

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 of 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 Friday, 25th August 2023, the Company’s interim financial statements for the six-month financial period ended 30th June 2023 were approved.

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

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

Unquote



Christos Barmperis
Company Secretary
25 August 2023

Orion Finance p.l.c.

Condensed Interim Financial Statements (unaudited) for the period 1 January 2023 to 30 June 2023

Contents

	Page
Directors' Report pursuant to Prospects MTF Rule 4.11.12	1
Directors' statement	2
Condensed interim statement of comprehensive income	3
Condensed interim statement of financial position	4
Condensed interim statement of changes in equity	5
Condensed interim statement of cash flows	6
Notes to the condensed interim financial statements	7 to 8

Orion Finance p.l.c.

**Directors' Report pursuant to Prospectus MTF Rule 4.11.12
for the period 1 January 2023 to 30 June 2023**

This Half-Yearly Report is being published in terms of Chapter 4 of the Prospectus 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 2023 prepared in accordance with IAS 34, 'Interim Financial Reporting'. In accordance with the terms of Prospectus MTF Rule 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 €151,878 from a loan advanced to its parent company, while accrued interest on the Bonds issued by the Company amounted to €101,195 for the six-month period. The Company's profit before tax amounted to €6,793.

Position Review

The Company's asset base as of 30 June 2023 amounted to €4,381,199.

Non-current assets relate to a loan receivable from the parent company amounting to €3,550,000.

The Company's main liabilities are made up of €4,161,000 4.75% Unsecured Bonds 2027. During 2023 the Company purchased €300,000 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 16 June 2023.

Dividend

No interim dividends are being proposed.

Approved by the Board of Directors on 25 August 2023 and signed on its behalf by:



Anthony Camilleri
Director



Michael Borg Costanzi
Director

Registered Address:

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

Page 2

Orion Finance p.l.c.

Directors' Statement

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 2023 and the interim Directors' report comprises a fair review of the information required in terms of Prospects MTF Rule 4.11.12.



Anthony Camilleri
Director

25 August 2023



Michael Borg Costanzi
Director

	Note	Six months to 30 June 2023 (unaudited) €	Six months to 30 June 2022 (unaudited) €
Finance Income	2	151,878	163,128
Other Income		320	-
Finance cost	3	(105,293)	(110,856)
Net interest income		46,905	52,272
Administrative expenses		(40,112)	(39,817)
Profit before tax		6,793	12,455
Taxation		(3,812)	(5,796)
Profit for the period		2,981	6,659
Total Comprehensive income for the period		2,981	6,659

Orion Finance p.l.c.
Condensed Interim Statement of Financial Position

	Note	As at 30 June 2023 (unaudited) €	As at 31 December 2022 (audited) €
ASSETS			
Non-Current Assets			
Loan Receivable	4	3,550,000	3,550,000
Sinking Fund		11,000	300,000
		<u>3,561,000</u>	<u>3,850,000</u>
Current Assets			
Trade and other receivables		11,795	7,668
Loan Receivable	4	500,000	500,000
Cash and cash equivalents		308,404	396,904
		<u>820,199</u>	<u>904,572</u>
TOTAL ASSETS		<u><u>4,381,199</u></u>	<u><u>4,754,572</u></u>
EQUITY AND LIABILITIES			
Capital and Reserves			
Called up issued share capital		50,000	50,000
Retained earnings		138,437	135,456
		<u>188,437</u>	<u>185,456</u>
Non-Current Liabilities			
Borrowings	5	<u>4,128,202</u>	<u>4,413,104</u>
Current Liabilities			
Trade and other payables		47,950	143,214
Current tax liability		16,610	12,798
		<u>64,560</u>	<u>156,012</u>
TOTAL EQUITY AND LIABILITIES		<u><u>4,381,199</u></u>	<u><u>4,754,572</u></u>

The notes on pages 7 to 8 form part of these financial statements

The financial statements on pages 3 to 8 were authorised for issue by the Board of Directors on 25 August 2023 and signed on its behalf by:



Anthony Camilleri
Director



Michael Borg Costanzi
Director

Orion Finance p.l.c.

