

COMPANY ANNOUNCEMENT

The following is a Company Announcement issued by CC Finance Group plc ("the Company"), in terms of the Rules of Prospects MTF, the market regulated as a multi-lateral trading facility operated by the Malta Stock Exchange ("Prospects MTF Rules").

Interim Unaudited Financial Statements

Date: 10th August 2023 Reference: CCF/CA- 70/23

Quote

In a meeting of the Board of Directors held today, 10th August, 2023, the Board of Directors of the Company approved the Group's Interim Unaudited Financial Statements for the period ending 30th June, 2023.

The Financial Statements are also available for viewing on the website of the Company at: https://cc.com.mt/investor-relations/

Unquote

Kari Pisani B.A, LL.D. MSc. Company Secretary

INTERIM REPORT 2023

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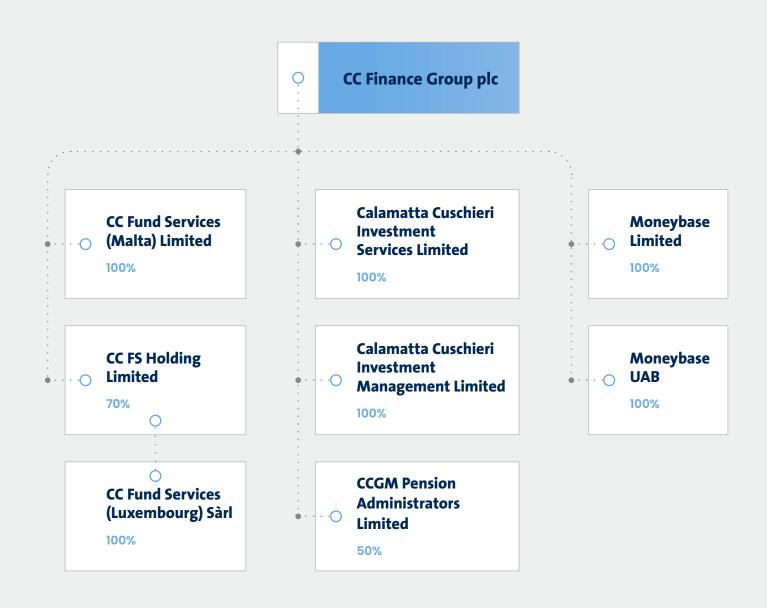
CC Finance Group at a glance

Who we are

CC Finance Group is a privately held diversified financial services group, operating in the fields of investment services, Fintech and fund services. We pioneered the local financial services industry in 1971, offering independent investment advice. Today, we continue to evolve at a fast pace whilst keeping our core values at heart; that of providing our clients with the best possible service, utilising the latest technology, and

employing top professionals in the field, whilst also ensuring the strictest governance and ethics.

We exist to protect and help grow our clients' wealth whilst providing our clients with a personalised and professional service. The group operates three business lines, and we have amassed experience in these key areas. We strive to be disruptive, thinking outside the box, whilst providing high-quality services and products.



Chief Executive Officers' Review



Nick Calamatta Co-CEO

Alan Cuschieri Co-CEO

It gives us great satisfaction to report record results for the first half of the year. CC Finance Group achieved a revenue of €7.7m, which is a high watermark for the group, whilst client's assets increased by 7% to €2.24bn. These figures translated into a healthy bottom line, as the group registered an EBITDA of €1.94m for the period ended 30 June 2023.

This record financial performance can be mainly attributed to the implementation of the strategic initiatives as announced in our 2022 annual

report as well as an improvement in the global markets that have also presented our clients with new opportunities in equity markets and fixed income securities with attractive interest rates.

During the first half of 2023, we continued to make progress on our consolidation exercise which is expected to be complete by year end. We have also renewed our client focus in terms of product enhancements, and we aim to launch new disruptive products in Q4.

Calamatta Cuschieri

Despite the current recession fears, in 2023 the S&P was up by 15.9%, the NASDAQ by 8.8% and the Euro Stoxx 50 by 16%. Rising interest rates have created opportunities for investors in high-grade fixed income securities and in general higher yields on the international market.

On the local front, we have seen an increase in trading volumes that we had not experienced since the start of the COVID pandemic in early 2020. This has been a function of the performance of the local economy and the record number of local issuances seen in 2022 and in the first half of this year.

Calamatta Cuschieri achieved net inflows of €74m, improving yet again on the previous year by 11.4%, bringing our Assets Under Management & Administration to €1.08bn.





Capital Markets

During the period we completed seven transactions that include five main market bonds, an Initial Public Offering and a private placement, totalling €82.7m, and we continued to lead the market in this sector.

We also organised a unique seminar on Capital Markets on Tuesday, 18 April 2023 in collaboration with the Malta Chamber. Twelve leading representatives of the capital markets industry together with Mr Joseph Portelli, Chairman of the Malta Stock Exchange and Dr Marthese Portelli, CEO of the Malta Chamber, gave their views on Capital Markets in Malta. The aim of the

event was to help familiarise companies considering a listing themselves with the ins and outs of the listing process. The attendance at the seminar, which was fully booked, attests to the growing interest in listing locally.

In the wider local capital markets during the first half of the year there were a further three main market bond issues and two private placements. In February, almost €300m Malta Government Bond were placed with the investing public and at the beginning of July, the government placed a further €400m.



Qawra Palace plc

An issue of

€25,000,000

5.25% Secured Bonds 2033



AST Group plc

An issue of

€8,500,000

6.25% Secured Bonds 2033



Pharmacare Finance plc

An issue of

€17,000,000

6% Unsecured Bonds 2033



JD Capital plc

An issue of

€11,000,000

6% Secured Bonds 2033



Bonnici Bros. Properties plc

An issue of

€12,000,000

5.25% Unsecured Bonds 2033



Fortytwo Invest plc

An issue of

€1,500,000

6.5% Unsecured Bonds 2025



The Convenience Shop (Holding) plc

An issue of

€7,700,000

Initial Public Offering



Moneybase

With now slightly over a year since the launch of our payment platform and rebranding of our online trading platform, Moneybase has yet again gained recognition by winning another award. This time it was the prestigious Best App award at the eBusiness awards 2022 by TECH.mt which is very significant for us and encouraging for our team.

