



COMPANY ANNOUNCEMENT

The following is a Company Announcement issued by MaltaPost p.l.c. pursuant to the Malta Financial Services Authority Capital Market Rules:

QUOTE

At a meeting of the Board of Directors of MaltaPost p.l.c. held on 28 May 2024, the Board approved the attached Unaudited Condensed Consolidated Interim Financial Statements for the six-month period ended 31 March 2024.

These Unaudited Condensed Consolidated Interim Financial Statements for the period ended 31 March 2024, are available for viewing and download from the Company's website [www.maltapost.com](http://www.maltapost.com)

UNQUOTE

A handwritten signature in blue ink, appearing to read "Graham A. Fairclough", with several horizontal lines drawn through it.

Graham A. Fairclough  
Company Secretary

28 May 2024

**MaltaPost p.l.c.**  
**Preliminary Statement of Half Yearly Results**  
**For the six months ended 31 March 2024**

**Review of Performance**

For the six months ending 31 March 2024, the MaltaPost Group registered an improved profit before tax of €2.5 million (2023: €0.7 million).

- Total revenue reached €20.9 million (2023: €20.4 million) following an increase in international cross-border business that falls outside the scope of the Universal Service Obligation.
- Total expenditure was contained at €18.8 million (2023: €19.6 million) partly attributable to the efficiency measures implemented.
- Cost-to-Income ratio stood at 90.0% (2023: 96.1%) following lower losses incurred in delivering the Universal Postal Service Obligation.

Group revenues performed well in a challenging macroeconomic environment and despite increasing inflationary pressures. We remain focused on furthering our total last-mile parcel volumes deliveries as we continue to experience significant Letter Mail declines year-on-year. This decline is being partly mitigated by occasional and select tariff revisions, even though the cost of delivering the Universal Service Obligation continues to rise as a result of inflationary pressures.

*Outlook*

Following the improvement in financial performance in the first six months of this financial year, MaltaPost remains on track to meet its full-year financial targets.

The postal service is classified by the EU as being one of General Economic Interest and therefore the introduction of a fair and reasonable tariff adjustment mechanism to service the highly regulated Universal Postal Service Obligation remains key. Until this is introduced, MaltaPost continues to be made to subsidise select postal services within the Universal Service Obligation.

The Company's determination to implementing the next phase of its 'One Delivery Strategy' across Malta and Gozo continues. Also, the drive to bring to successful fruition its longer-term investments in Life and General Insurance will continue, together with efforts to grow its Document Management Services.

As the national postal operator, employing close to 800 staff members MaltaPost remains determined to deliver to its circa 1900 shareholders a fair return on their investment.

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**Basis of preparation**

This half-yearly report is being published in terms of Chapter 5 of the Capital Markets Rules of the Malta Financial Services Authority 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 31 March 2024 prepared in accordance with International Financial Reporting Standards adopted for use in the EU for interim financial statements (International Accounting Standard 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 30 September 2023.

**Accounting policies**

The condensed consolidated interim financial statements as at and for the six-month period ended 31 March 2024 has been prepared in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the EU applicable to interim financial reporting (International Accounting Standard 34, "Interim Financial Reporting"). The condensed consolidated interim financial statements information should be read in conjunction with the annual financial statements for the year ended 30 September 2023, which have been prepared in accordance with IFRSs as adopted by the EU.

*New and amended standards adopted by the Group*

The Group has applied the following amendments for the first time for its annual reporting period commencing on 1 October 2023:

- Definition of Accounting Estimates – amendments to IAS 8
- Deferred Tax relating to Assets and Liabilities arising from a Single Transaction – amendments to IAS 12
- Disclosure of Accounting Policies – amendments to IAS 1 and IFRS Practice Statement 2.

There is no impact on the adoption of these revisions on the Group's accounting policies and on the Group's financial results.

IFRS 17 replaced IFRS 4 "Insurance Contracts" and is effective for annual periods beginning on or after 1 January 2023, with early adoption permitted. This standard brought changes to the accounting for insurance contracts, investment contracts with discretionary participation features ("DPF") and reinsurance contracts. The associate company of the Group applied IFRS 17 for the first time on 1 January 2023. The adoption of this new standard had no material impact on the Group's financial results.

*Impact of standards issued but not yet applied by the Group*

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 the Group's accounting periods beginning after 1 October 2023. 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 financial statements in the period of initial application.

