

COMPANY ANNOUNCEMENT

Loqus Holdings p.l.c. (the "Company")

Announces approval of half-yearly report

Date of Announcement

24th February 2025

Reference

230/2025

This is a company announcement made by the Company in compliance with Chapter 5 of the Capital Market Rules:

QUOTE

The Company announces that the directors have approved the half-yearly report of the Company for the six months ended 31st December 2024. A copy of the half-yearly report is attached to this announcement, and may also be downloaded from the Company's website <https://www.loqusgroup.com/publications.html>

UNQUOTE



Adrian Mallia
Company Secretary

Loqus Holdings p.l.c.

**Condensed Consolidated Interim
Report
(unaudited)**

31 December 2024

2024

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Directors' Report pursuant to Capital Market Rule 5.75.2

For the six-months ended 31 December 2024

The Directors present their report in accordance with the requirements of MFSA Capital Market Rule 5.75. This report, which shall be read in conjunction with the Condensed Consolidated Interim Financial Statements for the six months ended 31 December 2024, including the Notes thereto, forms part of the Half-Yearly Report of Loqus Holdings p.l.c., drawn up in terms of the requirements of Capital Market Rules 5.74 to 5.75.

Principal Activities

The Company holds investments in subsidiaries engaged in the provision of fleet management, back-office processing, and ICT solutions.

Review of Performance

The first six months ending 31 December 2024 has seen positive developments for the Group, with a 7% increase in revenue and a healthy improvement in EBITDA. The Group has also made significant progress in reducing our loss for the period. The Group is reporting a loss before tax, for the period, of EUR311,800 compared to EUR594,165 in the same period in 2023.

	01.07.2024 to 31.12.2024	01.07.2023 to 31.12.2023	% change
	EURO	EURO	
Revenue	5,973,652	5,568,959	7%
Costs	5,413,605	5,398,486	-
EBITDA	560,047	170,473	229%
Loss for the period before tax	(311,800)	(594,165)	48%

Our commitment to growth and efficiency has been unwavering. We have consistently worked on increasing revenue while carefully managing costs, a strategy that has allowed us to substantially decrease the loss compared to last year. One of the biggest contributors to this success has been the expansion of our openFleet product line, with new client onboardings significantly boosting our recurrent revenue, which now constitutes 91% of total revenue. This milestone reflects the stability and reliability of our business model.

This growth, particularly in the last quarter, has not only solidified our revenue base but also enhanced our cash flow position. However, with growth comes the challenge of balancing upfront expenditures with long-term revenue streams. As we continue to develop new product functionalities and roll out larger projects, we navigate a delicate timing gap between investment and returns. Managing this balance is key to sustaining our momentum.

Our focus remains on returning to profitability so that we can once again invest in our people, ensuring competitive salary reviews and improvements in the near future.

A healthy cash flow is essential for fuelling our ambitions. It allows us to continue our most important Research & Development (R&D) efforts, ensuring we stay ahead of the curve in an ever-evolving market. It also enables us to meet our taxation obligations and gradually work towards repaying shareholders' loans—key commitments that form part of our broader financial strategy.

Directors' Report pursuant to Capital Market Rule 5.75.2 (continued)

For the six-months ended 31 December 2024

Forecasts

Looking ahead, we have ambitious yet achievable goals. We are committed to growing within our existing customer base and markets, while simultaneously exploring new opportunities in promising regions. Over the next 24 months, we will focus on having a presence in France and Italy, leveraging our expertise and existing relationships to build a solid foundation in these key markets. Beyond that, within the next 36 months, we aim to establish a foothold in the U.S. market, tapping into a vast landscape of opportunities that align with our long-term vision.

Our accelerated growth phase is crucial for unlocking our full market potential. To finance this growth, we will continue to focus on both internal and external funding sources, along with efficiency gains and cost reduction initiatives.

The foundation of our strategy lies in continuous revenue enhancement within the fleet management sector, with a particular emphasis on our openFleet product line. This product has demonstrated impressive geographical expansion and functional improvements. In the short-term, our focus revolves around engaging potential clients in countries with robust delivery infrastructures. Our mid-term vision focuses on expanding openFleet's reach by targeting smaller customers in vertical markets with dedicated, efficient solutions that are easy to implement and scale.