We continue to see promising results on our platform in terms of adoption and an increasing number of clients. During the period under review, we have seen Moneybase continue to grow month-on-month both in terms of deposits and payment transactions with

healthy double-digit increases compared to the previous six months. Moneybase had satisfactory new net flows for the period of €20m, with total client assets reaching €361m and deposits increasing by 64%.

Moneybase will be launching business accounts during H2, a new product which promises to be disruptive in the market but which also complements our current offering very well.

Moneybase was also present at this year's edition of 'Money 20/20' exhibiting together with Finance Malta and networking with investors and global industry players.

CC Fund Services

Performance remains robust in our fund services division, with revenue on target and synergies from new software implemented in late 2022, now not only having a positive effect on our operations but also bringing in financial benefits to our fund services business.

Several promotional initiatives were carried out in the first half of the year, as we continue to promote Malta as a fund jurisdiction in several countries. Challenges to ensure that the jurisdiction remains attractive and is promoted sufficiently remain. We also believe that the long-awaited introduction of the Notified Professional Investor Fund is a step in the right direction.

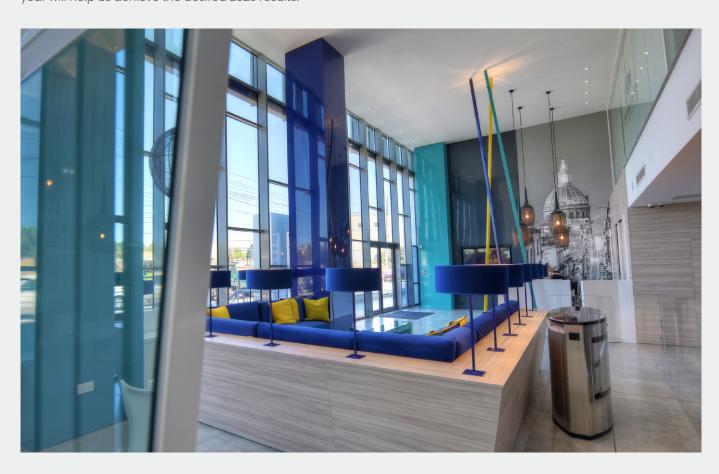


CCFundServices

H2 2023 Outlook

We expect the second half of the year to be equally busy in terms of business optimisation and new product launches. From a financial performance point of view, we are cautiously optimistic that the out-performance experienced in the first half of the year will help us achieve the desired 2023 results.

We would like to thank all our stakeholders, including clients, employees and partners, for their continued trust and business.



Performance Highlights

H1 2023

Revenue

+22%

€7.70m

EBITDA

+572%

€1.94m

Total Assets

+9%

€34.06m

Equity

+8%

€11.84m

Net Flows

+64%

€127.3m

AuMA

+7%

€2.24bn

Assets under Management and Administration (AuMA)

This measure includes all clients' assets held with the group, including assets held on behalf of customers under nominee, assets under management, assets administered by the group or deposits. During the first half of 2023, AuMA of the group increased by 7%, from €2.1bn to €2.24bn.

New inflows for Calamatta Cuschieri increased year on year for all businesses as investor sentiment improved during the first half of 2023. Market movements increased AuMA by 0.9% in line with the increase of asset prices globally, which offset the positive variance in net inflows. The below table shows the net flows for each business line and market movements experienced during the first half of the year.

| | AuMA 31.12.2022 €m | Net Flows €m | Net Flows % | Market Movements €m | Market Movements % | AuMA 30.06.2023 €m | AuMA Change % |
|---------------------|--------------------------|--------------------|-------------------|---------------------------|--------------------------|--------------------------|---------------------|
| Calamatta Cuschieri | 965.8 | 73.9 | 7.6% | 35.9 | 3.7% | 1,075.5 | 11.4% |
| Moneybase | 319.1 | 20.9 | 6.6% | 20.9 | 6.5% | 360.9 | 13.1% |
| CC Fund Services | 806.0 | 32.5 | 4.0% | (37.9) | (4.7%) | 800.6 | (0.7%) |
| | 2,090.9 | 127.3 | 6.1% | 18.9 | 0.9% | 2,237.0 | 7.0% |

Company Information

Company Name CC Finance Group plc

Directors Charles Borg (Chairman)

Kari Pisani

Nicholas Calamatta Gabriella Calamatta Alan Cuschieri Alexander Cuschieri

Company Secretary Kari Pisani

Registered office Ewropa Business Centre

Triq Dun Karm

Birkirkara BKR 9034, Malta

Country of incorporation Malta

Company registration number C 85280

Bank of Valletta plc

45, Republic Street Valletta VLT 1113, Malta

Auditor Deloitte Audit Limited

Triq L-Intornjatur

Central Business District CBD 3050, Malta

Legal advisors GANADO Advocates

171, Old Bakery Street Valletta VLT 1455, Malta

GVZH Advocates 192, Old Bakery Street Valletta VLT 1455, Malta

Corporate advisor DF Consultancy Services Limited

Il Piazzetta A, Suite 52, Level 5 Tower Road, Sliema SLM 1607, Malta

Interim Directors' Report

This Interim Report is being published in terms of Chapter 4 of the Prospects MTF Rules of the Malta Stock Exchange and the Prevention of Financial Markets Abuse Act, 2005. The Interim Report comprises the unaudited consolidated Interim Financial Statements for the six months ended 30 June 2023, prepared in accordance with IAS 34, 'Interim Financial Reporting'. The comparative information has been extracted from the unaudited financial statements for the period ended 30 June 2022 and the audited financial statements for the year ended 31 December 2022.

Principal Activities

The group's principal activity is to carry on the business of a finance group in connection with ownership, development, operation and financing of the business activities of the companies forming part of CC Finance Group plc.

