

Company Announcement

The following is a company announcement issued by Klikk Finance plc (“Klikk” or the “Company”) pursuant to Rule 4.11.12 of the Prospects Rules.

Publication of Condensed Interim Financial Statements (unaudited) 01 January 2020 to 30 June 2020

Quote

The Company hereby announces that the Condensed Consolidated interim Financial Statements (unaudited) for the period 01 January 2020 to 30 June 2020 (the “**Financial Statements**”) were considered and approved by the board of directors of the Company.

The Financial Statements are available as part of this announcement as well as on the Investor Relations section of the Company’s website: <https://www.klikk.com.mt/investor-relations>

Unquote

Mikiel Calleja

Company Secretary

12.08.2020

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Klikk Finance p.l.c.

Unaudited Interim Condensed Consolidated Financial Statements for the period 1 January 2020 to 30 June 2020

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Klikk Finance p.l.c.

Directors' Report pursuant to Prospects MTF Rule 4.11.12 for the period 1 January 2020 to 30 June 2020

This Half-Yearly Report is being published in terms of the Prospects MTF Rules issued by the Malta Stock Exchange and the Prevention of Financial Markets Abuse Act, 2005. The Half-Yearly Report comprises the reviewed (not audited) condensed consolidated interim financial statements for the six months ended 30 June 2020 prepared in accordance with IAS 34, 'Interim Financial Reporting'. The condensed consolidated interim financial statements have been reviewed in accordance with the requirements of ISRE 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity'. The comparative Statement of Financial Position has been extracted from the audited financial statements for the year ended 31 December 2019.

Principal activity

Klikk Finance p.l.c. (the Company) is the financing arm of the Group and its main purpose is to act as financier of Klikk Limited (the Subsidiary) and Klikk Code Ltd (the sub-Subsidiary).

The principal activity of the Group is to operate two computer retail outlets servicing both retail and corporate clients, with the outlets situated on the Birkirkara By-Pass and Tal-Barrani Road, Zejtun. Furthermore, the Group develops Bespoke and B2B software solutions to corporate customers.

Review of business and results

The Group (consisting of the Company, Subsidiary, and sub-Subsidiary) incurred a consolidated loss before tax of €51,499 (2019: €80,987) for the six-month period ended 30 June 2020, a decrease of 36.4% over the previous period.

Progress has been registered following the increase in local sales as turnover increased from €2.7m between January to June 2019 to €3.7m between January to June 2020, representing an increase of 35%. However, the Group's gross profit margin decreased to 15.7% during the current period (January to June 2019: 17.5%).

Dividend

No interim dividends are being proposed.

Effects of Covid-19 pandemic

The directors consider that in the prevailing circumstances the period under review was satisfactory. Following the outbreak of the Covid-19 pandemic, the Directors have continued to actively monitor its operations in order to safeguard the interest of the Group as necessary. Despite disruption in business operations for a number of weeks, the trading and financial performance of the Group has improved when compared to the same period in the previous year. Management is optimistic that operational changes implemented more recently will continue to have a positive impact on performance. Nonetheless the company continues to operate in uncertain and unprecedented circumstances brought about by the pandemic which may have an adverse impact on the Group's future profitability and financial position.

Approved by the Board of Directors on 12 August 2020 and signed on its behalf by:



Mr. Gordon Zammit - Chairman



Mr. Martin Vella - Director and CEO

Registered Office

Hal Mann, The Factory,
Mosta Road,
Lija LJA 9016
Malta

Klikk Finance p.l.c.

Directors' statement

We hereby confirm that to the best of our knowledge:

- The condensed consolidated interim financial statements give a true and fair view of the financial position of the Group as at 30 June 2020, and of its financial performance and cash flows for the six-month period then ended in accordance with International Financial Reporting Standards as adopted by the EU applicable to interim financial reporting IAS 34, "Interim Financial Reporting"; and

- The Interim Directors' Report includes a fair review of the information required in terms of Prospects MTF Rules 4.11.12.



