

Youngtimers AG, Basel

Half-Year Results 2023

(unaudited)

YOUNGTIMERS

28 September 2023

HALF YEAR RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2023

1. ORGANIZATION, BUSINESS ACTIVITY AND BUSINESS COMBINATION

Youngtimers AG exited all of its prior investments in the luxury automotive space in 2022 and started 2023 with a clean slate, as a debt-free Swiss holding company making tactical investments aimed at short-term financial income with the goal of eventually acquiring and consolidating a sizeable business into its corporate structure.

Over the course of the first six months of 2023, we researched dozens of potential deals, made several tactical investments and even came close to a full acquisition of the well-established Chinese ecommerce platform JHD Technologies Ltd (initial deal announcement made on May 31, transaction aborted by the Youngtimers board on June 15). As of June 30, Youngtimers AG remained a holding company with no operating subsidiaries while continuing to search for the right acquisition target.

In the meantime, Youngtimers makes highly selective tactical investments in listed and private companies internationally whenever it expects an ownership change and/or can position itself as a potential acquirer at favourable conditions. Examples include a EUR 3.7 million term loan we extended to an investment firm in Luxembourg taking several assets of potential strategic interest as a pledge (Youngtimers received a full repayment of this loan including accrued interest after the reporting date) and a tactical dividend-paying investment in Warsaw-listed Gremi Media where Youngtimers AG played a significant role in facilitating a change of control in an iconic Polish media property rp.pl.

With no subsidiaries and no operating business, Youngtimers AG maintains a lean and profitable corporate structure and continues its pursuit for an optimal acquisition target to be completed at a time of the Youngtimers board's choosing.

2. NET RESULT

The Company reports zero operating revenue with a net profit of TCHF 250 in the first six months of 2023, compared to TCHF 793 operating revenue and a profit of TCHF 574 for the same period in 2022.

The Company is publishing its interim financial statements for 2023 on a standalone basis (Company had no subsidiaries as of 31 December 2022 and as of June 30, 2023).

3. OUTLOOK SECOND HALF-YEAR 2023

At the time of publication of this report, Youngtimers AG was in well advanced discussions to acquire in separate transactions three unrelated, well-established revenue generating private companies and had all the necessary financial means at hand or otherwise secured to complete all or any of those acquisitions. Negotiations and due diligence are ongoing, and no representation could be made at the date of this report about the probability and timing of completion of those acquisitions.

The Youngtimers AG board immediately discloses details of possible acquisitions upon signing binding agreements, with those agreements often including various conditions precedent and other closing conditions that may result in such acquisitions not being completed even if announced.

Strategically and considering the worsening economic outlook in Europe, Youngtimers AG is looking for an exceptionally attractive special situation to complete an acquisition of a sizeable mature operating business in a stable economy (economies), and in that context, we have started to re-allocate away from the frontline Polish market after taking some profits on tactical investment in the country made at earlier dates and ahead of what is expected to be a highly contested election in mid-October that might provoke some damaging economic policy decisions in the country.

Norman Hansen,
Chairman of the Board

STATUTORY FINANCIAL STATEMENTS UNDER SWISS GAAP FER

STATUTORY INCOME STATEMENT UNDER SWISS GAAP FER (In Swiss Francs)

For the six months period ended 30 June 2023

	Notes	30.06.2023 CHF	30.06.2022 CHF
Revenue			723 193
Other income			70 031
Changes in stocks of finished products			-
Total revenue		-	793 224
Cost of material			(55 726)
Personnel expenses			(676 855)
Other operating expenses		(468 195)	(1 813 858)
Release of provision		876 561	-
Total operating expenses		408 366	(2 546 439)
Earnings before interest, taxes, depreciation and amortization (EBITDA)		408 366	(1 753 215)
Depreciation of tangible assets		(1 230 700)	(26 934)
Amortization of intangible assets		-	(7 523)
Amortization and impairment of goodwill		-	(3 181 496)
Allocation to provision on accrued income and prepaid expenses			-
Impairment on investments			219 174
Release of impairments on assets			6 568 131
Losses on assets			-
Operating result (EBIT)		(822 334)	1 818 137
Financial income		1 222 605	1 511 637
Financial expenses		(61 860)	(2 179 393)
Exchange differences		(88 182)	(486 588)
Extraordinary income			-
Extraordinary expenses			(27 299)
Result before income tax		250 229	636 494
Income tax		-	(42 662)
Net result		250 229	593 832
Attributable to:			
Owners of the Company		250 229	593 832
Minority interests			-
Earnings per share			
Basic (CHF per share)		0,00	0,01
Diluted (CHF per share)		0,00	0,01

BALANCE SHEET UNDER SWISS GAAP FER AS OF 30 June 2023 (1/2)

(In Swiss Francs)