Way forward

While our interim results reflect a period of transition and investment, we remain steadfast in our commitment to long-term value creation. By maintaining our focus on strategic expansion, operational efficiency, and product innovation, we are confident in our ability to strengthen our financial position and deliver sustainable growth.

Approved by the Board on 24 February 2025 and signed on its behalf by:



Mr Walter Bonnici
Chairman



Mr Joe Fenech Conti
Director

Condensed Consolidated Interim Statement of Comprehensive Income
For the six-months ended 31 December 2024

	01.07.2024	01.07.2023
	To	To
	31.12.2024	31.12.2023
	€	€
Revenue	5,973,652	5,568,959
Purchases and other directly attributable costs	(1,856,236)	(1,581,119)
Personnel expenses	(3,103,270)	(3,357,221)
Professional and consultancy fees	(83,546)	(91,927)
Travelling and accommodation	(70,997)	(90,163)
Marketing expenses	(40,520)	(18,339)
Other administrative expenses	(259,036)	(259,717)
Operating profit before depreciation and amortisation	560,047	170,473
Depreciation and amortisation	(786,568)	(716,267)
Finance costs	(85,279)	(48,371)
Loss before tax	(311,800)	(594,165)
Income tax expense	(39,793)	(16,133)
Loss for the period	(351,593)	(610,298)
Exchange difference on translation of foreign operations	14,069	(6,726)
Total comprehensive income for the period net of tax	(337,524)	(617,024)
Loss for the period attributable to:		
Owners of the parent	(351,593)	(610,298)
Non-controlling interest	-	-
	(351,593)	(610,298)
Total comprehensive income attributable to:		
Owners of the parent	(337,524)	(617,024)
Non-controlling interest	-	-
	(337,524)	(617,024)
Loss per share basic	(1c1)	(1c9)

Condensed Consolidated Statement of Financial Position

As at 31 December 2024

	The Group	
	31.12.2024	30.06.2024
	€	€
ASSETS		
Non-current assets		
Property, plant and equipment	318,497	360,501
Intangible assets	9,001,693	8,863,829
Deferred tax asset	600,000	600,000
Total non-current assets	<u>9,920,190</u>	<u>9,824,330</u>
Current assets		
Inventories	15,619	15,839
Trade and other receivables	2,620,165	2,665,227
Cash at bank and in hand	1,619,172	1,228,723
Total current assets	<u>4,254,956</u>	<u>3,909,789</u>
TOTAL ASSETS	<u>14,175,146</u>	<u>13,734,119</u>

Condensed Consolidated Statement of Financial Position
As at 31 December 2024

	The Group	
	31.12.2024	30.06.2024
	€	€
EQUITY AND LIABILITIES		
Equity		
Issued capital	7,430,457	7,430,457
Share premium	847,101	847,101
Capital Redemption Reserve	121,554	121,554
Translation Reserve	104,320	90,251
Accumulated losses	(2,818,959)	(2,467,366)
Total equity attributable to equity holders of the parent	<u>5,684,473</u>	<u>6,021,997</u>
Non-controlling interests	-	-
Total Equity	<u>5,684,473</u>	<u>6,021,997</u>
Non-current liabilities		
Other liabilities	645,057	911,447
Lease liabilities	76,971	104,823
Total non-current liabilities	<u>722,028</u>	<u>1,016,270</u>
Interest-bearing loans and borrowings	1,632,788	1,273,299
Lease liabilities	42,524	29,865
Trade and other payables	6,029,110	5,366,042
Taxation	64,223	26,646
Total current liabilities	<u>7,768,645</u>	<u>6,695,852</u>
Total liabilities	<u>8,490,673</u>	<u>7,712,122</u>
TOTAL EQUITY AND LIABILITIES	<u>14,175,146</u>	<u>13,734,119</u>

The Condensed Consolidated interim financial statements set out on pages 3 to 10 were approved by the Board of Directors on 24 February 2025 and were signed on its behalf by:



Mr Walter Bonnici
Chairman



Mr Joe Fenech Conti
Director

Condensed Consolidated Statement of Changes in Equity

For the six-months ended 31 December 2024

	Attributable to equity holders of the parent					Total	Non-controlling interests	Total equity
	Issued capital	Share premium	Capital redemption reserve	Accumulated losses	Translation Reserve			
	€	€	€	€	€			
At 1 July 2023	7,430,457	847,101	121,554	(1,841,832)	81,658	6,638,938	-	6,638,938
Loss for the period	-	-	-	(610,298)	-	(610,298)	-	(610,298)
Other comprehensive income	-	-	-	-	(6,726)	(6,726)	-	(6,726)
Total comprehensive income	-	-	-	(610,298)	(6,726)	(617,024)	-	(617,024)
At 31 December 2023	7,430,457	847,101	121,554	(2,452,130)	74,932	6,021,914	-	6,021,914
At 1 July 2024	7,430,457	847,101	121,554	(2,467,366)	90,251	6,021,997	-	6,021,997
Loss for the period	-	-	-	(351,593)	-	(351,593)	-	(351,593)
Other comprehensive income	-	-	-	-	14,069	14,069	-	14,069
Total comprehensive income	-	-	-	(351,593)	14,069	(337,524)	-	(337,524)
At 31 December 2024	7,430,457	847,101	121,554	(2,818,959)	104,320	5,684,473	-	5,684,473

Condensed Consolidated Statement of Cash Flows

For the six-months ended 31 December 2024

	The Group	
	01.07.2024	01.07.2023
	to	to
	31.12.2024	31.12.2023
	€	€
Operating Activities		
Loss before Tax	(311,800)	(594,165)
Adjustments to reconcile loss before tax to net cash flows:		
Non-Cash:		
Depreciation, amortisation and impairment	786,568	716,267
Interest (income)/expense	85,279	48,371
Working capital adjustments:		
Movement in inventories	220	(1,713)
Movement in trade and other receivables	45,062	(306,402)
Movement in trade and other payables	715,919	635,824
	1,321,248	498,182
Interest paid	(32,596)	(2,489)
Net cash flows generated from operating activities	1,288,652	495,693
Investing activities		
Payment to acquire property, plant and equipment	(12,224)	(58,869)
Payments to acquire intangible assets	(870,204)	(788,571)
Net cash flows used in investing activities	(882,428)	(847,440)
Financing activities		
Repayment of lease liabilities	(15,193)	(30,692)
Repayment of interest-bearing loans and borrowings	-	(230,694)
Net cash flows used in financing activities	(15,193)	(261,386)
Net movement in cash and cash equivalents	391,031	(613,133)
Cash and cash equivalents at beginning of period	1,228,080	1,851,177
Cash and cash equivalents at end of period	1,619,111	1,238,044

Notes to the Condensed Consolidated Interim Financial Statements

For the six-months ended 31 December 2024

Reporting entity

Loqus Holdings p.l.c. (“the Company”), is a limited liability company incorporated in Malta on the 23rd day of October of the year 2000. The condensed consolidated interim financial statements of the Group as at and for the six months ended 31st December 2024 comprise the Company and its subsidiaries (together referred to as the “Group”).

Basis of preparation and statement of compliance

The condensed consolidated interim financial statements have been prepared on a historical cost basis. The condensed consolidated interim financial statements have been prepared in accordance with accounting standards adopted for use in the EU for interim financial statements (EU adopted IAS 34 *Interim Financial Reporting*) and Chapter 5 of the Capital Market Rules issued by the MFSA.

These condensed consolidated interim financial statements have been extracted from the unaudited Group management accounts for the six months ended 31st December 2024.

The interim financial statements do not include all of the information and disclosures required for full annual financial statements, and should be read in conjunction with the financial statements of Loqus Holdings p.l.c. as at and for the year ended 30th June 2024.

The condensed consolidated interim financial statements were approved by the Board of Directors on 24th February 2025.

Going concern

These condensed consolidated interim financial statements have been prepared on a going concern basis which assumes that the Group will continue in existence for the foreseeable future. The Directors have reasonable expectation that the Group has adequate resources to improve its liquidity and to take the necessary decisions to continue its operations in the foreseeable future.

On the basis of the progress made by the Group, the Directors are of the opinion that cash flows are sufficient to meet present and future commitments and liabilities of the Company and the Group as and when they fall due.

The consolidated financial statements of the Group as at and for the period ended 30th June 2024 are available upon request from the Company’s registered office at SUB008A, Industrial Estate, San Gwann, Malta.

Material accounting policies

Except for any changes listed below, the accounting policies applied by the Group in these condensed consolidated interim financial statements are the same as those applied by the Group in its financial statements as at and for the year ended 30th June 2024. The application of any new and revised International Financial Reporting Standards is not expected to have a significant impact on the financial statements.

