

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**”).

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 (as defined in the Company Admission Document) will be published on the its website throughout the lifetime of the Bond. The Company hereby announces that the 2021 financial statements (including the auditor’s report) of Relais Borgo Santo Pietro are now available on: <https://borgolifestylefinance.mt/category/news/relais-borgo-santo-pietro/>

The aforementioned 2021 audited financial statements of Relais Borgo Santo Pietro deviate from the 2021 financial sustainability forecasts published through company announcement (REF: BLF36) 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, a positive variance resulted from the forecasted projections.

The main difference which attributed to the results, is due to a a suspension of the annual amortisation of the main asset of the Company, being the Relais Borgo Santo Pietro , in accordance with the Italian Law, and therefore Relais Borgo Santo Pietro Srl incurred in a profit instead of the forecasted loss.

UNQUOTE

Katia Cachia
Company Secretary
7th September 2022

Reference number: BLF/52