

Youngtimers AG, Basel

Half-Year Results 2021

(unaudited)

YOUNGTIMERS

30 June 2021

HALF YEAR RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2021

1. ORGANIZATION, BUSINESS ACTIVITY AND BUSINESS COMBINATION

Youngtimers AG (the "Company") has been created as a new equity story at the Company's Annual General Meeting on 30 June 2021 that voted to transform a 23-years old passive listed investment holding company (earlier known as 5EL SA and The Native SA) into a world leader in facilitating, managing and otherwise servicing alternative investments in collectible cars with its new name Youngtimers AG. At the Annual General Meeting the change of the Company's name to "Youngtimers AG", the capital increase at an issue price of CHF 0.7 per share for a gross cash consideration of minimum CHF 20 million to a maximum of CHF 40 million have been approved and Adam Lindemann, Clive Ng and Massimiliano Iuliano have been elected as new members of the Board of Directors and Adam Lindemann as its Chairman.

This transformation had closed the chapter on the preceding legal issues around the Company (then under a different name, ownership and leadership) that commenced with the Basel Court order dated 18 March 2020 declaring bankruptcy over the Company. The Company has appealed that order, and finally with the decision dated 8 June 2021, the Court of Appeals of the City of Basel ruled that the original bankruptcy order dated 18 March 2020, declaring bankruptcy over the Company, is to be lifted definitively. This decision followed the earlier decision of the Supervisory Authority whereby the bankruptcy threat was declared null and void (see press release of 10 May 2021). Consequently, for lack of valid bankruptcy threat, the Appeals Court has lifted the bankruptcy over the Company and thus definitively closed the insolvency procedure, as expected by the Company.

The Company convened the annual shareholders meeting shortly after all of its insolvency procedures had been successfully and conclusively appealed, changed the name, leadership and strategic direction and the brand new Youngtimers AG was born to service the \$25 billion global collectible cars market going forward.

2. NET RESULT

The Company reports a net profit of TCHF 60, compared to a net loss of TCHF 144 for the same period in 2020.

The Company is publishing its half-year financial statements on a standalone statutory basis with a comparison to last-year's standalone results.

3. OUTLOOK SECOND HALF-YEAR 2021

With the capital increase that has been successfully completed in July 2021, the Board of Directors has the necessary funds to acquire and integrated carefully selected investments. The focus of the second half-year 2021 is on the integration and consolidation of investments made subsequent to the balance sheet date as stated in section 9 of the Notes.

Massimiliano Iuliano,
Delegate of the Board

FINANCIAL STATEMENTS

INCOME STATEMENT

(in Swiss Francs)

For the six months period ended 30 June 2021

	NOTES	30 Jun 2021	30 Jun 2020
General and administrative expenses		(175'568)	(311'391)
Allocation to provision on accrued income & prepaid exp.		-	(19'157)
Release of impairments on assets	3	-	-
Losses on assets	3	-	-
Total operating expenses		(175'568)	(330'547)
Operating result		(175'568)	(330'547)
Exchange differences		81'355	37'143
Interest expenses and bank charges		(17'000)	(61'886)
Interest revenues		162'089	207'394
Extraordinary charges	4	(24'490)	(1'088)
Extraordinary income	4	53'045	-
Release of provision for litigation	11	-	-
Result before taxes		79'431	(148'985)
Income taxes		(19'800)	4'831
Net result		59'631	(144'154)

BALANCE SHEET AS OF 30 June 2021

(in Swiss Francs)

	NOTES	30 Jun 2021	31 Dec 2020
ASSETS			
Current assets			
Cash and cash equivalents		165'564	180'196
Other short-term receivables due from third parties, net		15'917	15'922
Accrued income and prepaid expenses		47'671	58'564
Securities		6'577'200	-
Total current assets		6'806'351	254'682
Non-current assets			
Financial assets	5	-	6'489'300
Total non-current assets		-	6'489'300
Total assets		6'806'351	6'743'982

	NOTES	30 Jun 2021	31 Dec 2020
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities			
Trade accounts payable to third parties		189'320	277'027
Short-term interest-bearing liabilities from third parties	6	51'865	-
Short-term non-interest-bearing liabilities from related parties		341'713	-
Other short-term liabilities from third parties		5'810	10'888
Other short-term liabilities from related parties		146'590	36'943
Accrued expenses		226'808	334'752
Total current liabilities		962'105	659'610
Non-current liabilities			
Long-term interest-bearing liabilities from third parties	6	600'000	600'000
Long-term non-interest-bearing liabilities from related parties	6	-	337'146
Total non-current liabilities		600'000	937'146
Total liabilities		1'562'105	1'596'756
Shareholders' equity			
Share capital		5'045'698	5'045'698
Retained earnings as of 1 January		212'440	103'770
Net result for the period		59'631	108'670
Retained earnings at the end of the period		272'071	212'440
Reserves		(52'810)	(90'200)
Treasury shares	7	(20'712)	(20'712)
Total shareholders' equity		5'244'246	5'147'226
Total liabilities and equity		6'806'351	6'743'982

