

The following is a Company Announcement issued by Endo Finance p.l.c., a company registered under the laws of Malta with company registration number C 89481 and having its registered office at 10, Timber Wharf, Marsa MRS 1443, Malta (hereinafter the “Company”), pursuant to the Listing Rules issued by the Listing Authority.

**Quote**

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

The Company announces that during a meeting of its Board of Directors held today, the 17<sup>th</sup> August 2020, the Company’s half-yearly financial report and unaudited financial statements for the six-month financial period ended 30<sup>th</sup> June 2020 were approved.

Copies of the aforesaid half-yearly unaudited financial statements, as approved, are available for viewing below as an attachment to this announcement and at the Company’s registered office, and are also available for download from the Company’s website: <https://www.endofinance.com/>.

It is further announced that unaudited half-yearly financial statements of each of International Fender Providers Ltd (C 69877) [hereinafter ‘IFP Malta’], IFP International Fender Providers Limited (a company registered under the laws of Cyprus with registration number HE 348221) [hereinafter ‘IFP Cyprus’] and Endo Properties Ltd (C 13033) [hereinafter ‘EPL’, formerly P & C Limited], the joint and several guarantors of the €13,500,000 4.5% Unsecured Bonds 2029 of a nominal value of €50,000 per Bond issued at par by the Company pursuant to and in terms of the Prospectus dated 6<sup>th</sup> March 2019, in each case for the financial periods ended 30<sup>th</sup> June 2020, have been approved by virtue of resolutions in writing signed by all of the directors of each of IFP Malta, IFP Cyprus and EPL, respectively, on 17<sup>th</sup> August 2020.

Furthermore, the Company is informed that the unaudited consolidated half-yearly financial statements of Endo Ventures Ltd (C 86730) for the financial period ended 30<sup>th</sup> June 2020 were approved by virtue of a resolution in writing signed by all of the directors of Endo Ventures Ltd on 17<sup>th</sup> August 2020. Endo Ventures Ltd is the parent company of the Endo Group and its direct and indirect subsidiaries include, amongst others, the Company, IFP Malta, IFP Cyprus and EPL.

Copies of the aforesaid unaudited half-yearly financial statements in respect of each of IFP Malta, IFP Cyprus, EPL and Endo Ventures Ltd are available for viewing and download from the Company’s website: <https://www.endofinance.com/>.

**Unquote**



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Dr Luca Vella  
Company Secretary  
17<sup>th</sup> August 2020

**ENDO FINANCE P.L.C.**

Unaudited Condensed Interim Financial  
Statements and Directors' Report

For the period ended 30 June 2020

## **ENDO FINANCE P.L.C.**

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**Directors' Report pursuant to Listing Rule 5.75.2**

This report is published in terms of Chapter 5 of the Listing Rules of The Listing Authority, Malta Financial Services Authority and the Prevention of Financial Markets Abuse Act 2005.

The condensed interim financial statement figures have been extracted from the unaudited accounts of Endo Finance p.l.c. (the 'Company') for the six months ended 30 June 2020 and for its comparative period in 2019 (unaudited). The comparative statement of financial position has been extracted from the audited financial statements as at 31 December 2019. These condensed interim financial statements have been prepared in accordance with accounting standards adopted for use in the EU for interim financial statements (EU adopted IAS 34 - Interim Financial Reporting). These condensed interim financial statements were approved by the Board of Directors on 17 August 2020. In terms of Listing Rule 5.75.5, the directors state that this half-yearly financial report has not been audited or reviewed by the Company's independent auditors.

**Principal activities**

Endo Finance p.l.c. (the 'Company') was incorporated on 20 November 2018. The Company was formed principally to act as a finance and investment company, in particular the financing of companies within the Endo Group.

The Endo Group is composed of Endo Ventures Ltd (C 86730) as the parent company and its direct and indirect subsidiaries, including the Company, International Fender Providers Ltd (C 69877), IFP International Fender Providers Limited (a company registered under the laws of Cyprus with company registration number HE 348221), Endo Properties Limited (C 13033), Endo Tankers Ltd (C 88663), Intership Management Ltd (C 74524), Endo One Maritime Ltd (C 88665), Endo Two Maritime Ltd (C 88666), Endo Three Maritime Ltd (C 88674), Endo Headwind Maritime Ltd (C 93341), Endo Tailwind Maritime Ltd (C 93340) and any other subsidiary and associated company or entity, in which the Company has a controlling interest, which entities are involved, amongst other activities, in the business of acquiring, financing, managing and chartering commercial vessels.

