



COMPANY ANNOUNCEMENT

The following is a Company Announcement issued by GO p.l.c. (“**the Company**”) pursuant to the Capital Markets Rules as issued by the Malta Financial Services Authority in accordance with the provisions of the Financial Markets Act (Chapter 345 of the Laws of Malta) as they may be amended from time to time.

Quote

Group Interim Unaudited Financial Statements

In a meeting held earlier today, the Board of Directors of the Company approved the attached Group Interim Unaudited Financial Statements for the six-month period ended 30 June 2022.

The Board of Directors has also authorised the publication of the same Financial Statements which will be available for viewing on the Company’s website at: <https://prodcms.go.com/mt/wp-content/uploads/2022/08/GO-Interim-FS-Jun-2022.pdf>

The Board of Directors further approved the payment of an interim dividend of €0.06 net of taxation per share. The payment of this Net Dividend amounts to the total sum of €6.1 million.

The interim dividend will be paid on Friday 9 September 2022 to all shareholders who appear on the shareholders’ register of Friday 26 August 2022.

Unquote

Dr. Francis Galea Salomone LL.D.
Company Secretary

9 August 2022

GO plc, Fra Diego Street, Marsa, MRS 1501 Malta PO Box 40, Marsa MRS 1001
t. +356 2124 6200 e. customer@go.com.mt
Company Registration Number: C22334 VAT Number: MT 12826209
go.com.mt



GO p.l.c.

Condensed Consolidated
Interim Financial Statements

For the Period 1 January 2022 to
30 June 2022

Company Registration Number: C 22334

GO p.l.c.

Condensed Consolidated Interim Financial Statements

For the period 1 January 2022 to 30 June 2022

Contents

	Pages
Directors' Report pursuant to Listing Rule 5.75.2	1 - 3
Condensed Consolidated Interim Financial Statements:	
Condensed Consolidated Interim Statement of Financial Position	4 - 5
Condensed Consolidated Interim Statement of Comprehensive Income	6
Condensed Consolidated Interim Statement of Changes in Equity	7 - 8
Condensed Consolidated Interim Statement of Cash Flows	9 - 10
Notes to the Condensed Consolidated Interim Financial Statements	11 - 20
Statement pursuant to Listing Rule 5.75.3	21
Independent Auditor's Report on Review of Condensed Consolidated Interim Financial Statements	

GO p.l.c.

Directors' Report pursuant to Listing Rule 5.75.2

For the period 1 January 2022 to 30 June 2022

This Half-Yearly Report is being published in terms of Chapter 5 of the Listing Rules of the Listing Authority – 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 30 June 2022 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 31 December 2021.

Principal activities

GO p.l.c. ("GO") is a leading electronic communications services provider in Malta offering fixed and mobile telecommunications services, TV services, and high-speed broadband and other digital connectivity services.

GO is a publicly traded entity on the Malta Stock Exchange and the parent company of GO Group ("the Group"). The Group provides data centre and ancillary services in Malta through its majority stake in BMIT Technologies p.l.c. ("BMIT"), as well as fully fledged fixed and mobile electronic telecommunication services in Cyprus through its majority stake in Cablenet Communications Systems p.l.c. ("Cablenet").

Review of financial performance

During the six-month period ending 30 June 2022, the Group generated revenue amounting to €106 million, an increase of €12.1 million or 12.9% compared to the first half of 2021.

During the period under review, local telecom services increased by €7.3 million closing at €63.7 million. This resulted mainly from a growth in GO's fixed broadband and mobile customer base subscribers, a partial recovery of roaming revenue and other international wholesale business, and comparatively higher levels of supply and maintenance of hardware and telecoms equipment.

Data centre operations remained challenging particularly due to increasing technology-driven competitive pressures and global supply chain issues resulting in customer project delays. Notwithstanding these challenges, BMIT registered gross revenue of €12.6 million, implying a marginal decline of just over 1% compared to the first half of 2021.

Cablenet's revenue amounted to €30.1 million, an increase of €4.5 million or 17.4% over the same period last year. This revenue growth reflects subscriber gains from higher market share and the expansion of network footprint.