		30.06.2023	31.12.2022
		CHF	CHF
ASSETS			
Current assets			
Cash and cash equivalents		205 042	612 227
Listed securities, net	4	6 662 977	10 755 775
Other short term receivables due from third parties	5	3 708 990	19 996
Total current assets		10 577 009	11 387 998
Non-current assets			
Tangible assets		-	-
Financial assets, net	6	732 039	1
Intangible assets		-	-
Total non-current assets		732 039	1
Total assets		11 309 047	11 387 999

BALANCE SHEET UNDER SWISS GAAP FER AS OF 30 June 2023 (2/2)

(In Swiss Francs)

	30.06.2023	31.12.2022
	CHF	CHF
LIABILITIES AND EQUITY		
Current liabilities		
Trade payables	13 568	124 087
Other current liabilities	18 378	15 124
Accrued expenses	80 145	302 060
Current financial liabilities		-
Total current liabilities	112 090	441 271
Non-current liabilities		
Non-current financial liabilities	-	-
Total non-current liabilities		-
Equity		
Share capital	26 045 698	26 045 698
Reserves from capital contributions	12 600 822	12 600 822
Treasury shares	7 (6 168 991)	(6 168 991)
Currency translation differences		-
Loss carried forward	(21 530 801)	(11 455 542)
Net result	250 229	(10 075 259)
Total equity attributable to Owners of the Company	11 196 957	10 946 728
Minority interests		-
Total equity	11 196 957	10 946 728
Total liabilities and equity	11 309 047	11 387 999

STATEMENT OF CHANGES IN EQUITY (In Swiss Francs)

	Issued capital				Accumulated losses CHF	Total CHF
	Share Capital CHF	Share Premium CHF	Reserve Capit.contr. CHF	Treasury Shares CHF		
Balance at 1 January 2022 (audited)	26 045 698		12 600 822	(20 712)	(11 455 542)	27 170 266
Net result					(10 075 259)	(10 075 259)
Dissolution of the reserve			-			-
Treasury shares				(6 148 279)		(6 148 279)
Balance at 31 December 2022 (audited)	26 045 698		12 600 822	(6 168 991)	(21 530 801)	10 946 728
Balance at 1 January 2023	26 045 698		12 600 822	(6 168 991)	(21 530 801)	10 946 728
Net result					250 229	250 229
Treasury shares						
Balance at 30 June 2023 (unaudited)	26 045 698		12 600 822	(6 168 991)	(21 280 572)	11 196 957

CASH FLOW STATEMENT

(In Swiss Francs)

For the period ended as of 30 June 2023

	30.06.2023	31.12.2022
	CHF	CHF
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit or loss of the year	250 229	(10 075 259)
Gain on investment disposal	(1 184 797)	
Loss on investment disposal		1 049 999
Allocation to provision on listed securities	478 007	1 393 334
Waiver of claims		(124 629)
Interest due		(247 435)
Unrealized net gain on listed financial assets		(1 609 957)
Allocation to provision on financial assets		8 934 288
Change in accounts receivable and other receivable	(3 729 782)	900 550
Change in creditors and other debts	(107 265)	61 274
Change in accrued expenses	(221 915)	88 839
Change in prepaid expenses		(40 511)
Operative cash flow	(4 515 523)	330 493
CASH FLOWS FROM INVESTING ACTIVITIES		
Sale of listed securities	4 897 663	-
Investment in listed securities	(98 074)	(519 146)
Increase of financial assets	(752 198)	(5 486 570)
Investing cash flow	4 047 391	(6 005 716)
CASH FLOWS FROM FINANCING ACTIVITIES		
Capital/agio increase	-	-
Purchase of own shares	-	-
Inscrase/decrease of long term loans	-	-
Financing cash flow	-	-
Effect of foreign exchange rate variation	60 947	29 932
Increase/decrease in cash and cash equivalents	(407 185)	(5 645 291)
CASH AND EQUIVALENT AT THE BEGINNING OF THE YEAR	612 227	6 257 518
CASH AND EQUIVALENT AT THE END OF THE YEAR	205 042	612 227
Change in cash and cash equivalents	(407 185)	(5 645 291)

NOTES TO THE FINANCIAL STATEMENTS UNDER SWISS GAAP FER

For the six months period ended 30 June 2023

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 European media, luxury and ecommerce companies, mostly focusing on listed stocks, high-yield bonds, and structured investments.

These financial statements were approved by the Board of Directors and authorized for publication on 28 September 2023.

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

These financial statements cover the unaudited half-year results for the six months ending 30 June 2023.

The financial statements have been prepared in accordance with the entire existing accounting principles of Swiss GAAP FER (Generally Accepted Accounting Principles FER), as well as the additional rules for listing at the SIX Swiss Stock Exchange.

