ENDO FINANCE P.L.C.

Unaudited Condensed Interim Financial Statements and Directors' Report

For the period ended 30 June 2023

Contents

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Directors' Report pursuant to Capital Markets Rule 5.75.2

This report is published in terms of Chapter 5 of the Capital Markets Rules issued by the Malta Financial Services Authority.

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 2023 and for its comparative period in 2022 (unaudited). The comparative statement of financial position has been extracted from the audited financial statements as at 31 December 2022. 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 22 August 2023. In terms of Capital Markets 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 of Companies.

The Endo Group of Companies 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), 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 Levante Maritime Ltd (C 93341), Endo Tailwind Maritime Ltd (C 93340), Endo Gregale Maritime Ltd (C 104645), (Endo Sirocco Maritime Ltd (a company registered under the laws of Cyprus with company registration number HE 419463), 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 of Companies. Investment income for the six-month period ended 30 June 2023 amounted to € 637,326 (2022: € 360,142), while Finance costs amounted to € 559,304 (2022: € 303,750). Administrative expenses amounted to € 57,860 (2022: € 42,345).

During the six-month period, the Company's profit before taxation amounted to €20,162 (2022 profit before tax for the period amounted to € 14,047).

Total equity as at period-end amounted to €281,669 (31 December 2022: €276,446), reflecting an increase in retained earnings over 2022.

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

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Directors' Report pursuant to Capital Markets Rule 5.75.2

Financial key performance indicators

	Period ended 30.06.2023 €	Period ended 30.06.2022 €
Investment Income	637,326	360,142
Finance costs	559,304	303,750
Net profit after tax	5,223	1,391

	As at 30.06.2023 €	As at 31.12.2022 €
Total equity	281,669	276,446

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 2023.

Approved by the Board of Directors on 22 August 2023 and signed on its behalf by:

Mr Christopher Frendo

Director

Mr Nicholas Frendo

Director

Condensed Statement of Comprehensive Income

For the period ended 30 June 2023

	Six months ended 30.06.2023 Unaudited €	Six months ended 30.06.2022 Unaudited €
Investment Income	637,326	360,142
Finance costs	(559,304)	(303,750)
Gross profit	78,022	56,392
Administrative expenses	(57,860)	(42,345)
Profit/(loss) before taxation	20,162	14,047
Income tax	(14,939)	(12,656)
Profit/(loss) for the period	5,223	1,391
Other comprehensive income	-	-
Total comprehensive income/(loss) for the period	5,223	1,391

The notes on pages 8 to 9 form an integral part of these condensed interim financial statements.

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Condensed Statement of Financial Position

At 30 June 2023

	As at 30.06.2023 Unaudited €	As at 31.12.2022 Audited €
ASSETS		
Non-current assets		
Intangible assets	5,774	6,221
Financial assets at amortised cost	17,098,685	17,251,298
	17,104,459	17,257,519
Current assets		
Loans to related companies	277,219	254,882
Trade and other receivables	639,208	778,514
Cash and cash equivalents	5,258,743	4,696,892
	6,175,170	5,730,288
Total assets	23,279,629	22,987,807
EQUITY AND LIABILITIES		
Capital and reserves		
Called up issued share capital	250,000	250,000
Retained earnings	31,669	26,446
Total equity	281,669	276,446
Non-current liabilities		
Debt securities in issue	18,004,922	17,974,914
Borrowings	4,317,020	3,887,200
	22,321,942	21,862,114
Current liabilities		
Borrowings	311,314	279,721
Trade and other payables	351,251	565,391
Current tax payable	13,453	4,135
	676,018	849,247
Total liabilities	22,997,960	22,711,361
Total equity and liabilities	23,279,629	22,987,807

These condensed interim financial statements were approved by the board of directors, authorised for issue on 22 August 2023 and signed on its behalf by:

Mr Christopher Frendo

Director

Mr Nicholas Frendo

Director

The notes on pages 8 to 9 form an integral part of these condensed interim financial statements.

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Condensed Statement of Changes in Equity
For the period ended 30 June 2023

Unaudited

	Called up Issued share capital €	Retained earnings €	Total €
At 1 January 2022	250,000	24,840	274,840
Profit/(loss) for the period	-	1,391	1,391
Other comprehensive income	-	-	-
Total Comprehensive Income/(loss)	-	1,391	1,391
At 30 June 2022	250,000	26,231	276,231
At 1 January 2023	250,000	26,446	276,446
Profit for the period	-	5,223	5,223
Other comprehensive income	-	-	-
Total Comprehensive Income	-	5,223	5,223
Issue of share capital	-	-	-
At 30 June 2023	250,000	31,669	281,669

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Condensed Statement of Cash Flows

For the period ended 30 June 2023

	Six months ended 30.06.2023 Unaudited €	Year ended 31.12.2022 Audited €
Cash flows from operating activities		
Profit before taxation	20,162	38,868
Adjustments for:		
Amortisation	447	895
Bond issue costs amortisation for the period	30,007	35,014
Capitalisation of bond issue costs	-	(150,000)
Interest expense	559,304	754,518
Interest income	(637,326)	(905,334)
Operating profit before working capital movements	(27,406)	(226,039)
Movement in trade and other receivables	139,306	(73,192)
Movement in trade and other payables	(214,140)	92,274
Cash flows used in operations	(102,240)	(206,957)
Interest paid	-	-
Interest received	-	-
Taxation paid	(5,620)	(34,201)
Net cash generated from / (used in) operating activities	(107,860)	(241,158)
Cash flows from investing activities		
Acquisition of intangible assets	-	-
Movement in loans to related parties	130,276	(4,182,491)
Interest received on loans to related parties	637,326	905,334
Net cash generated from / (used in) investing activities	767,602	(3,277,157)
Cash flows from financing activities		
Proceeds from issuance of debt securities	-	4,800,000
Movement in bank loans	461,413	4,166,921
Interest paid on bank borrowings	(111,554)	(106,218)
Interest paid on debt securities	(447,750)	(648,300)
Net cash generated from / (used in) financing activities	(97,891)	8,212,403
Net movement in cash and cash equivalents	561,851	4,694,088
Cash and cash equivalents at the beginning of the period	4,696,892	2,804
Cash and cash equivalents at the end of the period/year	5,258,743	4,696,892

1. General information

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 of Companies.

2. Basis of preparation

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 2022. 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 2022.

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 2022.

3. Significant accounting policies

New and revised standards that are effective for the current period

A number of new and revised standards are effective for annual periods beginning on or after 1 January 2022. These and other amendments to IFRSs that became mandatorily effective in 2022 have no material impact on the Company's financial results or position. Accordingly, the Company has made no changes to its accounting policies.

As at the date of authorisation of these condensed interim financial statements, certain new standards, amendments, and interpretations to existing standards have been published by the IASB but are not yet effective and have not been adopted early by the Company.

Management anticipates that all relevant pronouncements will be adopted in the Company's accounting policies for the first period beginning after the effective date of the pronouncement. No new standards, amendments and interpretations are expected to have a material impact on the Company's financial statements.

3. Significant accounting policies (continued)

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 2022.

4. 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.

5. 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 2022.

6. Events after the reporting period

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

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Statement pursuant to Capital Markets Rule 5.75.3 issued by the MFSA

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 2023, 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 the Capital Markets Rules 5.81 to 5.84.

Mr Christopher Frendo

Director

Mr Nicholas Frendo

Director

22 August 2023