



LifeStar
Company Announcement

The following is a Company Announcement issued by LifeStar Holding plc (“the Company”) pursuant to the Capital Markets Rules issued by the Malta Financial Services Authority.

Quote

The Company announces that the Board of Directors met today, 06 December 2023, to consider and approve the unaudited Half-Yearly Financial Report of the Company for the six-month period ended 30 June 2023 under the accounting standards IFRS 17 and IFRS 9, having already approved such unaudited Half-Yearly Financial Report under accounting standard IFRS 4, as announced by virtue of a public announcement dated 31 August 2023.

A copy of the approved unaudited Half-Yearly Financial Report for the six-month period ended 30 June 2023 under the accounting standards IFRS 17 and IFRS 9 is herewith attached to this announcement and is also available for viewing on the Company’s website at <https://lifestarholding.com/investor-relations/>.

Unquote

By Order of the Board.

06 December 2023

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LifeStar Insurance plc (C29086) is authorised under the Insurance Business Act, Cap 403 and is regulated by the MFSA. LifeStar Health Ltd (C6393) acts as an insurance agent for Bupa Global DAC under the Insurance Distribution Act, Cap 487 and is regulated by the MFSA. GlobalCapital Financial Management (C30053) is licensed to provide investment services in Malta by the MFSA.



LifeStar Holding plc

Revised Interim Report and Interim Condensed Consolidated Financial Statements (Unaudited) under IFRS 17 and IFRS 9

30 June 2023

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LifeStar Holding plc

Half-Yearly Report for the period ended 30 June 2023

Interim Directors' Report

These interim financial statements have been prepared in accordance with international accounting standards. With respect to LifeStar Insurance plc, these interim financial statements have been prepared in accordance with accounting standards IFRS 17 and IFRS 9. These financial statements have not been audited.

The following financial statements relate to the consolidated position of LifeStar Holding plc (the "Company") and its subsidiaries LifeStar Insurance plc, LifeStar Health Limited and GlobalCapital Financial Management Limited (jointly referred to as the "Group").

The Group registered a profit after tax of €209,984 under the new accounting standards IFRS 17 and IFRS 9, compared to a revised loss for the same period last year of €3,025,877.

The Board of Directors has previously approved the unaudited Half-Yearly Financial Report under accounting standard IFRS 4, as announced by virtue of a public announcement dated 31 August 2023. Such Half-Yearly Financial Report was subsequently revised and updated in accordance with the requirements and terms of accounting standards IFRS 17 and IFRS 9. This has resulted in a change to the profit after tax for the Group from €901,323 reported under the IFRS 4 accounting standard, to a profit after tax for the Group of €209,984 under the IFRS 17 accounting standard. Such change is exclusively due to the different treatment of certain figures between the two accounting standards including in particular the Value of In-Force business of LifeStar Holding, which under the IFRS 4 accounting standard used to be reported onto the face of the profit and loss statement under LifeStar Holding plc. The IFRS 17 accounting standard has eliminated the concept of Value of-in-force Business, resulting in changes to the figures reported within the financial statements. Such change in accounting standards has resulted in a net adverse movement of €613,397 in terms of profit after tax for the Group from the accounting standard IFRS 4 to the accounting standard IFRS 17.

The main contributors to these results for the first six months of the year are:

LifeStar Insurance plc

- LifeStar Insurance plc registered a profit before tax of €646,327 when compared to a revised loss, under IFRS 17, of €2,802,265 during the six month period to 30 June 2022.
- The insurance service result registered a loss of €205,444 when compared to a revised loss of €226,435 for the period ending 30 June 2022.

LifeStar Health Limited

- LifeStar Health Limited registered a profit before tax of €469,229 when compared to €432,382 in the comparative period or an increase of 8.52% year-on-year.
- Commissions earned from normal operations increased by 16.7% when compared to previous period to close off at €652,923.
- Total Commissions receivable increased by 10.4% when compared to the previous period to close off at €1,168,569.
- Total indirect costs decreased by 8.9% over the same period last year.
- Operating profit before depreciation increased by 8.3% when compared to the previous period to close off at €460,240.

GlobalCapital Financial Management Limited


- GlobalCapital Financial Management Limited registered a loss before tax of €83,557 when compared to a loss €293,533 in the comparative period.
- Total revenue has decreased by €105,122 when compared to the previous period last year mainly due to the sale of the retail book which is nearing its total completion.
- Total direct costs have reduced by €89,104 due mainly to the sale of the retail book.
- Total indirect costs have similarly reduced by €77,605 or 22.9% when compared to the same period last year.

The Directors do not recommend the payment of an interim dividend.

