



LIDION HOLDINGS P.L.C. – C57008
Block 3, Level 0, Trident Park, Mdina Road, Zone 2,
Central Business District, Birkirkara, CBD 2010, Malta
(the ‘Company’)

COMPANY ANNOUNCEMENT

The following is a Company Announcement of the Company in terms of the rules of Prospects MTF issued by the Malta Stock Exchange.

Quote

Board Meeting to approve Interim Financial Statements

The Board of Directors of the Company hereby announces that it has considered and approved the Company’s Half-Yearly Report for the period ended 30th June 2024. The Report is appended herewith and is also available for viewing on the Company’s website: [Lidion Holdings | Lidion Bank](#)

Unquote

By order of the Board

A handwritten signature in blue ink, appearing to read "Sharon Fenech".

Dr Sharon Fenech
Company Secretary

Date: 1st August 2024

LIDION HOLDINGS PLC SIX MONTHLY REPORT

30 JUNE 2024

COMPANY INFORMATION

Company Registration No.: C57008

Registered Office: Block 3, Level 0,
Trident Park Mdina Road Zone 2
Central Business District
Birkirkara
CBD 2010

Company Secretary: Dr Sharon Fenech

Board of Directors

Mr Frank J. Sekula, II (Non-Executive Director)

Mr Trond Dale (Chairman and Non-Executive Director)

Mr Stephen Muscat (Non-Executive Director)

Mr Kjetil Ole Kjelvik (Non-Executive Director)

The Board of Directors was appointed by the annual general meeting of the 23rd April 2024.

INTERIM DIRECTORS' REPORT

The board of directors are hereby presenting unaudited interim financial statements for 30th June 2024. The Group consists of Lidion Holdings plc and Lidion Bank plc, the "Bank", its sole subsidiary.

PRINCIPAL ACTIVITIES

The Bank within the Group is licensed as a credit institution under the Banking Act, Cap.371. The Bank is engaged in:

- Corporate banking services in Malta;
- Factoring services in the EU.;
- Lending to the agricultural sector in the United Kingdom; and
- Lending for renewable energy project development and real estate in Malta and in the EU.

PERFORMANCE REVIEW

During the six months ending 30 June 2024, the Company registered a profit after taxation of EUR 382,540 versus a loss after taxation for the six months ending 30 June 2023 of EUR 174,968; and during the six months ending 30 June 2024, the Group registered a profit after taxation of EUR 1,151,488 versus a profit after taxation for the six months ending 30 June 2023 of EUR 297,248.

RESULTS AND DIVIDENDS

No interim dividend is being proposed.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the six months ended 30 June 2024

	The Group		The Company	
	Period from 1 Jan 2024 to 30 Jun 2024 EUR	Period from 1 Jan 2023 to 30 Jun 2023 EUR	Period from 1 Jan 2024 to 30 Jun 2024 EUR	Period from 1 Jan 2023 to 30 Jun 2023 EUR
Revenue				
Interest income	5,797,173	3,592,083	433,071	41,064
Interest expense	(1,562,650)	(664,669)	(74,034)	(108,389)
Net interest income/(expense)	4,234,523	2,927,414	359,037	(67,325)
Fee and commission income	2,748,013	881,179	170,982	86,783
Fee and commission expense	(387,912)	(448,207)	(3,709)	(4,346)
Net fee and commission income	2,360,101	432,972	167,273	82,437
Net operating income before net impairment losses/gains	6,594,624	3,360,386	526,310	15,112
Net impairment (losses) / gains	(231,034)	(185,638)	-	-
Net operating income	6,363,590	3,174,748	526,310	15,112
Employee compensation and benefits	1,755,477	1,172,345	-	-
General administrative expenses	2,808,078	1,329,007	106,634	138,864
Amortisation of intangible assets	16,841	15,953	-	51,216
Depreciation of property, plant and equipment	108,117	76,829	37,136	-
Depreciation of right of use of assets	109,540	36,019	-	-
Total expense	4,798,053	2,630,153	143,770	190,080
Profit / (Loss) before tax	1,565,537	544,595	382,540	(174,968)
Income tax credit/(charge)	(414,050)	(247,347)	-	-
Profit / (Loss) for the period/year	1,151,487	297,248	382,540	(174,968)
Other comprehensive (expense)/income				
Items that may be reclassified subsequently to profit or loss				
Net (loss)/gain on debt investments measured at FVTOCI	-	-	-	-
Other comprehensive (expense)/income for the period, net of tax	-	-	-	-
Total comprehensive profit/(loss) for the period/year	1,151,487	297,248	382,540	(174,968)