Group cost of sales amounted to €66.3 million (2021: €59.2 million). The increase of €7.1 million or 11.9% over 2021 is largely attributable to higher cost of goods sold as a result of the significantly higher sales of hardware and other telecoms equipment, new network support agreements following the launch of the 5G mobile network and the new operational costs of the PEACE submarine cable. Despite higher cost of sales, the Group registered a 14% increase in gross profit and 1% increase in the gross profit margin when compared to the first half of 2021.

Administrative expenses remained close to the levels of the first half of 2021, and amounted to €26.1 million (2021: €25.5 million). The increase includes one-off staff compensation and legal expenses of around €0.5 million incurred by Cablenet.

GO p.l.c.

Directors' Report pursuant to Listing Rule 5.75.2

For the period 1 January 2022 to 30 June 2022

Review of financial performance - continued

Consolidated EBITDA for the first six months of 2022 amounted to €41.2 million (2021: €34.8 million). Depreciation and amortisation increased by €1.3 million reflecting higher levels of investment in network expansion and other strategic assets across the Group while net finance costs increased by €0.9 million. Consolidated profit before tax for the first six months of 2022 amounted to €12.1 million (2021: €7.9 million).

The Group generated net cash flows from operating activities of €38.2 million, an increase of 40% over 2021, enabling the Group to fund higher levels of investments which amounted to €35.4 million (2021: €29.9 million).

Consolidated total assets as at 30 June 2022 amounted to €368.1 million (31 December 2021: €368.6 million). In May 2022, Cablenet capitalised its 4G and 5G spectrum frequencies resulting in an increase in Right-of-Use Assets of €15.9 million and a corresponding increase in Right-of-Use Liabilities of €10.6 million.

During the first 6 months of 2022, borrowings net of cash holdings increased by €16.7 million to reach €104.5 million. Total Equity as at 30 June 2022 stood at €104.6 million representing 28.4% of total assets (31 December 2021: 29.8%).

Commentary on COVID-19 pandemic

The Group's financial performance in the first half of 2022 has not been materially impacted by the ongoing effects of the pandemic.

Economic data has shown good recovery with levels of economic activity reaching levels observed in 2019 across various sectors with some surpassing pre-COVID-19 levels. Going forward, in view of the facts that a significant percentage of the population worldwide, including Malta and Cyprus, has been vaccinated, that the dominant variants of the virus, in most cases, do not lead to serious illness and to hospitalisations and that many Governments including the Maltese and Cypriot Governments, abolished almost all protective measures against COVID-19 gradually returning back to prior COVID-19 normality, the Group does not foresee any major adverse effects from the pandemic which could significantly affect its financial results and forward looking statements in a negative way.

Commentary on Ukrainian crisis

The Group generates its revenues through the provision of telecoms and data centre services to customers based in Malta and Cyprus and is therefore not directly exposed to Russian or Ukrainian customers. Indeed, while Cablenet offers services to a Cyprus-based entities of which a few may have Russian or Ukrainian nationality or ownership, such customers represent an immaterial part of the Company's revenue and no impact on such customers or their revenues and payments has been noticed. Furthermore, the Group does not have any direct material reliance or dependency on Russian or Ukrainian suppliers.

The more pronounced effects on the Group have so far been indirect, such as higher costs of transportation and inputs of energy or commodity-based (i.e. steel or copper) material employed in operations and networks.

The Group's TV platforms in Malta and Cyprus discontinued the broadcasting of Russia-originating TV channels in line with EU directives and other commercial considerations.

Management is closely monitoring the situation and is ready to act depending on the developments.

GO p.l.c.

Directors' Report pursuant to Listing Rule 5.75.2

For the period 1 January 2022 to 30 June 2022

Related party transactions

During the period under review, GO paid dividends amounting to €6 million to its parent company and effected payments amounting to €1.3 million for lease of properties, to entities ultimately controlled by Société Nationale des Télécommunications (Tunisie Telecom), the intermediate parent company.