Mr. Gordon Zammit - Chairman



Mr. Martin Vella - Director and CEO

12 August 2020

To the Board of Directors of Klikk Finance p.l.c. (formerly BOE Finance Limited)
Report on Review of Condensed Consolidated Interim Financial Information

Introduction

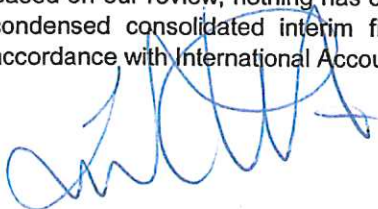
We have reviewed the accompanying condensed consolidated interim statement of financial position of Klikk Finance p.l.c. as at 30 June 2020, the related condensed consolidated interim statement of comprehensive income, statement of changes in equity and statement of cash flows for the six-month period then ended, and the explanatory notes ('the interim financial information'). The directors are responsible for the preparation and fair presentation of these condensed interim financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU applicable to interim financial reporting in accordance with International Accounting Standard 34 'Interim Financial Reporting'. Our responsibility is to express a conclusion on these interim financial statements based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, 'Review of interim financial information performed by the independent auditor of the entity'. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements are not prepared, in all material respects, in accordance with International Accounting Standard 34 'Interim Financial Reporting'.



Jozef Wallace Galea (Partner)
for and on behalf of HLB CA Falzon
Registered Auditors

12 August 2020

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PARTNERS: Jozef Wallace Galea, Alfred Falzon, Patrizio Prospero, Fiona Buttigieg.

HLB CA Falzon is a member of HLB International. A world-wide network of independent accounting firms and business advisers.

Klikk Finance p.l.c.

Interim Condensed Consolidated Statement of Comprehensive Income for the six months ended 30 June

		1 January to 30 June 2020 (unaudited) €	1 January to 30 June 2019 (unaudited) €
	Note		
Revenue	4	3,712,629	2,754,927
Cost of sales		(3,128,633)	(2,272,215)
Gross profit		<u>583,996</u>	<u>482,712</u>
Administrative expenses		(559,882)	(480,552)
Operating profit		<u>24,114</u>	<u>2,160</u>
Finance costs		(75,613)	(83,147)
Loss before tax		<u>(51,499)</u>	<u>(80,987)</u>
Income tax credit	5	28,754	42,528
Loss for the period		<u>(22,745)</u>	<u>(38,459)</u>
Attributable to:			
Equity holders of the parent		<u>(22,745)</u>	<u>(38,459)</u>
Earnings per share (cents)			
Basic and diluted, loss for the period attributable to ordinary equity holders of the parent		<u>(0.07)</u>	<u>(0.11)</u>

The notes on pages 8 to 13 form part of these financial statements.

Klikk Finance p.l.c.

Interim Condensed Consolidated Statement of Financial Position as at 30 June 2020

		30 June 2020 (unaudited)	31 December 2019 (audited)
	Note	€	€
ASSETS			
Property, plant & equipment	6	206,437	230,369
Right-of-Use assets	3,7	149,893	203,662
Intangible assets	8	536,590	525,194
Trade and other receivables	9	557,531	493,018
Deferred tax assets		373,553	337,112
Total non-current assets		1,824,004	1,789,355
Current assets			
Inventories		1,253,325	1,229,408
Trade and other receivables	9	1,183,894	1,323,826
Current tax recoverable		-	2
Cash and cash equivalents	10	316,018	754,700
Total current assets		2,753,237	3,307,936
Total assets		4,577,241	5,097,291
EQUITY AND LIABILITIES			
Equity			
Issued capital		350,000	350,000
Additional contributed capital		848,735	848,735
Accumulated losses		(704,734)	(681,989)
Total equity		494,001	516,746
Non-current liabilities			
Borrowings		2,317,320	2,399,098
Lease liability	9	62,679	131,731
Total non-current liabilities		2,379,999	2,530,829
Current liabilities			
Borrowings		367,705	305,245
Lease liability	9	36,812	79,310
Trade and other payables	9	1,291,037	1,665,161
Current taxation due		7,687	-
Total current liabilities		1,703,241	2,049,716
Total liabilities		4,083,240	4,580,545
Total equity and liabilities		4,577,241	5,097,291

The notes on pages 8 to 13 form part of these financial statements.

