

**MALTA BUSINESS REGISTRY**

**Annual Report and Financial Statements**

**For the Year Ended 31 December 2025**

**MALTA BUSINESS REGISTRY**

**For the Year Ended 31 December 2025**

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## **MALTA BUSINESS REGISTRY**

### **Registrar's Statement Report**

**For the year ended 31 December 2025**

The Registrar presents the report and the audited financial statements of the Malta Business Registry for the year ended 31 December 2025.

#### **Principal Activities**

The Malta Business Registry (MBR) is an agency set up by the Malta Business Registry (Establishment as an Agency) Order (S.L. 595.27), which regulates its functions and duties as applied within the remit of the Companies Act, Chapter 386 of the Laws of Malta. The MBR is responsible for the registration of all commercial partnerships and for a portal maintained by the Registrar of Companies making public all information required to be filed by commercial partnerships in terms of the Companies Act. In addition to this the MBR is also responsible for the registration of the Foundations and Associations in terms of the Second Schedule of the Civil Code. The MBR is also responsible for the register on beneficial owners of commercial partnerships, foundations, associations and other organisations. Moreover, the MBR holds the Office of the Official Receiver. The Official Receiver is appointed in terms of the Companies Act, 1995. The MBR also conducts onsite inspections on companies in order to verify that the beneficial owners disclosed to the Registrar of Companies is accurate, current and up-to-date.

MBR and/or the Registry can be used interchangeably through the report.

#### **Establishment of the Registry and review of the business**

The Registry is established under the terms of Subsidiary Legislation 595.27. Management hereby reports a surplus of €10,797,257 for the financial year 2025 (2024: €8,234,090)

#### **Events after Balance Sheet Date**

No significant events have occurred after the balance sheet date which require mention in this report.

#### **Results and surplus funds**

The statement of comprehensive income is set out on page 6. The surplus funds for the financial year paid to Government, in terms of the Public Administration Act amount to €11,000,000 (2024: €11,000,000).

## MALTA BUSINESS REGISTRY

### Registrar's Responsibilities

For the year ended 31 December 2025

In preparing the financial statements the Registrar is responsible for;

- ensuring that the financial statements have been drawn up in accordance with International Financial Reporting Standards as adopted by the EU and the Public Administration Act;
- selecting and applying appropriate accounting policies;
- making accounting estimates that are reasonable in the circumstances;
- ensuring that the financial statements are prepared on the going concern basis unless it is inappropriate to presume that the Registry will continue in operation as a going concern.

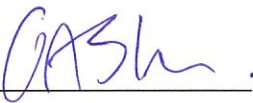
The Registrar is also responsible for designing, implementing and maintaining internal control as the Registrar determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and that comply with the Public Administration Act and Financial Administration and Audit Act. The Registrar is also responsible for safeguarding the assets of the Registry and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Access to information published on the Registry's website is available in other countries and jurisdictions, where legislation governing the preparation and dissemination of financial statements may differ from requirements or practice in Malta.

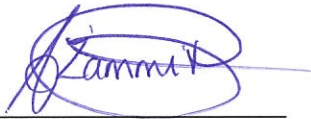
### Auditors

Borg Galea Audit Limited, Certified Public Accountants and Registered Auditors, have expressed their willingness to continue in office and a resolution for their reappointment will be proposed.

Approved by and signed on behalf of the Malta Business Registry on 16 March 2026:



Geraldine Spiteri Lucas  
Registrar/Chief Executive Officer



Annalise Zammit  
Deputy Registrar/Chief Operations Officer

**Registered Address:**  
Malta Business Registry  
AM Business Centre,  
Triq il-Labour,  
Zejtun  
ZTN 2401  
Malta

## **Independent Auditors' Report**

### **To the Stakeholders of MALTA BUSINESS REGISTRY**

#### **Report on the Audit of the Financial Statements**

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#### **Opinion**

We have audited the accompanying financial statements of MALTA BUSINESS REGISTRY set out on pages 6 - 23 which comprise the statement of financial position as at 31 December 2025, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Registry as at 31 December 2025, and of its financial performance for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union and have been properly prepared in accordance with the requirements of the Public Administration Act.

#### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Registry in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in accordance with the Accountancy Profession (Code of Ethics for Warrant Holders) Directive issued in terms of the Accountancy Profession Act (Cap. 281) in Malta, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Other Information**

The Registrar is responsible for the other information. The other information comprises the Registrar's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If based on the work we have performed concluded that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Independent Auditors' Report (continued)**

### **Responsibilities of the Registrar**

The Registrar is responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRS as adopted for the EU, and the requirements of the Subsidiary Legislation 595.27 and the Public Administration Act and for such internal control as the Registrar determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Registrar is responsible for assessing the Registry's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Registrar is intended to liquidate the Registry or to cease operations, or has no realistic alternative but to do so.

### **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Registry's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Registrar.

Conclude on the appropriateness of the Registrar's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Registry's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Registry to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

### **Independent Auditors' Report (continued)**

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We have nothing to report to you in respect of these responsibilities.

### **Use of this report**

Our report, including the opinions, has been prepared for and only for the Registry's stakeholders as a body in accordance with Public Administration Act and for no other purpose. We do not, in giving these opinions, 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 written consent.



Mr. Nathaniel Borg  
for and on behalf of  
Borg Galea Audit Limited  
Certified Public Accountants and Registered Auditors

16 March 2026

## MALTA BUSINESS REGISTRY

### Statement of Comprehensive Income

For the Year Ended 31 December 2025

		2025	2024
	Note	€	€
Revenue	11.	20,864,074	17,419,142
Operating expenses	12.	(10,663,481)	(9,830,791)
<b>Operating surplus</b>		<b>10,200,593</b>	7,588,351
Other income	14.	970,375	1,076,354
Finance income	15.	102,498	147,666
Finance costs	16.	(476,209)	(578,281)
<b>Surplus for the year - total comprehensive income</b>		<b>10,797,257</b>	8,234,090

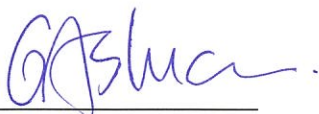
The notes on pages 10 to 23 form an integral part of these financial statements.

**MALTA BUSINESS REGISTRY**  
**Statement of Financial Position**  
**As At 31 December 2025**

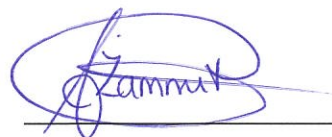
	Note	2025 €	2024 €
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4.	4,310,336	5,246,596
Right-of-use assets	9.	11,311,253	12,178,378
Other financial assets	5.	2,500,000	-
<b>Total non-current assets</b>		<b>18,121,589</b>	<b>17,424,974</b>
<b>Current assets</b>			
Trade and other receivables	6.	2,329,341	2,746,649
Cash and cash equivalents	7.	11,047,396	12,129,186
Cash held on behalf of third parties	7.	8,626,202	6,152,180
<b>Total current assets</b>		<b>22,002,939</b>	<b>21,028,015</b>
<b>TOTAL ASSETS</b>		<b>40,124,528</b>	<b>38,452,989</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and reserves</b>			
Staff support fund reserve	10.	19,560	18,546
Reserve fund		15,710,755	15,969,085
<b>Total equity</b>		<b>15,730,315</b>	<b>15,987,631</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Lease liability	9.	12,380,708	13,190,235
<b>Total non-current liabilities</b>		<b>12,380,708</b>	<b>13,190,235</b>
<b>Current liabilities</b>			
Lease liability	9.	1,846,592	1,800,245
Trade and other payables	8.	10,166,913	7,474,878
<b>Total current liabilities</b>		<b>12,013,505</b>	<b>9,275,123</b>
<b>Total liabilities</b>		<b>24,394,213</b>	<b>22,465,358</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>40,124,528</b>	<b>38,452,989</b>

The notes on pages 10 to 23 form an integral part of these financial statements.