***Fair values of financial assets and liabilities***

The Group's financial instruments which are measured at fair value comprise the Group's financial assets. The Group is required to disclose fair value measurements by level of the following fair value measurement hierarchy for financial instruments that are measured in the statement of financial position at fair value:

- Quoted prices (unadjusted) in active markets for identical assets (Level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the assets either directly i.e. as prices, or indirectly i.e. derived from prices (Level 2).

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- Inputs for the asset that are not based on observable market data i.e. unobservable inputs (Level 3)

As at 31 March 2024 and 30 September 2023, financial assets were valued using Level 1 inputs in view of the listing status of the assets. No transfers between different levels of the fair value hierarchy have occurred.

The fair values of all the Group's other financial assets and liabilities that are not measured at fair value are considered to approximate their respective carrying values due to their short-term nature.

The Annual General Meeting (AGM) of the 9 February 2024 approved a final ordinary gross dividend of €0.02587 (Net €0.02) per nominal €0.125 share, either in cash or by the issue of new shares at the option of each individual shareholder. On 8 March 2024 2,828,376 ordinary shares of €0.125 each at a premium of €0.315 each were allotted to shareholders as a scrip issue in lieu of dividends thereby increasing the issued and fully paid up share capital to 80,340,396 shares of €0.125 each, resulting in a paid up share capital of €10,042,550. The effect on the share premium account is presented in the statement of changes in equity.

### **Segment information**

#### Operating segments

The Group primarily operates in one segment that comprises the provision of postal and related retail services to customers, which activities are substantially subject to the same risks and returns. Accordingly, the presentation of segment information as required by IFRS 8, *Operating segments*, within these financial statements is not deemed applicable.

### **Information about geographical segments**

The Group's revenues are derived from operations carried out in Malta and its non-current assets are predominantly located in Malta.

### **Information about major customers**

The Group does not have any particular major customer, as it largely derives revenue from a significant number of customers availing of its services. Accordingly, the Group does not deem necessary any relevant disclosures in respect of reliance on major customers.

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**Condensed Consolidated Interim Statement of Financial Position**

	<b>Group</b>	
	<b>31 March</b>	<b>30 September</b>
	<b>2024</b> <b>€000</b> <b>Unaudited</b>	<b>2023</b> <b>€000</b> <b>Audited</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	<b>22,475</b>	22,822
Right-of-use assets	<b>1,651</b>	1,661
Intangible assets	<b>1,349</b>	1,319
Investment in associate	<b>1,802</b>	1,716
Financial assets at fair value through other comprehensive income	<b>2,323</b>	2,265
Deferred tax asset	<b>397</b>	313
<b>Total non-current assets</b>	<b>29,997</b>	30,096
<b>Current assets</b>		
Inventories	<b>888</b>	752
Trade and other receivables	<b>10,876</b>	8,685
Current tax asset	<b>-</b>	643
Deposits with financial institutions	<b>1,900</b>	2,500
Cash and cash equivalents	<b>6,565</b>	4,368
Business of insurance accounts	<b>390</b>	347
<b>Total current assets</b>	<b>20,619</b>	17,295
<b>Total assets</b>	<b>50,616</b>	47,391

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**Condensed Consolidated Interim Statement of Financial Position** *(continued)*

	<b>Group</b>	
	<b>31 March</b>	30 September
	<b>2024</b> <b>€000</b> <b>Unaudited</b>	2023 €000 Audited
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and reserves</b>		
Share capital	10,043	9,689
Share premium	9,182	8,292
Other reserves	3,718	3,699
Retained earnings	6,823	6,794
Total equity attributable to equity holders of the Company	29,766	28,474
Non-controlling interest	513	445
Total equity	30,279	28,919
<b>Non-current liabilities</b>		
Deferred tax liability	1,299	1,299
Lease liabilities	1,398	1,429
Provision for liabilities and charges	988	908
Total non-current liabilities	3,685	3,636
<b>Current liabilities</b>		
Lease liabilities	310	301
Provision for liabilities and charges	133	126
Trade and other payables	15,528	14,409
Current tax liability	681	-
Total current liabilities	16,652	14,836
Total liabilities	20,337	18,472
<b>Total equity and liabilities</b>	<b>50,616</b>	<b>47,391</b>

