

**COMPANY ANNOUNCEMENT**

The following is a Company Announcement issued by Dino Fino Finance p.l.c. (the “Company”) bearing company registration number C100038 pursuant to the Capital Markets Rules issued by the Malta Financial Services Authority

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**Approval and Publication of Half-Yearly Financial Statements**

**Quote**

The Company hereby announces that the Board of Directors has approved the Company’s half-yearly financial report and unaudited condensed financial statements for the six-month financial period ended 30th June 2022.

A copy of the aforesaid half-yearly unaudited financial statements, as approved, is available for viewing below, and is also available for download from the following link on the Company’s website:

<https://dinofino.com/investor-relations/>

**Unquote**

By order of the Board



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**Dr. Austin Gauci Maistre**  
Company Secretary

31<sup>st</sup> August 2022

*Ref: DFF03*

# **DINO FINO FINANCE P.L.C.**

**C 100038**

**CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
(UNAUDITED)**

**FOR THE PERIOD**

**1 JANUARY 2022 TO 30 JUNE 2022**

**DINO FINO FINANCE P.L.C.**

**COMPANY INFORMATION**

Directors: Ms. Alexia Farrugia  
Mr. Dino Fino  
Dr. Austin Gauci Maistre  
Mr. Benjamin Muscat  
Mr. Giuseppe Muscat

Secretary: Dr. Austin Gauci Maistre

Company Number: C 100038  
Msida Valley Road,  
Birkirkara, BKR 9025,  
Malta.

Banker: Bank of Valletta Plc  
45, Republic Street,  
Valletta,  
Malta.

**DINO FINO FINANCE P.L.C.  
CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
FOR THE PERIOD 1 JANUARY 2022 TO 30 JUNE 2022**

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**INTERIM DIRECTORS' REPORT  
FOR THE PERIOD 1 JANUARY 2022 TO 30 JUNE 2022**

This report is published in terms of the Malta Financial Services Authority Listing Rules Chapter 5 and the Prevention of Financial Markets Abuse Act 2005. The underlying accounting policies are the same as those adopted by Dino Fino Finance P.L.C ("the Company") in its published annual report. The interim financial information included in this report has been extracted from the Company's unaudited accounts for the six months ending 30 June 2022, as approved by the board of directors on 30 August 2022 and are prepared in accordance with IAS 34 'Interim Financial Reporting'.

The Company was incorporated on 23 August 2021 and with effect from this date, it acquired full ownership and control of Dino Fino Operations Limited, a company incorporated under the Laws of Malta on 13 June 2017 and having registration number C81069, and Dino Fino Holdings Ltd, a company incorporated under the Laws of Malta on 8 March 2021 and having registration number C98379 ("the Subsidiaries"). The Company and Subsidiaries are collectively referred to as the Group.

To this end, the Directors present their report of the Group for the interim period ending 30 June 2022.

**Principal Activity**

The principal activity of the Company is to carry on the business of a holding and finance company. The activities of the Company are expected to remain consistent in the foreseeable future.

**Principal risks and uncertainties**

The Company is mainly dependant on the business prospects of the Subsidiaries and consequently, the operating results of the Subsidiaries have a direct effect on the Company's financial position and performance, including the ability of the Company to service its payment obligations under the issued bond.

The Company's main assets consist of investment property and receivables for loans issued to the Subsidiaries. The ability of the Subsidiaries to effect loan repayments to the Company will depend on their respective cash flows and earnings which may be restricted by:-

- changes in applicable laws and regulations;
- the terms contained in the agreements to which they are or may become party including the indenture governing their existing indebtedness, if any, or
- other factors beyond the control of the Subsidiaries such as the Covid 19 pandemic.

Additionally, the Company is directly exposed to the risks associated with the local property market and indirectly exposed to competition risk, risks relating to the rapid changes in the furniture industry and economic conditions and consumer spending habits. The property market is in turn affected by many factors, including but not limited to general economic conditions, availability of financing, interest rates, supply and demand, or the exercise by tenants of their contractual rights.

