

YACHT LIFT MALTA P.L.C.  
(GROUP ACCOUNTS)

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
For the period 1 October 2020 to 31 March 2021

YACHT LIFT MALTA P.L.C. – CONSOLIDATED ACCOUNTS

**Holding Company Information**

<b>Directors :</b>	Mr Giuseppe Farrugia Mr Ivan Fsadni Capt Daniel Gatt Dr Stefan Sant
<b>Secretaries :</b>	Ms Katia Cachia (resigned on 12 March 2021) Ms Deborah Anne Chappell (appointed on 12 March 2021)
<b>Company number:</b>	C 78281
<b>Registered office:</b>	129-130 Ta Xbiex Seafront Ta Xbiex XBX 1028
<b>Auditors:</b>	KSi Malta 6, Villa Gauci Mdina Road Balzan BZN 9031
<b>Banker :</b>	Bank of Valletta PLC Triq Gorg Borg Olivier Mellieha

# YACHT LIFT MALTA P.L.C. – CONSOLIDATED ACCOUNTS

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**Interim Directors' Report**

For the period 1 October 2020 to 31 March 2021

The directors present their report and the condensed interim consolidated accounts for the period 1 October 2020 to 31 March 2021.

***Principal activity***

Yacht Lift Malta P.L.C. (the 'Group') together with its subsidiaries, are involved in the services relating to the yachting industry. The primary objective of the Parent Company is to act as a finance and investment company while the subsidiary company primary objective is to provide services relating to the shipping industry.

***Financial Risk Management***

The Group's activities potentially expose it to a variety of financial risks: liquidity risk and credit risk. The Group's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Board provides principles for overall risk management, as well as policies covering risks referred to above and specific areas such as investment of excess liquidity. The Group did not make use of derivative financial instruments to hedge certain risk exposures during the current and preceding financial years.

(a) Credit risk

The Group has no significant concentrations of credit risk. It has policies in place to ensure that services are made to customers with an appropriate credit history.

(b) Liquidity risk

The Group is exposed to liquidity risk in relation to meeting future obligations associated with its financial liabilities, which comprise principally interest-bearing borrowings and trade and other payables. Prudent liquidity risk management includes maintaining sufficient cash to ensure the availability of an adequate amount of funding to meet the Group's obligations and ensuring that alternative funding is available when the bonds are due for repayment.

***Review of business***

During the period under review the Group registered a loss after taxation of € 275,525. The Company issued € 2,000,000 5.5% secured callable Bonds having a nominal value of €100 each. These funds were used to finance the purchase and installation of a floating dry dock platform known as 'Yacht Lift' situated at Marina Di Valletta Pieta.

Due to the Covid19 outbreak, the Group is closely monitoring the possible impact on its operations and financial performance. In fact, the directors took the BOV Malta Development Bank COVID-19 Assist Scheme to ensure that the Group has sufficient liquidity to honour its commitments towards its bondholders.

**Interim Directors' Report (continued)**

For the period 1 October 2020 to 31 March 2021

***Dividends and reserves***

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

***Directors***

The following have served as directors of the holding company during the period under review:

Mr Giuseppe Farrugia  
Mr Ivan Fsadni  
Capt Daniel Gatt  
Dr Stefan Sant

Approved by the board of directors and signed on its behalf by:



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Mr Giuseppe Farrugia  
Director



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Capt Daniel Gatt  
Director

28 May 2021

**Statement pursuant to prospectus rule 4.11.12**

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 Group as at 31 March 2021, 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 the Prospects Rules.

ON BEHALF OF THE BOARD



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Mr Giuseppe Farrugia  
Director



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Capt Daniel Gatt  
Director

28 May 2021

YACHT LIFT MALTA P.L.C. – CONSOLIDATED ACCOUNTS

**Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income**

	Note	Period Oct 20 – March 21 (unaudited) €	Period Oct 19 – March 20 (unaudited) €
<b>Revenue</b>	4	20,814	-
Cost of sales		(19,081)	-
<b>Gross profit</b>		1,733	-
Administration expenses		(259,413)	(144,411)
Finance costs		(69,990)	(76,177)
<b>Loss before tax</b>		(327,670)	(220,558)
Income tax		96,120	-
<b>Loss for the period</b>		(231,550)	(220,558)
<b>Other comprehensive income for the period, net of income tax</b>		-	-
<b>Total comprehensive expense for the period</b>		(231,550)	(220,558)

YACHT LIFT MALTA P.L.C. – CONSOLIDATED ACCOUNTS  
**Condensed Interim Consolidated Balance Sheet**

