

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 to 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 Monday, 23rd August 2021, the Company’s interim financial statements for the six-month financial period ended 30th June 2021 were approved.

Copies of the aforesaid interim financial statements are attached to this announcement and are also available for viewing and download on the following link on 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
24 August 2021

Orion Finance p.l.c.

Condensed Interim Financial Statements (unaudited) for the period 1 January 2021 to 30 June 2021

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Orion Finance p.l.c.

Directors' Report pursuant to Prospects MTF Rule 4.11.12

for the period 1 January 2021 to 30 June 2021

This Half-Yearly Report is being published in terms of Chapter 4 of the Prospects 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 2021 prepared in accordance with IAS 34, 'Interim Financial Reporting'. In accordance with the terms of Prospects MTF Rules 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 €172,500 from a loan advanced to its parent company, while accrued interest on the Bonds issued by the Company amounted to €112,502 for the six-month period. The Company's profit before tax amounted to €16,527.

Position Review

The Company's asset base as of 30 June 2021 amounted to €4,876,854.

Non-current assets relate to a loan receivable from the parent company amounting to €4,350,000.

The Company's main liabilities are made up of €4,700,000 4.75% Unsecured Bonds 2027. In January and February, the Company purchased €200,000 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 18 June 2021.

Dividend

No interim dividends are being proposed.

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Orion Finance p.l.c.

Directors' Report pursuant to Prospects MTF Rule 4.11.12 (cont.)

for the period 1 January 2021 to 30 June 2021

Effects of Covid-19 pandemic

The Directors consider that in the prevailing circumstances the period under review was satisfactory. Following the outbreak of the Covid-19 pandemic, the Directors have continued to actively monitor the operations of the Orion Retail Group (Orion Retail Investments Limited and Orion Finance p.l.c.) in order to safeguard the interest of the Company and the parent company, as necessary. The Group continues to operate in uncertain and unprecedented circumstances brought about by the pandemic for which the impact cannot be securely defined, but is closely controlled.

Approved by the Board of Directors on 23 August 2021 and signed on its behalf by:



Anthony Camilleri

Director

Registered Address:

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



Michael Borg Costanzi

Director

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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 2021 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

23 August 2021



Michael Borg Costanzi

Director

23 August 2021

Orion Finance p.l.c.

Condensed Interim Statement of Comprehensive Income

For the period 1 January 2021 to 30 June 2021

	Six months to 30th June 2021(unaudited)	Six months to 30th June 2020(unaudited)
	€	€
Finance Income (Note 2)	172,500	180,000
Finance cost (Note 3)	(116,600)	(121,946)
Net interest income	55,900	58,054
Administrative expenses	(39,373)	(37,434)
Profit before Income Tax	16,527	20,620
Income taxation	(7,219)	(8,651)
Profit for the period	9,308	11,969
Total Comprehensive income for the period	9,308	11,969

Orion Finance p.l.c.

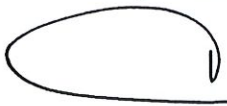
Condensed Interim Statement of Financial Position

as at 30 June 2021

	As at 30 June 2021 (unaudited) €	As at 31 December 2020 (audited) €
ASSETS		
Non-Current Assets		
Loan Receivable (Note 4)	4,350,000	4,350,000
Sinking Fund	-	200,000
	<u>4,350,000</u>	<u>4,550,000</u>
Current Assets		
Trade and other receivables	13,506	4,128
Loan Receivable	250,000	250,000
Cash and cash equivalents	263,348	351,537
	<u>529,854</u>	<u>605,665</u>
TOTAL ASSETS	<u><u>4,876,854</u></u>	<u><u>5,155,665</u></u>
EQUITY AND LIABILITIES		
Capital and Reserves		
Called up issued share capital	50,000	50,000
Retained earnings	113,045	103,738
	<u>163,045</u>	<u>153,738</u>
Non-Current Liabilities		
Borrowings (Note 5)	4,650,804	4,846,706
Current Liabilities		
Trade and other payables	36,057	135,492
Current tax liability	26,948	19,729
	<u>63,005</u>	<u>155,221</u>
TOTAL EQUITY AND LIABILITIES	<u><u>4,876,854</u></u>	<u><u>5,155,665</u></u>

