

BORGO LIFESTYLE FINANCE P.L.C. – C88245

Interim Financial Statements

For the period from 1 January 2023 to 30 June 2023

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Interim Directors' Report

This half-yearly report has been prepared in accordance with IAS 34 'Interim Financial Reporting' Standards and in terms of Rule 4.11.12 of Prospects operated and regulated by the Malta Stock Exchange plc. The financial information presented has been extracted from the company's unaudited accounts for the period from 1 January 2023 to 30 June 2023.

Principal Activities

The company's principal activities are to act as a holding and finance company to related companies.

Performance Review

During the period under review the Company incurred a profit of €25,808

The subsidiary's activities are seasonal, and income is usually expected in the second half of the calendar year.

The directors expect that the activities of the Company are to remain consistent for the foreseeable future in line with the projected inflows and outflows.

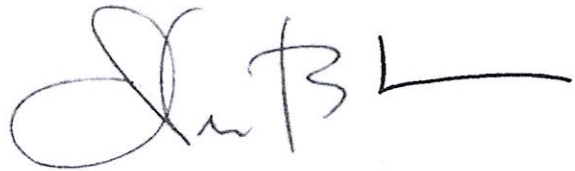
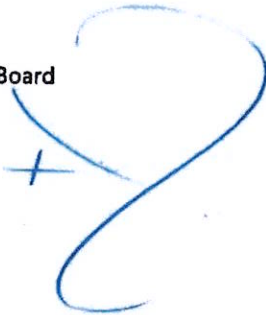
Directors

The following have served as directors of the company during the period under review:

Mr. Niels Bentzen
Mr Anthony Galea
Mr. Claus Thottrup

By order of the Board

30 August 2023

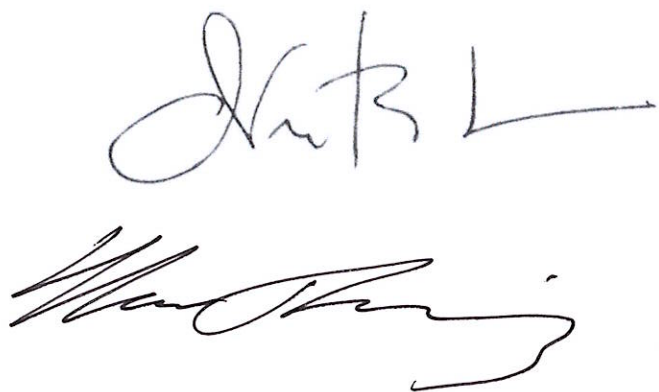


Condensed Interim Statement of Comprehensive Income

	Period covering 1 January 2023 to 30 June 2023 (unaudited) €	Period covering 1 January 2022 to 30 June 2022 (unaudited) €
Revenue	167,313	174,519
Administrative expenses	(17,532)	(59,217)
Operating profit	149,781	115,302
Finance costs	(123,973)	(123,973)
Profit/(loss) for the period before tax	25,808	(8,671)
Tax expense	-	-
Profit/(loss) for the period	25,808	(8,671)

Condensed Interim Statement of Financial Position

	Notes	As at 30 June 2023 (unaudited) €	As at 30 June 2022 (unaudited) €
ASSETS			
Investments in subsidiary		170,000	170,000
Loan to subsidiary and related party	2	4,820,000	4,820,000
Other receivables		658,808	541,391
Cash and cash equivalents		97	-
Total assets		5,648,905	5,531,391
EQUITY AND LIABILITIES			
Share capital		171,200	171,200
Accumulated losses		(127,545)	(157,966)
Debt in issue	3	5,000,000	5,000,000
Other payables		260,900	438,415
Short term borrowings		316,956	35,432
Taxation		27,394	44,310
Total equity and liabilities		5,648,905	5,531,391

Condensed Interim Statement of Changes in Equity

	Share Capital	Accumulated losses	Total
	€	€	€
Period ended 30 June 2022			
Balance as at 1 January 2022	171,200	(149,296)	21,904
Loss for the period	-	(8,671)	(8,671)
Balance as at 30 June 2022	<u>171,200</u>	<u>(157,967)</u>	<u>13,233</u>
Period ended 30 June 2023			
Balance as at 1 January 2023	171,200	(153,353)	17,847
Profit for the period	-	25,808	25,808
Balance as at 30 June 2023	<u>171,200</u>	<u>(127,545)</u>	<u>43,655</u>

Condensed Interim Statement of Cash Flows

	Period covering 1 January 2023 to 30 June 2023 (unaudited) €	Period covering 1 January 2022 to 30 June 2022 (unaudited) €
Net cash used in operating activities	(141,089)	30,807
Net cash used in investing activities	-	-
Net cash generated from/(used in) financing activities	140,724	(30,590)
Movement in cash and cash equivalents	(365)	217
Cash and cash equivalents at the beginning of the period	462	(217)
Cash and cash equivalents at the end of the period	97	-

Notes to the Condensed Interim Financial Statements

1. Basis of Preparation

The financial statements have been prepared in accordance with the provisions of the Companies Act, 1995 enacted in Malta, which require adherence to International Financial Reporting Standards (IFRSs), as adopted by the EU, and their interpretations adopted by the International Accounting Standards Board (IASB). The financial statements are prepared under the historical cost convention, except for those assets and liabilities that are measured at fair value.

The preparation of financial statements in conformity with IFRSs requires the use of certain accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. In the opinion of the directors, the accounting estimates and judgements made in the course of preparing these financial statements are not difficult, subjective or complex to a degree which would warrant their description as critical in terms of the requirements of IAS 1.

2. Loans to subsidiary and related party

	30/06/2023	30/06/2022
	€	€
Loans receivable from subsidiary	2,000,000	2,000,000
Loans receivable from related party	2,820,000	2,820,000
	<u>4,820,000</u>	<u>4,820,000</u>

Loans receivable from subsidiary and related party are unsecured, subject to an interest rate of 7%. Repayment of the principal and interest accrued shall not be demanded prior to the 18 February 2025. The principal amount of the loans remained the same since last year.

3. Debt in issue

	30/06/2023	30/06/2022
	€	€
Issue of €5,000,000 5% bonds	<u>5,000,000</u>	<u>5,000,000</u>

Bond issue costs amounting to €116,010 are being amortised over the term of the bond.

	30/06/2023	30/06/2022
	€	€
5% Bonds 2026-2029	5,000,000	5,000,000
Issue costs	116,010	116,010
Amortisation of bond costs	(44,471)	(35,427)
Net bond costs	<u>71,539</u>	<u>80,583</u>
Total borrowings	<u>4,928,461</u>	<u>4,919,417</u>