	Notes	As at 31 March 2021 (unaudited) €	As at 30 September 2020 (audited) €
<b>Assets</b>			
Property, plant and equipment	5	1,525,546	1,380,858
Investment in subsidiaries	6	-	-
Deferred tax assets		143,583	47,463
		<hr/>	<hr/>
<b>Total non-current assets</b>		1,669,129	1,428,321
		<hr/>	<hr/>
Trade and other receivables		163,815	271,190
Cash and bank balances		15,114	70,064
		<hr/>	<hr/>
<b>Total current assets</b>		178,929	341,254
		<hr/>	<hr/>
<b>Total assets</b>		1,848,058	1,769,575
		<hr/>	<hr/>
<b>Liabilities</b>			
Borrowings	7	2,016,487	2,015,809
		<hr/>	<hr/>
<b>Total non-current liabilities</b>		2,016,487	2,015,809
		<hr/>	<hr/>
Borrowings	7	215,799	19,966
Trade and other payables	8	283,092	169,573
Current tax liabilities		1,671	1,671
		<hr/>	<hr/>
<b>Total current liabilities</b>		500,562	191,210
		<hr/>	<hr/>
<b>Total liabilities</b>		2,517,049	2,207,019
		<hr/>	<hr/>
<b>Net liabilities</b>		(668,991)	(437,444)
		<hr/>	<hr/>



YACHT LIFT MALTA P.L.C. – CONSOLIDATED ACCOUNTS  
**Condensed Interim Consolidated Balance Sheet (continued)**

	As at 31 March 2021 (unaudited) €	As at 30 September 2020 (audited) €
<b>Equity</b>		
Share capital	100,000	100,000
Retained earnings	(759,253)	(531,606)
	<hr/>	<hr/>
Equity attributable to owners of the Group	(659,253)	(431,606)
Non-controlling interest	(9,738)	(5,838)
	<hr/>	<hr/>
<b>Total deficiency</b>	<b>(668,991)</b>	<b>(437,444)</b>
	<hr/>	<hr/>

The condensed interim consolidated financial statements on pages 4 to 12 were approved and authorised for issue by the board of directors on 28 May 2021 and were signed on its behalf by:



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 Mr Giuseppe Farrugia  
 Director



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 Capt Daniel Gatt  
 Director

YACHT LIFT MALTA P.L.C. – CONSOLIDATED ACCOUNTS

**Condensed Interim Consolidated Statement of Changes in Equity**

**Group**

	Issued capital €	Retained earnings €	Non- controlling interest €	Total €
<b>Changes in equity for 2020</b>				
Balance at 1 October 2019	100,000	(18,203)	-	81,797
Loss for the period	-	(218,915)	(1,671)	(220,586)
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Balance at 31 March 2020</b>	<b>100,000</b>	<b>(237,118)</b>	<b>(1,671)</b>	<b>(138,789)</b>
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Changes in equity for 2021</b>				
Balance at 1 October 2020	100,000	(531,606)	(5,835)	(437,441)
Loss for the period	-	(227,647)	(3,903)	(231,550)
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Balance at 31 March 2021</b>	<b>100,000</b>	<b>(759,253)</b>	<b>(9,738)</b>	<b>(668,991)</b>
	<hr/>	<hr/>	<hr/>	<hr/>

YACHT LIFT MALTA P.L.C. – CONSOLIDATED ACCOUNTS  
**Condensed Interim Consolidated Statement of Cash Flows**

	Period Oct 20 – March 21 (unaudited) €	Period Oct 19 – March 20 (unaudited) €
Net cash (used in)/generated from operating activities	(86,588)	2,324,871
Net cash used in investing activities	(211,995)	(1,162,658)
Net cash (used in)/generated from financing activities	243,633	(1,097,853)
	<hr/>	<hr/>
Net movement in cash and cash equivalents	(54,950)	64,360
Cash and cash equivalents at beginning of period	70,064	(29,328)
	<hr/>	<hr/>
<b>Cash and cash equivalents at end of the period</b>	<b>15,114</b>	<b>35,032</b>
	<hr/>	<hr/>

**Notes to the Condensed Consolidated Interim Financial Statements**

For the period 1 October 2020 to 31 March 2021

**1 GENERAL INFORMATION**

Yacht Lift Malta P.L.C (Parent Company) is a limited liability company domiciled and incorporated in Malta. The Condensed Consolidated Financial Statements for the six months ended 31 March 2021, comprise the Company and its subsidiaries.