**Performance review**

The Company's operating income is mainly derived from interest income from related parties within the Endo Group. Investment income for the six-month period ended 30 June 2020 amounted to €387,457 (2019: €192,637), while Finance costs amounted to €322,876 (2019: €157,597).

Comparison with prior year needs to be taken into the context that the Company's operations did not commence from the beginning of the year in 2019, and only started after the bond issue.

During the six-month period, the Company's profit before taxation amounted to €18,227 (2019: Loss of €8,855).

Total equity as at period-end amounted to €261,718 (31 December 2019: €259,354), reflecting an increase in retained earnings over 2019.

The Company's activities are expected to remain consistent for the foreseeable future.

**ENDO FINANCE P.L.C.**

**Directors' Report pursuant to Listing Rule 5.75.2**

**Dividend and reserves**

The Board of Directors has resolved that no dividends are declared upon the issue of the results for the six-month period ended 30 June 2020.

Approved by the Board of Directors on 17 August 2020 and signed on its behalf by:



Mr Christopher Frendo  
Director



Mr Nicholas Frendo  
Director

**ENDO FINANCE P.L.C.****Condensed Statement of Profit or Loss and Other Comprehensive Income**

For the period ended 30 June 2020

|   | Six months<br>ended<br>30.06.2020<br>Unaudited<br>€ | Six months<br>ended<br>30.06.2019<br>Unaudited<br>€ |
|---|---|---|
| Investment Income                                   | 387,457   | 192,637   |
| Finance costs                                       | (322,876)   | (157,597)   |
| Gross profit  | 64,581  | 35,040  |
| Administrative expenses                             | (46,354)  | (43,895)  |
| Profit/(loss) before taxation                       | 18,227  | (8,855)   |
| Income tax  | (15,863)  | (3,946)   |
| Profit/(loss) for the period                        | 2,364   | (12,801)  |
| Other comprehensive income                          | -   | -   |
| Total comprehensive income/(loss)<br>for the period | 2,364   | (12,801)  |

The notes on pages 8 to 10 form an integral part of these condensed interim financial statements.




**ENDO FINANCE P.L.C.****Condensed Statement of Financial Position**

At 30 June 2020

|                                    | As at<br>30.06.2020<br>Unaudited<br>€ | As at<br>31.12.2019<br>Audited<br>€ |
|------------------------------------|---------------------------------------|-------------------------------------|
| <b>ASSETS</b>                      |                                       |                                     |
| <i>Non-current assets</i>          |                                       |                                     |
| Intangible assets                  | 3,016                                 | 3,193                               |
| Financial assets at amortised cost | 11,953,826                            | 11,953,826                          |
|                                    | <u>11,956,842</u>                     | <u>11,957,019</u>                   |
| <i>Current assets</i>              |                                       |                                     |
| Trade and other receivables        | 327,091                               | 630,590                             |
| Cash and cash equivalents          | 1,439,042                             | 1,394,595                           |
|                                    | <u>1,766,133</u>                      | <u>2,025,185</u>                    |
| Total assets                       | <u>13,722,975</u>                     | <u>13,982,204</u>                   |
| <b>EQUITY AND LIABILITIES</b>      |                                       |                                     |
| <i>Capital and reserves</i>        |                                       |                                     |
| Called up issued share capital     | 250,000                               | 250,000                             |
| Retained earnings                  | 11,718                                | 9,354                               |
| Total equity                       | <u>261,718</u>                        | <u>259,354</u>                      |
| <i>Non-current liabilities</i>     |                                       |                                     |
| Debt securities in issue           | 13,199,858                            | 13,199,858                          |
| <i>Current liabilities</i>         |                                       |                                     |
| Debt securities in issue           | 45,021                                | 30,014                              |
| Trade and other payables           | 171,585                               | 464,048                             |
| Current tax payable                | 44,793                                | 28,930                              |
|                                    | <u>261,399</u>                        | <u>522,992</u>                      |
| Total liabilities                  | <u>13,461,257</u>                     | <u>13,722,850</u>                   |
| Total equity and liabilities       | <u>13,722,975</u>                     | <u>13,982,204</u>                   |

