



26 August, 2025

## COMPANY ANNOUNCEMENT

*Reference: (10/2025)*

### Approval of Half-Yearly Financial Report

This is a company announcement issued by M&Z plc (C 23061) (the "**Company**") pursuant to Chapter 5 of the Capital Markets Rules issued by the Malta Financial Services Authority, in accordance with the provisions of the Financial Markets Act (Chapter 345 of the Laws of Malta).

### QUOTE

The Board of Directors of the Company has approved the Company's unaudited interim Financial Statements for the six months ended 30 June 2025.

The Interim Financial Statements are attached to this announcement and can also be viewed on the Company's website: <https://mz.com.mt/investors/>.

The Directors of the Company have also approved the payment of a net interim dividend of €396,000 or €0.009 per ordinary share, payable by the 30 September 2025 to the shareholders of the Company on the Company's share register at the Malta Stock Exchange as at close of business on 29 August 2025.

### UNQUOTE

Tara Cann Navarro  
On behalf of Ganado Services Limited  
Company Secretary



CONDENSED  
INTERIM  
FINANCIAL  
STATEMENTS  
2025

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## Directors' report

This half-yearly report comprises the condensed interim financial statements of M&Z plc (C 23061), hereinafter referred to as the **"Company"**, for the six-month period ended 30 June 2025. The underlying accounting policies are the same as those adopted by the Company in its annual report for the financial year ended 31 December 2024. The figures have been extracted from the Company's unaudited accounts for the six months ended 30 June 2025, as approved by the Board of Directors on 26 August 2025 and are in accordance with accounting standards as adopted by the EU for interim financial statements, (International Accounting Standard 34, 'Interim Financial Reporting'). The condensed interim financial statements have not been reviewed or audited.

## Principal activities

The principal activity of the Company remains entrenched in the importation and distribution of a vast array of renowned fast-moving consumer goods ("**FMCG**"). The M&Z portfolio comprises over 100 brands, spread across 11 product categories as follows: ambient, chilled, frozen, fresh, ice-cream, baby & kids, home & personal care, wines & spirits, pet care, confectionary and tobacco.

## Important Events During the Period

During the first six months of the financial year, the Company undertook two significant capital-related actions that impacted its financial position:

- **Share Buy-Back Programme:** The Company repurchased 250,000 shares of its issued share capital on 11 June 2025 for an aggregate consideration of €139,604.98. As required by Maltese law, an amount equivalent to the nominal value of the shares repurchased, inclusive of any transaction costs incurred, has been accounted for in a treasury share reserve.
- **Redemption of Preference Shares:** The Company also completed the redemption of €250,000 of its outstanding preference shares. In accordance with the relevant legal provisions, an amount equal to the nominal value of the redeemed preference shares has been transferred to the capital redemption reserve.

## Review of business

In the first half of 2025, the Company delivered a strong performance with revenue increasing by 3.1% to €15,100,190 (2024: €14,649,503). This growth reflects the Company's continued focus on brand strength, operational efficiency and responsiveness to evolving consumer demand in the FMCG sector.

Gross profit increased to €3,862,286 (2024: €2,886,763), primarily driven by higher revenue while maintaining a stable cost of sales. This reflects effective revenue growth alongside disciplined cost management. Operating profit rose to €2,520,622 (2024: €1,668,517), and profit before tax reached €2,388,128 (2024: €1,531,646). After a tax expense of €869,311, the Company reported a net profit of €1,518,817, compared to €949,880 in the previous year.

Earnings per share increased to €0.034 (2024: €0.022), reflecting the Company's enhanced profitability and shareholder value creation.

Despite persistent challenges including inflationary pressures and competitive price dynamics, the Company maintained its strategic focus on organic growth, brand portfolio expansion, and disciplined cost control. These efforts have helped the Company to improve gross profit margins and sustain profitability.

## **Directors' report** - continued

### **Business Outlook**

While the industry continues to navigate a dynamic and evolving landscape, the Company remains confident in its strategic direction and operational resilience. Encouraging signals across key channels and sustained demand in the Company's core categories support a positive momentum heading into the second half of the year. Management remains firmly focused on driving value creation, maintaining financial discipline, and capturing growth opportunities as they arise. The Board of Directors and leadership team maintain a cautiously optimistic view, underpinned by the Company's proven ability to adapt, innovate and deliver long-term shareholder value.

### **Risks and uncertainties**

#### *Trade credit exposure risk*

The Company faces trade credit risk due to the advantageous payment terms extended to its customers. Future disruptions in financial markets or stricter credit conditions could negatively impact the liquidity and profitability of certain customers, raising the chances of non-payment and non-performance. A substantial deterioration in a customer's financial situation may compel the Company to take on greater credit risk and could hinder its ability to collect outstanding receivables.

#### *Labour market conditions*

The acute shortage of human resources has led to significant wage inflation and difficulty in meeting demand. The Company is also experiencing challenges due to tight labour market conditions that are weighing on the sector, particularly in the distribution sector.