These financial statements on pages 6 to 23 were authorised for issue by the Malta Business Registry on 16 March 2026 and were signed on its behalf by:



Geraldine Spiteri Lucas  
 Registrar/Chief Executive Officer



Annalise Zammit  
 Deputy Registrar/Chief Operations Officer

**MALTA BUSINESS REGISTRY**

**Statement of Changes in Equity**

**For the Year Ended 31 December 2025**

	<b>Staff support reserve</b>	<b>Reserve fund</b>	<b>Total Equity</b>
	€	€	€
01 January 2025	18,546	15,969,085	15,987,631
Prior period adjustments	-	(54,573)	(54,573)
<b>Equity restated as at 31 December 2024</b>	<b>18,546</b>	<b>15,914,512</b>	<b>15,933,058</b>
<b>Comprehensive income</b>			
Appropriation from income statement	-	10,797,257	10,797,257
Transfer to staff support reserve	1,014	(1,014)	-
<b>Total comprehensive income for the year</b>	<b>1,014</b>	<b>10,796,243</b>	<b>10,797,257</b>
<b>Transactions with stakeholders</b>			
Surplus allocated to Government	-	(11,000,000)	(11,000,000)
<b>Total transactions with stakeholders</b>	<b>-</b>	<b>(11,000,000)</b>	<b>(11,000,000)</b>
<b>Balance as at 31 December 2025</b>	<b>19,560</b>	<b>15,710,755</b>	<b>15,730,315</b>

	<b>Staff support reserve</b>	<b>Reserve fund</b>	<b>Total Equity</b>
	€	€	€
01 January 2024	13,798	18,739,743	18,753,541
<b>Comprehensive income</b>			
Appropriation from income statement	-	8,234,090	8,234,090
Transfer to staff support reserve	4,748	(4,748)	-
<b>Total comprehensive income for the year</b>	<b>4,748</b>	<b>8,229,342</b>	<b>8,234,090</b>
<b>Transactions with stakeholders</b>			
Surplus allocated to Government	-	(11,000,000)	(11,000,000)
<b>Total transactions with stakeholders</b>	<b>-</b>	<b>(11,000,000)</b>	<b>(11,000,000)</b>
<b>Balance as at 31 December 2024</b>	<b>18,546</b>	<b>15,969,085</b>	<b>15,987,631</b>

The notes on pages 10 to 23 form an integral part of these financial statements.

## MALTA BUSINESS REGISTRY

### Statement of Cash Flows

For the Year Ended 31 December 2025

		<u>2025</u>	<u>2024</u>
	Note	€	€
<b>Cash from operating activities:</b>			
Cash generated from operations	18.	15,834,788	13,345,029
Interest and other income received		1,072,873	1,224,020
<b>Net cash flows generated from operating activities</b>		<u>16,907,661</u>	<u>14,569,049</u>
<b>Cash flows from investing activities:</b>			
Purchase of property, plant and equipment	4.	(222,336)	(125,772)
Disposal of property, plant and equipment	4.	75	-
Purchase of financial assets	5.	(2,500,000)	-
<b>Net cash flows used in investing activities</b>		<u>(2,722,261)</u>	<u>(125,772)</u>
<b>Cash flows from financing activities:</b>			
Payments to Government	20.	(11,000,000)	(11,000,000)
Capital repayments of lease liabilities	9.	(1,793,168)	(1,740,536)
<b>Net cash flows used in financing activities</b>		<u>(12,793,168)</u>	<u>(12,740,536)</u>
<b>Net movement in cash and cash equivalents</b>		<b>1,392,232</b>	<b>1,702,741</b>
Cash and cash equivalents at beginning of year		<u>18,281,366</u>	<u>16,578,625</u>
<b>Cash and cash equivalents at end of year</b>	7.	<u>19,673,598</u>	<u>18,281,366</u>

The notes on pages 10 to 23 form an integral part of these financial statements.

# MALTA BUSINESS REGISTRY

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 1. General Notes

##### a. Basis of preparation

###### I. Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU and the requirements of Public Administration Act. They have been prepared under the historical cost convention. The preparation of financial statements in conformity with IFRSs as adopted by the EU requires the use of certain accounting estimates. It also requires the registrar to exercise judgement in the process of applying the Registry's accounting policies (see Note 3 — Critical accounting estimates and judgements).

###### II. Functional and presentation currency

The financial statements are presented in euro (€), which is the Registry's functional currency.

Transactions denominated in foreign currencies are converted to the functional currency at the rates of exchange ruling on the dates on which the transactions first qualify for recognition. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the period. Foreign currency differences arising on retranslation are recognised in profit or loss.

###### III. Use of estimates and assumptions

The preparation of financial statements in conformity with International Financial Reporting Standards as adopted by the EU requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

###### IV. New and amended IFRS standards that are effective as at 1 January 2025

In 2025, the Registry adopted new standards, amendments and interpretations to existing standards that are mandatory for the Registry's accounting year beginning on 1 January 2025. The adoption of these revisions to the requirements of IFRSs as adopted by the EU did not result in substantial changes to the Registry's accounting policies impacting the financial performance and position.

