CLASSFINANCE

Class Finance plc
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Date: 28th April 2025
Reference: 05/2025

COMPANY ANNOUNCEMENT

Variances

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, on 28th April 2025, considered and approved the Company's Audited Consolidated Financial Statements for the financial year ended 31st December 2023.

The Board of Directors notes that material variances resulted between the Financial Sustainability Forecasts for 2024 and the Actual Audited results for the financial year ended 31st December 2024. Any material differences are detailed below:

Class Finance plc - Consolidated Group

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	Audited Financial Statements 31.12.2024 €	Original Consolidated Projections 31.12.2024 €	Variance €
Revenue	1	11,230,427	10,548,701	681,726
Cost of Sales	2	(6,103,022)	(5,696,034)	(406,988)
Gross Profit		**5,127,405**	**4,852,667**	**274,738**
		0.46	0.46	
Other Income		277,946	263,367	14,579
Direct Overheads		(1,886,491)	(1,738,486)	(148,005)
InDirect Overheads		(1,517,271)	(1,492,221)	(25,050)
EBITDA		**2,001,589**	**1,885,327**	**116,262**
Finance Costs		(262,184)	(277,140)	14,956
Depreciation	3	(497,295)	(515,054)	17,759
Net Profit Before Tax		**1,242,110**	**1,093,133**	**148,977**
Tax		(222,590)	(366,200)	143,610
Net Profit After Tax		**1,019,520**	**726,933**	**292,587**

Class Finance plc - Consolidated Group

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	Audited Financial Statements 31.12.2024 €	Original Consolidated Projections 31.12.2024 €	Variance €
ASSETS				
NON-CURRENT ASSETS				
Property, Plant & Equipment	4	4,642,503	5,124,605	(482,102)
TOTAL NON-CURRENT ASSETS		**4,642,503**	**5,124,605**	**(482,102)**
CURRENT ASSETS				
Inventories	5	2,880,577	2,315,400	565,177
Receivables	6	5,018,869	4,739,453	279,416
Current Tax Asset		160,547	-	160,547
Cash & Bank Balances		1,428,058	1,765,725	(337,667)
TOTAL CURRENT ASSETS		**9,488,051**	**8,820,578**	**667,473**
TOTAL ASSETS		**14,130,554**	**13,945,183**	**185,371**
EQUITY & LIABILITIES				
EQUITY				
Share Capital		373,400	373,400	-
Retained Earnings		6,495,026	6,192,439	302,587
TOTAL EQUITY		**6,868,426**	**6,565,839**	**302,587**
NON-CURRENT LIABILITIES				
Borrowings		2,934,548	2,991,174	(56,626)
Lease Liability		1,488,235	1,454,758	33,477
Deferred Tax		9,088	33,760	(24,672)
TOTAL NON-CURRENT LIABILITIES		**4,431,871**	**4,479,692**	**(47,821)**
CURRENT LIABILITIES				
Payables		2,645,697	2,640,572	5,125
Borrowings		83,028		83,028
Coporate Tax		-	54,930	(54,930)
Lease Liability	7	101,532	204,150	(102,618)
TOTAL CURRENT LIABILITIES		**2,830,257**	**2,899,652**	**(69,395)**
TOTAL EQUITY & LIABILITIES		**14,130,554**	**13,945,183**	**185,371**

Note 1 - Revenue

The actual revenue surpassed the forecast by EUR 682k. The group was awarded a tender for optical lenses which was not included in the original forecast. The wholesale subsidiary of the group has increased it's exports to the Libyan market and the local market has acheived a steady growth of around 5%.

Note 2 - Cost of Sales

The increase in cost of sales is in line with the growth in revenue of the group. The group managed to achieve the same gross profit margin that was forecasted.

Note 3 - Depreciation

The group terminated a lease of a shop which was not performing well in Q3 which was not forecasted. This resulted in a reduction in amortization.

Note 4 - Property, Plant & Equipment

In view of the early termination of the lease as stated in Note (3), the right of use of asset related to the same shop was written off, thus resulting in the shortfall compared to the forecast.

Note 5 - Inventories

The variance in inventories is due to bulk-buying in view of higher discounts provided by our suppliers. The group ensures a fast turnaround of inventory in order to limit stock provisions.

Note 6 -Trade & Other Receivables

Trade Receivables are within control and provision for bad debts has remained stable. The difference is due to timing differences which amounts were collected after year-end.

Note 7 - Lease Liabilities

This represents the obligation to make lease payments and is measured at present value of future lease payments in accordance with IFRS 16 - Leases.

UNQUOTE

By order of the board

Anton Magro
Company Secretary