Condensed Interim Statement of changes in equity
For the period 1 January 2023 to 30 June 2023 (unaudited)

	Share Capital	Retained Earnings	Total Equity
At 1 January 2022	50,000	121,963	171,963
Profit for the period	-	6,659	6,659
Balance at 30 June 2022	50,000	128,622	178,622
At 1 January 2023	50,000	135,456	185,456
Profit for the period	-	2,981	2,981
Balance at 30 June 2023	50,000	138,437	188,437

The notes on pages 7 to 8 form part of these financial statements

Orion Finance p.l.c.

Condensed Interim Statement of cash flows
For the period 1 January 2023 to 30 June 2023

	1 January 2023 to 30 June 2023 (unaudited) €	1 January 2022 to 30 June 2022 (unaudited) €
Operating Activities		
Profit for the period before taxation	6,793	12,463
<i>Adjustment for:</i>		
Amortisation on Bond issue costs	4,098	4,098
Finance Income	(151,878)	(163,128)
Finance Costs	101,195	106,758
	<u>(39,792)</u>	<u>(39,809)</u>
<i>Working Capital Changes:</i>		
Movement in trade and other receivables	(4,132)	(4,128)
Movement in trade and other payables	<u>(10,986)</u>	<u>10,415</u>
Cash generated from operations	(54,820)	(33,522)
Interest received	151,878	163,128
Interest paid on bonds issued	<u>(196,558)</u>	<u>(208,088)</u>
Net Cash Used In Operating Activities	<u>(99,500)</u>	<u>(78,482)</u>
Financing Activities		
Transfer to sinking fund	300,000	250,000
Redemption of bonds	<u>(289,000)</u>	<u>(250,000)</u>
Net Cash Generated from Financing Activities	<u>11,000</u>	<u>-</u>
Movement in Cash and Cash Equivalents	<u>(88,500)</u>	<u>(78,482)</u>
Cash and cash equivalents at beginning of period	396,904	368,822
Cash and Cash Equivalents at End of Period	<u>308,404</u>	<u>290,340</u>

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

The interim condensed financial information for the six month period ended 30 June 2023 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 2022, 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 a historical cost basis.

	30 June 2023 (unaudited) €	30 June 2022 (unaudited) €
2. Finance Income		
Interest receivable on loan due from parent company	151,878	163,128
	151,878	163,128
	30 June 2023 (unaudited) €	30 June 2022 (unaudited) €
3. Finance costs		
Interest payable on bonds	101,195	106,758
Amortisation of bond issue costs	4,098	4,098
	105,293	110,856
	30 June 2023 (unaudited) €	31 December 2022 (audited) €
4. Loan Receivable		
Loan receivable from parent company – non-current	3,550,000	3,550,000
Loan receivable from parent company – current	500,000	500,000
	4,050,000	4,050,000

Orion Finance p.l.c.
Notes to the Interim Financial Statements
For the period ended 30 June 2022

5. Borrowings	30 June 2023 (unaudited) €	31 December 2022 (audited) €
4.75% Unsecured Bonds 2027	4,128,202	4,413,104
Bond outstanding at face value	4,450,000	4,700,000
Gross amount of bond issue costs	(81,991)	(81,991)
Amortisation of gross amount of Bond issue costs		
Amortised bond issue costs brought forward	45,095	36,896
Amortisation charge for the period/year	4,099	8,199
Unamortised Bond issue costs	(32,797)	(36,896)
Redemption of bonds	(289,000)	(250,000)
Amortised cost and closing carrying amount	4,128,202	4,413,104

Sinking fund

The Company Admission Document provides that as from financial year ending 31 December 2019, the Company is to set up a sinking fund to be administered independently to cover 100% of the value of the issued bonds until redemption date. The required contributions to the sinking fund as at 30 June 2023 amounted to €850,000.

As at 30 June 2023, €839,000 of the sinking fund were utilized to buy back the Company's bonds in accordance with the Company's Treasury Management Policy. As at 30 June 2023, the sinking fund balance amounted to €11,000, however, during July 2023, the Group used this money to purchase a further 11,000 of its 4.75% unsecured bonds 2027 from its bondholders.