###### V. Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Registry

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2025 reporting periods and have not been early adopted by the Registry. These standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

At the date of authorisation of these financial statements, several new, but not yet effective, standards and amendments to existing standards, and interpretations have been published by the IASB or IFRIC. None of these standards or amendments to existing standards have been adopted early by the Registry and no interpretations have been issued that are applicable and need to be taken into consideration by the Registry.

## MALTA BUSINESS REGISTRY

### Notes to the Financial Statements (continued)

#### For the Year Ended 31 December 2025

#### 1. General Notes (continued)

##### a. Basis of preparation (continued)

##### V. Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Registry (continued)

Other standards and amendments that are not yet effective and have not been adopted early by the Registry:

- Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) (issued on 30 May 2024; and effective for financial years starting on or after 1 January 2026)

- Contracts Referencing Naturedependent Electricity (Amendments to IFRS 9 and IFRS 7) (issued on 18 December 2024; and effective for financial years starting on or after 1 January 2026)

- Annual improvements Volume 11 (issued on 18 July 2024; and effective for financial years starting on or after 1 January 2026)

- IFRS 18 Presentation and Disclosure in Financial Statements (issued on 9 April 2024; and effective for financial years starting on or after 1 January 2027)

These amendments are not expected to have a significant impact on the financial statements in the period of initial application and therefore no disclosures have been made.

Management anticipates that all relevant pronouncements will be adopted for the first period beginning on or after the effective date of the pronouncement. New standards, amendments and interpretations not adopted in the current year have not been disclosed as they are not expected to have a material impact on the Registry's financial statements.

##### VI. Standards, amendments and interpretations to published standards that are not yet endorsed by the EU

- IFRS 19 Subsidiaries without Public Accountability: Disclosures (issued on 9 May 2024)

- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Translation to a Hyperinflationary Presentation Currency (issued on 13 November 2025)

- Amendments to IFRS 19 Subsidiaries without Public Accountability: Disclosures (issued on 21 August 2025)

#### 2. Significant Accounting Policies

##### a. Property, plant and equipment

##### I. Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset and any other costs directly attributable to bringing the assets to a working condition for their intended use, and the costs of dismantling and removing the items and restoring the site on which they are located.

## MALTA BUSINESS REGISTRY

### Notes to the Financial Statements (continued)

#### For the Year Ended 31 December 2025

#### 2. Significant Accounting Policies (continued)

##### a. Property, plant and equipment (continued)

###### II. Depreciation

Depreciation is charged to the statement of comprehensive income on a straight-line basis over the estimated useful lives of items of property, plant and equipment, and major components are accounted for separately. Land is not depreciated. The estimated useful lives are as follows:

Building Improvements	10%
Furniture, fixtures and fittings	20%
Equipment	20%

Gains and losses on the disposal or retirement of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount at the date of disposal. The gains or losses are recognised in the statement of comprehensive income as other operating income or other operating costs, respectively.

##### b. Financial instruments

###### I. Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity where the Registry has the intention and the ability to hold in the long-term or until maturity. After initial measurement, held-to-maturity investments are measured at amortised cost using the effective interest method. This method uses a rate that exactly discounts estimated future cash receipts through the expected life of the financial asset. Gains and losses are recognised in profit or loss when the investments are derecognised or impaired, and through the amortisation process.

##### c. Trade and other receivables

###### I. Trade and other receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method less loss allowance.

###### II. Provision for impairment

The Registry assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Registry applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

##### d. Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at face value. In the statement of cash flows, cash and cash equivalents include cash in hand, deposits held at call together with short-term, highly liquid investments that are readily convertible into known amounts of cash, and which are subject to an insignificant risk of change in value.

## MALTA BUSINESS REGISTRY

### Notes to the Financial Statements (continued)

#### For the Year Ended 31 December 2025

#### 2. Significant Accounting Policies (continued)

##### e. Impairment

###### I. Non-financial Assets

The carrying amount of the Registry's non-financial assets, other than investment property, are reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists then the asset's recoverable amount is estimated.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable group that generates cash flows that largely are independent from other assets and groups. Impairment losses are recognised in profit or loss.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less cost to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

###### II. Financial Assets

A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset. An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate. An impairment loss in respect of an available-for-sale financial asset is calculated by reference to its current fair value.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk circumstances.

