost of Sales							
- operating	(9,168)	(54,777)	(4,293)	(8,051)	-	-	(76,289)
Administrative expenses	(579)	(3,230)	(473)	(1,535)	-	-	(5,817)
Foreign currency (losses) / gain	80	(121)	13	-	-	-	(28)
Operating profit	1,942	17,719	327	923	535	-	21,446
Finance income	-	142	-	-	-	-	142
Income tax expense	(243)	(3,455)	(47)	(215)	(115)	-	(4,076)
Profit after taxation	1,699	14,406	280	708	420	-	17,513
<b><u>Balance Sheet Information</u></b>							
Segment Assets	37,446	233,194	13,560	41,606	2,499	-	328,305
Segment Liabilities	(5,921)	(48,790)	(2,344)	(4,288)	-	-	(61,343)
Segment Net Assets	31,525	184,404	11,216	37,318	2,499	-	266,962
Investments	-	6	-	-	-	-	6
Cash, cash equivalents and restricted cash	21,029	75,252	10,563	17	-	781	107,642
<b>TOTAL NET ASSETS</b>	<b>52,554</b>	<b>259,662</b>	<b>21,779</b>	<b>37,335</b>	<b>2,499</b>	<b>781</b>	<b>374,610</b>
<b><u>Other Segmental Information</u></b>							
Depreciation	73	61	-	4,580	-	-	4,714
Profit on disposal of fixed assets	(21)	-	-	(967)	-	-	(988)
Capital expenditure	205	-	-	4,374	-	-	4,579
Non-current assets	844	3,267	-	36,936	2,499	-	43,546

**5. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION**

	Unaudited 31/10/2020 €'000	Unaudited 31/10/2019 €'000
The profit on ordinary activities before taxation is arrived at after (crediting) / charging:		
Profit on disposal of tangible fixed assets	(1,588)	(988)
Foreign currency (gains) / losses	(3,528)	28
Depreciation	4,062	4,714

**6. DIVIDENDS**

	Unaudited 31/10/2020 €'000	Unaudited 31/10/2019 €'000
On ordinary shares declared and paid during the six month period		
<b><u>Paid ordinary</u></b>		
Dividend of NIL cents per issued ordinary share (2019: 11.0 cents per issued ordinary share)	-	2,311
<b><u>Ordinary dividends proposed (memorandum disclosure)</u></b>		
Dividend of NIL cents per ordinary share (2019: 10.0 cents per ordinary share)	-	2,101



**NOTES TO THE INTERIM GROUP CONSOLIDATED FINANCIAL STATEMENTS (unaudited)**  
for the six months ended 31 October 2020

**7. EARNINGS PER SHARE : Basic and Diluted**

Earnings per share has been calculated by reference to the weighted average number of shares in issue of 20,888,738 (2019: 21,243,559) and to the profit on ordinary activities after taxation amounting to €21,103,000 (2019: profit €17,513,000).

The total number of shares in issue at the end of the period is 20,876,751 (2019: 21,007,999).

**8. PENSIONS**

The Deficit in the pension scheme included in the interim group consolidated balance sheet is the amount at the prior year end, subject to exchange rate movement. No revaluation of assets and liabilities of the scheme has been carried out in the period, and accordingly there is no gain or loss shown in the interim condensed consolidated statement of comprehensive income in respect of the interim period. Remeasurements for the full year and the surplus/deficit at the year end will be represented in the annual financial statements for the year ending 30 April 2021.

**BOARD OF DIRECTORS**

Charles H. Gallagher M.A., MSc  
Lorenzo G. Fraquelli BSc (Civil Eng) MICE  
Nick J. Collins B.A. Hons, FCA, Dip IoD  
Anthony G. Quirke B.A. Hons, MCSI  
David A. Gallagher B.A., MSc.  
Michael A. McNulty FCA, F Inst D, B. Comm, AITI  
Robert N. Kennedy BSc (Econ)  
Avril M. Gallagher B.A. Hons (Politics)

**SECRETARY AND REGISTERED OFFICE**

David J. Dawson CA  
25/28 North Wall Quay  
Dublin 1

**FINANCIAL DIARY**

Interim Statement  
10 December 2020

Preliminary Statement  
July 2021

Annual Report  
August 2021

Annual General Meeting  
October 2021