Dividends

At the last Annual General Meeting of GO p.l.c., a final net dividend of €0.09 per share in respect of the year ended 31 December 2021 was approved and was paid to the shareholders on 27 May 2022. The Board resolved to distribute an interim net dividend of €0.06 per share which will be paid to shareholders on 9 September 2022.

Approved by the Board of Directors on 9 August 2022 and signed on its behalf by



Lassâad Ben DHIAB
Chairman



Paul Testaferrata Moroni Viani
Director

GO p.l.c.

Condensed Consolidated Interim Financial Statements

Statement of financial position
As at 30 June 2022

	Note	As at 30 Jun 2022 Unaudited €000	As at 31 Dec 2021 Audited (restated) €000
ASSETS			
Non-current assets			
Property, plant and equipment	5	165,088	163,808
Right-of-use assets		48,909	32,694
Intangible assets		76,045	71,031
Investment in associate		2,388	2,188
Other investments		974	974
Deferred tax assets		703	714
Trade and other receivables		2,616	11,270
Total non-current assets		296,723	282,679
Current assets			
Inventories		8,423	8,472
Trade and other receivables		44,341	36,443
Current tax assets		225	1,109
Cash and cash equivalents		18,356	39,928
Total current assets		71,345	85,952
Total assets		368,068	368,631
EQUITY AND LIABILITIES			
EQUITY			
Share capital		58,998	58,998
Reserves		214	214
Retained earnings		37,372	40,047
Total equity attributable to equity holders of the Company		96,584	99,259
Non-controlling interests		8,024	10,638
Total equity		104,608	109,897

GO p.l.c.

Condensed Consolidated Interim Financial Statements

Statement of financial position - continued
As at 30 June 2022

	Note	As at 30 Jun 2022 Unaudited €000	As at 31 Dec 2021 Audited (restated) €000
LIABILITIES			
Non-current liabilities			
Borrowings	7	117,613	121,688
Lease liabilities		36,636	28,441
Deferred tax liabilities		4,778	5,176
Provisions for pensions		1,524	1,524
Trade and other payables		7,394	13,759
Total non-current liabilities		167,945	170,588
Current liabilities			
Borrowings	7	5,241	6,018
Provisions for pensions		2,925	2,925
Lease liabilities		7,004	5,506
Trade and other payables		72,542	73,459
Current tax liabilities		7,803	238
Total current liabilities		95,515	88,146
Total liabilities		263,460	258,734
Total equity and liabilities		368,068	368,631

The notes on pages 11 to 20 are an integral part of these condensed consolidated interim financial statements.

The condensed consolidated interim financial statements set out on pages 4 to 20 were approved by the Board of Directors on 9 August 2022 and were signed on its behalf by:

Lassâad Ben DHIAB
Chairman

Paul Testaferrata Moroni Viani
Director

GO p.l.c.

Condensed Consolidated Interim Financial Statements

Statement of comprehensive income
For the period 1 January 2022 to 30 June 2022

	Six months ended 30 Jun 2022 Unaudited €000	Six months ended 30 Jun 2021 Unaudited €000
Revenue	105,973	93,882
Cost of sales	(66,269)	(59,221)
Gross profit	39,704	34,661
Administrative and other related expenses	(26,125)	(25,478)
Other income	1,494	812
Operating profit	15,073	9,995
Analysed as follows:		
EBITDA	41,155	34,827
Depreciation and amortisation	(26,082)	(24,832)
Operating profit	15,073	9,995
Finance income	188	187
Finance costs	(3,155)	(2,285)
Profit before tax	12,106	7,897
Tax expense	(6,102)	(3,994)
Profit for the period	6,004	3,903
Attributable to:		
Owners of the Company	6,443	3,910
Non-controlling interests	(439)	(7)
Profit for the period	6,004	3,903
Earnings per share (euro cents)	5c9	3c8

The notes on pages 11 to 20 are an integral part of these condensed consolidated interim financial statements.

GO p.l.c.