All impairment losses are recognised in profit or loss. Any cumulative loss in respect of an available-for-sale financial asset recognised previously in equity is transferred to profit or loss.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at cost and available-for-sale financial assets that are debt securities, the reversal is recognised in profit or loss. For available-for-sale financial assets that are equity securities, the reversal is recognised directly in equity.

##### f. Trade and other payables

Trade payables comprise obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

## **MALTA BUSINESS REGISTRY**

### **Notes to the Financial Statements (continued)**

**For the Year Ended 31 December 2025**

#### **2. Significant Accounting Policies (continued)**

##### **g. Leases**

The Registry leases various vehicles and office spaces. Rental contracts are typically made for fixed periods ranging from 5 to 15 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Leases are recognised as a right-of-use asset including a corresponding liability at the date at which the leased asset is available for use by the Registry.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities comprise the net present value of the fixed lease payments (including in-substance fixed payments), and less any lease incentives receivable.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Registry, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Registry where possible uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of liability for each period. Lease payments due within twelve months are classified as current, if not they are presented as non-current liabilities.

Right-of-use assets are measured at cost comprising the amount of the initial measurement of lease liability.

Right-of-use assets are generally depreciated over the lease term on a straight-line basis.

Payments associated with short-term leases of vehicles and land are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

##### **h. Provisions**

Provisions for legal claims are recognised when the Registry has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

##### **i. Revenue recognition**

The Registry recognises revenue when the amount of revenue can be reliably measured, when it is probable that future economic benefits will flow to the entity.

## MALTA BUSINESS REGISTRY

### Notes to the Financial Statements (continued)

#### For the Year Ended 31 December 2025

#### 2. Significant Accounting Policies (continued)

##### i. Revenue recognition (continued)

Income derived is recognised when payment is received which, in view of the profile of companies including dormant and defunct companies, is determined by the Registry to be the point in time when there is a probability that the economic benefits associated with the revenue will flow to the entity. Fees and penalties and similar income due but not paid, are not accounted for, and are not recognised.

##### j. Financial Risk Management

###### I. Financial Risk Factors

The Registry's activities potentially expose it to a variety of financial risks namely market risk, credit risk and liquidity risk. The Registry's risk management is coordinated by the registrar and focuses on actively securing the Registry's short to medium term cash flows by minimising the exposure to financial markets.

The most significant financial risks that the Registry is exposed to, are described below.

###### II. Market Risk

The Registrar does not consider that the Registry is exposed to significant market risk in view of the assets held.

###### III. Credit Risk

The Registry's exposure to credit risk is limited to the carrying amount of financial assets recognised at the reporting date, as summarised below. The Registry's exposures to credit risk as at the end of the reporting periods are analysed as follows

	2025	2024
	€	€
Other financial assets	2,500,000	-
Trade and other receivables	460,291	945,558
Cash and cash equivalents	19,673,598	18,281,366
	<u>22,633,889</u>	<u>19,226,924</u>

The Registry employs a comprehensive credit assessment framework to evaluate the creditworthiness of its customers. This framework incorporates an analysis of financial standing, historical payment behaviour, and other relevant criteria. Stringent policies are implemented to ensure that service offerings are extended exclusively to customers demonstrating an appropriate credit profile. The Registry conducts regular monitoring of its receivables portfolio to identify and account for collection losses, which are an inherent aspect of its receivables management, based on historical data and experience.

The Registry's investments comprise of investments in Malta Government Stocks ("MGSs"), which are exposed to minimal credit risk. The MGSs are debt instruments issued by the Government of Malta, which has a very low likelihood of default. As such, the risk of non-payment of principal or interest is considered negligible. The Registry continuously monitors the creditworthiness of the issuer, but based on historical performance and the strong sovereign credit rating of Malta, no material credit risk is expected from these investments.

The Registry's receivables, classified as non-impaired financial assets, primarily consist of transactions with customers who have maintained a consistent payment history without recent defaults. Management has determined that the likelihood of losses arising from non-performance by these customers is minimal. It should be noted that the Registry's financial assets are unsecured and not supported by collateral.