These condensed interim financial statements were approved by the board of directors, authorised for issue on 17 August 2020 and signed on its behalf by:



Mr Christopher Frendo

Director



Mr Nicholas Frendo

Director

The notes on pages 8 to 10 form an integral part of these condensed interim financial statements.

**ENDO FINANCE P.L.C.****Condensed Statement of Changes in Equity**

For the period ended 30 June 2020

Unaudited

|                                   | Called up<br>Issued<br>share capital<br>€ | Retained<br>earnings<br>€ | Total<br>€ |
|-----------------------------------|---|---------------------------|------------|
| At 1 January 2019                 | 250,000                                   | -                         | -          |
| Profit/(loss) for the period      | -   | (12,801)                  | (12,801)   |
| Other comprehensive income        | -   | -                         | -          |
| Total Comprehensive Income/(loss) | -   | (12,801)                  | (12,801)   |
| At 30 June 2019                   | 250,000                                   | (12,801)                  | 237,199    |
| At 1 January 2020                 | 250,000                                   | 9,354                     | 259,354    |
| Profit for the period             | -   | 2,364                     | 2,364      |
| Other comprehensive income        | -   | -                         | -          |
| Total Comprehensive Income        | -   | 2,364                     | 2,364      |
| Issue of share capital            | -   | -                         | -          |
| At 30 June 2020                   | 250,000                                   | 11,718                    | 261,718    |



**ENDO FINANCE P.L.C.****Condensed Statement of Cash Flows**

For the period ended 30 June 2020

|   | Six months<br>ended<br>30.06.2020<br>Unaudited<br>€ | Year<br>ended<br>31.12.2019<br>Audited<br>€ |
|---|---|---|
| <i>Cash flows from operating activities</i>                 |   |   |
| Profit before taxation                                      | 18,227  | 38,285                                      |
| Adjustments for:  |   |   |
| Amortisation  | 177   | 355   |
| Bond issue costs amortisation for the period                | 15,007  | 30,014                                      |
| Capitalisation of bond issue costs                          | -   | (300,142)                                   |
| Interest expense  | 322,876   | 464,159                                     |
| Interest income   | (387,457)   | (584,302)                                   |
| Operating profit before working capital movements           | (31,170)  | (351,631)                                   |
| Movement in trade and other receivables                     | 303,499   | (630,590)                                   |
| Movement in trade and other payables                        | (292,463)   | 464,048                                     |
| Cash flows used in operations                               | (20,134)  | (518,173)                                   |
| Interest paid   | (322,876)   | (464,159)                                   |
| Interest received   | 387,457   | 584,302                                     |
| Taxation paid   | -   | (1)   |
| Net cash generated from / (used in)<br>operating activities | 44,447  | (398,031)                                   |
| <i>Cash flows from investing activities</i>                 |   |   |
| Acquisition of intangible assets                            | -   | (3,548)                                     |
| Movement in loans to related parties                        | -   | (11,953,826)                                |
| Net cash generated from / (used in)<br>investing activities | -   | (11,957,374)                                |
| <i>Cash flows from financing activities</i>                 |   |   |
| Increase in debt securities in issue                        | -   | 13,500,000                                  |
| Issue of share capital                                      | -   | 250,000                                     |
| Net cash generated from / (used in)<br>financing activities | -   | 13,750,000                                  |
| Net movement in cash and cash equivalents                   | 44,447  | 1,394,595                                   |
| Cash and cash equivalents at the<br>beginning of the period | 1,394,595   | -   |
| Cash and cash equivalents at the end<br>of the period/year  | 1,439,042   | 1,394,595                                   |

**Notes to the Condensed Interim Financial Statements**

For the period ended 30 June 2020

**1. General information**

Endo Finance p.l.c. is a limited liability company incorporated in Malta. The Company was principally formed for the financing or re-financing of the funding requirements of related companies within the Endo Group. The company was incorporated on 20 November 2018.