STATEMENTS OF FINANCIAL POSITION

as at 30 June 2024

	The Group		The Company	
	Jun 2024 EUR	Jun 2023 EUR	Jun 2024 EUR	Jun 2023 EUR
Assets				
Balance with Central Bank of Malta, and cash and cash equivalents	108,682,392	79,776,278	8,698	11,953
Investments measured at amortised cost	2,474,406	2,507,768	-	-
Finance lease receivable	2,092,653	3,918,901	-	-
Loans to customers	27,575,937	22,973,051	-	-
Factored receivables	51,279,256	44,092,458	-	-
Right-of-use assets	297,142	25,311	-	-
Investment in subsidiary	-	-	14,840,466	14,840,466
Investment in subordinated bonds	-	-	1,684,000	1,684,000
Intangible assets	1,002,441	664,937	283,995	390,877
Property, plant and equipment	258,947	66,743	-	-
Deferred tax asset	-	724,487	-	-
Assets held for realisation	286,244	440,433	-	-
Other assets	633,382	854,398	13,734	12,591
Prepayments and accrued income	2,657,770	1,968,118	161,426	297,053
Total assets	197,240,570	158,012,883	16,992,319	17,236,940
Liabilities				
Amounts owed to customers	178,149,853	140,478,748	-	-
Debt securities in issue	1,784,000	1,784,000	1,784,000	1,784,000
Convertible Subordinated Notes	-	2,330,242	-	2,330,242
Other liabilities	1,434,740	1,385,949	871,003	1,121,459
Deferred tax liability	7,616	-	-	-
Accruals	1,673,491	2,082,923	113,894	360,900
Lease Liabilities	321,090	12,084	-	-
Total liabilities	183,370,789	148,073,946	2,768,897	5,596,601
Equity				
Share capital	14,473,440	8,223,828	14,473,440	8,223,828
Shareholders' advances	234,004	4,234,004	-	4,000,000
Currency Translation Reserve	(563,956)	(496,493)	(130,608)	(63,145)
Accumulated losses	(273,708)	(2,022,402)	(119,410)	(520,344)
Total equity	13,869,780	9,938,937	14,223,422	11,640,339
Total liabilities and equity	197,240,570	158,012,883	16,992,319	17,236,940

STATEMENTS OF CHANGES IN EQUITY

For the six months ended 30 June 2024

The Group

	Share Capital and advance	Accumulated losses	General banking risk reserve	Revaluation Reserve	Excessive NPL reserve	Currency Translation Reserve	Total
	EUR	EUR	EUR	EUR	EUR	EUR	EUR
PERIOD ENDED 30 JUNE 2024							
Balance as at 1 Jan 2024	12,460,505	(1,425,195)	-	-	-	(563,956)	10,471,354
Increase in share capital	2,246,939	-	-	-	-	-	2,246,939
Profit for the period	-	1,151,487	-	-	-	-	1,151,487
At 30 June 2024	14,707,444	(273,708)	-	-	-	(563,956)	13,869,780
PERIOD ENDED 30 JUNE 2023							
Balance as at 1 Jan 2023	12,457,832	(2,319,649)	-	-	-	(496,493)	9,641,690
Profit for the period	-	297,247	-	-	-	-	297,247
At 30 June 2023	12,457,832	(2,022,402)	-	-	-	(496,493)	9,938,937

