



LLF 44

The following is a company announcement issued by Luxury Living Finance plc (the Company) pursuant to Rule 4.11.03 and 4.11.12 of the Prospectus Rules

## QUOTE

*The Company refers to the obligation to which Prospect MTF Companies are subject to in terms of Rule 4.11.03 and Rule 4.11.12 relating to the publication of financial information as defined in Table 1 paragraph 3 and specifically the publication and dissemination via an announcement of Financial Sustainability Forecasts including management assumptions thereon ('FSFs'). The below is a copy of the FSFs as approved by the Board of Directors on 29<sup>th</sup> November 2021 which are based on the following assumptions:*

### Revenues

*The Luxury Living Group's projected revenue for year ending 30 June 2022 is based on the assumption that the Luxury Living Group will continue trading goods related to renewable energy to retail customers, focusing principally on expanding commercial customers the growth of which has been based on historic trends. The projections are based on the assumption that all customers (residential and commercial) will purchase photovoltaic panels through an outright sale.*

*Revenue generated from feed-in-tariffs, arising from photovoltaic farms energised in between FY2018 and FY2021, are based on historical trends.*

*Furthermore, revenue includes the expansion of the Smoochies brand as well as the inauguration of the St. Julian's hostel. Due to the pandemic, works on the St. Julian's hostel were delayed, however, the projections assume that the hostel shall start its operations in the second half of FY2022.*

### Direct costs

*Direct costs relating to the sale of renewable products to retail customers comprise the purchase cost of the products sold and the associated transport cost. The projections have been based on the Luxury Living Group's gross profit margins achieved to date.*

*Direct costs relating to the photovoltaic farms comprise maintenance cost incurred at the rate of €9 per photovoltaic panel installed.*

*Direct costs relating to Smoochies comprise direct costs and direct wages, whilst direct costs relating to the hostel comprise the cost of breakfast, direct wages and commissions paid to online travel agencies.*

### Administrative expenses

*Administrative expenses consist primarily of payroll costs, directors' fees, marketing and distribution fees, rental costs, insurance costs, recurring admission fees, professional fees and other corporate and general overheads. Administrative expenses are based on historical trends.*

*Depreciation is calculated using the straight-line method to allocate the cost of all items comprised within property, plant and equipment less their residual values over their estimated useful lives. The depreciation charge on the photovoltaic panels installed as part of the photovoltaic farms is based on a lease term of twenty years.*

*Amortisation cost is calculated on the value of the Develop and Operate Agreement over its term and also includes the amortisation of the right of use asset.*

### 3.4 Finance costs

Finance costs primarily relate to amounts due on the facilities the Group has with its bankers and the interest on the Bond and unwinding of interest expense in relation to the minimum lease payments.

### 3.5 Taxation

Current taxation is provided at 35% of chargeable income for the period.

### 3.7 Working capital

The Luxury Living Group's working capital mainly comprises the net impact of trade receivables, inventory and trade payables and is based on historical trends.

#### Projected income statement

€'000	FY2022 Projected
Revenue	3,359
Cost of sales	(2,238)
Gross profit	1,121
Total overheads	(523)
EBITDA	598
Depreciation and amortisation	(584)
EBIT	14
Finance costs	(600)
Profit before tax	(586)
Tax for the year	169
<b>(Loss)/Profit after tax</b>	<b>(417)</b>

Projected statement of financial position

30 June 2022

€'000

Projected

Assets	
<b>Non-current assets</b>	
Property, plant and equipment	6,676
Intangible Asset	2,992
Right-of-use-assets	1,793
Trade receivables	434
Deferred tax asset	492
<b>Total non-current assets</b>	<b>12,387</b>
<b>Current assets</b>	
Inventories	1,309
Trade and other receivables	331
Cash and cash equivalents	84
<b>Total current assets</b>	<b>1,724</b>
<b>Total assets</b>	<b>14,111</b>
Equity and liabilities	
<b>Equity</b>	
Share capital	2,931
Retained earnings	(1,185)
<b>Total equity</b>	<b>1,746</b>
Liabilities	
<b>Non-current liabilities</b>	
Borrowings	8,855
Lease liabilities	1,810
<b>Total non-current liabilities</b>	<b>10,665</b>
<b>Current liabilities</b>	
Borrowings	250
Bank overdraft	480
Finance liabilities	119
Trade payables	845
Current tax payable	6
<b>Total current liabilities</b>	<b>1,700</b>
<b>Total liabilities</b>	<b>12,365</b>
<b>Total equity and liabilities</b>	<b>14,111</b>

## Projected statement of cash flows

€'000	FY2022 Projected
Operating activities	
EBITDA	598
Interest paid	(490)
Tax paid	-
Operational cash flows prior to working capital movements	108
<b>Working capital movements</b>	
(Increase) / Decrease in receivables	1,683
(Increase) / Decrease in inventories	748
Increase / (Decrease) in payables	(563)
<b>Net cash flows from operating activities</b>	<b>1,975</b>
Investing activities	
Acquisition of property, plant and equipment	(2,291)
<b>Cash flows used in investing activities</b>	<b>(2,291)</b>
Financing activities	
Movement in bank borrowings	21
Payment of lease liabilities	(234)
<b>Net cash flows from financing activities</b>	<b>(212)</b>
<b>Net change in cash and cash equivalents</b>	<b>(528)</b>
Cash and cash equivalents, beginning of year	132
<b>Cash and cash equivalents, end of year</b>	<b>(396)</b>
Overdraft balance	480
<b>Cash and cash equivalents as per statement of financial position</b>	<b>84</b>

### UNQUOTE



Dr Clarence Busuttil  
Company Secretary  
29 November 2021