**2 ACCOUNTING POLICIES**

The principal accounting policies applied in the preparation of these Condensed Interim Consolidated Financial Statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

**2.1 New and Revised Standards**

**2.1.1 Summary of Significant Accounting Policies**

The accounting policies are consistent with those of the annual financial statements for the year ended 30 September 2020 as described in those financial statements.

**2.1.2 Standards, Interpretations and amendments to published standards effective in 2020**

During 2020, The Group has adopted revised standards, amendments and interpretations to existing standards that are mandatory for the Group's accounting period beginning on 1 October 2020.

The adoption of these revisions to the requirements of IFRSs as adopted by the EU did not result in changes to the Group's accounting policies.

**2.1.3 Standards interpretations and amendments to published standards that are not yet effective.**

Certain new standards, amendments and interpretations to existing standards have been published by the date of authorisation for the issue of these Condensed Interim Financial Statements that are mandatory for the Group's accounting periods beginning after 1 October 2020. The Group has not early adopted these revisions to the requirements of IFRSs as adopted by the EU and the Group's directors are of the opinion that, with the exception of the below pronouncements, there are no requirements that will have a possible significant impact on the Group's financial statements in the period of initial application.

**Notes to the Condensed Consolidated Interim Financial Statements (continued)**

For the period 1 October 2020 to 31 March 2021

**2 ACCOUNTING POLICIES (continued)**

**2.2 Basis of Preparation**

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU and comply with the Companies Act, 1995. These financial statements have been prepared under the historical cost convention, except for those assets and liabilities that are measured at fair value.

These preparation of financial statements in conformity with IFRSs as adopted by the EU requires the use of certain accounting estimates. It also requires directors to exercise their judgement in the process of applying the Group's accounting policies. Estimates and judgements are continually evaluated and based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances.

In the opinion of the directors, the accounting estimates and judgements made in the course of preparing these financial statements are not difficult, subjective or complex to a degree which would warrant their description as critical in terms of the requirements of IAS 1.

**3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

In the application of the Group's accounting policies, the directors of the Group are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only the period, or in the period of the revision and future periods if the revision affects both current and future periods.

**3.1 Deferred taxation on investment properties**

For the purpose of measuring deferred tax liabilities arising from investment properties that are measured using the fair value model, the directors have reviewed the Group's investment property portfolios and concluded that the Group's investment properties are held for capital accretion and achieve rental income. Deferred tax was calculated according to the applicable tax rate on the fair value of property.

**Notes to the Condensed Consolidated Interim Financial Statements (continued)**

For the period 1 October 2020 to 31 March 2021

**4 REVENUE**

The following is an analysis of the Group's revenue for the period.

	Period Oct 20 – March 21 (unaudited)	Period Oct 19 – March 20 (unaudited)
Turnover	€ 20,814	€ -

**5 PROPERTY, PLANT AND EQUIPMENT**

The Group acquired items of property, plant and equipment amounting to € 211,995 during the period from 1 October 2020 to 31 March 2021.

**6 INVESTMENTS IN SUBSIDIARIES**

Details of the Yacht Lift Malta P.L.C. subsidiaries at the end of the reporting period are as follows:

Name of subsidiary	Proportion of ownership interest and voting power held	
	2021	2020
Yacht Lift Malta Operations Limited	98%	98%

**7 BORROWINGS****7.1 Summary of borrowing arrangements**Bond loan

The Group issued 20,000 secured callable bonds having a face value of € 100 each totalling to € 2,000,000. These bonds have an interest rate of 5.5% per annum, payable annually in arrears on 12 September. The Bonds are repayable in full upon maturity on 13 September 2025.

These funds were used to finance the purchase and installation of the floating dry dock platform known as "Yacht Lift" in Marina Di Valletta.

**Notes to the Condensed Consolidated Interim Financial Statements (continued)**

For the period 1 October 2020 to 31 March 2021

**7 BORROWINGS (continued)**

**7.1 Summary of borrowing arrangements (continued)**

Finance lease:

The Company leases properties with a carrying amount of € 42,922 under finance leases.

Bank loan

The bank loan facilities are secured by general and special hypothec over the Group's assets and by guarantees of the directors and related parties. The average interest rate on the bank loan is 2.5%.

**8 TRADE AND OTHER PAYABLES**

The Group has financial risk management policies in place to ensure that all payables are paid within the agreed credit terms.

**9 RELATED PARTY TRANSACTIONS**

Balances and transactions between the Company and its subsidiaries, which are related parties of the Group, have been eliminated on consolidation and are not disclosed in this note.

**10 CONTINGENT LIABILITIES**

No events occurred since 30 September 2020 that require disclosure of any contingent liabilities as at 31 March 2021.