

EDEN FINANCE p.l.c

A Member of Eden Leisure Group Limited

Unaudited Half-Yearly Financial Report

30 June 2019

Company No. C-26843

EDEN FINANCE p.l.c

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DIRECTORS' REPORT PURSUANT TO LISTING RULE 5.75.2

Directors' Report

The directors present their report, together with the unaudited interim financial statements of the Company for the period 1 January 2019 to 30 June 2019.

The published figures have been extracted from the unaudited management financial statements for the six months ended 30 June 2019 and its comparative period in 2018. The comparative Statement of Financial Position as at 31 December 2018 has been extracted from the audited financial statements for the year ended on that date. This report is being published in terms of Listing Rule 5.75 issued by the Malta Financial Services Authority, and has been prepared in accordance with the applicable Listing Rules and the International Accounting Standard 34, 'Interim Financial Reporting'. The financial statements published in this Half-Yearly Report are condensed in accordance with the form and content requirements of this standard. In terms of Listing Rule 5.75.5, the Directors are stating that this Half-Yearly Financial Report has not been audited or reviewed by the Company's independent auditors.

Principal Activity

The principal activity of Eden Finance p.l.c is to raise financial resources from the capital market to finance the capital projects of the companies forming part of the Eden Leisure Group.

Review of Business Development

The condensed interim statement of profit or loss is set out on page 4. During the period under review, interest income earned on advances to the parent company, Eden Leisure Group Limited totalled Euro 833,096, while interest payable to the bondholders amounted to Euro 793,425.

The Company registered a profit before taxation amounting to Euro 5,682. After deducting a provision for taxation thereon, the profit for the period amounted to Euro 3,693. The directors do not anticipate significant changes in the performance during the last six months of the current year.

The directors do not recommend the payment of an interim dividend for the period under review.

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DIRECTORS' REPORT PURSUANT TO LISTING RULE 5.75.2

Directors

The Board of Directors who held office during the period were:

Mr. Ian De Cesare – Chairman
Mr. Kevin De Cesare – Chief Executive Officer
Mr. Simon De Cesare – Executive Director & Secretary to the Board
Mr. David Vella – Executive Director
Mr. Paul Mercieca – Non-Executive, Independent Director
Dr. Andrea Gera de Petri – Non-Executive Director
Mr. Victor Spiteri – Non-Executive, Independent Director

Directors are appointed during the Company's Annual General Meeting for the period of one year, at the end of which term they may stand again for re-election. The Articles of Association of the Company clearly set out the procedures to be followed for the appointment of directors.

Approved by the Board of Directors on 27 August 2019 and signed on its behalf by:



Mr. Ian De Cesare
Chairman

Eden Place, St. Augustine Street, St. Julians



Mr. Kevin De Cesare
Chief Executive Officer

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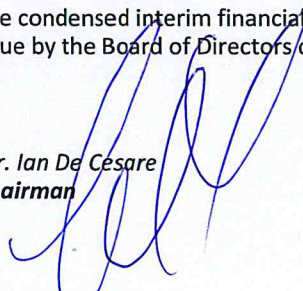
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2019

	As at 30 June 2019 € (unaudited)	As at 31 December 2018 € (audited)
ASSETS		
Non-current assets		
Held-to-maturity investments	1,164,687	1,164,687
Loans and receivables	40,000,000	40,000,000
Deferred tax asset	-	-
	<u>41,164,687</u>	<u>41,164,687</u>
Current assets		
Trade and other receivables	949,580	1,734,684
Cash and cash equivalents	154,843	15,276
	<u>1,104,423</u>	<u>1,749,960</u>
Total Assets	<u><u>42,269,110</u></u>	<u><u>42,914,647</u></u>
EQUITY AND LIABILITIES		
Capital and reserves		
Share capital	1,164,687	1,164,687
Retained earnings	456,780	453,087
	<u>1,621,467</u>	<u>1,617,774</u>
Non-current liabilities		
Debt securities in issue	40,000,000	40,000,000
	<u>40,000,000</u>	<u>40,000,000</u>
Current liabilities		
Trade and other payables	647,643	1,296,873
	<u>647,643</u>	<u>1,296,873</u>
Total liabilities	<u>40,647,643</u>	<u>41,296,873</u>
Total Equity and Liabilities	<u><u>42,269,110</u></u>	<u><u>42,914,647</u></u>

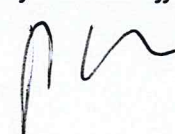
The notes on pages 7 to 8 are an integral part of these condensed interim financial statements.