**2. Significant accounting policies**

*Accounting convention and basis of preparation*

These interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the EU, and should be read in conjunction with the Company's last annual financial statements as at and for the year ended 31 December 2019. They do not include all the information required for a complete set of IFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual financial statements as at and for the year ended 31 December 2019.

The accounting policies applied by the Company in these condensed interim financial statements are the same as those applied by the Company in its financial statements as at and for the year ended 31 December 2019.

*New and revised standards that are effective for the current period*

Implementation of IFRS 16

In the current year, the Company applied IFRS 16, 'Leases' that is effective for periods that begin on or after 1 January 2019. IFRS 16, 'Leases' introduces a comprehensive model for the identification of lease arrangements and accounting treatments for both lessors and lessees. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised, with the exception of short-term and low-value leases. IFRS 16 will supersede the current lease guidance of IAS 17 and the related interpretations.

The adoption of IFRS 16 has not had an impact on the financial position and financial performance of the Company.

*New and revised standards that are issued but not yet effective*

Amendments to IAS 1 and IAS 8 Definition of material

The amendments are intended to make the definition of material in IAS 1 easier to understand and are not intended to alter the underlying concept of materiality in IFRS Standards. The concept of 'obscuring' material information with immaterial information has been included as part of the new definition. The threshold for materiality influencing users has been changed from 'could influence' to 'could reasonably be expected to influence'. The definition of material in IAS 8 has been replaced by a reference to the definition of material in IAS 1. The amendments are applied prospectively for annual periods beginning on or after 1 January 2020, with earlier application permitted.

**Notes to the Condensed Interim Financial Statements**

For the period ended 30 June 2020

**2. Significant accounting policies (continued)**

*New and revised standards that are issued but not yet effective (continued)*

**Amendments to IFRS 3 Definition of a business**

The amendments clarify that while businesses usually have outputs, outputs are not required for an integrated set of activities and assets to qualify as a business. To be considered a business an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs. Additional guidance is provided that helps to determine whether a substantive process has been acquired. The amendments introduce an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business. Under the optional concentration test, the acquired set of activities and assets is not a business if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar assets. The amendments are applied prospectively to all business combinations and asset acquisitions for which the acquisition date is on or after the first annual reporting period beginning on or after 1 January 2020, with early application permitted.

**Amendments to References to the Conceptual Framework in IFRS Standards**

The IASB has also issued Amendments to References to the Conceptual Framework in IFRS Standards. The document contains amendments to IFRS 2, IFRS 3, IFRS 6, IFRS 14, IAS 1, IAS 8, IAS 34, IAS 37, IAS 38, IFRIC 12, IFRIC 19, IFRIC 20, IFRIC 22, and SIC-32.

The directors do not expect that the adoption of the amended Standards will have a material impact on the financial statements of the Company.

*Significant accounting estimates*

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the audited financial statements as at and for the year ended 31 December 2019.

**3. Related parties**

The parent and ultimate parent company of Endo Finance p.l.c. is Endo Ventures Ltd, which is incorporated in Malta. The individual condensed interim financial statements of the Company are incorporated in the group condensed consolidated interim financial statements of Endo Ventures Ltd, the registered address of which is 10, Timber Wharf, Marsa, MRS 1443, Malta. No individual controls the majority of the voting rights of the ultimate parent company.



## **ENDO FINANCE P.L.C.**

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

For the period ended 30 June 2020

#### **4. Contingent liabilities**

There were no major changes in the contingencies of the Company from those disclosed in the audited financial statements of the Company for the year ended 31 December 2019.

#### **5. Events after the reporting period**

There were no material events which occurred subsequent to the date of the condensed interim statement of financial position.

**Statement pursuant to Listing Rule 5.75.3 issued by the Listing Authority**

We 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 2020, as well as of the financial performance and cash flows for the six-month period then ended, fully in compliance with the accounting standards adopted for use in the EU for interim financial statements (EU adopted IAS 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.



Mr Christopher Frendo  
Director



Mr Nicholas Frendo  
Director

17 August 2020