Condensed Consolidated Interim Financial Statements

Statement of changes in equity
For the period 1 January 2022 to 30 June 2022

Unaudited	Share capital €000	Reserves €000	Retained earnings €000	Total €000	Non-controlling interests €000	Total equity €000
Balance at 1 January 2021 (restated)	58,998	236	53,906*	113,140	13,221	126,361
Comprehensive income						
Profit for the period	-	-	3,910	3,910	(7)	3,903
Total comprehensive income	-	-	3,910	3,910	(7)	3,903
Transactions with owners in their capacity as owners						
Distributions to owners: Dividends to equity holders	-	-	(16,210)	(16,210)	(2,915)	(19,125)
Total transactions with owners	-	-	(16,210)	(16,210)	(2,915)	(19,125)
Balance at 30 June 2021 (restated)	58,998	236*	41,606*	100,840	10,299	111,139

GO p.l.c.

Condensed Consolidated Interim Financial Statements

Statement of changes in equity - continued
For the period 1 January 2022 to 30 June 2022

Unaudited	Share capital €000	Reserves €000	Retained earnings €000	Total €000	Non-controlling interests €000	Total equity €000
Balance at 1 January 2022 (restated)	58,998	214*	40,047*	99,259	10,638	109,897
Comprehensive income						
Profit for the period	-	-	6,443	6,443	(439)	6,004
Total comprehensive income	-	-	6,443	6,443	(439)	6,004
Transactions with owners in their capacity as owners						
Distributions to owners:						
Dividends to equity holders	-	-	(9,118)	(9,118)	(2,491)	(11,609)
Changes in ownership interest that do not result in loss of control:						
Non-controlling interest arising on acquisition of subsidiary	-	-	-	-	316	316
Total transactions with owners	-	-	(9,118)	(9,118)	(2,175)	(11,293)
Balance at 30 June 2022	58,998	214	37,372	96,584	8,024	104,608

* The net impact of the Group's transactions with non-controlling interests (comprising acquisitions and disposals of non-controlling stakes in subsidiaries) effected in previous financial years, reflected within equity in accordance with the Group's accounting policy, amounted to €35.8 million as at 30 June 2022, 31 December 2021 and 1 January 2021. This amount was reflected under the caption Reserves but the Directors felt that such amount should actually be presented within the caption Retained Earnings to reflect better the nature of such impacts. Comparative figures disclosed in the main components of these financial statements have been restated to reflect this fairer presentation. The Group's total equity remains unchanged and accordingly further disclosures are not deemed necessary.

The notes on pages 11 to 20 are an integral part of these condensed consolidated interim financial statements.

GO p.l.c.

Condensed Consolidated Interim Financial Statements

Statement of cash flows

For the period 1 January 2022 to 30 June 2022

	Six months ended 30 Jun 2022 Unaudited €000	Six months ended 30 Jun 2021 Unaudited €000
Cash flows from operating activities		
Operating profit	15,073	9,995
Adjustments for:		
Depreciation and amortisation	26,082	24,832
Net increase in provisions and write-downs in relation to receivables and inventories	1,068	1,270
Provisions for pensions	-	(556)
Voluntary retirement costs	597	1,075
	42,820	36,616
Changes in working capital:		
Inventories	75	(1,159)
Trade and other receivables	(194)	(6,559)
Trade and other payables	(2,082)	5,703
Cash generated from operations	40,619	34,601
Interest paid on bank overdrafts	(65)	(6)
Interest paid on lease liabilities	(648)	(699)
Tax paid	(1,082)	(5,388)
Payments under voluntary retirement scheme	(552)	(1,104)
Payments in relation to pension obligations	(41)	(50)
Net cash from operating activities	38,231	27,354

GO p.l.c.