The financial statements set out on pages 4 to 13 were approved and authorized for issue by the Board of Directors on 12 August 2020 and signed on its behalf by:


Mr. Gordon Zammit - Chairman


Mr. Martin Vella - Director and CEO

Klikk Finance p.l.c.

Interim Condensed Consolidated Statement of Changes in Equity
for the six months ended 30 June 2020 (unaudited)

	Issued share capital	Additional contributed capital	Accumulated losses	Equity attributable to equity holders of the parent	Total Equity
	€	€	€	€	€
Balance as at 1 January 2019					
Opening balance	350,000	848,735	(554,842)	643,893	643,893
Loss for the period	-	-	(38,459)	(38,459)	(38,459)
Balance as at 30 June 2019	<u>350,000</u>	<u>848,735</u>	<u>(593,301)</u>	<u>605,434</u>	<u>605,434</u>
Balance as at 31 December 2019	<u>350,000</u>	<u>848,735</u>	<u>(681,989)</u>	<u>516,746</u>	<u>516,746</u>
Balance as at 1 January 2020					
Opening balance	<u>350,000</u>	<u>848,735</u>	<u>(681,989)</u>	<u>516,746</u>	<u>516,746</u>
Loss for the period	-	-	(22,745)	(22,745)	(22,745)
Balance as at 30 June 2020	<u>350,000</u>	<u>848,735</u>	<u>(704,734)</u>	<u>494,001</u>	<u>494,001</u>

The notes on pages 8 to 13 form part of these financial statements.

Klikk Finance p.l.c.

Interim Condensed Consolidated Statement of Cash Flows for the six months ended 30 June 2020

	2020 (unaudited)	2019 (unaudited)
	€	€
Cash flows from operating activities		
Loss before tax	(51,499)	(80,987)
Depreciation of property, plant and equipment	29,782	12,596
Depreciation of Right of Use assets	53,767	53,767
Allowance for impairment of receivables	(4,174)	54,289
Amortisation of intangible assets	16,773	13,405
Amortisation of bonds	3,677	3,520
Finance costs	75,613	83,147
Working capital changes:		
Changes in inventories	(23,916)	(138,119)
Changes in receivables	34,522	(51,311)
Changes in payables	(446,180)	(351,429)
Payments from related companies	(30,781)	(4,997)
Interest paid	(7,506)	(11,911)
Taxation refunded	-	2
Net used in operating activities	(349,922)	(418,028)
Cash flows from investing activities		
Payments to acquire property, plant and equipment	(5,851)	(1,758)
Payments to acquire intangible assets	(26,943)	-
Net cash used in investing activities	(32,794)	(1,758)
Cash flows from financing activities		
Repayment of banks loans	(81,232)	565
Interest paid on loans	(28,142)	(17,900)
Interest paid on bonds	(445)	-
Advances from related undertakings	48,737	63,100
Principal elements on lease payments	(53,120)	(57,888)
Net cash used in financing activities	(114,202)	(12,123)
Net movement in cash and cash equivalents	(496,918)	(431,909)
Cash and cash equivalents at beginning of period	611,398	812,814
Cash and cash equivalents at end of period	114,480	380,905

The notes on pages 8 to 13 form part of these financial statements.

Klikk Finance p.l.c.

Notes to the Interim Condensed Consolidated Financial Statements for the period 1 January 2020 to 30 June 2020

1. General information

The interim condensed consolidated financial statements of Klikk Finance p.l.c., its subsidiary and sub-subsidiary (collectively 'the Group') for the six months ended 30 June 2020 were authorized for issue in accordance with a resolution of the Board of Directors on 12 August 2020.