**Review of business and results**

During the period under review, the Company registered a loss of € 330,660. This loss resulted from unexpected price increases in supplier pricing and transportation costs due to international inflation and supply chain issues. Management has taken measures to deal with these matters and are confident that this will result in an improved performance in the second half of the year. The directors continue to actively monitor the operations of the Company and its Subsidiaries in order to safeguard the interest of the Group.

**INTERIM DIRECTORS' REPORT  
FOR THE PERIOD 1 JANUARY 2022 TO 30 JUNE 2022**

**Dividends and reserves**

The directors do not recommend the payment of a dividend and propose to transfer the loss for the period to retained losses.

**Directors**

The following have served as directors of the Company during the period under review:-

- Ms. Alexia Farrugia:- Independent Non-Executive Director
- Mr. Dino Fino:- Executive Director
- Dr. Austin Gauci Maistre:- Non-Executive Director
- Mr. Benjamin Muscat:- Chairman and Independent Non-Executive Director
- Mr. Giuseppe Muscat:- Executive Director

**Directors' Interest**

The sole ultimate beneficial owner is Mr. Dino Fino who holds indirectly and directly 100% of the issued share capital of the Company.

**STATEMENT PURSUANT TO LISTING RULE 5.7.5.3  
FOR THE PERIOD 1 JANUARY 2022 TO 30 JUNE 2022**

We hereby confirm that to the best of our knowledge:

- The condensed interim financial statements give a true and fair view of the financial position of the Company as at 30 June 2022, 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 (IAS 34, 'Interim Financial Reporting'); and
- The Interim Directors' Report includes a fair review of the information required in terms of Listing Rule 5.81.

ON BEHALF OF THE BOARD



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Mr. Dino Fino  
*Executive Director*



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Mr. Benjamin Muscat  
*Chairman and Non-Executive Director*

30 August 2022

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**CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME  
FOR THE PERIOD 1 JANUARY 2022 TO 30 JUNE 2022**

	Note	01-Jan-22 to 30-Jun-22 (Unaudited) €
Revenue	7	2,350,478
Cost of sales	8	(1,889,768)
<b>Gross Profit</b>		<b>460,710</b>
Other income		600
Administration expenses	9	(492,270)
Depreciation and amortisation		(113,250)
<b>Operating Loss</b>		<b>(144,210)</b>
Finance costs	10	(186,450)
<b>Loss Before Tax</b>		<b>(330,660)</b>
Taxation		-
<b>Loss After Tax</b>		<b>(330,660)</b>

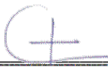
*The notes on pages 8 to 11 are an integral part of these financial statements.*




**CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2022**

	Note	30-Jun-22 (Unaudited) €
<b>Assets</b>		
<b>Non-Current Assets</b>		
Property, Plant and Equipment	1	5,692,845
Deferred Tax Assets	2	43,328
Brand & IP		2,000,000
Bond Issue Costs		69,825
Other Assets		85,000
		<u>7,890,998</u>
<b>Current Assets</b>		
Inventories	3	461,167
Trade and Other Receivables	4	3,966,755
Shareholder's Loan		86,176
Cash and Cash Equivalents	5	1,701,310
		<u>6,215,408</u>
<b>Total Assets</b>		<u><u>14,106,406</u></u>
<b>Equity and Liabilities</b>		
<b>Equity</b>		
Share Capital		3,620,000
Retained Earnings		(129,767)
		<u>3,490,233</u>
<b>Non-Current Liabilities</b>		
Debt Securities in Issue	11	7,800,000
Long Term Indirect Taxation (Deferral Scheme)		110,394
Long-Term Borrowings		383,831
		<u>8,294,225</u>
<b>Current Liabilities</b>		
Short Term Borrowings	6	104,501
Trade and Other Payables	6	1,874,718
Bond Coupon Payable		230,533
Current Tax Payables		112,196
		<u>2,321,948</u>
<b>Total Liabilities</b>		<u>10,616,173</u>
<b>Total Equity and Liabilities</b>		<u><u>14,106,406</u></u>