The condensed consolidated interim financial statements were approved by the Board of Directors on 28 May 2024 and were signed by:

  
 Joseph Said  
 Chairman

  
 Aurelio Theuma  
 Director

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**Condensed Consolidated Interim Income Statement**

	<b>Group</b>	
	<b>1 October to 31 March</b>	
	<b>2024</b>	<b>2023</b>
	<b>€000</b>	<b>€000</b>
	<b>Unaudited</b>	<b>Unaudited</b>
<b>Revenue</b>	<b>20,926</b>	20,375
Employee benefits expense	(8,559)	(7,869)
Depreciation and amortisation expense	(1,009)	(960)
Other expenses	(9,182)	(10,736)
Other income	176	54
	<b>2,352</b>	864
<b>Operating profit</b>		
Share of results of associate	86	(187)
Finance costs	(27)	(29)
Finance income	75	54
	<b>2,486</b>	702
<b>Profit before tax</b>		
Tax expense	(839)	(295)
	<b>1,647</b>	407
<b>Profit for the period</b>		
	<b>1,579</b>	383
<b>Attributable to:</b>		
Owners of the Company	68	24
Non-controlling interest		
	<b>1,647</b>	407
<b>Profit for the period</b>		
	<b>€0.020</b>	€0.005
<b>Earnings per share</b>		

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**Condensed Consolidated Interim Statement of Comprehensive Income**

	Group	
	1 October to 31 March	
	2024	2023
	€000	€000
	Unaudited	Unaudited
<b>Comprehensive income</b>		
Profit for the period	1,647	407
<b>Other comprehensive income</b>		
<i>Items that may be subsequently reclassified to profit or loss</i>		
Losses from changes in fair value:		
Financial assets at fair value through other comprehensive income	59	(83)
<i>Items that will not be reclassified to profit or loss</i>		
Re-measurements of defined benefit obligations	(62)	(9)
<i>Income tax relating to components of other comprehensive income:</i>		
Re-measurements of defined benefit obligations	22	3
Total other comprehensive income for the period	19	(89)
<b>Total comprehensive income for the period</b>	<b>1,666</b>	<b>318</b>
<b>Attributable to:</b>		
Owners of the Company	1,598	294
Non-controlling interest	68	24
<b>Total comprehensive income for the period</b>	<b>1,666</b>	<b>318</b>



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**Condensed Consolidated Interim Statement of Changes in Equity**

Group	Attributable to owners of the Company						
	Share capital	Share premium	Other reserves	Retained earnings	Total	Non-controlling interest	Total equity
	€000	€000	€000	€000	€000	€000	€000
<i>Unaudited</i>							
Balance at 1 October 2022	9,414	7,367	3,731	6,454	26,966	408	27,374
<b>Comprehensive income</b>							
Profit for the financial period	-	-	-	383	383	24	407
<b>Other comprehensive income</b>							
Financial assets at fair value through other comprehensive income							
Losses from changes in fair value	-	-	(83)	-	(83)	-	(83)
Re-measurements of defined benefit obligations, net of deferred tax	-	-	(6)	-	(6)	-	(6)
Total other comprehensive income	-	-	(89)	-	(89)	-	(89)
Total comprehensive income	-	-	(89)	383	294	24	318
<b>Transactions with owners</b>							
Distributions:							
Dividends	-	-	-	(1,506)	(1,506)	-	(1,506)
Changes in ownership interest that do not result in loss of control							
Increase in share capital	275	925	-	-	1,200	-	1,200
Total transactions with owners	275	925	-	(1,506)	(306)	-	(306)
<b>Balance at 31 March 2023</b>	<b>9,689</b>	<b>8,292</b>	<b>3,642</b>	<b>5,331</b>	<b>26,954</b>	<b>432</b>	<b>27,386</b>

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**Condensed Consolidated Interim Statement of Changes in Equity** *(continued)*