Performance Review

During the period under review, the Group generated a profit before tax of €1.55m (2022 - loss of €0.84m) and closed the period with a net asset position of €11.8m (2022 - €11m).

Approved by the Board of Directors on 10 August 2023 and signed on its behalf by:

Charles Borg Director

Kari Pisani Director



Consolidated statement of profit or loss and other comprehensive income

| | 30 June 2023 (unaudited) | 30 June 2022 (unaudited) |
|---|--------------------------------|--------------------------------|
| | € | € |
| Revenue | 7,701,388 | 6,314,715 |
| Direct costs | (655,650) | (662,408) |
| Gross profit | 7,045,738 | 5,652,307 |
| Staff costs | (3,241,422) | (4,061,138) |
| Other administrative costs | (1,897,200) | (1,878,326) |
| Share of loss from joint venture | (20,715) | (14,778) |
| Other income/(expense) | 49,776 | (108,276) |
| EBITDA | 1,936,177 | (410,211) |
| Interest income | 15,707 | 51,326 |
| Interest expense | (137,062) | (135,216) |
| Depreciation and amortisation | (262,577) | (347,419) |
| Profit/(loss) before tax | 1,552,245 | (841,520) |
| Income tax expense | (645,865) | (38,021) |
| Profit/(loss) for the period / total comprehensive income for the period | 906,380 | (879,541) |
| Discontinued operations | (98,704) | - |
| Comprehensive income / (expense) from continued operations | 807,676 | (879,541) |
| Profit for the period / total comprehensive expense for the period attributable to non-controlling interest | 30,798 | 10,113 |
| Profit/(loss) for the period / total comprehensive income/ (expense) for the period attributable to parent | 838,474 | (869,428) |

Consolidated statement of financial position

| | 30 June | 31 December |
|--|-------------|-------------|
| | 2023 | 2022 |
| | (unaudited) | (audited) |
| | € | € |
| ASSETS | | |
| Non-current assets | | |
| Intangible assets | 47,041 | 63,569 |
| Property, plant and equipment | 484,348 | 565,343 |
| Investment property | 306,000 | 306,000 |
| Investment in joint venture | 75,268 | 95,983 |
| Right of use asset - lease | 1,045,189 | 1,196,607 |
| Fair value through profit and loss investments | 1,109,130 | 1,005,537 |
| Loans and receivables | 6,666,471 | 6,711,471 |
| Deferred tax asset | 1,762,669 | 1,815,533 |
| | 11,496,116 | 11,760,043 |
| Current assets | | |
| Investment property held for sale | - | 3,150,000 |
| Trade and other receivables | 3,801,668 | 3,999,567 |
| Inventory | 53,934 | 55,680 |
| Cash and cash equivalents | 3,352,246 | 2,421,342 |
| Advances to bank | 14,855,648 | 9,092,221 |
| Current tax asset | 499,224 | 846,078 |
| | 22,562,720 | 19,564,888 |
| Total assets | 34,058,836 | 31,324,931 |
| LIABILITIES | | |
| Current liabilities | | |
| Trade and other payables | 1,702,977 | 3,429,192 |
| Amounts due to customers | 14,855,648 | 9,092,221 |
| Lease liability | 307,017 | 307,017 |
| Bank overdraft and loan | 261,298 | 1,256,924 |
| Current tax liabilities | 273,640 | 396,820 |
| | 17,400,580 | 14,482,174 |

Consolidated statement of financial position (continued)

| | 30 June 2023 (unaudited) | 31 December 2022 (audited) |
|--|--------------------------------|----------------------------------|
| Non-current liabilities | | |
| Interest bearing loans and borrowings | 3,989,900 | 3,984,221 |
| Lease liability | 826,423 | 1,040,487 |
| Deferred tax liability | 339 | 15,713 |
| Bank loans | - | 813,050 |
| | 4,816,662 | 5,853,471 |
| Total liabilities | 22,217,242 | 20,335,645 |
| Net assets | 11,841,594 | 10,989,286 |
| EQUITY | | |
| Share capital | 2,000,000 | 2,000,000 |
| Other reserves | 105,409 | 60,776 |
| Retained earnings | 10,090,199 | 9,251,725 |
| Investor compensation scheme reserve | 8,535 | 8,535 |
| Attributable to equity holders of the parent | 12,204,143 | 11,321,036 |
| Non-controlling interest | (362,549) | (331,750) |
| Total equity | 11,841,594 | 10,989,286 |

The Interim Consolidated Financial Statements were approved by the Board of Directors on 10 August 2023 and signed by:

Charles BorgDirector

Kari Pisani Director

Consolidated statement of changes in equity

| Balance at 30 June 2023 | 2,000,000 | 105,409 | 8,535 | 10,090,199 | 12,204,143 |
|--|------------------|----------------|------------------------------------|----------------------|------------|
| Non-controlling interest | _ | _ | - | 30,798 | 30,798 |
| Share award scheme expense | _ | 44,633 | - | - | 44,633 |
| Profit for the period/total comprehensive expense for the period | - | - | - | 807,676 | 807,676 |
| Balance at 31 December 2022 | 2,000,000 | 60,776 | 8,535 | 9,251,725 | 11,321,036 |
| Non-controlling interest | _ | _ | _ | 162,360 | 162,360 |
| Investor compensation scheme movement | _ | - | 2,514 | (2,514) | - |
| Share award scheme expense | - | 60,776 | - | - | 60,776 |
| Loss for the year/total comprehensive expense for the year | - | - | - | (81,300) | (81,300) |
| Balance at 1 January 2022 | 2,000,000 | - | 6,021 | 9,173,179 | 11,179,200 |
| | € | € | € | € | € |
| | Share capital | Other reserves | Investor Compensation Scheme | Retained earnings | Total |