STATEMENTS OF CHANGES IN EQUITY

For the six months ended 30 June 2024

The Company

PERIOD ENDED 30 JUNE 2024	Share Capital and advance	Accumulated losses	General banking risk reserve	Revaluation Reserve	Excessive NPL reserve	Currency Translation Reserve	Total
	EUR	EUR	EUR	EUR	EUR	EUR	EUR
EUR Balance as at 1 Jan 2024	12,226,501	(501,950)	-	-	-	(130,608)	11,593,943
Increase in share capital	2,246,940	-	-	-	-	-	2,246,939
Profit for the period	-	382,540	-	-	-	-	382,540
At 30 June 2024	14,473,440	(119,410)	-	-	-	(130,608)	14,223,422
PERIOD ENDED 30 JUNE 2023							
EUR Balance as at 1 Jan 2023	12,223,828	(345,375)	-	-	-	(63,145)	11,815,308
(Loss) for the period	-	(174,969)	-	-	-	-	(174,969)
At 30 June 2023	12,223,828	(520,344)	-	-	-	(63,145)	11,640,339

STATEMENTS OF CASH FLOWS

For the six months ended 30 June 2024

	The Group		The Company	
	01 Jan 2024 to 30 Jun 2024 EUR	01 Jan 2023 to 30 Jun 2023 EUR	01 Jan 2024 to 30 Jun 2024 EUR	01 Jan 2023 to 30 Jun 2023 EUR
Cash flows (used in)/from operating activities				
Interest and commission received	7,596,343	4,627,321	395,985	127,847
Interest and commission paid	(4,201,482)	(1,080,465)	(269,660)	(215,916)
Cash payments to employees and suppliers	(3,511,409)	(3,102,980)	(79,840)	(127,705)
Cash flows (used in)/from operating activities before changes in operating assets and liabilities	(116,548)	443,876	46,485	(215,774)
Movement in finance lease, loans receivable and factored receivables	(10,603,218)	(17,343,815)	-	-
Movement in other assets	(100,856)	246,381	-	(12,591)
Movement in other liabilities	390,890	6,603,391	(76,976)	867,502
Movement in amounts owed to customers	42,377,900	56,723,103	-	-
Net cash (used in)/from operating activities	31,948,168	46,672,936	(30,491)	639,138
Cash flows used in investing activities				
Purchase of property plant and equipment	(304,175)	(103,425)	-	-
Purchase of intangible assets	(254,520)	(131,807)	-	(18,177)
Movement in investment assets and assets held for sale	27,537	32,779	-	-
Investment in subordinated debt	-	-	-	-
Net cash used in investing activities	(531,158)	(202,453)	-	(18,177)
Cash flows from/(used in) financing activities				
Proceeds from the issue of share capital	-	-	-	-
Amount received from subsidiary company	-	-	-	-
Proceeds from shareholders' contribution	-	-	-	-
Lease payments for principal portion of lease liability	189,368	-	-	-
Receipts / (payments) of debt security in issue	-	75,273	-	(616,331)
Net cash from/(used in) financing activities	189,368	75,273	-	(616,331)
Movement in cash and cash equivalents	31,606,378	46,545,756	(30,491)	4,630
Cash and cash equivalents at the beginning of the period	77,076,013	33,230,522	39,189	7,323
Cash and cash equivalents at the end of the period	108,682,392	79,776,278	8,698	11,953

CLOSING REMARKS

These financial statements, consisting of the Statement of Profit or Loss and Other Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the Statement of Cash Flows, comply with International Financial Reporting Standards as adopted by the EU applicable to Interim Financial Reporting (IAS 34) and give a true and fair view of the financial position, financial performance and cash flows and they are consistent with the accounting records. The Interim Directors' report includes a fair review of the information required in terms of the Prospects Rules.

UNQUOTE

By order of the Board.

A handwritten signature in blue ink, appearing to be 'S. Fenech', written in a cursive style.

Sharon Fenech

Company Secretary