#### *Hard discounters*

The Company continues to face competition from foreign and local hard discounters, which import and sell their own products. These competitors offer diversified product ranges, lower prices and improved shopping experience, appealing to increasingly price-sensitive shoppers.

#### *Supply chain disruptions*

Global supply chain issues can affect the availability of products. Disruptions in transportation, manufacturing delays, or geopolitical events can lead to shortages and impact the timely delivery of goods. These disruptions can significantly affect the Company's performance, leading to potential revenue losses.

#### *Cybersecurity threats*

The Company's reliance on digital systems exposes it to cyber-attacks. These threats can compromise sensitive consumer information and disrupt production and distribution channels, leading to operational inefficiencies and revenue losses.

#### *Tourism*

Notwithstanding the recent increase in inbound tourism, the current international geo-political climate may still affect inbound tourism. This, in turn may have a bearing on the demand for some of the Company's product categories, such as ice-creams, wines and spirits.

### **Results and dividends**

The condensed interim statement of comprehensive income is set out on page 5.

The Directors are approving the payment of a net interim dividend of €396,000 equivalent to €0.009c per ordinary share.

## **Directors' report** - continued

### **Directors**

The Directors of the Company who held office during the period were:

Mr. Charles J. Farrugia  
Dr. Emma Pullicino  
Mrs. Erika Pace Bonello  
Mrs. Frances Fenech  
Mrs. Greta Camilleri Avallone  
Mr. Kevin Rapinett  
Mr. Matthew A. Camilleri  
Mr. Paul S. Camilleri  
Mr. Thomas Agius Vadala

The Company's Articles of Association do not require any directors to retire.

### **Directors' statement pursuant to Capital Markets Rule 5.75.3**

We hereby confirm that to the best of our knowledge:

1. the condensed half-yearly report gives a true and fair view of the financial position of the Company as at 30 June 2025, and of its financial performance and its cash flows for the period then ended in accordance with International Financial Reporting Standards as adopted by the EU applicable to Interim Financial Reporting (International Accounting Standard 34, 'Interim Financial Reporting').
2. the interim directors' report includes a fair review of the information required in terms of Capital Markets Rule 5.81.



Charles J. Farrugia  
Chairman



Greta Camilleri Avallone  
Director

26 August 2025

Registered office:  
MMGH Complex,  
Industrial Estate,  
Marsa MRS 3000  
Malta

## Condensed interim statement of financial position

	As at 30 June	As at 31 December
	2025 € (unaudited)	2024 € (audited)
<b>ASSETS</b>		
Total non-current assets	3,176,530	3,459,076
Total current assets	13,791,405	13,404,862
<b>Total assets</b>	<b>16,967,935</b>	<b>16,863,938</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Total equity</b>	<b>9,247,608</b>	<b>8,582,592</b>
<b>LIABILITIES</b>		
Total non-current liabilities	1,402,135	1,810,758
Total current liabilities	6,318,192	6,470,588
<b>Total liabilities</b>	<b>7,720,327</b>	<b>8,281,346</b>
<b>Total equity and liabilities</b>	<b>16,967,935</b>	<b>16,863,938</b>

The notes on pages 8 to 9 are an integral part of these condensed interim financial statements.

The condensed interim financial statements on pages 3 to 9 were authorised for issue by the board on 26 August 2025 and were signed on its behalf by:



Charles J. Farrugia  
Chairman



Greta Camilleri Avallone  
Director

## Condensed interim statement of comprehensive income

	Period from 1 January to 30 June	
	2025 € (unaudited)	2024 € (unaudited)
Revenue	15,100,190	14,649,503
Cost of sales	(11,237,904)	(11,762,740)
<b>Gross profit</b>	<b>3,862,286</b>	<b>2,886,763</b>
Administrative expenses	(1,341,664)	(1,218,246)
<b>Operating profit</b>	<b>2,520,622</b>	<b>1,668,517</b>
Finance costs	(132,494)	(136,871)
<b>Profit before tax</b>	<b>2,388,128</b>	<b>1,531,646</b>
Tax expense	(869,311)	(581,766)
<b>Profit for the period – total comprehensive income</b>	<b>1,518,817</b>	<b>949,880</b>
<b>Earnings per share for the period attributable to shareholders</b>	<b>0.034</b>	<b>0.022</b>

The notes on pages 8 to 9 are an integral part of these condensed interim financial statements.