By order of the Board



Prof Paolo Catalfamo
Chairman



Joseph C Schembri
Director

06 December 2023



Directors' Statement pursuant to the Capital Markets Rule 5.75.3

Directors' Statement pursuant to the Capital Markets Rule 5.75.3 Issued by the Malta Financial Services Authority

We confirm that to the best of our knowledge:

The condensed interim unaudited financial statements under IFRS 17 and IFRS 9 gives a true and fair view of the assets, liabilities, financial position, and profit of the Group as at 30 June 2023 and of its financial performance and its cashflows for the period ended in accordance with International Financial Reporting Standards as adopted by the EU applicable to Interim Financial Reporting (IAS 34).

The Interim Directors' Report includes a fair review of the information required in terms of Capital Markets Rules 5.81 to 5.84.

Condensed Consolidated Statement of Comprehensive income

for the period ended 30 June 2023
(Unaudited)

| | Group | |
|--|---------------------------------------|---------------------------------------|
| | 01 January to 30 June 2023 | 01 January to 30 June 2022 |
| | (unaudited) | as restated (unaudited) |
| | € | € |
| Insurance revenue | 2,189,901 | 2,789,269 |
| Insurance service expense | (1,736,673) | (2,148,145) |
| Insurance service result from insurance contracts issued | 453,228 | 641,124 |
| Allocation of reinsurance premiums paid | (885,245) | (1,016,967) |
| Amounts recovered from reinsurers | 226,491 | 149,407 |
| Net expense from reinsurance contracts held | (658,755) | (867,559) |
| Insurance service result | (205,527) | (226,435) |
| Net investment income | 3,412,680 | (6,914,459) |
| Insurance finance income/expense from insurance contracts held | (779,248) | 5,460,015 |
| Reinsurance finance income/expense from reinsurance contracts held | 121,926 | (1,127,776) |
| Movement in investment contract liabilities | (568,581) | 234,106 |
| Net financial result | 2,186,777 | (2,348,114) |
| Commission and fees receivable | 936,597 | 859,686 |
| Other Income | 121,966 | 388,206 |
| Other Expenses | (2,681,559) | (1,651,394) |
| Profit / (Loss) for the period before tax | 358,254 | (2,978,052) |
| Tax credit/(expense) | (148,270) | (47,825) |
| Profit / (Loss) for the period | 209,984 | (3,025,877) |
| Total comprehensive profit / (loss) for the period | 209,984 | (3,025,877) |
| Profit / (Loss) per share (cents) | 0c9 | (10c1) |

Condensed Consolidated Statement of Financial Position

at 30 June 2023
(Unaudited)

| | Group | |
|-------------------------------------|--------------------|----------------------------|
| | 30 June 2023 | 31 December 2022 |
| | (unaudited) | as restated (unaudited) |
| | € | € |
| ASSETS | | |
| Intangible assets | 3,343,869 | 2,293,072 |
| Right of use asset | 132,483 | 167,531 |
| Property, plant and equipment | 3,478,896 | 3,496,737 |
| Investment property | 24,097,739 | 24,145,019 |
| Other investments | 96,178,932 | 87,429,200 |
| Deferred tax asset | 458,460 | 1,292,721 |
| Reinsurance contract assets | 1,097,778 | 1,937,057 |
| Taxation receivable | - | 266,895 |
| Prepayments and accrued income | 2,380,813 | 1,969,201 |
| Other receivables | 2,303,470 | 1,385,258 |
| Cash and cash equivalents | 3,348,156 | 6,898,395 |
| Total assets | 136,820,597 | 131,281,086 |
| EQUITY AND LIABILITIES | | |
| Capital and reserves | 18,790,495 | 18,580,511 |
| Insurance contract liabilities | 101,864,041 | 98,627,941 |
| Investment contract liabilities | 5,822,023 | 5,253,441 |
| Interest-bearing borrowings | 4,321,047 | 4,252,441 |
| Lease Liability | 28,736 | 153,875 |
| Taxation payable | 0 | 152,305 |
| Deferred tax liability | 816,003 | 1,650,549 |
| Trade and other payables | 5,178,252 | 2,610,022 |
| Total equity and liabilities | 136,820,597 | 131,281,086 |

These unaudited interim condensed consolidated financial statements have been approved by the Board of Directors on 06 December 2023, and signed on its behalf by:



Prof Paolo Catalfamo
Chairman

06 December 2023



Joseph C Schembri
Director

Condensed Consolidated Statement of Cash Flows

For the period ending 30 June 2023
(Unaudited)

| | Group | |
|---|-------------------------------|-------------------------------|
| | 01 January to 30 June 2023 | 01 January to 30 June 2022 |
| | (unaudited) | as restated (unaudited) |
| | € | € |
| Net cash (used in)/from operating activities | (676,882) | (1,096,360) |
| Net cash from/(used in) investing activities | (2,873,356) | (1,976,530) |
| Movement in cash and cash equivalents | (3,550,238) | (3,072,890) |
| Cash and cash equivalents at beginning of period | 6,898,395 | 10,525,645 |
| Decrease in cash and cash equivalents | (3,550,238) | (3,072,890) |
| Cash and cash equivalents at end of period | 3,348,156 | 7,452,755 |