Condensed Consolidated Interim Financial Statements

Statement of cash flows - continued

For the period 1 January 2022 to 30 June 2022

	Six months ended 30 Jun 2022 Unaudited €000	Six months ended 30 Jun 2021 Unaudited €000
Cash flows from investing activities		
Payments to acquire property, plant and equipment and intangible assets	(34,211)	(29,769)
Payments to acquire subsidiary	(1,000)	-
Payments to acquire other investments	(200)	(168)
Net cash used in investing activities	(35,411)	(29,937)
Cash flows from financing activities		
Repayment of bank and other loans	(6,090)	(4,163)
Proceeds from bond issue, net of issue costs	-	59,121
Proceeds from bank and other loans	-	12,000
Principal elements of lease payments	(3,744)	(3,092)
Dividends paid to controlling shareholders	(9,070)	(16,071)
Dividends paid to non-controlling shareholders	(2,491)	(2,915)
Borrowings interest paid	(2,695)	(607)
Net cash (used in)/from financing activities	(24,090)	44,273
Net movements in cash and cash equivalents	(21,270)	41,690
Cash and cash equivalents at beginning of period	34,082	25,169
Exchange differences on cash and cash equivalents	(72)	6
Movement in cash pledged as guarantees	872	(5,952)
Cash and cash equivalents at end of period	13,612	60,913

In addition to the cash and cash equivalents presented above, a subsidiary held restricted bank deposits amounting to €3 million (2021: €3.9 million), representing cash collateral of a Good Payment Letter of Guarantee in favour of the Director of the Department of Electronic Communications in Cyprus, relating to 4G and 5G radio spectrum frequencies with an expiry date of 14 June 2023 and 20 July 2026 respectively, and cash collateral of a Letter of Guarantee in favour of the Cyprus Telecommunications Authority (CYTA), expiring on 15 June 2023. Further reductions in the restricted deposits amount are expected by year end, as well as in the future.

The notes on pages 11 to 20 are an integral part of these condensed consolidated interim financial statements.

GO p.l.c.

Condensed Consolidated Interim Financial Statements

Notes to the Condensed Consolidated Interim Financial Statements
For the period 1 January 2022 to 30 June 2022

1 General information

GO p.l.c. (“the Company”) is a limited liability company domiciled and incorporated in Malta. The condensed consolidated interim financial statements of the Company as at 30 June 2022 and for the six-month period then ended comprise the Company and its subsidiaries (together referred to as the “Group”). The Group is Malta’s leading integrated telecommunications services provider and its high-speed networks form the backbone of the island’s modern communications infrastructure. The services provided by the Group include fixed-line and mobile telephony, data and TV services for consumers and business clients. The Group also provides business clients with data centre facilities and ICT solutions.

The Group also operates in Cyprus through Cablenet Communication Systems Limited (“Cablenet”) which provides broadband, cable TV and fixed and mobile telephony services to consumers and business clients.

The consolidated financial statements of the Group as at and for the year ended 31 December 2021 are available upon request from the Company’s registered office at Fra Diegu Street, Marsa, MRS 1501, Malta. They are also available for viewing on its website at www.go.com.mt.

These condensed consolidated interim financial statements were approved for issue by the Board of directors on 9 August 2022.

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”.

2 Basis of preparation

The condensed consolidated interim financial statements as at and for the six-month period ended 30 June 2022 have 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 should be read in conjunction with the annual financial statements for the year ended 31 December 2021, which have been prepared in accordance with IFRSs as adopted by the EU.

Financial position of the Group and the Group’s cash flow forecasting process:

As at 30 June 2022, the Group’s current liabilities exceeded its current assets by €24.2 million (31 December 2021: €2.2 million). The Group envisages that a significant level of earnings will be generated throughout the forthcoming financial year, through its cash generating units, which will enable the Group to manage effectively its forecasted cash flows and liquidity needs. Furthermore, the Group has unutilised banking facilities which are considered in the context of the Group’s liquidity management programme. These factors are embedded within the Group’s cash flow forecasts.

The Group monitors the direct and indirect impacts of the COVID-19 pandemic and the conflict within Ukraine on its cash flow forecasting process, with a view to assessing on a regular basis the potential effects on its business model and cash flow generation attributable to the different cash generating units. Up to the date of authorisation for issue of these financial statements, the impacts are considered to be minimal. As events unfold and conditions develop, the Group will adapt its assessment and cash flow forecasts accordingly.

GO p.l.c.

Condensed Consolidated Interim Financial Statements

Notes to the Condensed Consolidated Interim Financial Statements
For the period 1 January 2022 to 30 June 2022

2 Basis of preparation - continued

(a) Accounting policies

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2021, as described in those annual financial statements.

