



28<sup>th</sup> July 2021

## Company Announcement

The following is a Company Announcement issued by Busy Bee Finance Plc (the “Company”) bearing company registration number C87631, in terms of the rules of Prospects MTF, a market regulated as a multi-lateral trading facility and operated by the Malta Stock Exchange.

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## Quote

### Approval and Publication of Interim Financial Statements

The Company hereby announces that during the meeting of its Board of Directors held on Tuesday 27<sup>th</sup> July 2021, the Company’s interim financial statements for the six-month financial period ending 31<sup>st</sup> May 2021, were approved.

A copy of the approved interim financial statements is being made available on the Company’s website and can be accessed via: <https://busybee.com.mt/investor-relations/>

## Unquote

Jean Carl Farrugia  
Company Secretary



**Busy Bee**  
FINANCE PLC

INTERIM  
REPORT  
**2021**

Six months ended  
**31 May 2021**

## INTERIM DIRECTORS' REPORT

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The Directors present the unaudited consolidated interim results of Busy Bee Finance plc.

### Business Overview/Directors Report

Busy Bee Finance Limited ('the Company') was incorporated on 31 July 2018 as a private limited liability company and subsequently converted into a public limited liability company on the 31 January 2019.

### Principal activities

The company's principal activity is to act as a finance and investment company, in particular the financing or re-financing of the funding requirements of related companies within the Busy Bee Group ('the Group').

### Financial Performance

During the six months ending 31 May 2021, the Group registered an operating loss of €26k, a substantial improvement when compared to the €107k loss registered in May 2020.

During the first half of the year 2021, the financial results remain much in line with those of the same period last year, mostly as a result of the COVID-19 pandemic having been prolonged beyond what was originally expected.

As the company continues to try and service its clients and sustain economic activity in these particularly trying times, outside Catering remains heavily impacted by the current Covid-19 restrictions as the high degree of uncertainty keeps affecting this industry as young couples keep postponing or cancelling their weddings.

With the easing of restrictions, allowing a certain level of activity to be restored whilst still operating at 70% of their seating capacity, the retail outlets have made up for the loss of revenue generated by the outside catering with total revenue generated being €1.731k; representing only a marginal decrease when compared to the same period in 2020.

### Financial Position

Total assets as at 31<sup>st</sup> May 2021 stood at €16 million, while equity attributable to the shareholders amounted to €8 million. The company's Debt-to-Total Capital Ratio after taking into consideration the €5,000,000 Unsecured Bonds 2029 on 28<sup>th</sup> June 2019, stood at 37%.

### Outlook

Considering that during the period under review the company was still operating in the midst of a pandemic, the results are very positive.

A high degree of uncertainty remains, as the speed at which economic activity resumes will dictate how long it will take for the company's performance to achieve a more sustainable level of profitability.

Management continues to strive to achieve pre-Covid record sales and as consumer confidence continues to increase and management remains committed to re-establish and continue building on that momentum.

The Company is anticipating a good 2021 for outside catering with June and July having record bookings. Amidst all this, the Company faces a continuous challenge in sourcing personnel. This, together with the risk of loss of consumer confidence, should new variants emerge, remain a significant

threat to the business in the months to come.

Overall, apart from the challenges imposed by Covid-19, the company understands that it needs to increase its retail reach to have a better spread of its fixed costs. To address this matter and to implement the organic growth strategy sanctioned by the Board, work is well underway on the new coffee shop, in one of the most iconic locations in Sliema, which is set to host its first patrons toward the last months of 2021 in time for the Christmas period.

### **Dividends**

No interim dividends are being proposed.

### **Listing Statement**

Approved by the Board of Directors on the 27<sup>th</sup> July 2020 and signed on its behalf by:



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Mr Charles Scerri, Chairman



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Mr Robert Ancilleri, Non-executive Director

### **Registered Office**

Busy Bee Group,  
Zone 4, Central Business District  
Mdina Road  
Birkirkara CBD 4010

## CONSOLIDATED INTERIM FINANCIAL STATEMENTS

### CONDENSED STATEMENTS OF COMPREHENSIVE INCOME

SIX MONTHS ENDED 31 MAY 2021

	Note	Group 31-May-21 (unaudited) €'000	Group 31-May-20 (unaudited) €'000	Company 31-May-21 (unaudited) €'000	Company 31-May-20 (unaudited) €'000
<b>Continuing operations:</b>					
Revenue		1,731	1,734	-	-
Gross profit		483	480	-	-
Operating loss		(26)	(107)	(279)	(282)
Other income	8	569	286	294	270
Depreciation		(258)	(249)	-	-
Net finance income/(costs)		(161)	(160)	10	9
<b>Profit / (Loss) before tax</b>		<b>124</b>	<b>(230)</b>	<b>25</b>	<b>(3)</b>
Taxation	9	26	1,270	(13)	-
<b>Profit / (loss) for the period</b>		<b>150</b>	<b>1,040</b>	<b>12</b>	<b>(3)</b>
<b>Other comprehensive income</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the period</b>		<b>150</b>	<b>1,040</b>	<b>12</b>	<b>(3)</b>
EPS*		€ 3.00	€ 20.81	€ 0.24	€ (0.06)
<b>Adjusted EPS</b>		<b>€ (3.27)</b>	<b>€ 18.24</b>	<b>€ (0.84)</b>	<b>€ (0.60)</b>