The interim financial statements on pages 3 to 11 were approved by the board of directors on 30 August 2022 and were signed on its behalf by:

  
Mr. Dino Fino  
Executive Director

  
Mr. Benjamin Muscat  
Chairman and Non-Executive Director

**DINO FINO FINANCE P.L.C.****CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 30 JUNE 2022****Group**

	<b>Share Capital €</b>	<b>Retained Earnings €</b>	<b>Total €</b>
Balance as at 1 January 2021	-	-	-
Issuance of Share Capital	3,620,000	-	-
Comprehensive income for the period	-	200,893	200,893
	<hr/>	<hr/>	<hr/>
<b>Balance as at 31 December 2021 (Unaudited)</b>	<b>3,620,000</b>	<b>200,893</b>	<b>200,893</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Balance as at 1 January 2022	3,620,000	200,893	3,820,893
Comprehensive Income/(Loss) for the period	-	(330,660)	(330,660)
	<hr/>	<hr/>	<hr/>
<b>Balance as at 30 June 2022 (Unaudited)</b>	<b>3,620,000</b>	<b>(129,767)</b>	<b>3,490,233</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE PERIOD ENDED 30 JUNE 2022**

	Note	01-Jan-22 to 30-Jun-22 (Unaudited) €
<b>Cash flows from operating activities</b>		
Operating Loss for the period		(330,659)
Adjustment for:		
Depreciation of plant and machinery		110,194
Amortisation		3,056
Finance Cost		186,450
		<hr/>
Operating profit and loss before working capital		<b>(30,959)</b>
<i>Movement in Working Capital</i>		
Movement in inventories		39,277
Movement in trade and other receivables		(1,221,489)
Movement in trade and other payables		727,918
		<hr/>
Cash used in operations		(485,253)
Finance Cost		(152,968)
		<hr/>
<b>Net cash used in operating activities</b>		<b>(638,221)</b>
<b>Cash flows from investing activities</b>		
Purchase of Fixed assets & IP		(7,414,673)
Recharge of bond issue costs to DFO		(69,825)
		<hr/>
<b>Net cash used in investing activities</b>		<b>(7,484,498)</b>
<b>Cash flows from financing activities</b>		
Proceeds from bond issue		7,800,000
Payments of amounts due to Dino Fino Group Ltd		(999,559)
Repayment of Shareholders' Loan		(86,176)
Proceeds from Bank Loan		488,332
		<hr/>
<b>Net cash generated from financing activities</b>		<b>7,202,597</b>
<b>Net increase in cash and cash equivalents</b>		
Cash and cash equivalents at the beginning of the period		2,621,432
		<hr/>
<b>Cash and cash equivalents at the end of period</b>	<b>5</b>	<b><u>1,701,310</u></b>

**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 JUNE 2022**
**1. Property, Plant and Equipment**
**Group**

	Cost as at 01.01.22 €	Accumulated Depreciation as at 01.01.22 €	Net Book Value as at 01.01.22 €	Additions / (Disposals) for the period €	Depreciation Charge for the Period €	Closing Net Book Value as at 30.06.22 €
Immovable Property	5,297,900	(8,830)	5,289,070	-	(52,979)	<b>5,236,091</b>
Furniture & Fittings	291,095	(86,994)	204,101	39,680	(16,375)	<b>227,406</b>
Other Equipment	36,888	(9,138)	27,750	4,493	(1,936)	<b>30,307</b>
Computer Software & Electronic Equipment	96,863	(76,234)	20,629	8,329	(7,733)	<b>21,225</b>
Motor Vehicle	6,500	(5,200)	1,300	-	(650)	<b>650</b>
Improvement to Premises	40,421	(9,187)	31,234	991	(2,071)	<b>30,154</b>
Electrical & Plumbing Installations	168,554	(68,200)	100,354	46,191	(16,106)	<b>130,439</b>
Air Conditioner	41,951	(41,526)	425	16,864	(9,921)	<b>7,368</b>
Office Equipment	19,161	(7,760)	11,401	225	(2,423)	<b>9,203</b>
	<b>5,999,333</b>	<b>(313,069)</b>	<b>5,686,264</b>	<b>116,773</b>	<b>(110,194)</b>	<b>5,692,845</b>

