

Date of Announcement: 27 April 2021

Reference: 7/2021



The following is a company announcement issued by HH Finance plc (the "Company"), bearing company registration number C-84461, pursuant to the Prospects MTF Rules.

Approval of Financial Sustainability Forecasts

QUOTE

The Company makes reference to Company Announcement MSE REF: HHF45, wherein the Company announced that during the Board of Directors' meeting on 27 April 2021, the Board of Directors resolved to approve the Company's annual report and audited financial statements for the year ended 31 December 2020.

The Company hereby announces that during the said meeting, the Board of Directors of the Company approved the Financial Sustainability Forecasts for the financial year ending 31 December 2021 (the "FSFs"), a copy of which is being attached herewith.

The FSFs are also available for viewing at the registered office of the Company and in the Investor Relations section on the Company's website, <http://www.hhfinance.com.mt/>.

UNQUOTE

By order of the Board.

A handwritten signature in blue ink, appearing to read "Emma Grech", is written over a horizontal line.

Dr Emma Grech

Company Secretary

27 April 2021

HH Finance plc
Projected Income Statement for the year ending 31 December 2021

	2021
	€
Revenue	
Rent from Hugo Hotel	<u>2,070,905</u>
Operating Expenses	
Directors fees	(51,000)
Legal fees	(3,580)
Audit fees	(6,615)
Property rental	(1,000)
Other administrative fees	(42,500)
Total Operating Fees	<u>(104,695)</u>
EBIDTA	<u>1,966,210</u>
Finance Costs	
Amortisation of discount on amount due to parent	(302,957)
Subordinated loan interest	(679,000)
Bond interest	(250,000)
	<u>(1,231,957)</u>
Financial Income	
Credit facility with related party company	169,890
Loan interest with related party company	56,709
	<u>226,599</u>
Profit before tax	960,852
Tax	(165,410)
Profit after tax	<u><u>795,442</u></u>
Operating expenses as % of revenue	5%
EBIDTA margin (%)	95%

	2021
	€
Other Administrative Expenses	
Professional fees	6,923
Secretarial fees	10,455
Consultancy fees	13,316
Accountancy fees	3,876
Payroll fees	122
Registration fees	6,783
Miscellaneous fees	750
Bank charges	274

HH Finance plc
Projected Cash Flow Statement for the year ending 31 December 2021

	2021
	€
EBIDTA	1,966,210
Rent payable	1,000
Bond interest	(250,000)
Advances to related party	(1,537,116)
Taxation paid	(219,493)
VAT received	49,012
Net increase in cash and cash equivalents	9,613
Cash and cash equivalents at beginning of year	136,094
Cash and cash equivalents at end of year	<u><u>145,707</u></u>

HH Finance plc
Projected Statement of Financial Position for the year ending 31 December 2021

	2021
	€
<u>Fixed Assets</u>	
Land & building	36,000,000
Loan receivable	5,667,220
Other receivables	1,112,235
Total Fixed Assets	42,779,455
<u>Current Assets</u>	
Other receivables	2,756
Cash and cash equivalents	645,707
Total Current Assets	648,463
Total Assets	43,427,917
<u>Liabilities</u>	
Bond	5,000,000
Amount due to Hugo's Hotel Ltd	15,001,890
Deferred tax	3,269,283
VAT payable	95,607
Tax payable	165,410
Trade and other payables	2,152,603
Total Liabilities	25,684,793
<u>Equity</u>	
Share capital	150,000
Subordinated loans	9,850,000
Retained earnings	7,243,124
Shareholders' Equity	17,243,124
Total Equity and Liabilities	42,927,917