The notes on pages 8 to 9 form part of these financial statements

The financial statements on pages 4 to 9 were authorised for issue by the Board of Directors on 23 August 2021 and signed on its behalf by:



Anthony Camilleri

Director



Michael Borg Costanzi

Director

Condensed Interim Statement of changes in equity

For the period 1 January 2021 to 30 June 2021 (unaudited)

	Share Capital	Retained Earnings	Total Equity
1st January 2020	50,000	79,459	129,549
Profit for the period	-	11,969	11,969
30th June 2020	50,000	91,518	141,518
1st January 2021	50,000	103,738	153,738
Profit for the interim period	-	9,308	9,308
30th June 2021	50,000	113,046	163,046

The notes on pages 8 to 9 form part of these financial statements

Orion Finance p.l.c.

Condensed Interim Statement of cash flows

For the period 1 January 2021 to 30 June 2021

	1 January 2021 to 30 June 2021 (unaudited) €	1 January 2020 to 30 June 2020 (unaudited) €
Operating Activities		
Profit for the period before taxation	16,527	20,620
<i>Adjustment for:</i>		
Amortisation on Bond issue costs	4,098	4,100
Finance Income	(172,500)	(180,000)
Finance Costs	112,502	117,848
	<u>(39,373)</u>	<u>(37,430)</u>
<i>Working Capital Changes:</i>		
Movement in trade and other receivables	(9,440)	(5,308)
Movement in trade and other payables	6,241	23,790
	<u>(42,572)</u>	<u>(18,948)</u>
Cash generated from operations	(42,572)	(18,948)
Interest received	172,500	180,000
Interest paid on bonds issued	(218,176)	(226,242)
	<u>(88,248)</u>	<u>(65,190)</u>
Net Cash Used In Operating Activities	<u>(88,248)</u>	<u>(65,190)</u>
Financing Activities		
Transfer of sinking fund to cash	200,000	100,000
Buy back of own bonds	(200,000)	(100,000)
Advances from/(to) ultimate parent company	64	-
Advances from parent company	-	(20,386)
	<u>64</u>	<u>(20,386)</u>
Net Cash Generated From/ (Used In) Financing Activities	<u>64</u>	<u>(20,386)</u>
Movement in Cash and Cash Equivalents	(88,184)	(85,576)
Cash and cash equivalents at beginning of period	351,538	269,229
Cash and Cash Equivalents at End of Period	<u>263,354</u>	<u>183,653</u>

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

The interim condensed financial information for the six month period ended 30 June 2021 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 2020, 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 the historical cost basis

	30 June 2021 (unaudited) €	30 June 2020 (unaudited) €
2. Finance Income		
Interest receivable on loan due from parent company	172,500	180,000
	<u>172,500</u>	<u>180,000</u>
	30 June 2021 (unaudited) €	30 June 2020(unaudited) €
3. Finance costs		
Interest payable on bonds	112,502	117,848
Amortisation of bond issue costs	4,098	4,098
	<u>116,600</u>	<u>121,946</u>
	30 June 2021(unaudited) €	31 December 2020(audited) €
4. Loan Receivable		
Loan receivable from parent company	<u>4,350,000</u>	<u>4,350,000</u>

5. Borrowings	30 June 2021 (unaudited) €	31 December 2020 (audited) €
4.75% Unsecured Bonds 2027	4,650,804	4,846,706
Bond outstanding at face value	4,700,000	4,900,000

Amortisation of gross amount of Bond issue costs

Gross amount of bond issue costs	(81,991)	(81,991)
Amortised bond issue costs brought forward	28,697	20,498
Amortisation charge for the period/year	4,098	8,199
Unamortised Bond issue costs	(49,196)	(53,294)
Amortised cost and closing carrying amount	4,650,804	4,846,706

In January and February, the Company purchased €200,000 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.