The financial information of the Group as at 30 June 2020 and for the six months then ended reflect the financial position and the performance of Klikk Finance p.l.c., its subsidiary Klikk Limited and Klikk Code Limited its sub-subsidiary. The comparative amounts reflect the position of the group as included in the audited financial statements ended 31 December 2019 and the unaudited results for the period ended 30 June 2020.

Klikk Finance p.l.c. ('the Company') is a limited liability company incorporated in Malta, under the Companies Act, Cap. 386 of the Laws of Malta.

2. Basis of preparation and changes to the Group accounting policies

2.1 Basis of preparation

The interim condensed consolidated financial statements for the six months ended 30 June 2020 have been prepared in accordance with International Accounting Standard IAS 34 "Interim Financial Reporting". The Condensed Group financial statements balances have been extracted from Klikk Finance p.l.c. unaudited Group management accounts for the six months ended 30 June 2020.

The 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 2019, which have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union.

2.2 New standards, interpretations and amendments adopted by the Group

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2019, except for the adoption of new standards effective as of 1 January 2020. The Group has not early adopted any other standards, interpretation or amendment that has been issued but is not yet effective.

Several amendments and interpretations apply for the first time in 2020, but do not have and impact on the interim condensed consolidated financial statements of the Group.

Amendments to IFRS 3: Definition of a Business

The amendment to IFRS 3 clarifies that to be considered a business, an integrated set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create output. Furthermore, it clarified that a business can exist without including all of the inputs and processes needed to create outputs. These amendments had no impact on the consolidated financial statements of the Group, but may impact future periods should the Group enter into any business combinations.

Amendments to IAS 1 and IAS 8: Definition of Material

The amendments provide a new definition of material that states "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity."

The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. These amendments had no impact on the consolidated financial statements of, nor is there expected to be any future impact to the Group.

Klikk Finance p.l.c.

Notes to the Interim Condensed Consolidated Financial Statements for the period 1 January 2020 to 30 June 2020

Conceptual Framework for Financial Reporting issued on 29 March 2018

The Conceptual Framework is not a standard, and none of the concepts contained therein override the concepts or requirements in any standard. The purpose of the Conceptual Framework is to assist the IASB in developing standards, to help preparers develop consistent accounting policies where there is no applicable standard in place and to assist all parties to understand and interpret the standards.

The revised Conceptual Framework includes some new concepts, provides updated definitions and recognition criteria for assets and liabilities and clarifies some important concepts.

These amendments had no impact on the consolidated financial statements of the Group.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing condensed consolidated interim 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 expenses. Actual results may differ from these estimates.

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 31 December 2019.

Impacts on financial statements

	30 June 2020	1 January 2020
Right-of-use assets presented in property, plant and equipment	149,893	203,662
Lease liabilities	99,491	211,041

The Group has lease contracts for property. Before the adoption of IFRS 16, the Group classified each of its leases (as lessee) at the inception date as either a finance lease or an operating lease.

Upon adoption of IFRS 16, the Group applied a single recognition and measurement approach for all leases except for short-term leases and leases of low-value assets. The standard provides specific transition requirements and practical expedients, which have been applied by the Group.

Leases previously classified as finance leases

The Group did not change the initial carrying amounts of recognised assets and liabilities at the date of initial application for leases previously classified as finance leases (i.e., the right-of-use assets and lease liabilities equal the lease assets and liabilities recognised under IAS 17). The requirements of IFRS 16 were applied to these leases from 1 January 2019.

Leases previously accounted for as operating leases

The Group recognised right-of-use assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases and leases of low-value assets. The right-of-use assets for most leases were recognised based on the carrying amount as if the standard had always been applied, apart from the use of incremental borrowing rate at the date of initial application. In some leases, the right-of-use assets were recognised based on the amount equal to the lease liabilities, adjusted for any related prepaid and accrued lease payments previously recognised. Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

The Group also applied the available practical expedients wherein it:

- Used a single discount rate to a portfolio of leases with reasonably similar characteristics
- Relied on its assessment of whether leases are onerous immediately before the date of initial application
- Applied the short-term leases exemptions to leases with lease term that ends within 12 months of the date of initial application
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application
- Used hindsight in determining the lease term where the contract contained options to extend or terminate the lease

Klikk Finance p.l.c.

