

# ORION

## Orion Finance plc

14, M. Borg Gauci, Handaq, Qormi QRM 4000, Malta  
Company Registration Number C80722  
(the "Company")

### Company Announcement

The following is a company announcement issued by Orion Finance p.l.c. (the "Company") pursuant to Rule 4.11.12 of the Prospects MTF Rules.

#### Quote

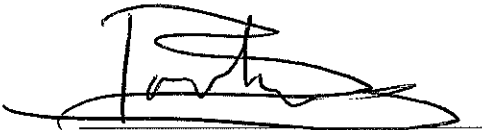
#### Approval and Publication of Interim Financial Statements

The Company hereby announces that during the meeting of its Board of Directors held on Tuesday, 25th August 2020, the Company's interim financial statements for the six-month financial period ended 30th June 2020 were approved.

Copies of the aforesaid interim financial statements are attached to this announcement and are also available for viewing and download on the following link on the Company's website:  
<https://www.orion.com.mt/financial-reports>.

The Board of Directors resolved not to declare an interim dividend.

#### Unquote



Christos Batmperis  
Company Secretary  
27 August 2020

Orion Finance p.l.c.

Condensed Interim Financial Statements (unaudited) for the period 1 January 2020 to 30 June 2020

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Orion Finance p.l.c.

Directors' Report pursuant to Prospects MTF Rule 4.11.12

for the period 1 January 2020 to 30 June 2020

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*This Half-Yearly Report is being published in terms of Chapter 4 of the Prospects MTF Rules of the Malta Stock Exchange and the Prevention of Financial Markets Abuse Act, 2005. The Half-Yearly Report comprises the unaudited condensed interim financial statements for the six months ended 30 June 2020 prepared in accordance with IAS 34, 'Interim Financial Reporting'. In accordance with the terms of Prospects MTF Rules 4.11.12 this interim report has not been audited or reviewed by the Company's independent auditors.*

### **Principal Activities**

The principal activity of Orion Finance p.l.c. (the Company) is to carry on the business of a finance company, principally by advancing capital raised to its parent company, Orion Retail Investments Limited, when and as required.

### **Performance Review**

During the period under review the Company generated finance income amounting to €180,000 from a loan advanced to its parent company, while accrued interest on Bonds amounted to €117,848 for the six-month period. The Company's profit before tax amounted to €20,620.

### **Position Review**

The Company's asset base as at 30 June 2020 amounted to €5,063,457.

Non-current assets relate to a loan receivable from parent company amounting to €4,600,000.

The Company's main liabilities are made up of €4,900,000 4.75% Unsecured Bonds 2027. In April, the Company purchased €100,000 of its Bonds, which were financed through a portion of the sinking fund money, in line with the Treasury Management Policy dated 24 July 2019.

The Bond holders were paid their annual interest instalment on the 18 June 2020.

### **Dividend**

No interim dividends are being proposed.

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Orion Finance p.l.c.

Directors' Report pursuant to Prospects MTF Rule 4.11.12 (cont.)

for the period 1 January 2020 to 30 June 2020

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**Effects of Covid-19 pandemic**

The Directors consider that in the prevailing circumstances the period under review was satisfactory. Following the outbreak of the Covid-19 pandemic, the Directors have continued to actively monitor the operations of the Orion Retail Group (Orion Retail Investments Limited and Orion Finance p.l.c.) in order to safeguard the interest of the Company and the Group, as necessary. The Company continues to operate in uncertain and unprecedented circumstances brought about by the pandemic the impact of which cannot be accurately defined but is being closely controlled.

Approved by the Board of Directors on 25 August 2020 and signed on its behalf by:



Anthony Camilleri

Director

**Registered Address:**


14, Manuel Borg Gauci Street,  
Qormi, QRM 4000  
Malta



Michael Borg Costanzi

Director

We confirm that, to the best of our knowledge, the condensed Interim Financial Statements, which have been prepared in accordance with IAS 34 Interim Financial Reporting give a true and fair view of the assets, liabilities, financial position and profit of Orion Finance p.l.c. as at 30 June 2020 and the interim Directors' report comprises a fair review of the information required in terms of Prospects MTF Rule 4.11.12.



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Anthony Camilleri

Director

25 August 2020



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Michael Borg Costanzi

Director

25 August 2020

Orion Finance p.l.c.

## Condensed Interim Statement of Comprehensive Income

For the period 1 January 2020 to 30 June 2020

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	Six months to 30th June 2020(unaudited)	Six months to 30th June 2019(unaudited)
	€	€
Finance Income (Note 2)	180,000	183,750
Finance cost (Note 3)	<u>(121,946)</u>	<u>(122,850)</u>
<b>Net interest income</b>	<b>58,054</b>	<b>60,900</b>
Administrative expenses	<u>(37,434)</u>	<u>(35,278)</u>
<b>Profit before Income Tax</b>	<b>20,620</b>	<b>25,622</b>
Income taxation	(8,651)	(10,402)
<b>Profit for the period</b>	<u><b>11,969</b></u>	<u><b>15,220</b></u>
<b>Total Comprehensive income for the period</b>	<u><b>11,969</b></u>	<u><b>15,220</b></u>

Orion Finance p.l.c.