New and amended standards adopted by the Group

A number of amended standards became applicable for the current reporting period. There is no impact on the adoption of these revisions on the Group's accounting policies and on the Group's financial results and financial position.

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 January 2022. The Group has not early adopted these revisions to the requirements of IFRSs as adopted by the EU, and the Company's 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.

(b) Impact of COVID-19

Following the outbreak of the COVID-19 pandemic, the Group implemented strategic initiatives aimed at ensuring continuity of service and aimed at mitigating the potential negative impact on the Group's business. Despite the challenges presented by the outbreak of this pandemic, the Group has effectively managed the impact on its operations and financial performance to date (also referred to in this Note above), taking cognisance of the Group's financial results for the six month period ended 30 June 2022. In this regard and as detailed further in Note 3, the directors are of the opinion that there are no impairment indicators in respect of the carrying value of the Group's cash-generating units, to which tangible and intangible assets are allocated. The directors also believe that the credit quality of the Group's customer portfolio has not deteriorated, and therefore it was not deemed necessary to materially revise the expected credit loss assessment for the Group's receivables. The directors firmly believe that there is no material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern, also based on the financial results and financial position of the Group. The directors continue to adopt the going concern assumption in the preparation of the financial statements.

3 Fair values of financial and non-financial instruments

Financial instruments

The Group is required to disclose fair value measurements by level of a fair value measurement hierarchy for financial instruments (Level 1, 2 or 3). The different levels of the fair value hierarchy are defined as fair value measurements using:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly i.e. as prices, or indirectly i.e. derived from prices (Level 2).
- Inputs for the asset or liability that are not based on observable market data i.e. unobservable inputs (Level 3).

Condensed Consolidated Interim Financial Statements

Notes to the Condensed Consolidated Interim Financial Statements
For the period 1 January 2022 to 30 June 2022

3 Fair values of financial and non-financial instruments - continued

At 30 June 2022 and 31 December 2021, the carrying amounts of certain financial instruments not carried at fair value, principally comprising cash at bank, receivables, payables, accrued expenses and short-term borrowings, 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. The fair value of advances to related parties and other balances with related parties, which are short-term or repayable on demand, is equivalent to their carrying amount.

The fair value of non-current financial instruments, mainly borrowings and lease liabilities, 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 fair value of the Group's non-current floating interest rate bank borrowings and lease liabilities at the end of the reporting period is not significantly different from the carrying amounts. The current market interest rates utilised for discounting purposes, which were almost equivalent to the respective instruments' contractual or related interest rates, are deemed observable and accordingly these fair value estimates have been categorised as Level 2.

Non-financial instruments

Intangible assets held by the Group mainly consist of goodwill attributable to the excess of the purchase price in respect of acquisitions effected in previous years over the carrying amount of net assets acquired allocated to the identifiable assets and liabilities of the acquired entity. The Group made judgements and estimates in relation to the fair value allocation of the purchase price. The amount of goodwill initially recognised as a result of a business combination is dependent on the allocation of the purchase price to the fair value of the identifiable assets acquired and the liabilities assumed. The determination of the fair value of the assets and liabilities is based, to a considerable extent, on management's judgement. Allocation of the purchase price affects the results of the Group as intangible assets with a finite life are amortised, whereas intangible assets with an indefinite life and goodwill are not amortised.

The recoverable amount of the cash-generating units (CGUs), to which intangible assets were allocated, as at 30 June 2022 was determined based on value in use (VIU) calculations consistent with the methods used as at 31 December 2021 (for further details refer to Note 7 of the 2021 annual report). Considering the prevailing economic circumstances, management determined the deterioration in performance or long-term growth rates which would need to occur, or the increase in discount rate which would need to be applied to the models, that may lead to impairment of goodwill or other intangible assets. The VIU of the CGUs, as a result of this assessment, remains in excess of the carrying amounts by a comfortable headroom.

GO p.l.c.