Notes to the Interim Condensed Consolidated Financial Statements for the period 1 January 2020 to 30 June 2020

For the effect of transition on previously held leases accounted under IAS 17 based on the above, as at 1 January 2019:

- 'Right-of-use assets' were recognised and presented separately in the statement of financial position.
- Additional lease liabilities were recognised and included under 'Interest bearing loans and borrowings'.
- 'Deferred tax liabilities' decreased by €2,810 because of the deferred tax impact of the changes in recognised lease related assets and liabilities.

For the period ended 30 June 2020:

- Depreciation expense increased by €53,767 because of the depreciation of additional assets recognised (i.e., increase in right-of-use assets, net of the decrease in 'Property, plant and equipment').
- Rent expense included in 'Administrative expenses', relating to previous operating leases, decreased by €57,563.
- 'Finance costs' increased by €4,443 relating to the interest expense on additional lease liabilities recognised.

4. Segment information

For management purposes, the Group is organized into business units based on its products and services and has two reportable segments, as follows:

The Lending and Financing and Retail segment includes financing of debtors and the retail of IT products and electronic goods, including but not limited to laptops, desktops, smartphones, tablets, television and computer peripheral devices.

In addition, the Group also offers be-spoke software solutions. Klikk Limited supplies its computer products and services mainly to individuals, corporate customers and Government institutions and Departments. Customers may acquire the products and/or software either through cash sale or on credit as secured by the bills of exchange.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the consolidated financial statements.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

Inter-segment revenues are eliminated upon consolidation and reflected in the 'adjustment and eliminations' column.

Six-month period ended 30 June 2020	Lending and financing €	Retail	Total segments €	Adjustments and eliminations €	Consolidated €
Revenue					
External customers	2,132	3,732,866	3,734,998	(22,369)	3,712,629
Inter-segment	98,381	-	98,381	(98,381)	-
Total revenue	100,513	3,732,866	3,833,379	(120,750)	3,712,629
Expenses					
Depreciation and amortisation	1,875	98,447	100,322	-	100,322
Results					
Segment profit/(loss)	22,269	(76,442)	(54,173)	2,674	(51,499)
Total assets	3,788,297	3,760,697	7,548,994	(2,971,753)	4,577,241
Total liabilities	2,727,122	4,312,610	7,039,731	(2,956,491)	4,083,240

Klikk Finance p.l.c.

Notes to the Interim Condensed Consolidated Financial Statements for the period 1 January 2020 to 30 June 2020

4. Segment information (continued)

Six-month period ended 30 June 2019	Lending and financing €	Retail €	Total segments €	Adjustments and eliminations €	Consolidated €
Revenue					
External customers	15,634	2,750,580	2,766,214	-	2,766,214
Inter-segment	94,139	19	94,158	(105,445)	(11,287)
Total revenue	109,773	2,750,599	2,860,372	(105,445)	2,754,927
Expenses					
Depreciation and amortisation	1,875	81,413	83,288	-	83,288
Results					
Segment loss	(18,107)	(62,880)	(80,987)	-	(80,987)
Total assets	3,911,677	3,704,908	7,616,585	(2,907,290)	4,709,295
Total liabilities	2,896,168	4,122,270	7,008,163	(2,904,302)	4,103,861

5. Income tax

The Group calculates the period income tax (expense)/credit using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the interim condensed consolidated statement of profit or loss are:

	For the six months ended 30 June	
	2020 €	2019 €
Income taxes		
Current income tax expense	(7,687)	(10,276)
Deferred income tax credit	36,441	52,804
Income tax credit recognised in statement of profit or loss	28,754	42,528

6. Property, plant and equipment

Additions and disposals

During the six months ended 30 June 2020, the Group acquired assets with a cost of €5,851 (six months ended 30 June 2019: € 1,758).