The condensed interim financial statements set out on pages 3 to 8 were approved and authorized for issue by the Board of Directors on the 23 July 2019 and were signed on its behalf by:

Mr. Ian De Cesare
Chairman



Mr. Kevin De Cesare
Chief Executive Officer



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**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS
FOR THE PERIOD ENDED 30 JUNE 2019**

	Six months ended 30 June	
	2019 € (unaudited)	2018 € (unaudited)
Finance income	833,096	833,096
Finance costs	(793,425)	(793,425)
Gross profit	39,671	39,671
Administrative expenses	(33,989)	(29,579)
Profit before taxation	5,682	10,092
Income tax expense	(1,989)	(3,532)
Profit for the period	3,693	6,560
Earnings per share	0.007	0.013

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**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 2019**

	Share Capital €	Retained Earnings €	Total €
At 1 January 2018	1,164,687	440,544	1,605,231
Profit for the year	-	12,543	12,543
At 31 December 2018	1,164,687	453,087	1,617,774
Profit for the period	-	3,693	3,693
At 30 June 2019	1,164,687	456,780	1,621,467

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CONDENSED INTERIM STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 JUNE 2019

	Six months ended 30 June	
	2019 € (unaudited)	2018 € (unaudited)
Cash flows from operating activities		
Profit before taxation	5,682	10,092
<i>Adjustments for :</i>		
Movement in receivables	785,104	777,002
Movement in payables	(651,219)	(645,744)
Cash flows generated from operations	139,567	141,350
Net movement in cash and cash equivalents	139,567	141,350
Cash and cash equivalents at the beginning of the period	15,276	34,334
Cash and cash equivalents at the end of the period	154,843	175,684

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NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2019

1. General information

Eden Finance p.l.c. (the 'Company') is a limited liability company incorporated and domiciled in Malta. The registered office of the Company is Eden Place, St. Augustine Street, St. George's Bay, St. Julian's. The condensed interim financial statements were approved for issue by the Board of Directors on 27 August 2019.

2. Basis of preparation

The condensed interim financial statements as at and for the six-month period ended 30 June 2019 have been prepared in accordance with International Financial Reporting Standards as adopted by the EU applicable to interim financial reporting (International Accounting Standard 34, 'Interim Financial Reporting'). The condensed interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2018, which have been prepared in accordance with IFRSs as adopted by the EU.

3. Principal accounting policies

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2018, as described in those annual financial statements.

Standards, interpretations and amendments to published standards effective in 2019

In 2019, the Company adopted new standards, amendments and interpretations to existing standards that are mandatory for the Company's accounting period beginning on 1 January 2019. The adoption of these revisions to the requirements of IFRSs as adopted by the EU did not result in substantial changes to the Company's accounting policies.

4. Taxation

The tax charge for the period ended 30 June 2019 comprises of tax at 35% on the profit.

5. Debt securities in issue

By virtue of the prospectus dated 28th March 2017, Eden Finance p.l.c. issued an aggregate principal amount of €40 million Bonds (2027), having a nominal value of €100 each, bearing interest at 4.0%. These bonds are unsecured pursuant and subject to the terms and conditions in the prospectus. These bonds are repayable by the 28 April 2027.

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NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2019

6. Related parties

Parent and controlling party

The Company is a subsidiary of Eden Leisure Group Limited, the registered office of which is situated at Eden Place, St. Augustine Street, St. Julian's, Malta.

Related party transactions

Consistent with the disclosures in the audited financial statements for the year ended 31 December 2018, the Company has a related party relationship with its ultimate parent and entities controlled by it. The principal related party transactions during the six month period under review comprise:

	Six months ended 30 th June	
	2019	2018
	€	€
Transactions		
Finance income receivable from parent company	833,096	833,096
	As at	As at
	30 June 2019	31 December 2018
	€	€
Balances		
Non-current loans receivable from parent company (i)	40,000,000	40,000,000
Current amounts receivable from parent company	649,400	629,661
Current amounts payable to a related company	7,664	32,343
Held-to-maturity investments (ii)	1,164,687	1,164,687

(i) Non-current loans receivable from parent company

These represent the funds raised by the bond issue in the prior year which have been advanced to the Eden Leisure Group Limited at an annual interest rate of 4.2% per annum. The loan will be repaid in full by the 28 April 2027.

Eden Leisure Group Limited, the guarantor in respect of the company's bond issue has undertaken to pay all amounts of principal and interest that will become due and payable by the company to bondholders under the bonds.

These loans rank pari passu without any priority or preference within all other present and future unsecured and unsubordinated obligations of the parents company to which the loans have been advanced.

The carrying amount of the loans is considered a reasonable approximation of their fair value.

No loss allowance has been recognised based on 12-month expected credit loss.

(ii) Non-current loans receivable from parent company

This investment represents 100% holding of the 5.5% redeemable preference shares of €2.329373 each within Eden Entertainment Limited.

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STATEMENT PURSUANT TO LISTING RULE 5.75.3

We hereby confirm, to the best of our knowledge, that:

The condensed interim financial statements give a true and fair view of the financial position of the Company as at the 30 June 2019, and of its financial performance and its cash flows for the six-month period then ended in accordance with International Financial Reporting Standards as adopted by the EU applicable to interim financial reporting (International Accounting Standard 34, 'Interim Financial Reporting'); and

The Interim Directors' Report includes a fair review of the information required in terms of Listing Rules 5.81 to 5.84.

On behalf of the board



Mr. Jan De Cesare
Chairman



Mr. Kevin De Cesare
Chief Executive Officer

27 August 2019