Accounting policies have been consistently applied to all years presented.

The financial statements have been prepared in accordance with the historical acquisition costs principle.

These interim financial statements do not contain all the information and disclosures required in the annual financial statements under Swiss GAAP FER. They should therefore be read in conjunction with the financial statements under Swiss GAAP FER as of 31 December 2022. In this interim report, Management has not made any significant changes to the estimates and assumptions compared to the previous period.

GOING CONCERN

Given its existing cash position, 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:

	30.06.2023	31.12.2022	30.06.2022	31.12.2021	30.06.2021
	Closing	Closing	Closing	Closing	Closing
EUR	0,9761	0,9874	1,0250	1,0361	1,0962
USD	0,8946	0,9252	0,9696	0,9111	0,9243

Transactions during the year, which are denominated in foreign currencies, are translated at the exchange rates effective at the relevant transaction date.

Resulting exchange gains and losses are recognized in the income statement.

4. LISTED SECURITIES, NET

	30 Jun 2023	31 Dec 2022
	CHF	CHF
Listed securities	6 662 977	12 149 109
Impairment on listed securities		(1 393 334)
Listed securities, net	6 662 977	10 755 775

The Company actively manages a portfolio of its tactical investments and as of 30 June 2023, the Company held investments in listed securities valued at CHF 6'662'977 and realized a gain of CHF 1'186'972 from trades completed with some of its tactical (equity) investments.

5. OTHER SHORT-TERM RECEIVABLES DUE FROM THIRD PARTIES

	30 Jun 2023	31 Dec 2022
	CHF	CHF
Other short-term receivables due from third parties	3 708 990	19 996
Other short-term receivables due from third parties	3 708 990	19 996

On 2 June 2023, the Company granted a loan to a third party in the amount of EUR 3'700'000.

As of the date of publication of this report, the loan has been fully reimbursed including the accrued interest.

6. FINANCIAL ASSETS, NET

	30 Jun 2023	31 Dec 2022
	CHF	CHF
Loan Asknet Solutions AG	732 038	-
Loan Youngtimers Asset Company AG	19 934 289	19 934 289
Impairment on loan Youngtimers Asset Company AG	(19 934 288)	(19 934 288)
Financial assets	732 039	1

On 26 July 2021 the Company granted its own subsidiary Youngtimers Asset Company AG a shareholder loan of CHF 30'398'500, which was impaired by CHF 11'000'000 as of 31 December 2021. The Company has subordinated CHF 11'000'000 of the shareholder loan and impaired the amount in the 2021 accounts.

Due to negative developments in the subsidiaries of Youngtimers Asset Company AG and potential contingent liabilities, the Company took the decision to divest it. The Company has received a partial repayment of the loan in the amount of CHF 16'168'285 with a remaining amount of CHF 19'934'289 fully impaired as of 31 December 2022. The amount of CHF 16'168'285 was repaid in kind, i.e., by delivering listed securities, including treasury shares. The total amount outstanding of CHF 19'934'289 has been fully subordinated due to the over indebtedness of Youngtimers Asset Company AG and remains subordinated as of 30 June 2023.

On 10 March 2023, the Company entered into a loan agreement with a third-party, Asknet Solutions AG, for an amount of EUR 750'000.

7. TREASURY SHARES

As of 30 June 2023, the Company owned 5'644'876 treasury shares (31 December 2022: 5'644'876) equal to 9,1% of the share capital.

All the treasury shares are held directly at the reporting date.

8. CONTINGENT LIABILITIES

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

9. EVENTS SUBSEQUENT TO THE BALANCE SHEET DATE

In March 2023, Youngtimers AG strengthened its executive team and appointed Jinxiaorui (Andy) Liu as the Chief Investment Officer of Youngtimers AG.

In the days after the balance sheet date, Youngtimers AG entered into several unrelated non-binding agreements for acquisitions of various operating businesses located predominantly across Western Europe and the USA and is currently conducting due diligence and advanced negotiations. Those activities may or may not result in actual transaction(s) in the calendar year 2023 and Youngtimers AG will be making immediate public announcements once and if any binding commitments are made.

In this context and given Youngtimers AG management's decision to reduce exposure to frontline Poland, after the reporting date (30 June 2023) the Company was repaid its EUR 3.7 million loan and has exited a multimillion investment into Warsaw-listed ASBISc Enterprises Plc to concentrate its financial resources and management time on possible material new acquisitions and new tactical investments internationally.

COMPANY PROFILE

Board of Directors

Norman Hansen, Chairman

Jinxiaorui (Andy) Liu, Vice-Chairman

Lorenzo Landini, Member

Jan Schulmeister, Member

Postal Address

Youngtimers AG, Elisabethenstrasse 18, 4051 Basel

Auditors

Berney Associés Audit SA, 1006 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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