

Horizon Finance plc refers to the obligation which Prospects MTF companies are subject to, in terms of Rule 4.11.03 and Rule 4.11.12 relating to the publication of the twelve-month 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 financial projections as presented together with the underlying assumptions, provide a reasonable basis for the issuer’s projections. However, there will usually be differences between projected and actual results because events and circumstances frequently do not occur as expected, and these differences may be material.

The below copy of the FSFs, as approved by the Board of Directors, is based on the following assumptions:

Revenue

Horizon Finance plc revenue for the twelve months ending 31 December 2023 is expected to total €132,500 and is based on income derived from interest charged on the loans advanced to the shareholder and a group company and on interest income derived from the investment in the bond of 4.5% Shoreline Mall plc 2032.

Finance Costs

Finance costs comprise of interest payable on issued bonds at an interest rate of 5% and amortisation of the related issue costs.

Administrative expenses

Administrative expenses consist primarily of directors’ fees, professional fees, and ongoing admission costs. Administrative expenses are based on historical trends and assumed to increase in line with inflation.

Total net profit

Total net profit is projected to amount to €3,364.

Taxation

Income tax is composed of current and deferred tax. Current taxation is provided at 35% of chargeable income for the period.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the forecasts and the corresponding projected tax bases in the computation of taxable profit.

Working capital

The working capital mainly comprises of the net impact of loan and other receivables together with payables and other payables.

€1,700,000 loan receivables are unsecured and bear interest at the rate of 7.25% per annum and repayable by 3 February 2029, with an early repayment option as from 3 February 2026 subject to payment of premium.

€50,000 loan receivables bear interest at the rate of 5% per annum and repayable by 26 August 2023, with an early repayment option as from 27 August 2020 by giving one-month notice.

Other receivables comprise mainly on accrued loan interest income.

Payables include the €2m 5% Secured Bonds 2026-2029. The bond is measured at the amount of the net proceeds adjusted for the amortisation of the difference between the net proceeds and the redemption value of such bond using the effective yield method.

Other payables comprise mainly on the interest expenses payable to the bondholders.

Conclusion

The Directors believe that the assumptions on which the Forecasts are based are reasonable. The Directors further believe that, in the absence of unforeseen circumstances outside their control, the working capital available to the Company will be sufficient for the carrying on of its business.

FINANCIAL SUSTAINABILITY FORECAST

HORIZON FINANCE PLC - C88540								
IT No: 999474727								
Income statement for the years 31st December								
						Audited	Audited	Forecast
						2021	2022	2023
						€	€	€
Finance Income						133,072	132,489	132,500
One-time adjustment Fair Value Adjustment								
Finance Costs						-108,015	(108,479)	(106,410)
Administrative expenses						-21,492	(16,761)	(19,409)
Finance charges						-129	(134)	(130)
(Loss)/profit before tax						3,436	7,115	6,551
Tax income for the year						-2,571	(4,111)	(3,187)
(Loss)/profit for the period						865	3,004	3,364

HORIZON FINANCE PLC - C88540					
IT No: 999474727					
Statement of Financial Position as the years ending:					
			Audited	Audited	Forecast
			2021	2022	2023
			€	€	€
ASSETS					
Non-current assets					
Loans receivable			1,750,000	1,700,000	1,700,000
Other Financial Assets			149,250	146,850	146,850
Deferred Tax			27,686	24,588	21,382
Total non-current assets			1,926,936	1,871,438	1,868,232
Current assets					
Loan receivable				50,000	50,000
Other receivables			105,374	105,434	105,434
Cash and cash equivalents			58,117	73,616	75,622
Total current assets			163,491	229,050	231,056
TOTAL ASSETS			2,090,427	2,100,488	2,099,288
EQUITY AND LIABILITIES					
Equity					
Share capital			46,600	46,600	46,600
Retained Earnings			6,665	9,669	13,033
Total equity			53,265	56,269	51,612
Liabilities					
Non-current liabilities					
Debt securities in issue			1,948,072	1,954,151	1,960,561
Current liabilities					
Other payables			89,090	90,068	87,115
Total liabilities			2,037,162	2,044,219	2,047,676
TOTAL EQUITY AND LIABILITIES			2,090,427	2,100,488	2,099,288

HORIZON FINANCE PLC - C88540						
IT No: 999474727						
Statement of cashflows for the years ending:						
				Audited	Audited	Forecast
				2021	2022	2023
				(12 months)	(12 months)	
				€	€	
Cashflow from operating activities						
(Loss/profit for the year/period				865	3,004	3,364
Tax expense				2,571	4,111	3,187
Loan interest income				(125,934)	(125,750)	(125,750)
Investment income				(7,138)	(6,739)	(6,750)
Change in fair value of financial assets at fair value through profit and loss				2,250	2,400	(3,150)
Bond coupon expense				100,000	100,000	100,000
Amortisation of bond issue costs				5,765	6,079	6,410
Loss from operations				(21,621)	(16,895)	(22,689)
Movement in other receivables				2,498	(70)	-
Movement in other payables				2,184	978	(2,953)
Tax paid				(1,071)	(1,013)	(4,852)
Net cash flows used operating activities				(18,010)	(17,000)	(30,494)
Cashflow from investing activities						
Proceeds from advanced loans						-
Payments to acquire financial assets at fair value through profit and loss						-
Receipt of loan interest				125,750	125,750	125,750
Receipt of Interests from investment securities				7,201	6,749	6,750
Net cash flows used in investing activities				132,951	132,499	132,500
Cashflow from financing activities						
Proceeds from issue of share capital						
Proceeds from issue of bonds						
Payment of bond issue costs						
Payment of bond interest				(100,000)	(100,000)	(100,000)
Net cash provided by financing activities				(100,000)	(100,000)	(100,000)
Net increase/decrease in cash				14,941	15,499	2,006
Net movement in cash and cash equivalents				14,941	15,499	2,006
Cash and cash equivalents at beginning of year/period				43,176	58,117	73,616
Cash and cash equivalents at end of year/period				58,117	73,616	75,622