Consolidated statement of cash flows

| | 30 June 2023 (unaudited) € | 30 June 2022 (unaudited) € |
|--|---------------------------------------|-------------------------------------|
| Cash flows from operating activities | • | • |
| Profit/(loss) before tax | 1,453,541 | (841,520) |
| Adjustments for: | | |
| Depreciation and amortisation | 262,578 | 347,420 |
| Payment of interest on lease liability | 24,182 | - |
| Amortisation of bond costs | 5,678 | 5,359 |
| Fair value movement on fair value through profit or loss financial assets | (103,593) | 145,726 |
| Royalty fee | 20,715 | 162,500 14,778 |
| Share of loss in joint venture Interest income | (15,707) | (207,117) |
| Share award expense | 44,633 | 44,634 |
| Interest expense | 28,686 | 135,216 |
| <u>`</u> | · · · · · · · · · · · · · · · · · · · | <u> </u> |
| Operating profit/(loss) before working capital movement Movement in trade and other receivables | 1,720,713 122,277 | (193,004) 516,020 |
| Movement in inventories | 1,746 | 7,383 |
| Movement in trade and other payables | (2,243,413) | (394,084) |
| Movement in amounts due to customers | 5,763,427 | 2,416,865 |
| Movement in advances to bank | (5,763,427) | (2,416,865) |
| Net cash flows used in operations | (398,677) | (63,685) |
| Interest paid | (28,686) | (217,845) |
| Payment of interest on lease liability | (24,182) | - |
| Interest received | 15,707 | 155,791 |
| Income tax paid | (138,554) | (38,022) |
| Income tax refund | 346,853 | - |
| Net cash flows used in operating activities | (227,539) | (163,761) |
| Cash flows from investing activities | | |
| Proceeds from non-current assets held for sale | 3,150,000 | - |
| Purchase of property, plant and equipment and intangibles | (13,638) | (61,124) |
| Payments to acquire financial instruments | - | (349,074) |
| Proceeds from sale of financial instruments | - | 323,074 |
| Net cash flows generated from/(used in) investing activities | 3,136,362 | (87,124) |
| Cash flows from financing activities | | |
| Finance lease payments | (214,064) | (229,613) |
| Dividends received | 44,821 | - |
| Repayment of loans | (893,815) | (29,844) |
| Net cash flows used in financing activities | (1,063,058) | (259,457) |
| Net movement in cash and cash equivalents | 1,845,765 | (510,342) |
| Cash and cash equivalents at the beginning of the period | 1,245,183 | 1,558,039 |
| Cash and cash equivalents at the end of the period | 3,090,948 | 1,047,697 |

Notes to the consolidated financial statements

10.1 The Group and its operations

The Group consists of CC Finance Group plc, i.e. Holding Company and its subsidiaries.

CC Finance Group plc ("CCFG") (the "Company")

The Company was incorporated on 9 March 2018 in Malta, under the Companies Act (Cap. 386), as a public limited liability company, with registration number C 85280. The registered office of the Company is located at Ewropa Business Centre, Triq Dun Karm, Birkirkara, Malta. The Company was formed to act as a holding company for CC Finance Group (the "Group"). The Company was also set up for the issuance of a bond on the Prospects MTF market. The Group is made up of the following subsidiaries and joint venture:

Calamatta Cuschieri Investment Services Limited ("CCIS")

CCIS was incorporated on 30 March 1992 in Malta, under the Companies Act (Cap. 386), as a limited liability company, with registration number C 13729. The registered office of the company is located at Ewropa Business Centre, Triq Dun Karm, Birkirkara, Malta. CCIS provides advice and financial consultancy to its customers in return for a commission on brokerage dealings in securities. CCIS is licensed by the Malta Financial Services Authority to carry out investment services in terms of Investment Services Act (Cap. 370). This license gives CCIS the full right to deal directly in international markets and to hold and control clients' money and assets.

Calamatta Cuschieri Investment Management Limited ("CCIM")

CCIM was incorporated on 10 June 2011 in Malta, under the Companies Act (Cap. 386), as a limited liability company, with registration number C 53094. The registered office of the company is located at Ewropa Business Centre, Triq Dun Karm, Birkirkara, Malta.

The principal activity of CCIM is the provision of fund management services and is licensed as a UCITS management company by the Malta Financial Services Authority ("MFSA") in terms of the Investment Services Act (Cap. 370).

Moneybase Holding Limited ("MBH")

Moneybase Holding Limited was incorporated on 4 July 2018 in Malta as a limited liability company

with registration number C 97579. The registered office of the company is located at Ewropa Business Centre, Triq Dun Karm, Birkirkara, Malta.

The principle objectives of the company is to provide electronic money and payment services as defined in the Second and Third Schedule to the Financial Institutions Act (Chapter 376 of the Laws of Malta).

Moneybase Limited ("MB")

Moneybase Limited was incorporated on 4 July 2018 in Malta as a limited liability company with registration number C 87193. The registered office of the company is located at Ewropa Business Centre, Triq Dun Karm, Birkirkara, Malta.

The principle objectives of the company is to provide electronic money and payment services as defined in the Second and Third Schedule to the Financial Institutions Act (Chapter 376 of the Laws of Malta).

Moneybase UAB

Moneybase UAB was incorporated on 12 September 2019 in Lithuania as a limited liability company with registration number 305286882. The registered office of the company is located at Upes str 23, Vilinus, the Republic of Lithuania.

The principle objectives of the company is to provide electronic money and payment services.

CC FS Holding Limited ("CCFSH")

CCFS Holding was incorporated on 22 January 2019, under the laws of Malta, as a limited liability company, with registration number C 90343. The registered office of the company is located at Ewropa Business Centre, Triq Dun Karm, Birkirkara, Malta.

The company acts as a holding company and invests in fund services business worldwide. The company owns 100% of CC Fund Services (Luxembourg) Sàrl.

CC Fund Services (Malta) Limited ("CCFS")

CCFS was incorporated on 2 December 2008 in Malta, under the Companies Act (Cap. 386), as a limited liability company, with registration number C 45733. The registered office of the company is located at Ewropa Business Centre, Triq Dun Karm, Birkirkara, Malta.

The principal objectives of CCFS is to provide administration, transfer agency and related services to collective investment schemes in terms of the Investment Services Act, 1994. CCFS is also involved in the provision of corporate and advisory services to local companies in accordance with the Company Service Provider Act, 2013.

