

Date: 28th August 2023
Reference: 9/2023

COMPANY ANNOUNCEMENT

PUBLICATION OF UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30TH JUNE 2023

The following is a company announcement issued by Class Finance plc (“The Company”), having company registration number C 94741, issued in terms of the Prospects Rules, the market regulated as a multi-lateral trading facility operated by the Malta Stock Exchange (“Prospects MTF”).

Quote

The Board of Directors of the Company announces that it met on the 28th August 2023 and considered and approved the Company's Unaudited Interim Consolidated Financial Statements for the six-month period ended 30th June 2023. The latter are reproduced below and are also available for viewing on the Company's website:

<https://www.classoptical.com/company-announcements>

Unquote

By order of the board



Anton Magro
Company Secretary



**Condensed Interim Consolidated Financial Statements
(Unaudited)**

for the six months period ended 30th June 2023

Company Registration No. C 94741

Condensed Interim Consolidated Financial Statements (Unaudited)

For the six months period ended 30th June 2023

CONTENTS

	<u>Page</u>
General Information	2
Interim Directors' report	3
Directors' statement	4
Condensed consolidated statement of comprehensive income	5
Condensed consolidated of financial position	6-7
Condensed consolidated statement of changes in equity	8
Condensed consolidated statement of cash flows	9
Notes	10

Condensed Interim Consolidated Financial Statements (Unaudited)

For the six months period ended 30th June 2022

GENERAL INFORMATION

Registration

Class Finance PLC is registered in Malta as public limited liability company under the Companies Act (Cap 386). The company's registration number is C 94741.

Directors

Dr. John C. Grech
Mr. Cyril Gabarretta
Mr. Robert Tua
Dr. Maurice Zarb Adami
Mr. Kerstien Gabarretta
Mr. Robert Ebejer

Company Secretary

Mr. Anton Magro

Registered Office

UBT 13/14,
San Gwann Industrial Estate,
San Gwann. SGN 3000
Malta

Bankers

APS Bank PLC
APS Centre,
Tower Street,
Birkirkara. BKR 4012
Malta

Auditors

Griffiths & Associates Ltd
Level 1, Casal Naxaro,
Labour Avenue,
Naxxar. NXR 9021
Malta

Condensed Interim Consolidated Financial Statements (Unaudited)

For the six months period ended 30th June 2023

DIRECTORS REPORT

The directors present the condensed interim unaudited consolidated Financial Statements of the group for the six months period ended 30th June 2023.

Principal Activities

The Company's main activity is to invest and hold investments in other companies. The Group is engaged in the manufacturing, wholesale and retail of sunglasses, spectacles and other optical goods.

Business review and financial performance

The group delivered a positive financial performance during the period under review. The Group delivered a Profit before Tax of EUR 510,367.

The Group Revenue was EUR 4.7 million and the group equity which includes reserves available for distribution amounted to EUR 5.7 million.

Dividend

The directors have authorised a payment of a net dividend of EUR 75,000.


Events after the end of the reporting period

There were no events after the end of the reporting period that materially affected the financial position of the Group or of the Company, or that require mention in this report.

Approved by the Board of Directors on 28 August 2023 and signed on its behalf by



Mr. Cyril Gabarretta
Director



Mr. Robert Tua
Director

Condensed Interim Consolidated Financial Statements (Unaudited)
For the six months period ended 30th June 2022

DIRECTORS DECLARATION

We hereby confirm that to the best of knowledge:

- The condensed consolidated interim financial statements give a true and fair view of the financial position of the Group as at 30 June 2023, and of its financial performance and cash flows for the six-month period ended in accordance with IAS 34 *Interim Financial Reporting*; and
- The Interim Directors' Report includes a fair review of the information required in terms of Prospects Rule 4.11.12.



Mr. Cyril Gabarretta
Director



Mr. Robert Tua
Director

28 August 2023

CLASS FINANCE P.L.C

Condensed Interim Consolidated Statement of Comprehensive Income (Unaudited)
for the period ended 30 June 2023

	01.01.2023 to 30.06.2023 €	01.01.2022 to 30.06.2022 €
Revenue	4,694,715	4,877,385
Cost of Sales	<u>(2,541,714)</u>	<u>(2,714,528)</u>
Gross Profit	2,153,001	2,162,857
Administration & Distribution Expenses	(1,682,914)	(1,526,707)
Net Impairment Losses of financial and contract assets	-	(120,000)
Other Income	205,408	232,211
Operating Profit	<u>675,495</u>	<u>748,361</u>
Finance Costs	(165,128)	(142,741)
Profit before Tax	<u>510,367</u>	<u>605,620</u>
Income Tax Expense	(144,098)	(211,311)
Profit for the year - Total Comprehensive Income	<u><u>366,269</u></u>	<u><u>394,309</u></u>

CLASS FINANCE P.L.C

Condensed Interim Consolidated Statement of Financial Position (Unaudited)