## Condensed Interim Statement of Financial Position

as at 30 June 2020

	As at 30 June 2020 (unaudited) €	As at 31 December 2019 (audited) €
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Loan Receivable (Note 4)	4,600,000	4,600,000
Sinking Fund		100,000
	<u>4,600,000</u>	<u>4,700,000</u>
<b>Current Assets</b>		
Trade and other receivables	79,804	54,110
Loan Receivable	200,000	200,000
Cash and cash equivalents	183,653	269,227
	<u>463,457</u>	<u>523,337</u>
<b>TOTAL ASSETS</b>	<u><u>5,063,457</u></u>	<u><u>5,223,337</u></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and Reserves</b>		
Called up issued share capital	50,000	50,000
Retained earnings	91,519	79,549
	<u>141,519</u>	<u>104,611</u>
<b>Non-Current Liabilities</b>		
Borrowings (Note 5)	4,842,606	4,938,507
<b>Current Liabilities</b>		
Trade and other payables	51,403	136,003
Current tax liability	27,929	19,278
	<u>79,332</u>	<u>155,281</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>5,063,457</u></u>	<u><u>5,223,337</u></u>

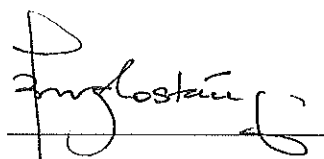
The notes on pages 8 to 9 form part of these financial statements

The financial statements on pages 4 to 9 were authorised for issue by the Board of Directors on 25 August 2020 and signed on its behalf by:



Anthony Camilleri

Director



Michael Borg Costanzi

Director

	Share Capital	Retained Earnings	Total Equity
1st January 2019	50,000	54,611	104,611
Profit for the period		15,258	15,258
<b>30<sup>th</sup> June 2019</b>	<b>50,000</b>	<b>69,869</b>	<b>119,869</b>
1st January 2020	50,000	79,549	129,549
Profit for the interim period		11,969	11,969
<b>30th June 2020</b>	<b>50,000</b>	<b>91,518</b>	<b>141,518</b>

The notes on pages 8 to 9 form part of these financial statements



	1 January 2020 to 30 June 2020 (unaudited) €	1 January 2019 to 30 June 2019 (unaudited and restated) €
<b>Operating Activities</b>		
Profit for the period before taxation	20,620	25,623
<i>Adjustment for:</i>		
Amortisation on Bond issue costs	4,100	4,100
Finance Income	(180,000)	(183,750)
Finance Costs	117,848	118,752
	<u>(37,430)</u>	<u>(35,275)</u>
<i>Working Capital Changes:</i>		
Movement in trade and other receivables	(5,308)	(9,288)
Movement in trade and other payables	23,790	11,899
	<u>(18,948)</u>	<u>(32,664)</u>
Cash generated from operations	(18,948)	(32,664)
Interest received	180,000	183,750
Interest paid on bonds issued	<u>(226,242)</u>	<u>(227,415)</u>
<b>Net Cash generated from Operating Activities</b>	<u>(65,190)</u>	<u>(76,329)</u>
<b>Financing Activities</b>		
Transfer of sinking fund to cash	100,000	-
Buy back of own bonds	(100,000)	-
Advances from/(to) ultimate parent company	-	6,362
Advances from parent company	<u>(20,386)</u>	<u>10,620</u>
<b>Net Cash used in Financing Activities</b>	<u>(20,386)</u>	<u>16,892</u>
<b>Movement in Cash and Cash Equivalents</b>	<u>(85,576)</u>	<u>(59,347)</u>
<b>Cash and cash equivalents at beginning of period</b>	<u>269,229</u>	<u>368,905</u>
<b>Cash and Cash Equivalents at End of Period</b>	<u><u>183,653</u></u>	<u><u>309,558</u></u>

**1. Basis of preparation****1.1 Statement of compliance**

The interim condensed financial information for the six month period ended 30 June 2020 has been prepared in accordance with IAS 34 "Interim Financial Reporting".

The interim condensed financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statement as at 31 December 2019, which have been prepared in accordance with International Financial Reporting Standards as adopted by the EU.

**1.2 Basis of measurement**

The financial statements are prepared on the historical cost basis

	30 June 2020 (unaudited) €	30 June 2019 (unaudited) €
<b>2. Finance Income</b>		
Interest receivable on loan due from parent company	180,000	183,750
	<u>180,000</u>	<u>183,750</u>
	30 June 2020 (unaudited) €	30 June 2019 (unaudited) €
<b>3. Finance costs</b>		
Interest payable on bonds	117,848	118,752
Amortisation of bond issue costs	4,098	4,098
	<u>121,946</u>	<u>122,850</u>
	30 June 2020 (unaudited) €	31 December 2019 (audited) €
<b>4. Loan Receivable</b>		
Loan receivable from parent company	<u>4,600,000</u>	<u>4,900,000</u>

	30 June 2020 (unaudited)	31 December 2019 (audited)
<b>5. Borrowings</b>		
4.75% Unsecured Bonds 2027	<u>4,842,606</u>	<u>4,938,507</u>
Bond outstanding at face value	<u>4,900,000</u>	<u>5,000,000</u>
<b>Amortisation of gross amount of Bond issue costs</b>		
Gross amount of bond issue costs	(81,991)	(81,991)
Amortised bond issue costs brought forward	20,498	12,299
Amortisation charge for the year	4,098	8,199
Unamortised Bond issue costs	<u>(57,395)</u>	<u>(61,493)</u>
Amortised cost and closing carrying amount	<u>4,842,606</u>	<u>4,938,507</u>

In April, the Company purchased €100,000 of its Bonds, which were financed through a portion of the sinking fund money, in line with the Treasury Management Policy dated 24 July 2019.