STATEMENT OF CHANGES IN EQUITY

(in Swiss Francs)

	Share Capital	Accumulated Losses	Reserves	Treasury Shares	Total
	CHF	CHF	CHF	CHF	CHF
Balance as of 1 January 2020 (audited)	10'889'165	(9'465'596)	-	(33'811)	1'389'758
Decrease by compensation accumulated losses	(9'582'465)	9'582'465	-	-	-
Increase by compensation notes	3'738'998	-	-	-	3'738'998
Result for the year	-	108'670	-	-	-
Reduction on own shares	-	(13'099)	-	13'099	-
Costs of capital restructuration	-	-	(90'200)	-	(90'200)
Balance as of 31 December 2020 (audited)	5'045'698	212'440	(90'200)	(20'712)	5'038'555
Balance as of 1 January 2021 (audited)	5'045'698	212'440	(90'200)	(20'712)	5'147'226
Decrease by compensation accumulated losses	-	-	-	-	-
Increase by compensation notes	-	-	-	-	-
Result for the period	-	59'631	-	-	59'631
Reduction on own shares	-	-	37'390	-	37'390
Costs of capital restructuration	-	-	-	-	-
Balance as of 30 June 2021 (unaudited)	5'045'698	272'071	(52'810)	(20'712)	5'244'247

CASH FLOW STATEMENT

(in Swiss Francs)

For the period ended as of

	30 Jun 2021	31 Dec 2020
Cash Flow from operating activities		
Cash receipts from customers	15'922	54'321
Cash receipts from other receivables third parties	-	-
Payments to suppliers	-130'249	-182'506
Payments to employees	-	-
Payments for general administrative costs	-112'211	-90'868
Cash generated from operations	-226'537	-219'053
Interest paid	-	-58
Taxes received	-	10'331
Operative cash flow	-226'537	-208'780
Cash flow from investing activities		
Purchases of new investments	-	-
Sales of investments	-	-
Investing cash flow	-	-
Cash flow from financing activities		
Increase/decrease of long tem loans	-	-
Financial interest received	161'740	337'306
Financing cash flow	161'740	337'306
Effect of foreign exchange rate variation	-1'700	-7'134
Increase in cash and cash equivalents	-66'497	121'392
Cash and cash equivalent at the beginning of the period	180'196	58'804
Cash and cash equivalent at the end of the period	113'699	180'196

NOTES TO THE STATUTORY FINANCIAL STATEMENTS

For the six months period ended 30 June 2021

1. GENERAL INFORMATION

Youngtimers AG (“the Company”) was incorporated in Switzerland as a Swiss limited company on 17 December 1998. The Company has its corporate legal headquarter at Gerbergasse 48, 4001 Basel, Switzerland.

The corporate purpose of the Company is to own and operate companies that service cars collecting industry and help to facilitate financial investment in collectible cars. The Company is the world's first and so far the only listed company that is focused on servicing \$25bn alternative investment market for collectible cars.

These financial statements were approved by the Board of Directors and authorized for publication on 20 September 2021.

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

These financial statements cover the unaudited half-year results for the six months ending 30 June 2021. They have been prepared in accordance with Swiss GAAP FER (Accounting and Reporting Recommendations).

These interim financial statements do not contain all the information and disclosures required in the annual financial statements. In this interim report, the Board of Directors has not made any significant changes to the estimates and assumptions compared to the previous period. The Company is presenting only statutory financial statements according to Swiss GAAP FER.

All amounts disclosed in the financial statements and notes have been rounded off to the nearest thousand Swiss francs unless otherwise stated.

GOING CONCERN

Given significant existing cash position following the capital increase, access to further capital through various potential additional opportunities, Youngtimers AG is not expecting any liquidity issues for at least the next 18 months.

3. KEY EXCHANGE RATES

The following exchange rates were used for currency translation:

	30 June 2021		31 December 2020		30 June 2020	
	Closing rate	Period average	Closing rate	Period average	Closing rate	Period average
USD	0.92436	0.91460	0.88394	0.93808	0.94756	0.98197
EUR	1.09620	1.10322	1.08150	1.07045	1.06425	1.07978

4. BUSINESS COMBINATIONS

Nothing to report in the period under review.

5. FINANCIAL ASSETS

Nothing to report in the period under review.