Condensed Consolidated Statement of Changes in Equity

For the period ending 30 June 2023
(Unaudited)

| | Group | | | | | | | Total |
|---|------------------|--------------------|--------------------|----------------------------|--------------------|--|--------------------------|--------------------|
| | Share capital | Own Shares | Other reserves | Capital Redemption reserve | Retained Earnings | Attributable to the owners of the parent | Non-controlling Interest | |
| | € | € | € | € | € | € | € | € |
| Balance as at 31 December 2022, as previously reported | 7,017,841 | - | 11,163,483 | 800,000 | (4,465,251) | 14,516,073 | 7,468,022 | 21,984,095 |
| Impact of initial application of IFRS 17 / IFRS 9 | - | - | (12,925,259) | - | 9,268,061 | (3,657,198) | - | (3,657,198) |
| Restated balance as at 01 January 2023 | 7,017,841 | - | (1,761,776) | 800,000 | 4,802,810 | 10,858,875 | 7,468,022 | 18,326,897 |
| Profit for the financial period | - | - | - | - | (40,059) | (40,059) | 250,044 | 209,985 |
| Total comprehensive loss for the period | - | - | - | - | (40,059) | (40,059) | 250,044 | 209,985 |
| Balance at 30 June 2023 | 7,017,841 | - | (1,761,776) | 800,000 | 4,762,751 | 10,818,817 | 7,718,066 | 18,536,882 |
| | | | | | | | | |
| Balance as at 31 December 2021, as previously reported | 8,735,160 | (1,717,318) | 10,608,479 | 800,000 | (1,805,553) | 16,620,768 | 8,313,046 | 24,933,814 |
| Impact of initial application of IFRS 17 / IFRS 9 | | | (11,534,651) | | 9,812,040 | (1,722,611) | - | (1,722,611) |
| Restated balance as at 1 January 2022 | 8,735,160 | (1,717,318) | (926,172) | 800,000 | 8,006,487 | 14,898,157 | 8,313,046 | 23,211,203 |
| Profit for the financial period | - | - | - | - | (2,400,999) | (2,400,999) | (624,977) | (3,025,976) |
| Total comprehensive income for the period | - | - | - | - | (2,400,999) | (2,400,999) | (624,977) | (3,025,976) |
| Balance at 30 June 2022 | 8,735,160 | (1,717,318) | (926,172) | 800,000 | 5,605,488 | 12,497,158 | 7,688,069 | 20,185,227 |

Notes to the Condensed Consolidated Financial Statements

- a) This Half-Yearly Report is published pursuant to Chapter 5 of the Capital Markets Rules issued by the Malta Financial Services Authority and the Prevention of Financial Markets Abuse Act, 2005. The condensed set of consolidated interim unaudited financial statements attached to this report has been extracted from the Company's unaudited group management accounts for the six months ended 30 June 2023.
- b) The condensed unaudited interim financial statements for the half year ended 30 June 2023 have been extracted from the unaudited management accounts of the Group and have been prepared in accordance with International Accounting Standard 34 – Interim Financial Reporting. These financial statements have not been audited nor reviewed by the Group's independent auditors. The consolidated condensed financial information does not include all the notes of the type normally included in the annual financial statements. Accordingly, the interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2022, which have been prepared in accordance with International Financial Reporting Standards as adopted by the EU.
- c) The interim unaudited financial statements have been prepared under the historical cost convention, except for the revaluation of investment properties, financial assets which were classified at fair value through profit and loss and investment contracts without DPF. The accounting policies, presentation and methods of computation used in these interim unaudited financial information are consistent with those used in the annual audited consolidated financial statements for the year ended 31 December 2022 except for the changes which were necessary following the adoption of IFRS 17 and IFRS 9.
- d) The Group's operations consist of the provision of investments, advisory and insurance intermediary services in terms of the Investment Services Act, 1994 and the Insurance Intermediaries Act, 2006, the carrying on of long-term business of insurance under the Insurance Business Act, 1998. The Group's turnover is primarily generated in and from Malta.
- e) The Group had no commitments for capital related expenditure as at 30 June 2023 and 31 December 2022.
- f) Earnings per share is based on the net result for the period divided by the weighted average number of ordinary shares in issue during the period. The weighted average number of shares in issue during the period amounted to 24,102,049 shares (30 June 2022: 30,000,000 shares)