

**COMPANY ANNOUNCEMENT**

The following is a Company Announcement issued by Borgo Lifestyle Finance plc (the “**Company**”) bearing company registration number C88245, in terms of the Rules of Prospects MTF, the market regulated as a multilateral trading facility operated by the Malta Stock Exchange (“**Prospect MTF Rules**”).

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**Information to the Market in relation to variances pertaining to Relais Borgo Santo Pietro***QUOTE*

The Company makes reference to section 11.3 of its Company Admission Document dated 25th January, 2019, wherein it informed the market that the financial statements of Relais Borgo Santo Pietro spa will be published on the its website throughout the lifetime of the bond. The Company hereby announces that the 2022 financial statements of Relais Borgo Santo Pietro spa, including the Auditor’s Report are now available on: <https://borgolifestylefinance.mt/category/relais-borgo-santo-pietro/>

The aforementioned 2022 audited financial statements of Relais Borgo Santo Pietro deviate from the 2022 financial sustainability forecasts published through company announcement MSE REF: BLF53 due to an increase in room revenue and all other revenues such as Spa and food and beverage, as a result of more time spent inside the premises driven by the great variety of experiences offered to guests. Subsequently, the increase in demand of these aforementioned services, apart from resulting in a higher revenue, also led to an increase in the variable costs necessary to provide those services to the guests.

In terms of EBITDA (earnings before interest, tax, depreciation and amortisation), forecasts projections were exceeded.

Relais Borgo Santo Pietro spa has received a financing of circa EUR20 million during 2022 from Illimity Bank and this has caused an increase in depreciation and amortization costs, in the extraordinary expenses, and on the Interests on bank debts, consequently to the aforementioned event, the taxes have also increased when compared to the forecast.

*UNQUOTE*

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**Katia Cachia**  
**Company Secretary**  
15<sup>th</sup> September 2023

Reference number: BLF62