

Company Announcement

The following is a company announcement issued by Klikk Finance plc (“Klikk” or the “Company”) pursuant to Rule 4.11.14 of the Prospects Rules.

Quote

Approval of the Audited Consolidated Financial Statements of the Klikk Group for the year ended 31 December 2017

The Board of Directors of Klikk Finance p.l.c. has on 16 March 2018 approved the Audited Consolidated Financial Statements of the Klikk Group for the year ended 31 December 2017.

The loss for the year under review amounted to €358,000, which is €245,000 higher than the projected results contained in the latest set of projections that were published in Section 8 as well as by way of Annex to the Company’s Admission Document issued in June 2017. This negative variance in the Klikk Group’s Income statement is mainly driven by lower margins generated during the period as well as higher costs incurred by the Group.

The 2017 projections were based on the expectation that the Group would generate a gross profit margin of 25% during the year. Although the Group exceeded its revenue target of €3,600,000 by €383,000 it sacrificed its margins, and as a result the Group generated a gross profit margin of 19.6% during the year.

Administrative expenses and marketing costs were at €1,143 and €179,000 respectively, whilst the projections were based on costs of €804,000 and €102,000 respectively. The comparatively higher costs are directly attributable to the increased number of employees, as the Group accelerated its recruitment programme and in fact recruited 16 employees during the year, as well as increased marketing activities to promote the Klikk Group and reposition itself within the market. Moreover, due to the tougher labour market experienced by the Group, it incurred higher professional fees in engaging these employees.

Following a restructuring exercise undertaken by management to address these higher costs, as well as increasing its staff complement the Group is now geared to increase its business activities. As a result, the Directors are confident that both items of expenditure will revert to the amounts included in the Company Admission Document and that the Group shall achieve the set target for 2018.

Acquisition of 25% Of Klikk Limited

The Board of Directors of Klikk Finance p.l.c. further announces that it has today entered into a share purchase agreement to acquire the remaining shareholding (equating to 25%) of Klikk Limited (C30425). As a result Klikk Finance p.l.c. will become the sole shareholder of Klikk Limited

Unquote

Mikiel Calleja

Company Secretary

16.03.2018

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