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**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS - continued**  
**FOR THE PERIOD ENDED 30 JUNE 2022**
**2. Deferred Tax Asset**

The measurement in the deferred tax asset is as follows:-

	<b>30.06.22</b>
	€
At the beginning of the period	43,328
Credited/(Charged) to profit or loss	-
At the end of the period	<b>43,328</b>

**3. Inventories**

	<b>30.06.22</b>
	€
Furniture and Fittings on Display	461,167

**4. Trade and Other Receivables**

	<b>30.06.22</b>
	€
Trade Receivables	805,459
Accrued Income (*)	2,160,346
Other Receivables	1,391
Related Party Balances (**)	999,559
	<b>3,966,755</b>

(\*) The Accrued Income represents a calculation of the value of sales orders that have been confirmed in line with the requirements of IFRS 15.

(\*\*) The amounts owed by related companies to the Group include a loan of €50,000 repayable at €1,296 per month, to be repaid within 10 years. Interest charged amounts to 5% per annum.

It is to be noted that an intragroup loan owed by Dino Fino Operations Ltd to the Company amounting to €1,269,000, is netted on a consolidated level. This loan bears an interest of 5.25% per annum and is repayable by 1 November 2033.

**5. Cash at Bank and in Hand**

	<b>30.06.22</b>
	€
Total Cash and Cash Equivalents	1,701,310

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**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS - continued**  
**FOR THE PERIOD ENDED 30 JUNE 2022**

**6. Trade and Other Payables**

	<b>30.06.22</b>
	<b>€</b>
Trade & Other Payables	1,121,704
Accrued Expenses	5,631
Indirect Taxation	379,630
Short-Term Indirect Taxation (Deferral Scheme)	27,598
Prepaid Income	340,155
	<hr/>
	<b>1,874,718</b>
	<hr/> <hr/>

**7. Revenue**

	<b>01.01.22</b>
	<b>to</b>
	<b>30.06.22</b>
	<b>€</b>
Retail Revenue	<hr/> <b>2,350,478</b> <hr/>

**8. Cost of Sales**

Cost of sales for the period under review amounted to € 1,889,768. Such expenses included costs relating to retail purchases amounting to € 1,427,671, net of closing stock movement, freight costs amounting to € 116,056 and direct costs amounting to € 346,041.

**9. Administrative Expenses**

Administrative expenses for the period under review amounted to € 492,270.

**10. Finance Cost**

	<b>01.01.22</b>
	<b>to</b>
	<b>30.06.22</b>
	<b>€</b>
Interest Payable to Bond Holders for the Period	<hr/> <b>186,450</b> <hr/>

**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS - continued  
FOR THE PERIOD ENDED 30 JUNE 2022**

**11. Borrowings**

On 30 September 2021, the Company published a prospectus for the issue of € 7,800,000 4.75% Secured Bonds having a nominal value of € 100 each. The Bonds were issued in one tranche of € 7,800,000 on 19 November 2021 and were fully subscribed. The bond issue was admitted to the Official List of the Malta Stock Exchange plc with effect from 21 November 2021. Trading on the bond issue commenced on November 2021.

The bonds are redeemable at par on 19 November 2033. Interest on the bond issued is payable annually in arrears on 19 November.

**12. Financial Risk Management**

The Company's financial risk management objectives and policies are consistent with those to be disclosed in the financial statements for the year ending 31 December 2021.

**13. Contingent Liabilities**

No events occurred since 31 December 2021 that require disclosure of any contingent liabilities as at 30 June 2022.