## Condensed interim statements of changes in equity

	Ordinary share capital €	Preference share capital €	Capital redemption reserve €	Treasury share reserve €	Retained earnings €	Total €
Balance at 1 January 2024	5,500,000	1,500,000	-	-	2,650,889	9,650,889
Profit for the year - total comprehensive income	-	-	-	-	949,880	949,880
Transactions with owners: Dividends	-	-	-	-	(888,465)	(888,465)
Total transactions with owners	-	-	-	-	(888,465)	(888,465)
<b>Balance at 30 June 2024</b>	<b>5,500,000</b>	<b>1,500,000</b>	<b>-</b>	<b>-</b>	<b>2,712,304</b>	<b>9,712,304</b>
Balance at 1 January 2025	5,500,000	-	250,000	(303,000)	3,135,592	8,582,592
Profit for the year - total comprehensive income	-	-	-	-	1,518,817	1,518,817
Transactions with owners: Share buy-back	-	-	-	(141,001)	-	(141,001)
Dividends	-	-	-	-	(712,800)	(712,800)
Redemption of preference shares	-	-	250,000	-	(250,000)	-
Total transactions with owners	-	-	250,000	(141,001)	(962,800)	(853,801)
<b>Balance at 30 June 2025</b>	<b>5,500,000</b>	<b>-</b>	<b>500,000</b>	<b>(444,001)</b>	<b>3,691,609</b>	<b>9,247,608</b>

The notes on pages 8 to 9 are an integral part of these condensed interim financial statements.

## Condensed interim statement of cash flows

	Period from 1 January to 30 June	
	2025 € (unaudited)	2024 € (unaudited)
Net cash generated from operating activities	1,600,894	2,492,801
Net cash used in investing activities	(111,288)	(156,516)
Net cash used in financing activities	(1,182,850)	(785,473)
Net movement in cash and cash equivalents	306,756	1,550,812
Cash and cash equivalents at beginning of period	(1,059,216)	(2,267,656)
<b>Cash and cash equivalents at end of period</b>	<b>(752,460)</b>	<b>(716,844)</b>

The notes on pages 8 to 9 are an integral part of these condensed interim financial statements.

## Notes to the condensed interim financial statements

### 1. General information

The Company is a public limited liability company domiciled and incorporated in Malta.

The financial statements for the year ended 31 December 2024 can be accessed from the Company's website at the following link: <https://mz.com.mt/investors/> and are also available upon request from the Company's registered office at MMGH Complex, Industrial Estate, Marsa MRS 3000, Malta.

This condensed unaudited and un-reviewed interim financial information was approved for issue by the Board of Directors on 26 August 2025.

### 2. Basis of preparation

The condensed interim financial information for the six-month period ended 30 June 2025 has been prepared in accordance with International Financial Reporting Standards as adopted by the EU applicable to interim financial reporting (International Accounting Standard 34, 'Interim Financial Reporting'). The condensed interim financial information should be read in conjunction with the audited financial statements for the year ended 31 December 2024, which have been prepared in accordance with IFRSs as adopted by the EU.

### 3. Summary of significant accounting policies

The accounting policies applied in the preparation of the condensed interim financial information are the same as those applied in the financial statements for the year ended 31 December 2024.

### 4. Financial risk management

The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements for the year ended 31 December 2024.

### 5. Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances. In the opinion of the Directors, the accounting estimates and judgements made in the course of preparing these financial statements are not difficult, subjective or complex to a degree which would warrant their description as critical in terms of the requirements of IAS 1.

### 6. Intangible assets

	€
As at 1 January 2025	1,167,329
Amortisation	(64,900)
As at 30 June 2025	<u>1,102,429</u>

Intangible assets include also goodwill related to the Company's acquisition of various brand representations from third parties. The recoverable amount is reassessed annually based on estimates of expected future cash flows as identified from a business plan approved by management. On the basis of the latest business plan and current market data available to the board, no impairment charge was recognised during the period.

## Notes to the condensed interim financial statements - continued

### 7. Property, plant and equipment

The Company holds various property, plant and equipment to support its business operations. The movement in property, plant and equipment during the period relates to:

	€
As at 1 January 2025	674,087
Additions	126,768
Disposals	(46,997)
Depreciation	(125,175)
Depreciation released on disposal	46,997
As at 30 June 2025	<b>675,680</b>

### 8. Inventories

Inventory write-downs during the period amounted to €42,720 (2024: €34,782).

### 9. Related parties

The Company forms part of the M&Z Group, having M&Z Group Limited (C 9208) as its parent. M&Z Group Limited and its subsidiaries are considered by the Directors to be related parties of the Company. Due to common shareholding, PSC Limited (C 5617) and its subsidiary are also considered to be related parties of the Company.

The principal transactions carried out by the Company with related parties during the six-month period ended 30 June 2025 are:

	<b>Period from 1 January to 30 June</b>	
	<b>2025</b>	<b>2024</b>
	<b>€</b>	<b>€</b>
<b>Purchases and services:</b>		
- Other related parties	<b>12,000</b>	12,000
<b>Dividends paid to shareholders</b>	<b>514,995</b>	635,353

Director's emoluments for the period amounted to €305,602 (2024: €307,605).

### 10. Comparative information

Comparative figures disclosed in the main components of this condensed unaudited interim financial information have been reclassified to conform with the current year's presentation format for the purpose of fairer presentation.



**mz.com.mt**

M&Z p.l.c., MMGH Complex, Industrial Estate, Marsa, MRS 3000, Malta  
Company Registration Number: C 23061