Group <i>Unaudited</i>	Attributable to owners of the Company					Non-controlling interest €000	Total equity €000
	Share capital €000	Share premium €000	Other reserves €000	Retained earnings €000	Total €000		
	Balance at 1 October 2023	9,689	8,292	3,699	6,794		
<b>Comprehensive income</b>							
Profit for the financial period	-	-	-	1,579	1,579	68	1,647
<b>Other comprehensive income</b>							
Financial assets at fair value through other comprehensive income							
Losses from changes in fair value	-	-	59	-	59	-	59
Re-measurements of defined benefit obligations, net of deferred tax	-	-	(40)	-	(40)	-	(40)
Total other comprehensive income	-	-	19	-	19	-	19
Total comprehensive income	-	-	19	1,579	1,598	68	1,666
<b>Transactions with owners</b>							
Distribution:							
Dividends	-	-	-	(1,550)	(1,550)	-	(1,550)
Changes in ownership interest that do not result in loss of control							
Increase in share capital	354	890	-	-	1,244	-	1,244
Total transactions with owners	354	890	-	(1,550)	(306)	-	(306)
<b>Balance at 31 March 2024</b>	<b>10,043</b>	<b>9,182</b>	<b>3,718</b>	<b>6,823</b>	<b>29,766</b>	<b>513</b>	<b>30,279</b>

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**Condensed Consolidated Interim Statement of Cash Flows**

	Group	
	1 October to 31 March	
	2024	2023
	€000	€000
	Unaudited	Unaudited
<b>Cash flows from operating activities</b>		
Cash from customers	18,909	19,845
Cash paid to suppliers and employees	(17,476)	(20,484)
Cash flows attributable to funds collected on behalf of third parties	730	529
	<b>2,163</b>	<b>(110)</b>
Cash generated from operating activities	2,163	(110)
Income tax refund / (paid)	430	(193)
	<b>2,593</b>	<b>(303)</b>
<b>Net cash generated from/ (used in) operating activities</b>		
<b>Cash flows from investing activities</b>		
Interest charged on lease liabilities	(24)	(28)
Interest received	73	50
Purchase of property, plant and equipment	(237)	(625)
Purchase of intangible assets	(310)	(410)
Purchase of investment in associate	-	(500)
Maturity of deposits with financial institutions	1,100	2,500
Placement of deposits with financial institutions	(500)	-
	<b>102</b>	<b>987</b>
<b>Net cash generated from investing activities</b>		
<b>Cash flows from financing activities</b>		
Principal element of lease payments	(149)	(140)
Dividends paid	(306)	(299)
	<b>(455)</b>	<b>(439)</b>
<b>Net cash used in financing activities</b>		
<b>Net movement in cash and cash equivalents</b>	<b>2,240</b>	<b>245</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>4,715</b>	<b>5,864</b>
<b>Cash and cash equivalents at end of period</b>	<b>6,955</b>	<b>6,109</b>

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**Statement pursuant to Capital Market Rules issued by the Malta Financial Services Authority**

I confirm that to the best of my knowledge:

- The condensed consolidated interim financial statements, prepared in accordance with IAS 34 give a true and fair view of the financial position as at 31 March 2024, financial performance and cash flows for the period then ended, and conform with the requirements of the accounting standards adopted for use in the EU for interim financial statements, including adopted IAS 34: *Interim Financial Reporting*; and
- The interim directors' report includes a fair review of the information required in terms of the Capital Market Rules.



Joseph Gafa'  
Chief Executive Officer



## Independent auditor's report

To the Board of Directors of MaltaPost p.l.c.

### Report on review of condensed consolidated interim financial information

#### Introduction

We have reviewed the accompanying condensed consolidated interim statement of financial position of MaltaPost p.l.c. and its subsidiaries (the 'Group') as at 31 March 2024 and the related condensed consolidated interim statement of comprehensive income, changes in equity and cash flows for the six-month period then ended and explanatory notes. Management is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU applicable to interim financial reporting (International Accounting Standard 34 "Interim Financial Reporting"). Our responsibility is to express a conclusion on this condensed consolidated interim financial information 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 information is not prepared, in all material respects, in accordance with International Accounting Standard 34 "Interim Financial Reporting".

#### Other matters

This report, including the conclusion, has been prepared for and only for the Group and for no other purpose. We do not, in producing this report, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Simon Flynn  
Principal

For and on behalf of  
**PricewaterhouseCoopers**  
78, Mill Street,  
Zone 5, Central Business District,  
Mriehel, CBD 5090,  
Malta

28 May 2024

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- a) The maintenance and integrity of the MaltaPost p.l.c. website is the responsibility of the Directors of the Company; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the condensed consolidated interim financial information since this was initially presented on the website.
- b) Legislation in Malta governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.