6. FINANCIAL LIABILITIES

The following table details the financial liabilities booked on the level of Youngtimers AG:

	Current		Non-current	
	30 Jun 2021 CHF	31 Dec 2020 CHF	30 Jun 2021 CHF	31 Dec 2020 CHF
Loans interest-bearing from:				
Third parties	51'865	-	-	-
Related parties	-	-	-	-
Loans non-interest-bearing from:				
Third parties	-	-	600'000	600'000
Related parties	-	-	-	-
Payables related to business combinations:				
Third parties	-	0	-	-
Related parties	341'713	-	-	337'146
Convertible loan from:				
Third parties	-	-	-	-
Related parties	-	-	-	-
Total financial liabilities	393'577	-	600'000	937'146

Loans

On 16 June 2020, a third party arranged for the payment of the residual amount of USD 800'000 and therefore the Company reclassified this payable related to business combinations into a third-party loan. Following the capital increase of December 2020, the remaining loan of CHF 341'713 has been reclassified as related party loan.

Third parties: please refer to the consolidated financial statements as of 31 December 2020

7. TREASURY SHARES

As of 30 June 2021, the Company owned 4'253 treasury shares (31 December 2020: 4'253) for a total amount at cost of CHF 33'811 (31 December 2020: CHF 33'811). No treasury shares were bought or sold during the current and prior year.

8. CONTINGENT LIABILITIES

The Group has no contingent liabilities in respect of legal claims.

9. EVENTS SUBSEQUENT TO THE BALANCE SHEET DATE

On 21 July 2021 the Company has placed 50 million new shares at CHF 0.7 per share conducted through private placement as approved by the Company's Annual General Meeting on 30 June 2021. The cash proceeds of CHF 35 million from the placement will mainly be used for strategic acquisitions. After completion of the registration of the issuance of the new shares and their listing at the Swiss Stock Exchange on 2 August 2021, Youngtimers AG has 62'013'566 shares of common stock outstanding traded under the ticker YTME. The placement had been led by L. Holding S.r.l., a private investment company of Mr. Lapo Elkann to become one of the Company's largest shareholders with 23.04% ownership interest on a fully diluted basis. The placement had also been underwritten by a small number of value-adding professional investors, with the Company's Chairman and pre-existing shareholder Adam Lindemann acquiring additional shares bringing him to over 3% ownership interest in the Company, and the Vice-Chairman Clive Ng matching Mr. Lapo Elkann's investment to also achieve 23.04% ownership interest in Youngtimers AG. All of the investors in the placement have committed to hold their shares until the end of 2022 through the lock-up agreement.

On 8 September 2021 the Company has completed the acquisition of a 100% ownership interest in Youngtimers Asset Company AG and through this has as of 1 September 2021 consolidated 100% ownership in Garage Italia Customs S.r.l. and Youngtimers Media LLC – the New York based company will develop a tokenization platform for securitizing and trading with collectible objects. Youngtimers Media LLC will become the Youngtimers Group's business unit to operate content marketing and event management business.

The Company will conduct all of its acquisition activity (including subsequent integration of acquisitions) through Youngtimers Asset Company AG, which has been recapitalized with CHF 31.9 million in cash made of the combination of CHF 900'000 capital increase and CHF 31 million shareholder loan both underwritten by the Company.

With the completion of the acquisition of Youngtimers Asset Company AG on 8 September 2021, the Company came into possession of an additional 1'800'000 treasury shares, which are held by Youngtimers Asset Company AG.

On 8 September 2021 the Company has entered into an obligation to acquire up to 9.03% ownership interest in Pininfarina SpA (up to 7.1 million common shares of Pininfarina SpA, PINF: MIL) derived from a put option granted to its counterparty (an unrelated party). The put option is exercisable by the counterparty of the Company between 1 - 15 February 2022 at a price no higher than EUR 1.05 per share and creates material conditional obligation for the Company to acquire shares in Pininfarina SpA, with the obligation being conditioned with the Company's counterparty presenting the put option exercise notice before or on 25 January 2022. Whether the counterparty to the put option will exercise its right to sell depends, among other things, on whether the counterparty is in possession of the shares at all during the exercise period.

COMPANY PROFILE

Board of Directors

Adam Lindemann, Chairman

Clive Ng, Vice Chairman

Massimiliano Iuliano, Delegate

Postal Address

Youngtimers AG, Gerbergasse 48, 4001 Basel

Auditors

Berney Associés Audit SA, 1002 Lausanne

Reporting

The Board of Directors

Bank

BANQUE LOMBARD ODIER & Cie SA, Lausanne Branch, 1003 Lausanne

Ticker Symbols

Bloomberg YTME SW Equity

Telekurs YTME

Security number 632.685

ISIN CH0006326851

Investor Relations

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