\*EPS – Earnings Per Share



## CONDENSED STATEMENTS OF FINANCIAL POSITION

AS AT 31 MAY 2021

	Group 31-May-21 (unaudited) €'000	Group 31-May-20 (unaudited) €'000	Company 31-May-21 (unaudited) €'000	Company 31-May-20 (unaudited) €'000
<b>ASSETS</b>				
Non-current assets	14,518	14,735	5,562	5,562
Current assets	1,697	1,732	525	502
<b>Total assets</b>	<b>16,215</b>	<b>16,468</b>	<b>6,087</b>	<b>6,064</b>
<b>EQUITY AND LIABILITIES</b>				
Capital and reserves	<b>8,342</b>	<b>7,988</b>	<b>653</b>	<b>617</b>
Non-current liabilities	6,072	6,105	4,839	4,821
Current liabilities	1,801	2,375	595	626
<b>Total liabilities</b>	<b>7,873</b>	<b>8,480</b>	<b>5,434</b>	<b>5,447</b>
<b>Total equity and Liabilities</b>	<b>16,215</b>	<b>16,468</b>	<b>6,087</b>	<b>6,064</b>

## CONDENSED STATEMENTS OF CASH FLOWS

SIX MONTHS ENDED 31 MAY 2021

	Group 31-May-21 (unaudited) €'000	Group 31-May-20 (unaudited) €'000	Company 31-May-21 (unaudited) €'000	Company 31-May-20 (unaudited) €'000
Net cash generated from / (used in) operating activities	486	(202)	53	36
Net cash used in investing activities	(55)	(247)	-	-
Net cash (used in) / generated from financing activities	(7)	459	93	170
<b>Net movement in cash and cash equivalents</b>	<b>424</b>	<b>10</b>	<b>146</b>	<b>206</b>
<b>Opening cash and cash equivalents</b>	<b>147</b>	<b>67</b>	<b>110</b>	<b>27</b>
<b>Closing cash and cash equivalents</b>	<b>571</b>	<b>77</b>	<b>256</b>	<b>233</b>

## CONDENSED STATEMENTS OF CHANGES IN EQUITY

SIX MONTHS ENDED 31 MAY 2021

	Share Capital (unaudited) €'000	Share premium (unaudited) €'000	Shareholders Loans (unaudited) €'000	Revaluation Reserve (unaudited) €'000	Retained earnings (unaudited) €'000	Total (unaudited) €'000
<b>Group (unaudited)</b>						
<b>Period ended 31 May 2021:</b>						
At 1 December 2020	50	51	4,357	1,680	2,068	8,206
<b>Comprehensive income</b>						
Profit for the period	-	-	-	-	150	150
Other comprehensive income	-	-	-	-	-	-
<b>Total comprehensive income</b>	-	-	-	-	150	150
<b>Transactions with owners</b>						
Shareholders Loans	-	-	(14)	-	-	(14)
<b>Total transactions with owners</b>	-	-	(14)	-	-	(14)
<b>At 31 May 2021</b>	50	51	4,343	1,680	2,218	8,342

## CONDENSED STATEMENTS OF CHANGES IN EQUITY

SIX MONTHS ENDED 31 MAY 2021

	Share Capital (unaudited) €'000	Share premium (unaudited) €'000	Shareholders Loans (unaudited) €'000	Revaluation Reserve (unaudited) €'000	Retained earnings (unaudited) €'000	Total (unaudited) €'000
<b>Group (unaudited)</b>						
<b>Period ended 31 May 2020:</b>						
At 1 December 2019	50	51	4,181	1,680	956	6,918
<b>Comprehensive income</b>						
Profit for the period	-	-	-	-	1,040	1,040
Other comprehensive income	-	-	-	-	-	-
<b>Total comprehensive income</b>	-	-	-	-	<b>1,040</b>	<b>1,040</b>
<b>Transactions with owners</b>						
Shareholders Loans	-	-	30	-	-	30
<b>Total transactions with owners</b>	-	-	<b>30</b>	-	-	<b>30</b>
<b>At 31 May 2020</b>	<b>50</b>	<b>51</b>	<b>4,211</b>	<b>1,680</b>	<b>1,996</b>	<b>7,988</b>



## CONDENSED STATEMENTS OF CHANGES IN EQUITY

SIX MONTHS ENDED 31 MAY 2021

Company (unaudited)	Share Capital (unaudited) €'000	Share premium (unaudited) €'000	Shareholders Loans (unaudited) €'000	Revaluation Reserve (unaudited) €'000	Retained earnings (unaudited) €'000	Total (unaudited) €'000
<b>Period ended 31 May 2021:</b>						
At 1 December 2020	50	51	600	-	(60)	641
<b>Comprehensive income</b>						
Profit for the period	-	-	-	-	12	12
Other comprehensive income	-	-	-	-	-	-
<b>Total comprehensive income</b>	-	-	-	-	12	12
<b>Transactions with owners</b>						
	-	-	-	-	-	-
<b>At 31 May 2021</b>	<b>50</b>	<b>51</b>	<b>600</b>	<b>-</b>	<b>(48)</b>	<b>653</b>

