

Youngtimers AG, Basel

Half-Year Results 2022

(unaudited)

YOUNGTIMERS

30 November 2022

HALF YEAR RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2022

1. ORGANIZATION, BUSINESS ACTIVITY AND BUSINESS COMBINATION

The first half of 2022 was a transition period when Youngtimers AG, responding to war in Ukraine, global political instability and worsening economic outlook, abandoned its original strategy to service global collectible cars market and focused instead on special situation investing in Europe, making overweight capital allocations to the frontline market of Poland.

Specifically and among other investments, we have made significant investments in Gremi Media, the publisher of the leading Polish daily rp.pl, and ASBISC Enterprises Plc, the market-leading IT and software distributor in Eastern Europe and Middle East, both are Warsaw-listed dividend-paying companies with very strong share price performance this year to date.

In 2022 Youngtimers has completed the exit from most of its collectibles related assets – the sale of Youngtimers Media, including Petrolicious assets, with Garage Italia Customs S.r.l. sale in progress – thus transforming Youngtimers AG back into an investment holding company with no operating business capable to make quick and well-structured investments in European media, luxury and ecommerce companies as its core and sole business activity. Youngtimers AG now has only one fully owned subsidiary Youngtimers Asset Company AG (Switzerland), which greatly simplified our corporate structure and should enable much faster financial reporting in the future, something that the new board of Youngtimers elected this summer committed to accomplish starting from 2022 annual report and onwards.

As of 30 June 2022, Youngtimers still was a controlling shareholder of Garage Italia Customs – this asset will be de-consolidated before year end and as of 31 December 2022 Youngtimers AG will maintain no exposure or investments of any sort with any of Garage Italia Customs or Garage Italia Finance.

2. NET RESULT

The Company reports revenues of TCHF 793 with a net profit of TCHF 574, compared to zero revenue and a profit of TCHF 60 for the same period in 2021.

The Company is publishing its interim financial statements for 2022 on a consolidated basis with a comparison to last-year's standalone results (Company had no subsidiaries a year earlier).

3. OUTLOOK SECOND HALF-YEAR 2022

The Company's primary objective for this year was to completely exit any operating companies related to collectible cards and adjacent hobby businesses and this objective had been completed, rendering a much leaner and simplified corporate structure, no operating business and creating the stage for making significant highly profitable special situation investments in the European market.

As global and European economic outlook continues to worsen, Youngtimers is very well positioned to preserve cash as it owns no loss-making operations and deploy capital in well-structured trades benefiting from a quickly growing deal flow of special situations in Europe and the Company's increasingly visible and positive track record in special situation financing.

We look forward to the financial year of 2023 that will be the first full year of Youngtimers as the special situation investment company.

Norman Hansen,
Chairman of the Board

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT

(In thousands of Swiss Francs)

For the six months period ended 30 June 2022

	Notes	30.06.2022 TCHF	30.06.2021 TCHF
Revenue		723	-
Other income		70	-
Changes in stocks of finished products		-	-
Total revenue		793	-
Cost of material		(56)	-
Personnel expenses		(677)	-
Other operating expenses		(1 814)	(176)
Total operating expenses		(2 546)	(176)
Earnings before interest, taxes, depreciation and amortization (EBITDA)		(1 753)	(176)
Depreciation of tangible assets		(27)	-
Amortization of intangible assets		(8)	-
Amortization and impairment of goodwill	9	(3 181)	-
Allocation to provision on accrued income and prepaid expenses		-	-
Impairment on investments		219	-
Release of impairments on assets		6 568	-
Losses on assets		-	-
Operating result (EBIT)		1 818	(176)
Financial income		1 512	162
Financial expenses		(2 179)	(17)
Exchange differences		(487)	81
Extraordinary income		-	53
Extraordinary expenses		(27)	(24)
Release of provision for litigation		-	-
Result before income tax		636	80
Income tax		(43)	(20)
Net result		594	60
Attributable to:			
Owners of the Company		594	60
Minority interests		-	-
Earnings per share			
Basic (CHF per share)		0,01	0,00
Diluted (CHF per share)		0,01	0,00

CONSOLIDATED BALANCE SHEET AS OF 30 June 2022 (1/2)

(In thousands of Swiss Francs)

	30.06.2022	31.12.2021
	TCHF	TCHF
ASSETS		
Current assets		
Cash and cash equivalents	10 298	7 955
Trade receivables	1 149	592
Other current receivables	8 944	1 172
Inventories	240	182
Prepaid expenses	144	114
Total current assets	20 774	10 015
Non-current assets		
Tangible assets	35	75
Financial assets, net	5	26 081
Intangible assets	405	844
Goodwill	9	4 762
Total non-current assets	51 537	19 549
Total assets	72 311	29 564

CONSOLIDATED BALANCE SHEET AS OF 30 June 2022 (2/2)

(In thousands of Swiss Francs)