## **MALTA BUSINESS REGISTRY**

### **Notes to the Financial Statements (continued)**

#### **For the Year Ended 31 December 2025**

#### **2. Significant Accounting Policies (continued)**

##### **j. Financial Risk Management (continued)**

##### **III. Credit Risk (continued)**

As of 31 December 2025, impaired trade receivables amounted to €1,932 (2024: €2,395), with corresponding impairment provisions fully aligned with these amounts. Provisions for impairment may be reversed in instances where customers demonstrate improved financial circumstances and resume compliance with repayment obligations. The Registry does not hold collateral as security against impaired assets.

With respect to cash and cash equivalents, credit risk is considered negligible, as these are held with reputable financial institutions and counterparties of high standing.

##### **IV. Liquidity Risk**

The Registry is exposed to liquidity risk concerning its ability to meet future obligations tied to its financial liabilities, which primarily consist of trade and other payables (refer to Note 8). Effective liquidity risk management involves maintaining adequate cash reserves and secured credit facilities to ensure sufficient funding is available to fulfill the Registry's financial commitments.

To mitigate liquidity risk, the Registry conducts regular reviews of projected cash flows and has determined that no additional financing facilities are anticipated to be required within the next 12 months. The Registry's liquidity risk is considered immaterial, given the alignment of cash inflows and outflows associated with the expected maturities of its financial instruments.

##### **k. Capital Risk Management**

The Registry's equity, as presented in the statement of financial position, represents its reserve fund. The primary objectives of the Registry in managing capital are to ensure the entity's ongoing ability to operate as a going concern, thereby delivering returns and benefits to stakeholders, and to maintain an optimal capital structure to minimise the cost of capital.

Given the nature of the Registry's operations and its financial standing, the Registrar has assessed the capital level as at the end of the reporting period and determined it to be sufficient.

##### **l. Fair values of financial instruments**

At 31 December 2025 and 2024 the carrying amounts of cash at bank, receivables, payables and accrued expenses reflected in the financial statements are reasonable estimates of 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.

#### **3. 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 registrar, 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.

**MALTA BUSINESS REGISTRY**

**Notes to the Financial Statements (continued)**

**For the Year Ended 31 December 2025**

**4. Property, plant and equipment**

31 December 2025

	Building Improvements	Furniture, fixtures and fittings	Equipment	Total
	€	€	€	€
<b>Cost</b>				
Opening balance	8,446,988	1,483,699	2,399,284	12,329,971
Additions	128,704	21,045	72,587	222,336
Disposals	-	-	(1,725)	(1,725)
<b>Balance at 31 December 2025</b>	<b>8,575,692</b>	<b>1,504,744</b>	<b>2,470,146</b>	<b>12,550,582</b>
<b>Depreciation and impairment losses</b>				
Opening balance	(3,858,179)	(1,149,562)	(2,075,634)	(7,083,375)
Disposals	-	-	1,725	1,725
Depreciation	(851,306)	(152,542)	(154,748)	(1,158,596)
<b>Balance at 31 December 2025</b>	<b>(4,709,485)</b>	<b>(1,302,104)</b>	<b>(2,228,657)</b>	<b>(8,240,246)</b>
<b>At 31 December 2025</b>	<b>3,866,207</b>	<b>202,640</b>	<b>241,489</b>	<b>4,310,336</b>

31 December 2024

	Building Improvements	Furniture, fixtures and fittings	Equipment	Total
	€	€	€	€
<b>Cost</b>				
Opening balance	8,424,800	1,430,555	2,348,844	12,204,199
Additions	22,188	53,144	50,440	125,772
<b>Balance at 31 December 2024</b>	<b>8,446,988</b>	<b>1,483,699</b>	<b>2,399,284</b>	<b>12,329,971</b>
<b>Depreciation and impairment losses</b>				
Opening balance	(3,016,297)	(966,678)	(1,742,186)	(5,725,161)
Depreciation	(841,882)	(182,884)	(333,448)	(1,358,214)
<b>Balance at 31 December 2024</b>	<b>(3,858,179)</b>	<b>(1,149,562)</b>	<b>(2,075,634)</b>	<b>(7,083,375)</b>
<b>At 31 December 2024</b>	<b>4,588,809</b>	<b>334,137</b>	<b>323,650</b>	<b>5,246,596</b>

## MALTA BUSINESS REGISTRY

### Notes to the Financial Statements (continued)

For the Year Ended 31 December 2025

#### 5. Other financial assets

	2025	2024
	€	€
<b>Non-current assets</b>		
Debt security held-to-maturity	2,500,000	-
<b>Total</b>	<b>2,500,000</b>	<b>-</b>

During the year, the Registry purchased Malta Government Stocks amounting to €2,500,000. These securities have a maturity date in 2030 and carry an interest rate of 2.55% per annum, payable semi-annually. Interest earned on these investments has been accrued in the financial statements.