CC Fund Services (Luxembourg) Sarl

CC Fund Services (Luxembourg) Sàrl was incorporated on 28 October 2020, with registration number B248341. The registered office of the company is 20, Rue Eugene Ruppert, L-2453 Luxembourg. The company obtained its regulatory licence on 1 March 2021. The company was set up to provide fund services in Luxembourg. The company is in the process of being liquidated.

CCGM Pension Administrators Limited ("CCGM")

CCGM, which is a 50% joint venture, was incorporated on 31 August 2016 in Malta, under the Companies Act (Cap. 386), as a limited liability company, with registration number C 77072. The registered office of the company is located at Ewropa Business Centre, Triq Dun Karm, Birkirkara, Malta, and its main object is to act as a retirement scheme administrator for the purpose of the Retirement Pensions Act.

10.2 Basis of consolidation and preparation

The Interim Financial Statements have been prepared in accordance with IAS34 Interim Financial Reporting, as adopted by the EU. The consolidated Interim Financial Statements have been extracted from the management accounts for the six months ended 30 June 2023.

The financial information as at 30 June 2023 and for its six months then ended reflect the financial position and performance of CC Finance Group plc and its subsidiaries. The comparative amounts reflect the financial position as included in the audited financial statements ended 31 December 2022 and the unaudited financial results for the period ended 30 June 2022.

The Interim Financial Statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual financial statements as at 31 December 2022, which form the basis for these Interim Financial Statements.

These Interim Financial Statements are intended to provide an update on the latest complete set of annual financial statements and accordingly they focus on new activities, events and circumstances.

The significant accounting policies and methods of computation used in the preparation of these consolidated Interim Financial Statements are consistent with those used in the Group's audited financial statements for the year ended 31 December 2022, unless otherwise disclosed below in the section titled 'IFRS applicable in the current year'. These policies are described in Note 15.3 of the audited financial statements for the year ended 31 December 2022.

The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date control ceases. Where necessary, in preparing these consolidated financial statements, appropriate adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with those used by group entities. Intra-group balances, transactions, income and expenses are eliminated on consolidation.

10.3 Group restructuring

In Q1 2023, the group obtained regulatory approval for the proposed group restructuring which is planned to be completed in Q3. The main objective of the restructuring was to:

- Acquire Moneybase Holding Limited, a related company, which owns the intellectual property in use by the Group; and
- To create 3 sub-groups under CC Finance Group plc, in line with our core businesses, namely Calamatta Cuschieri, CC Fund Services and Moneybase.

The restructuring has only partially been completed to date. As a result, these Interim Financial Statements only include accounting entries related to the executed steps. The Group's Annual Financial Statements, however, will include accounting entries related to the remaining steps of the restructuring, which will be accounted for under the principles of

predecessor accounting, as from the date CC Finance Group plc took control of the entities, which is deemed to be 1 January 2023. We have therefore included proforma primary statements, which include the restructuring accounting entries and applied predecessor accounting, to show effect of the restructuring on the Group's Interim Financial Statements in Annex I. The effect on the interim financial statements had the restructuring occurred during H1 2023, would have been an increase in EBITDA of €247,391, a decrease in profit from continued operations of €108,740 and a decrease in net assets of €779,438. In terms of predecessor accounting, an acquirer is not required to be identified. Predecessor accounting allows for an accounting policy choice, either retrospective application where the Company would incorporate the acquired entities at their previous carrying amounts of assets and liabilities included in the respective financial statements of the subsidiaries and would opt to present the full year's results of the subsidiaries, including comparative information, or prospective application where the Company would consolidate the entities from the date when control was assumed. The Company has opted for a prospective application.

10.4 Initial Application of an International **Financial Reporting Standard and International Financial Reporting** Standards in issue but not yet effective

Initial Application of International Financial Reporting Standards (IFRS)

The following amendments to the existing standards issued by the International Accounting Standards Board is effective for the current year:

Amendments to IAS 16 'Property, plant and equipment - proceeds before intended use'. The amendments address the proceeds from selling items produced while bringing an asset into the location and condition necessary for it to be capable of operating in the manner intended by management.

Amendments to IFRS 3 'Business Combinations' -Reference to the conceptual framework (effective for financial years on or after 1 January 2022). The amendments update an outdated reference in IFRS 3 without significantly changing its requirements.

Amendments to IFRS 9 (as part of the 2018 - 2020 Annual Improvement Cycle) 'Financial Instruments'. The amendments clarify which fees an entity includes when it applies the '10 per cent test' in assessing whether to derecognise a financial liability.

Amendments to IAS 1 and IFRS Practice Statement 2 'Disclosure of Accounting Policies'. This is effective for financial years on or after 1 January 2023. The amendments are intended to help preparers in deciding which accounting policies to disclose in their financial statements. The amendments amend IAS 1 in the following ways:

- a An entity is now required to disclose its material accounting policy information instead of its significant accounting policies;
- b several paragraphs are added to explain how an entity can identify material accounting policy information and to give examples of when accounting policy information is likely to be material;
- c the amendments clarify that accounting policy information may be material because of its nature, even if the related amounts are immaterial;
- d the amendments clarify that accounting policy information is material if users of an entity's financial statements would need it to understand other material information in the financial statements; and
- e the amendments clarify that if an entity discloses immaterial accounting policy information, such information shall not obscure material accounting policy information.

In addition, IFRS Practice Statement 2 has been amended by adding guidance and examples to explain and demonstrate the application of the 'four-step materiality process' to accounting policy information in order to support the amendments to IAS 1.