		30.06.2022	31.12.2021
		TCHF	TCHF
LIABILITIES AND EQUITY			
Current liabilities			
Trade payables		1 332	456
Other current liabilities		2 522	749
Accrued expenses		780	641
Current financial liabilities	6	-	1 000
Total current liabilities		4 633	2 846
Non-current liabilities			
Non-current financial liabilities	6	43 997	-
Total non-current liabilities		43 997	-
Equity			
Share capital		26 046	26 046
Reserves from capital contributions		12 601	12 601
Treasury shares		(5 701)	(2 055)
Currency translation differences		696	(97)
Loss carried forward		(10 555)	212
Net result		594	(10 767)
Total equity attributable to Owners of the Company		23 680	25 940
Minority interests		-	778
Total equity		23 680	26 718
Total liabilities and equity		72 311	29 564

STATEMENT OF CHANGES IN EQUITY

(In thousands of Swiss Francs)

	Issued capital			Cumulative translation adjustment TCHF	Accumulated losses TCHF	Attributable to		Total TCHF
	Share Capital TCHF	Reserve Capit. contr. TCHF	Treasury Shares TCHF			Owners of the Company TCHF	Non-controlling interests TCHF	
Balance at 1 January 2021 (audited)	5 046	(90)	(21)		212	5 147		5 147
Net result	-	-	-	-	(10 767)	(10 767)	(30)	(10 797)
Capital increase	21 000	14 000	-	-	-	35 000		35 000
Currency translation difference				(97)		(97)		(97)
Costs attributable to the issue of new shares		(1 309)	-	-	-	(1 309)		(1 309)
Change in scope of consolidation	-	-	-	-	-	-	808	808
Tresury shares	-	-	(2 034)	-	-	(2 034)		(2 034)
Balance at 31 December 2021 (audited)	26 046	12 601	(2 055)	(97)	(10 555)	25 940	778	26 718
Balance at 1 January 2022	26 046	12 601	(2 055)	(97)	(10 555)	25 940	778	26 718
Net result	-	-	-	-	594	594	-	594
Reclassifications					-	-	-	-
Currency translation difference	-	-	-	793	-	793	-	793
Capital increase								
Costs attributable to the issue of new shares	-	-	-	-	-	-	-	-
Change in scope of consolidation	-	-	-	-	-	-	(778)	(778)
Treasury shares			(3 646)			(3 646)		(3 646)
Balance at 30 June 2022	26 046	12 601	(5 701)	696	(9 961)	23 681	-	23 681

CASH FLOW STATEMENT

(In thousands of Swiss Francs)

For the period ended as of 30 June 2022

	30.06.2022 TCHF	31.12.2021 TCHF
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash receipts from customers and third parties	1 071	1 890
Payments to suppliers	(208)	(272)
Payments to employees	(594)	(458)
Payments for general administrative cost	(1 499)	(1 662)
Cash generated from operations	(1 230)	(502)
Interests paid	(5)	(51)
Taxes received/paid	(39)	-
Operative cash flow	(1 274)	(553)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of consolidated entities	486	(3 438)
Sales of consolidated entities	4 463	3 000
Purchase of intangible assets	-	(1 502)
Increase of long term other financial fixed assets	(950)	(19 418)
Decrease of long term other financial fixed assets	6 355	4 889
Financial interest received	531	427
Investing cash flow	10 885	(16 041)
CASH FLOWS FROM FINANCING ACTIVITIES		
Capital/agio increase	-	33 691
Purchase of own shares	(3 646)	(2 034)
Inscrase/decrease of lont term loans	(3 220)	(10 055)
Financing cash flow	(6 866)	21 602
Effect of foreign exchange rate variation	(402)	(292)
Increase/decrease in cash and cash equivalents	2 343	4 716
CASH AND EQUIVALENT AT THE BEGINNING OF THE YEAR	7 955	3 239
CASH AND EQUIVALENT AT THE END OF THE YEAR	10 298	7 955
Change in cash and cash equivalents	2 343	4 716

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the six months period ended 30 June 2022

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 Elisabethenstrasse 18, 4051 Basel, Switzerland.

The corporate purpose of the company is to make special situation investments in the European media, luxury and ecommerce companies, mostly focusing on the listed stocks, high-yield bonds and structured investments.

These financial statements were approved by the Board of Directors and authorized for publication on 30 November 2022.

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements cover the unaudited half-year results for the six months ending 30 June 2022. They have been prepared in accordance with Swiss GAAP FER (Accounting and Reporting Recommendations). The consolidated interim financial statements for 2022 have been prepared in accordance with FER 31 “Supplementary Recommendation for Listed Companies”.

These interim financial statements do not contain all the information and disclosures required in the annual consolidated financial statements. They should therefore be read in conjunction with the consolidated financial statements as at 31 December 2021. In this interim report, Management has not made any significant changes to the estimates and assumptions compared to the previous period.