#### 6. Trade and other receivables

	2025	2024
	€	€
Trade receivables (Note i)	454,739	945,841
Prepayments	1,868,314	1,800,808
Interest receivable	6,288	-
<b>Total</b>	<b>2,329,341</b>	<b>2,746,649</b>

Note i: The trade and other receivables are shown net of allowance on trade and other receivables of €1,932 (2024: €2,395).

#### 7. Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents comprise the following:

	2025	2024
	€	€
Cash and cash equivalents	11,047,396	12,129,186
Cash held on behalf of third parties	8,626,202	6,152,180
<b>Total cash and cash equivalents</b>	<b>19,673,598</b>	<b>18,281,366</b>

Cash and cash equivalents consist of Treasury Bills with maturities of up to three months, earning an interest rate of 1.9% as at 31 December 2025 (2024: average 2.9%). The balance as at 31 December 2025 amounted to €2,985,661 (2024: €3,971,016). These instruments are highly liquid and carry minimal credit and liquidity risk.

## MALTA BUSINESS REGISTRY

### Notes to the Financial Statements (continued)

#### For the Year Ended 31 December 2025

#### 7. Cash and cash equivalents (continued)

Cash balances held on behalf of third parties consists of balances with:

	2025	2024
	€	€
Central Bank of Malta	367,287	261,065
Bank of Valletta	8,258,915	5,891,115
	<b>8,626,202</b>	<b>6,152,180</b>

The balances held on behalf of third parties are reflected in Note 8 within "Other payables". Cash held at the Central Bank of Malta include amounts pertaining to defunct companies. The amounts held in Bank of Valletta include amounts held on behalf of companies in liquidation, whereby the court has appointed the Official Receiver to administer such companies.

#### 8. Trade and other payables

	2025	2024
	€	€
Trade payables	502,415	366,659
Accruals	637,519	515,638
Deferred income	10,333	10,333
Other payables (Note i)	9,016,646	6,582,248
<b>Total</b>	<b>10,166,913</b>	<b>7,474,878</b>

Note i: Other payables include amounts held on behalf of third parties (Note 7)

#### 9. Right-of-use assets and lease liabilities

This note provides information for leases where the Registry is a lessee.

(i) Amounts recognised in the statement of financial position.

The statement of financial position shows the following amounts relating to leases:

	2025	2024
	€	€
<b>Right-of-use assets</b>		
Vehicles	33,587	-
Offices	11,277,666	12,178,378
	<b>11,311,253</b>	<b>12,178,378</b>
	2025	2024
	€	€
<b>Lease Liabilities</b>		
Non-current	12,380,708	13,190,235
Current	1,846,592	1,800,245
	<b>14,227,300</b>	<b>14,990,480</b>

## MALTA BUSINESS REGISTRY

### Notes to the Financial Statements (continued)

For the Year Ended 31 December 2025

#### 9. Right-of-use assets and lease liabilities (continued)

(ii) Amounts recognised in the statement of comprehensive income.

The statement of comprehensive income shows the following amounts relating to leases:

	2025	2024
	€	€
<b>Depreciation charge of right of-use assets</b>		
Vehicles	11,196	39
Offices (gross of sub-lease contribution)	1,409,708	1,602,741
	<b>1,420,904</b>	<b>1,602,780</b>
<b>Lease liability expense</b>		
Interest expense on lease liabilities	476,209	578,281

During 2025, the Registry subleased parts of its property to other Government agencies for a contribution of €857,394 (2024: €976,652) which is netted against the lease depreciation in accordance with IFRS.

#### 10. Staff support reserve

The staff support reserve has been created to set aside reserves to support employees in need at the opportune time.