## CONDENSED STATEMENTS OF CHANGES IN EQUITY

SIX MONTHS ENDED 31 MAY 2021

	Share Capital (unaudited) €'000	Share premium (unaudited) €'000	Shareholders Loans (unaudited) €'000	Revaluation Reserve (unaudited) €'000	Retained earnings (unaudited) €'000	Total (unaudited) €'000
<b>Company (unaudited)</b>						
<b>Period ended 31 May 2020:</b>						
At 1 December 2019	50	51	600	-	(81)	620
<b>Comprehensive income</b>						
Loss for the period	-	-	-	-	(3)	(3)
Other comprehensive income	-	-	-	-	-	-
<b>Total comprehensive income</b>	-	-	-	-	<b>(3)</b>	<b>(3)</b>
<b>Transactions with owners</b>						
				-		
<b>At 31 May 2020</b>	<b>50</b>	<b>51</b>	<b>600</b>	<b>-</b>	<b>(84)</b>	<b>617</b>

# NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

## 1. Basis of preparation

The published figures have been prepared in accordance with IAS 34 'Interim Financial Reporting'. The condensed Group financial statements have been extracted from Busy Bee Finance plc's unaudited group management accounts for the six months ended 31 May 2021. The interim results are being published in terms of the Prospects MTF Rules. In terms of Rule 4.11.12, this interim report has not been audited by the Group's independent auditors.

These interim financial statements are presented using the Euro, being the currency that reflects the economic substance of the underlying events and circumstances relevant to the company.

They are prepared under the historical cost convention.

## 2. Accounting policies

The accounting policies applied in these interim financial statements are in accordance with International Financial Reporting Standards, with the provisions of the Maltese Companies Act, 1995, and the requirements of International Financial Reporting Standards as adopted by the EU.

## 3. Use of judgements and estimates

The preparation of the consolidated financial statements in conformity with International Financial Reporting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies.

In preparing these interim financial statements, management has made judgements, estimates and

assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income, and expense. Actual results may differ from these estimates.

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.

## 4. New standards effective during the period

A number of new standards became applicable for the current reporting period and the Group has adopted the following standards:

- IAS 1 and IAS 8 – Definition of material
- IFRS 3 – Definition of a business  
Conceptual framework –  
References to standards

## 5. Revised standards not yet effective during the period

Certain new standards, amendments or interpretations to existing standards which are to be applied prospectively for annual periods beginning on or after 1 January 2021, have not been adopted early by the Group and Company. The Group will be obliged to adopt these standards, amendments or interpretations in the financial year starting 1 December 2021.

The directors do not expect that the adoption of the amended standards will have a material impact on the financial statements of the company.

## 6. Earnings per share

Earnings per share (EPS) is calculated as the Group/Company's profit after tax attributable to the ordinary shares of Busy Bee Finance plc divided by the weighted average number of ordinary shares in issue during the period.

Adjusted EPS adjusts for extraordinary items included in other income, being:

- COVID-19: Government support

## 7. Segment Reporting

The Group's operations consist of cafeterias and gelateria, outside catering and other income.

The Group's business segments operate in the local market. An analysis by segment of the group's turnover and profitability is set out:

## SEGMENT ANALYSIS

### SIX MONTHS ENDED 31 MAY 2021

	Cafeterias & Gelateria (unaudited) €'000	Outside Catering (unaudited) €'000	Group (unaudited) €'000
<b>Period ended 31 May 2021</b>			
<b>Revenue</b>	1,459	272	1,731
Segment results	407	76	483
Unallocated costs			(509)
<b>Operating Loss</b>			(26)
Other income (note 8)			569
Depreciation			(258)
Net finance costs			(161)
<b>Profit before tax</b>			124
Taxation			26
<b>Profit for the period</b>			150

<b>Period ended 31 May 2020</b>			
<b>Revenue</b>	1,320	414	1,734
Segment results	365	114	480
Unallocated costs			(587)
<b>Operating Loss</b>			(107)
Other income (note 8)			286
Depreciation			(249)
Net finance costs			(160)
<b>Profit before tax</b>			(230)
Taxation (note 9)			1,270
<b>Profit for the period</b>			1,040



## 8. Other income

	Group 31-May-21 (unaudited) €'000	Group 31-May-20 (unaudited) €'000
Government COVID Supplements	313	128
Rent receivable	75	64
Services provided to other related parties	169	90
Other income	12	4
	<b>569</b>	<b>286</b>

## 9. Taxation

The Group registered a tax credit of €26k for the period ending 31 May 2021, representing a significant decrease from €1.3 million during the prior period.

In 2020, the Group was awarded investment tax credits from Malta Enterprise.

The resultant, deferred tax was accounted for using the balance sheet liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.