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 its existing cash position, 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:

	30.06.2022 Closing	Average	31.12.2021 Closing	Average*	30.06.2021 Closing	Average
EUR	1,0250	1,0322	1,0361	1,0843	1,0962	1,1032
USD	0,9696	0,9441	0,9111	0,9143	0,9243	0,9146

*from
September to
December

4. BUSINESS COMBINATIONS

Company	Registered office	Country	Currency	Share Capital	Entry Perimeter	Exit Perimeter	Consolidation method	Ownership Interest	Voting rights
Youngtimers Asset Company AG	Basel	Switzerland	CHF	1000000	31.08.2021	-	Gi	100%	100%
Garage Italia Customs S.r.l.	Milan	Italy	EUR	1200000	31.08.2021	-	GI	70%	100%
Youngtimers Media LLC	New York	USA	USD	100	31.08.2021	30.04.2022	GI	100%	100%
Garage Italia Finance Sàrl	Luxembourg	Luxembourg	EUR	12000	01.01.2022	-	GI	100%	100%

As of the reporting date, the Company has divested of 100% of Youngtimers Media LLC and related Petrolicious assets.

As of 1 January 2022, the Company has integrated its subsidiary Garage Italia Finance Sàrl.

5. FINANCIAL ASSETS

	30 Jun 2022 TCHF	31 Dec 2020 TCHF
Investments	26 081	791
Bonds, related parties	-	19 418
Other financial assets	-	8
Deferred tax assets	-	217
Total other receivables	26 081	20 434
Impairment on Bonds, related parties	-	(6 566)
Impairment on financial assets	-	(6 566)
Total financial assets, net	26 081	13 868

As of 30 June 2022, the Company held investments for TCHF 26'081 through its subsidiary Garage Italia Finance Sàrl.

Following the reimbursement of the bonds held by Youngtimers Asset Company AG (2021: TCHF 19'418), the Company has released the impairment on the financial assets.

6. FINANCIAL LIABILITIES

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

	Current Year ended		Non-current Year ended	
	30 Jun 2022 TCHF	31 Dec 2021 TCHF	30 Jun 2022 TCHF	31 Dec 2021 TCHF
Loans from:				
Related parties		1 000	-	-
Payables related to business combinations:				
Related parties	-	-	-	-
Bonds from:				
Third parties	-		43 997	
Related parties				
Total financial liabilities	-	1 000	43 997	-

The Financial liabilities are related to the bonds outstanding at the level of the fully owned subsidiary, Garage Italia Finance Sàrl.

7. TREASURY SHARES

As of 30 June 2022, the Company owned 5'644'876 treasury shares (31 December 2021: 1'804'253) equal to 9,1% of the share capital.

As of the reporting date, the additional treasury shares are held through Garage Italia Finance Sàrl.

8. CONTINGENT LIABILITIES

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

9. GOODWILL

GROSS VALUE

Balance at 1 January 2021	-
Change in the scope of consolidation	8 852
Balance at 31 December 2021	8 852

ACCUMULATED AMORTIZATION AND IMPAIRMENT LOSSES

Balance at 1 January 2021	-
Amortization charge	(590)
Impairment	(3 500)
Balance at 31 December 2021	(4 090)

Net book amount at 31 December 2021	4 762
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GROSS VALUE

Balance at 1 January 2022	8 852
Change in the scope of consolidation	23 435
Balance at 31 June 2022	32 287

ACCUMULATED AMORTIZATION AND IMPAIRMENT LOSSES

Balance at 1 January 2022	(4 090)
Amortization charge	(3 181)
Impairment	-
Balance at 31 June 2022	(7 271)

Net book amount at 30 June 2022	25 015
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The change in the scope of consolidation is related to the acquisition of Garage Italia Finance Sàrl as of January 1, 2022.

10. EVENTS SUBSEQUENT TO THE BALANCE SHEET DATE

Following the divestment of Youngtimers Media LLC, on 12 August 2022, the Company finalized the sale of 100% of Garage Italia Finance Sàrl for a total consideration of TCHF 700 to an unrelated party.

As part of the divestment of Garage Italia Finance Sàrl, Youngtimers Asset Company AG performed a swap between bonds and assets therefore recovering the entire face value of its initial financial investment.

On 26 August 2022, the Company held its Annual General Meeting where the Shareholders approved all the proposal of the Board, elected a Mr. Norman Hansen as Chairman of the Board, Mr. Jan Schulmeister as Member and re-elected Mr. Lorenzo Landini.

Following the decision of the Board of Directors to divest of Garage Italia Customs Srl, the Company is in the process of finalizing its negotiations to close the sale before 31 December 2022.

COMPANY PROFILE

Board of Directors

Norman Hansen, Chairman

Lorenzo Landini, Member

Jan Schulmeister, Member

Postal Address

Youngtimers AG, Elisabethenstrasse 18, 4051 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

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