Amendments to IAS 8 'Definition of Accounting Estimates'. This is effective for financial years on or after 1 January 2023. The amendments are intended to help entities distinguish between accounting policies and accounting estimates. The changes to IAS 8 focus entirely on accounting estimates and clarify the following:

- a The definition of a change in accounting estimates is replaced with a definition of accounting estimates.
 - Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty".
- b Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty.
- c The Board clarifies that a change in accounting estimate that results from new information or new developments is not the correction of an error. In addition, the effects of a change in an input or a measurement technique used to develop an accounting estimate are changes in accounting estimates if they do not result from the correction of prior period errors.
- d A change in an accounting estimate may affect only the current period's profit or loss, or the profit or loss of both the current period and future periods. The effect of the change relating to the current period is recognised as income or expense in the current period. The effect, if any, on future periods is recognised as income or expense in those future periods.

Amendments to IAS 12 'Deferred Tax related to Assets and Liabilities arising from a Single Transaction'.

This is effective for financial years on or after 1 January 2023. The aim of the amendments is to reduce diversity in the reporting of deferred tax on leases and decommissioning obligations.

Prior to the Amendments, there had been some uncertainty about whether the IAS 12 exemption from recognising deferred tax applied to transactions for which companies recognise both an asset and a liability. The amendments clarify that the exemption does not apply and that companies are required to recognise deferred tax on such transactions.

An entity applies the amendments to transactions that occur on or after the beginning of the earliest comparative period presented. It also, at the beginning of the earliest comparative period presented,

recognises deferred tax for all temporary differences related to leases and decommissioning obligations and recognises the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at that date.

The Directors believe that the introduction of such IFRSs will not result in any significant impact on these financial statements.

International Financial Reporting Standards in issue but not yet effective

At the date of approval of these financial statements the following standards, revisions and interpretations were in issue but not yet effective:

Amendments to IAS 1 'Classification of Liabilities as Current or Non-Current' (effective for financial years on or after 1 January 2024 by virtue of the October 2022 Amendments) and Non-Current Liabilities with Covenants. The amendments affect only the presentation of liabilities in the statements of financial position and not the amount or timing of recognition of any asset, liability income or expenses, or the information that entities disclose about those items. The amendments:

- a clarify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period and align the wording in all affected paragraphs to refer to the "right" to defer settlement by at least twelve months and make explicit that only rights in place "at the end of the reporting period" should affect the classification of a liability, and covenants that need to be complied with after the reporting period should not affect that classification;
- b clarify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability;
- c make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services; and
- d introduce additional presentation and disclosure requirements for liabilities that are subject to covenants.

Amendments to IFRS 16 'Lease Liability in a Sale and Leaseback' - These amendments add to requirements explaining how a company accounts for a sale and leaseback after the date of the transaction. A sale and leaseback is a transaction for which a company sells an asset and leases that same asset back for a period of time from the new owner. IFRS 16 includes requirements on how to account for a sale and leaseback at the date the transaction takes place. However, IFRS 16 had not specified how to measure the transaction when reporting after that date. These amendments will not change the accounting for leases other than those arising in a sale and leaseback transaction. This is not yet endorsed by the EU.

10.5 Judgements in applying accounting policies and key sources of estimation uncertainty

In the process of applying the group's accounting policies, management has made no changes to judgements which can significantly affect the amounts recognised in the financial statements and, at the end of the reporting period, there were no key assumptions concerning the future or any other key sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

10.6 Dividends

CC Finance Group did not declare any dividends to its ultimate beneficial owners during the period.

10.7 Investment property

| THE GROUP | Directly Owned Property Asset € |
|--|---------------------------------|
| At 1 January 2022 | 3,615,185 |
| Movement in fair value | (159,185) |
| Transfer to non-current assets held for sale | (3,150,000) |
| At 1 January 2023 | 306,000 |
| Additions | - |
| Increase in fair value | - |
| At 30 June 2023 | 306,000 |
| Carrying Value | |
| At 31 December 2022 | 306,000 |
| At 30 June 2023 | 306,000 |

The investment property held at 30 June 2023 represents a shop owned by the Company in Qormi that is being rented out to third parties. The ownership of the old Palazzo in Valletta has been transferred and hence the asset is not included as held for sale. The consideration received represented the fair value held at 31 December 2022.

10.8 Fair value through profit and loss investments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

For financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

For assets and liabilities that are recognised in the consolidated financial statements at fair value on a recurring basis, the Group determines when transfers are deemed to have occurred between Levels in the hierarchy at the end of each reporting period.

At 30 June 2023 and 31 December 2022, the carrying amounts of financial assets and financial liabilities classified with current assets and current liabilities respectively approximated their fair values due to the short-term maturities of these assets and liabilities.

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3.

Fair value measurement at end of the reporting period:

| | 30 June 2023 (unaudited) | 31 December 2022 (audited) |
|--|--------------------------------|----------------------------------|
| | € | € |
| Level 1 | | |
| Fair value through profit or loss: | | |
| Foreign listed debt instruments | 790,415 | 621,854 |
| Local listed debt instruments | 317,715 | 382,683 |
| Level 2 | | |
| Fair value through profit or loss: | | |
| Unlisted collective investment schemes | 1,000 | 1,000 |
| | 1,109,130 | 1,005,537 |

The fair values of loans and receivables classified as non-current financial assets and bank loans classified as non-current financial liabilities that are not measured at fair value are not materially different from their carrying amounts.

10.9 Interest bearing loans and borrowings

| | 30 June 2023 (unaudited) | 31 December 2022 (audited) |
|--|--------------------------------|----------------------------------|
| | € | € |
| 4.25% Bond nominal balance payable | 4,000,000 | 4,000,000 |
| Bond issue costs | (54,150) | (54,150) |
| Accumulated amortisation of bond issue costs | 44,050 | 38,371 |
| | 3,989,900 | 3,984,221 |

10.10 Commitments

The Group enjoys an overdraft facility of €1,000,000 with Bank of Valletta plc, which is secured by a general hypotec over the group's assets.

Guarantees

As at 30 June 2023, the Group has provided a quarantee to an unrelated party for the operating lease of the immovable property on a 5-year term deposit held with a local bank as disclosed below. No liability is expected to arise.

As at 30 June 2023, HSBC Bank Malta plc held a bank guarantee for an amount of €23,300 (2022: €23,300) in respect of amounts blocked by the Malta Stock Exchange to cover trade settlements.