Notes to the Condensed Consolidated Interim Financial Statements (continued)

For the six-months ended 31 December 2024

Segment information

For management purposes, the Group is organised into business units based on their products and services as follows:

- Fleet management - Vehicle and Marine Tracking Systems and On the Move Logistics Solutions including tailor made solutions as well as off the shelf packages. This department previously also incorporated products and services which are now classified within Original Equipment Manufacturers in view of the incorporation of Loqus Fleet Limited.
- Original Equipment Manufacturers – This includes Fleet Management contracts which the Group holds with resellers under their own name and branding.
- Back-office processing - variety of high level, off site services to support entities.
- Projects - assist clients in selecting appropriate ICT solutions and in implementing them.

Management monitors revenue and directly attributable costs of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit and loss in the consolidated financial statements. Corporate expenses are allocated based on the segmental revenues. However, the Group assets and liabilities are managed on a Group basis and are not allocated to operating segments.

01/07/2024 to 31/12/2024	Fleet management	Original Equipment Manufacturers	Back-office processing	Projects	Consolidated
Revenue	4,496,178	12,180	1,279,160	186,134	5,973,652
Purchases and other directly attributable costs	(1,757,136)	(169)	(71,771)	(27,160)	(1,856,236)
Personnel expenses	(2,411,509)	(3,829)	(531,637)	(156,295)	(3,103,270)
Other expenses	(220,757)	(609)	(222,814)	(9,919)	(454,099)
Operating (loss)/profit before depreciation and amortisation	106,776	7,573	452,938	(7,240)	560,047
Depreciation and amortisation	(673,126)	-	(113,442)	-	(786,568)
Finance cost	(50,651)	(137)	(33,936)	(555)	(85,279)
(Loss)/profit before tax	(617,001)	7,436	305,560	(7,795)	(311,800)

Notes to the Condensed Consolidated Interim Financial Statements (continued)

For the six-months ended 31 December 2024

01/07/2023 to 31/12/2023	Fleet management	Original Equipment Manufacturers	Back-office processing	Projects	Consolidated
Revenue	4,038,940	18,603	1,351,714	159,702	5,568,959
Purchases and other directly attributable costs	(1,455,559)	(201)	(113,664)	(11,695)	(1,581,119)
Personnel expenses	(2,642,770)	(4,736)	(538,098)	(171,617)	(3,357,221)
Other expenses	(238,420)	(930)	(211,751)	(9,045)	(460,146)
Operating profit before depreciation and amortisation	(297,809)	12,736	488,201	(32,655)	170,473
Depreciation and amortisation	(605,623)	-	(110,644)	-	(716,267)
Finance cost	(26,770)	(123)	(21,166)	(312)	(48,371)
(Loss)/profit before tax	(930,202)	12,613	356,391	(32,967)	(594,165)

Revenue by geographical markets	Local	Europe	Middle East and South Africa	Australasia	Total
	€	€	€	€	€
01.07.2024 to 31.12.2024	1,393,583	4,571,905	8,165	-	5,973,652
01.07.2023 to 31.12.2023	1,553,086	4,003,437	11,121	1,315	5,568,959

Related parties

The Group's related parties are its shareholders and key management personnel. The transactions with these related parties during the six months ended 31 December 2024 were those that prevail in arm's length transactions.

Significant accounting judgements, estimates and assumptions

The preparation of consolidated interim financial statements requires management to make judgements, estimates and assumptions that affect reported income, expenses, assets, liabilities and disclosure of contingent assets and liabilities. Actual results in the future may differ from such estimates.

In preparing these condensed consolidated interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 30 June 2024.

Statement pursuant to Capital Market Rule 5.75.3 issued by the Listing Authority

For the six-months ended 31 December 2024

I hereby confirm that to the best of my knowledge:

- the condensed consolidated interim financial statements give a true and fair view of the financial position of the Group as at 31 December 2024, as well as of the financial performance and cash flows for the said period, fully in compliance with the International Financial Standards as adopted for use in the EU for interim financial statements (EU adopted IAS 34, *Interim Financial Reporting*); and
- the Interim Directors' report includes a fair review of the information required in terms of Capital Market Rule 5.81 to 5.84.



Mr Walter Bonnici
Chairman