As at the period ended 30 June 2023

	01.01.2023 to 30.06.2023 €	01.01.2022 to 30.06.2022 €
ASSETS		
Non-Current Assets		
Right-of-Use assets	1,730,022	2,048,645
Property, Plant & Equipment	1,943,128	1,592,787
Investment in associate	-	17,000
Deferred Tax	11,032	22,195
Total Non-Current Assets	3,684,182	3,680,627
Current Assets		
Inventories	2,708,634	2,349,732
Trade & Other Receivables	4,589,800	3,199,468
Cash & Cash Equivalents	1,489,306	3,063,247
Total current assets	8,787,740	8,612,447
Total Assets	12,471,922	12,293,074

CLASS FINANCE P.L.C

Condensed Interim Consolidated Statement of Financial Position (Unaudited)

As at the period ended 30 June 2023

	01.01.2023 to 30.06.2023 €	01.01.2022 to 30.06.2022 €
EQUITY & LIABILITIES		
Capital & Reserves		
Share Capital	373,400	373,400
Other Reserves	4,279,657	4,279,657
Retained Earnings	1,376,542	676,988
Non-controlling interest	-	(18,496)
Total Equity	6,029,599	5,311,549
Non-current Liabilities		
Borrowings	3,120,089	3,152,495
Lease Liabilities	1,736,666	1,968,710
Deferred Tax	-	-
Total Non-Current Liabilities	4,856,755	5,121,205
Current Liabilities		
Borrowings		52,093
Lease liabilities	145,128	142,101
Trade and other payables	1,355,259	1,486,296
Current tax liability	85,181	179,830
Total Current Liabilities	1,585,568	1,860,320
Total Equity & Liabilities	12,471,922	12,293,074
		-

CLASS FINANCE P.L.C

Condensed Interim Consolidated Statement of Changes in Equity (Unaudited)
for the period ended 30 June 2023

	Other Reserve	Retained	Share Capital	Total	Non-Controlling	Total Equity
	€	Earnings	€	€	Interest	€
		€			€	
Balance as at 1 January 2022	4,279,657	461,878	373,400	5,114,935	(15,696)	5,099,239
Profit for the period - Total Comprehensive Income		397,110		397,110	(2,800)	394,310
Transactions with owners in their capacity as owners						
Dividends paid		(182,000)		(182,000)		(182,000)
Balance as at 30th June 2022	4,279,657	676,988	373,400	5,330,045	(18,496)	5,311,549
Balance as at 1 January 2023	4,279,657	1,085,273	373,400	5,738,330	-	5,738,330
Profit for the period - Total Comprehensive Income		366,269		366,269	-	366,269
Transactions with owners in their capacity as owners						
Dividends paid		(75,000)		(75,000)		(75,000)
Balance as at 30th June 2023	4,279,657	1,376,542	373,400	6,029,599	-	6,029,599

-

CLASS FINANCE P.L.C

Condensed Interim Consolidated Statement of Cashflows (Unaudited)
for the period ended 30 June 2023

	01.01.2023	01.01.2022
	to	to
	30.06.2023	30.06.2022
	€	€
Cashflows from operating activities		
Profit before Tax	510,367	394,310
Adjustments for:		
Amortisation of Bond Issue Costs	-	177,282
Depreciation expense	201,967	84,631
Impairment of financial assets	-	120,000
Amortisation of bond issue costs	4,761	4,761
Profit from Operations	717,095	780,984
Change in Inventories	(295,425)	(203,725)
Change in Receivables	459,460	(415,645)
Change in Payables	121,314	124,843
Income taxes paid	(83,747)	(76,155)
Net Cash generated from Operating Activities	918,697	210,302
Investing Activities		
Acquisition of Property, Plant & Equipment	(637,608)	(293,327)
Net cash used in investing activities	(637,608)	(293,327)
Financing Activities		
Interest paid on loans and borrowings	(5,783)	(3,683)
Interest paid on bond issue	(73,500)	(61,250)
Interest paid on lease liabilities	(80,909)	(77,808)
Repayment of Lease Liabilities	(122,922)	-
Dividends paid to equity shareholder	(75,000)	(182,000)
Loan to equity shareholder	(437,897)	(241,800)
Proceeds from bond issue	-	3,000,000
Net cash from financing activities	(796,011)	2,433,459
Net movement in cash and cash equivalents	(514,922)	2,350,434
Cash and Cash equivalents at beginning of the year	2,004,228	712,813
Cash and Cash equivalents at end of period	1,489,306	3,063,247

Condensed Interim Consolidated Financial Statements (Unaudited)

For the six months period ended 30th June 2023

NOTES

1. BASIS OF PREPARATION

These unaudited condensed interim consolidated financial statements for the six month period ended 30 June 2023 have been prepared in accordance with International Accounting Standard (IAS) 34 *Interim Financial Reporting*.

These interim condensed consolidated 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 have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU).

In addition, results for the six-month period ended 30 June 2023 are not necessarily indicative of the results that may be expected for the financial year ending 31st December 2023.

2. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted are consistent with those of the Group's financial statements for the year ended 31 December 2022.

Use of judgements and estimates

In preparing condensed interim consolidated financial statements, the Board of Directors have made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

There have been no material revisions to the natures and estimates of amounts reported in prior periods. 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 applied to the consolidated financial statements as at 31 December 2022.