Operating lease commitments - Group as lessee

The Group has entered into operating leases on immovable property, with lease terms for a minimum of five years and ten years. The Group has the option, under some of its leases, to lease the property for additional terms of 5 to 10 years.

Future minimum rentals payable under non-cancellable operating leases as at 30 June 2023 are as follows:

| | 30 June 2023 (unaudited) | 31 December 2022 (audited) |
|--|--------------------------------|----------------------------------|
| | € | € |
| Not later than one year | 352,907 | 352,745 |
| Later than one year and not more than five years | 862,457 | 1,071,710 |
| More than five years | 70,107 | 37,084 |
| | 1,285,471 | 1,461,539 |

10.11 Related party disclosures

CC Finance Group plc is jointly controlled by Taurus Investments Limited and Gardell Investments Limited. Both companies are registered in Malta and have a registered address at Ewropa Business Centre, Triq Dun Karm, Birkirkara, Malta.

In terms of IAS 24 'Related Party Disclosures' -Related Party Disclosures, the directors consider that the ultimate controlling parties of Taurus Investments Limited are Alexander Cuschieri, Christine Cuschieri, Alan Cuschieri and Tricia Galea, who collectively own 100% of the issued share capital.

In terms of IAS 24 'Related Party Disclosures', the directors consider the ultimate controlling party of Gardell Investments Limited are Janis Calamatta, Nicholas Calamatta and Gabriella Calamatta, who collectively own 100% of the issued share capital.

Related party transactions were made on terms equivalent to those that prevail in arm's length transactions. During the course of the year, the Group entered into transactions with related parties as set out below.

| | Sales to related party | Purchases from related party | Amounts owed by related party | Amounts owed to related party |
|-------------------------------------|------------------------|------------------------------|-------------------------------|-------------------------------|
| | € | € | € | € |
| CC Funds SICAV p.l.c. | 920,350 | - | - | 11,800 |
| CCGM Pension Administrators Limited | 64,793 | - | 31,673 | - |
| CC Cancer Foundation | - | - | 20 | 570 |
| Gardell Investments Limited | - | - | 3,964 | 25,691 |
| Taurus Investments Limited | - | - | 3,365 | 18,086 |
| Moneybase Holding Limited | 291,981 | 687,500 | 1,294,804 | - |
| Amounts due from directors | - | - | 176,418 | - |

During 2022, the Company also charged interest income on loans and receivables from related party of €51,326.

10.12 Russian military action against Ukraine

The geopolitical situation in Eastern Europe worsened in late February 2022, with the commencement of Russia's military action against Ukraine. This conflict is evolving as military activity continues and economic sanctions are imposed by countries in the West on Russia. As further disclosed in the Directors' report, in making the going concern assessment, management has considered events up to the date of authorisation of the financial statements and

accordingly, the impact of this conflict has been taken into consideration for the purpose of that assessment. The situation continues to be closely monitored by management to ensure that the interests of all its stakeholders are safeguarded.

10.13 Comparative figures

Certain comparative figures have been reclassified in order to comply with the current year presentation.

Annex I

In Q1 2023, the group obtained regulatory approval for the proposed group restructuring which is planned to be completed in Q3. The main objective of the restructuring was to:

- Acquire Moneybase Holding Limited, a related company, which owns the intellectual property in use by the Group; and
- To create 3 sub-groups under CC Finance Group plc, in line with our core businesses, namely Calamatta Cuschieri, CC Fund Services and Moneybase.

The restructuring has only partially been completed to date. As a result, these Interim Financial Statements only include accounting entries related to the executed

steps. The Group's Annual Financial Statements, however, will include accounting entries related to the remaining steps of the restructuring, which will be accounted for under the principles of predecessor accounting, as from the date CC Finance Group plc took control of the entities, which is deemed to be 1 January 2023. We have therefore included proforma primary statements, which include the restructuring accounting entries and applied predecessor accounting, to show effect of the restructuring on the Group's Interim Financial Statements below. The effect on the interim financial statements had the restructuring occurred during HI 2023, would have been an increase in EBITDA of €247,391, a decrease in profit from continued operations of €108,740 and a decrease in net assets of €779,438.

Consolidated statement of profit or loss and other comprehensive income

| Revenue Direct costs | 30 June 2023 (unaudited) € 7,425,786 (655,650) | 30 June 2022 (unaudited) € 6,314,715 (662,408) |
|--|---|--|
| Gross profit Staff costs Other administrative costs Share of loss from joint venture Other income/(expense) | 6,770,136 (3,398,943) (1,216,686) (20,715) 49,776 | 5,652,307 (4,061,138) (1,878,326) (14,778) (108,276) |
| EBITDA Interest income Interest expense Depreciation and amortisation | 2,183,568 15,707 (137,062) (677,260) | (410,211) 51,326 (135,216) (347,419) |
| Profit/(loss) before tax Income tax expense | 1,384,953 (587,313) | (841,520) (38,021) |
| Profit/(loss) for the period / total comprehensive income for the period Discontinued operations | 797,640 (98,704) | (879,541) |
| Comprehensive income / (expense) from continued operations | 698,936 | (879,541) |
| Profit/(loss) for the period / total comprehensive expense for the period attributable to non-controlling interest | 30,798 | 10,113 |
| Profit/(loss) for the period / total comprehensive income/ (expense) for the period attributable to parent | 729,734 | (869,428) |