There were no assets disposed by the Group during the six months ended 30 June 2020 and 30 June 2019.

7. Right of Use

With the adoption of IFRS 16 Leases (as from 1 January 2019), the Group's property, plant and equipment increased by the right of use of asset by €149,893. This results in a total of €155,744 increase in fixed assets for the current period.

Klikk Finance p.l.c.

Notes to the Interim Condensed Consolidated Financial Statements for the period 1 January 2020 to 30 June 2020

8. Intangible assets

Additions and disposals

During the six months ended 30 June 2020, the Group acquired intangible assets with a cost of € 26,943 (six months ended 30 June 2019: € 52,378).

There were no intangible assets disposed by the Group during the six months ended 30 June 2020 and 30 June 2019.

9. Financial assets and financial liabilities

The Group's financial assets comprise of trade and other receivables, bank deposits and loans to related parties. The Group's financial liabilities comprise of trade and other payables, lease liabilities, loans from related and other parties. All of the Group's financial instruments are measured at amortised cost, except for the equity instruments which are measured at fair value through other comprehensive income. The lease liabilities are measured in terms of the Group's accounting policy.

10. Cash and cash equivalents

For the purpose of the interim condensed statement of cash flows, cash and cash equivalents are comprised of the following:

	30 June 2020	31 December 2019
	€	€
Cash at bank and in hand	316,018	754,700
Total cash and short-term deposits	316,018	754,700
Bank overdraft	(201,538)	(143,302)
Total cash and cash equivalents	114,480	611,398

11. Trade and other receivables

Trade receivables are stated net of a provision for estimated credit losses of €48,862 (30 June 2019: €35,205).

12. Related parties

The Group did not enter into any material transactions with related parties.

13. Fair values measurements

At 30 June 2020 and 31 December 2019, the carrying amounts of trade and other receivables, cash and cash equivalents and trade and other payables and current borrowings reflected in the financial statements are not carried at fair value in view of the nature of these instruments or the relatively short period of time between the origination of the instruments and their expected realisation. The fair values of loans and receivables and non-current borrowings are not materially different from their carrying amounts in the statement of financial position.

The fair value of non current financial instruments for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the group for similar financial instruments.

The Group used the following hierarchy for determining and disclosing the fair value:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities;

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly; and

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

Klikk Finance p.l.c.

Notes to the Interim Condensed Consolidated Financial Statements for the period 1 January 2020 to 30 June 2020

14. Accounting Standards not yet adopted

Certain new standards, amendments and interpretations to existing standards have been published by the date of authorisation for issue of these financial statements but are mandatory for accounting periods beginning after 1 January 2021. The Group has not early adopted these revisions to the requirements of IFRSs as adopted by the EU and the directors are of the opinion that there are no requirements that will have a possible significant impact on the Group's and the Company's financial statements in the period of initial application.

A subsidiary is an entity that is controlled by the company. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Investments in subsidiaries are stated at cost less any impairment loss which may have arisen. Income from the investment is recognised only to the extent of distributions received by the Company from post-acquisition profits. Distributions received in excess of such profits are regarded as recovery of investment and are recognised as a reduction of the cost of investment.

15. Events after the reporting period

The directors consider that in the prevailing circumstances the period under review was satisfactory. Following the outbreak of the Covid-19 pandemic, the Directors have continued to actively monitor its operations in order to safeguard the interest of the Group as necessary. Despite disruption in business operations for a number of weeks, the trading and financial performance of the Group has improved when compared to the same period in the previous year. Management is optimistic that operational changes implemented more recently will continue to have a positive impact on performance. Nonetheless the company continues to operate in uncertain and unprecedented circumstances brought about by the pandemic which may have an adverse impact on the Group's future profitability and financial position.

16. Comparative amounts

Comparative amounts have been reclassified in cash flows to conform to current interim period's comparability of figures and hence having more detailed description of items.