#### 11. Revenue

Revenue is generated from fees and penalties in line with charges prescribed by legislation. Fluctuations from one year to another may represent income claimed in previous years given that revenue is accounted for upon receipt of payment.

#### 12. Operating expenses

	2025	2024
	€	€
(Decrease) in loss allowance on trade and other receivables	(463)	(421,861)
Bad debts	463	(18,171)
Cleaning services	135,410	136,611
Depreciation on right-of-use assets	1,420,904	1,602,780
Other expenses	801,456	717,801
Professional and consultancy fees	214,557	106,223
Repairs and maintenance	251,072	182,142
Salaries, wages and employee benefits	5,435,136	5,011,927
Security services	111,069	98,858
IT expenses	1,135,280	1,056,146
Depreciation of property, plant and equipment	1,158,597	1,358,335
<b>Total</b>	<b>10,663,481</b>	<b>9,830,791</b>

##### a. Auditors' fees

Fees charged by the auditors for the statutory audit amounting to €6,490 (2024: €6,490) inclusive of value added tax.

## MALTA BUSINESS REGISTRY

### Notes to the Financial Statements (continued)

#### For the Year Ended 31 December 2025

#### 13. Wages and Salaries

##### a. Wages and Salaries

Payroll costs for the year comprise of the following:

	2025	2024
	€	€
Wages and salaries	7,102,974	6,502,079
Social security costs	293,683	272,530
Other staff costs	230,161	194,367
Recharged to other government entities	(2,191,682)	(1,957,049)
<b>Total</b>	<b>5,435,136</b>	<b>5,011,927</b>

##### b. Average number of employees

The average number of persons employed by the Registry during the year:

	2025	2024
Managerial	115	110
Administration	41	37
<b>Total</b>	<b>156</b>	<b>147</b>

#### 14. Other income

	2025	2024
	€	€
Rental income from sublease agreements (Note i)	857,394	976,652
Other income	112,981	99,702
<b>Total</b>	<b>970,375</b>	<b>1,076,354</b>

Note i: The entire rental income is derived from sublease agreements with Government related entities (Note 20).

#### 15. Finance income

	2025	2024
	€	€
Interest income from treasury bills (Note 7)	95,953	147,401
Interest income from Malta Government stocks (Note 5)	6,288	-
Bank interest	257	265
<b>Total</b>	<b>102,498</b>	<b>147,666</b>

## MALTA BUSINESS REGISTRY

### Notes to the Financial Statements (continued)

#### For the Year Ended 31 December 2025

#### 16. Finance costs

	2025	2024
	€	€
Interest expense on lease liabilities (Note 9)	476,209	578,281

#### 17. Taxation

Legal Notice 144 of 2018 (para 14) exempts the Malta Business Registry from any liability to pay income taxes.

#### 18. Cash generated from operations

Reconciliation of operating surplus generated from operations:

	2025	2024
	€	€
Operating surplus	10,200,593	7,588,351
Adjustments for:		
Depreciation of property, plant and equipment	1,158,596	1,358,214
Depreciation of right-of-use of assets	1,420,904	1,602,780
Decrease in allowance on trade receivables	(463)	(421,861)
Bad debts write off	463	-
Gain on disposal of assets	(75)	-
Prior period adjustment	(54,573)	-
<b>Changes in working capital:</b>		
Trade and other receivables	417,308	1,228,920
Trade and other payables	2,692,035	1,988,625
	<b>15,834,788</b>	<b>13,345,029</b>

#### 19. Commitments

Commitments for expenditure not provided for in these financial statements as at the statement of financial position date were as follows:

	2025	2024
	€	€
Contracted but not provided for	-	145,736

#### 20. Related party transactions

Except for transactions disclosed or referred to previously, the following significant transactions, which were carried out principally with related entities, have a material effect on the operating results and financial position of the Registry:

	2025	2024
	€	€
Surplus allocated to Government	11,000,000	11,000,000
Rental income from sublease agreements	857,394	976,652

## **MALTA BUSINESS REGISTRY**

### **Notes to the Financial Statements (continued)**

#### **For the Year Ended 31 December 2025**

##### **21. Events after the end of the reporting period**

There were no material events after the reporting period that would impact the fair presentation of the financial statements.

##### **22. Statutory information**

The Malta Business Registry is the single companies' registrar in Malta established under Subsidiary Legislation 595.27 and reports to the Maltese Parliament.