Consolidated statement of financial position

| | 30 June 2023 | 31 December 2022 |
|--|-----------------|---------------------|
| | (unaudited) | (audited) |
| | € | € |
| ASSETS | | |
| Non-current assets | | |
| Intangible assets | 7,122,936 | 63,569 |
| Property, plant and equipment | 489,200 | 565,343 |
| Investment property | 306,000 | 306,000 |
| Investment in joint venture | 75,268 | 95,983 |
| Right of use asset - lease | 1,045,189 | 1,196,607 |
| Fair value through profit and loss investments | 1,109,130 | 1,005,537 |
| Loans and receivables | - | 6,711,471 |
| Deferred tax asset | 1,762,669 | 1,815,533 |
| | 11,910,392 | 11,760,043 |
| Current assets | | |
| Investment property held for sale | - | 3,150,000 |
| Trade and other receivables | 3,993,563 | 3,999,567 |
| Inventory | 53,934 | 55,680 |
| Cash and cash equivalents | 3,354,246 | 2,421,342 |
| Advances to bank | 14,855,648 | 9,092,221 |
| Current tax asset | 499,224 | 846,078 |
| | 22,756,615 | 19,564,888 |
| Total assets | 34,667,007 | 31,324,931 |
| LIABILITIES | | |
| Current liabilities | | |
| Trade and other payables | 3,090,586 | 3,429,192 |
| Amounts due to customers | 14,855,648 | 9,092,221 |
| Lease liability | 307,017 | 307,017 |
| Bank overdraft and loan | 261,298 | 1,256,924 |
| Current tax liabilities | 273,640 | 396,820 |
| | 18,788,189 | 14,482,174 |

Consolidated statement of financial position (continued)

| | 30 June 2023 (unaudited) | 31 December 2022 (audited) |
|--|--------------------------------|----------------------------------|
| | € | € |
| Interest bearing loans and borrowings | 3,989,900 | 3,984,221 |
| Lease liability | 826,423 | 1,040,487 |
| Deferred tax liability | 339 | 15,713 |
| Bank loans | - | 813,050 |
| | 4,816,662 | 5,853,471 |
| Total liabilities | 23,604,851 | 20,335,645 |
| Net assets | 11,062,156 | 10,989,286 |
| EQUITY | | |
| Share capital | 2,000,000 | 2,000,000 |
| Other reserves | 105,409 | 60,776 |
| Retained earnings | 9,310,761 | 9,251,725 |
| Investor compensation scheme reserve | 8,535 | 8,535 |
| Attributable to equity holders of the parent | 11,424,705 | 11,321,036 |
| Non-controlling interest | (362,549) | (331,750) |
| Total equity | 11,062,156 | 10,989,286 |

Consolidated statement of changes in equity

| _ | _ | - | (670,698) | (670,698) |
|------------------|----------------|--|---|---|
| - | - | - | 30,798 | 30,798 |
| - | 44,633 | - | - | 44,633 |
| - | - | - | 698,936 | 698,936 |
| 2,000,000 | 60,776 | 8,535 | 9,251,725 | 11,321,036 |
| _ | _ | - | 162,360 | 162,360 |
| - | - | 2,514 | (2,514) | - |
| - | 60,776 | - | - | 60,776 |
| - | - | - | (81,300) | (81,300) |
| 2,000,000 | - | 6,021 | 9,173,179 | 11,179,200 |
| € | € | € | € | € |
| Share capital | Other reserves | Investor Compensation Scheme | Retained earnings | Tota |
| | capital | capital reserves € € 2,000,000 - - - - - 2,000,000 60,776 - - 2,000,000 60,776 | Share capital Other reserves Compensation Scheme € € € 2,000,000 - 6,021 - - - - 60,776 - - - 2,514 - - - 2,000,000 60,776 8,535 - - - - 44,633 - - - - - - - | Share capital Other reserves Compensation Scheme Retained earnings € € € € 2,000,000 - 6,021 9,173,179 - - (81,300) - 60,776 - - - - 2,514 (2,514) - - 162,360 2,000,000 60,776 8,535 9,251,725 - - 698,936 - 44,633 - - - - 30,798 |

Consolidated statement of cash flows

| | 30 June 2023 (unaudited) € | 30 June 2022 (unaudited) € |
|--|-------------------------------------|-------------------------------------|
| Cash flows from operating activities | G | |
| Profit/(loss) before tax | 1,286,249 | (841,520) |
| Adjustments for: | | |
| Depreciation and amortisation | 677,260 | 347,420 |
| Payment of interest on lease liability | 24,182 | |
| Amortisation of bond costs | 5,678 (103,593) | 5,359 145,726 |
| Fair value movement on fair value through profit or loss financial assets Royalty fee | (103,593) | 162,500 |
| Share of loss in joint venture | 20,715 | 14,778 |
| Interest income | (15,707) | (207,117) |
| Share award expense | 44,634 | 44,634 |
| Interest expense | 28,686 | 135,216 |
| Operating profit/(loss) before working capital movement | 1,968,104 | (193,004) |
| Movement in trade and other receivables | (69,617) | 516,020 |
| Movement in inventories | 1,746 | 7,383 |
| Movement in trade and other payables | (1,705,603) | (394,084) |
| Movement in amounts due to customers | 5,763,427 | 2,416,865 |
| Movement in advances to bank | (5,763,427) | (2,416,865) |
| Net cash flows generated from/(used in) operations | 194,630 | (63,685) |
| Interest paid | (28,686) | (217,845) |
| Payment of interest on lease liability | (24,182) | - |
| Interest received | 15,707 | 155,791 |
| Income tax paid | (138,554) | (38,022) |
| Income tax refund | 346,853 | _ |
| Net cash flows generated from/(used in) operating activities | 365,768 | (163,761) |
| Cash flows from investing activities | | |
| Proceeds from non-current assets held for sale | 3,150,000 | - |
| Purchase of property, plant and equipment and intangibles | (604,946) | (61,124) |
| Payments to acquire financial instruments | - | (349,074) |
| Proceeds from sale of financial instruments | - | 323,074 |
| Net cash flows generated from/(used in) investing activities | 2,545,054 | (87,124) |
| Cash flows from financing activities | | |
| Finance lease payments | (214,064) | (229,613) |
| Dividends received | 44,821 | _ |
| Repayment of loans | (893,814) | (29,844) |
| Net cash flows used in financing activities | (1,063,058) | (259,457) |
| Net movement in cash and cash equivalents | 1,847,765 | (510,342) |
| Cash and cash equivalents at the beginning of the period | 1,245,183 | 1,558,039 |
| Cash and cash equivalents at the end of the period | 3,092,948 | 1,047,697 |