Condensed Consolidated Interim Financial Statements

Notes to the Condensed Consolidated Interim Financial Statements
For the period 1 January 2022 to 30 June 2022

4 Segment information

4.1 Operating segments

The Group has three reportable segments, which are effectively the Group's key and distinct strategic business units and cash-generating units, as they represent the lowest level at which separately identifiable cash flows can be identified. The strategic business units are managed separately with their own separate management structure and board of directors.

The following summary describes the operations in each of the Group's reportable segments:

Malta Telecommunication Services (Malta Telecommunications CGU) comprise the Group's fixed-line telephony services, mobile telephony services, digital television services, sale of broadband, internet services and other business communication solutions provided within Malta.

Data Centre Services (Data Centre CGU) comprise the Group's operations of BMIT Technologies p.l.c., which provides data centre facilities and ICT solutions in Malta.

Cyprus Telecommunication Services (Cyprus Telecommunications CGU) comprise the Group's operations of the Cypriot subsidiary, Cablenet Communications Systems Limited. The company provides broadband, cable television and fixed and mobile telephony services. The operations of the Cypriot subsidiary constitute a reportable segment in view of the specific nature and characteristics of the Cypriot telecommunications sector, giving rise to a varied degree of business risks and returns.

The Group's internal reporting to the Board of Directors and Senior Management is analysed according to these three segments. For each of these three strategic business units, the Board of Directors reviews internal management reports at least on a monthly basis.

GO p.l.c.

Condensed Consolidated Interim Financial Statements

Notes to the Condensed Consolidated Interim Financial Statements
For the period 1 January 2022 to 30 June 2022

4 Segment information - continued

4.1 Operating segments - continued

	Malta Operations				Cyprus Operations		Total	
	Telecommunications		Data Centre		Telecommunications			
	30 June							
	2022	2021	2022	2021	2022	2021	2022	2021
Unaudited	€000	€000	€000	€000	€000	€000	€000	€000
Total revenue	64,561	57,164	12,647	12,815	30,105	25,640	107,313	95,619
Inter-segment revenue	(889)	(838)	(451)	(899)	-	-	(1,340)	(1,737)
Revenue from external customers	63,672	56,326	12,196	11,916	30,105	25,640	105,973	93,882
<i>Timing of revenue recognition</i>								
Over time	46,828	35,794	11,266	10,418	27,058	23,815	85,152	70,027
At a point in time	16,844	20,532	930	1,498	3,047	1,825	20,821	23,855
Revenue from external customers	63,672	56,326	12,196	11,916	30,105	25,640	105,973	93,882
Reportable segment profit before tax	11,785	7,090	4,625	4,383	(4,304)	(3,576)	12,106	7,897
	30 June	31 Dec	30 June	31 Dec	30 June	31 Dec	30 June	31 Dec
	2022	2021	2022	2021	2022	2021	2022	2021
	€000	€000	€000	€000	€000	€000	€000	€000
		(Audited)		(Audited)		(Audited)		(Audited)
Reportable segment assets	215,278	217,628	32,798	34,945	127,753	118,364	375,829	370,937
Reportable segment liabilities	162,039	165,899	15,280	14,984	93,902	80,157	271,221	261,040

GO p.l.c.

Condensed Consolidated Interim Financial Statements

Notes to the Condensed Consolidated Interim Financial Statements
For the period 1 January 2022 to 30 June 2022

4 Segment information - continued

4.1 Operating segments - continued

A reconciliation of reportable segment results, assets and liabilities, to the amounts presented in the consolidated financial statements, is as follows:

	Six months ended 30 Jun 2022 Unaudited €000	Six months ended 30 Jun 2021 Unaudited €000
Profit		
Total profit for reportable segments and consolidated profit before tax	12,106	7,897
	30 Jun 2022 Unaudited €000	31 Dec 2021 Audited €000
Assets		
Total assets for reportable segments	375,829	370,937
Inter-segment eliminations	(7,761)	(2,306)
Consolidated total assets	368,068	368,631
Liabilities		
Total liabilities for reportable segments	271,221	261,040
Inter-segment eliminations	(7,761)	(2,306)
Consolidated total liabilities	263,460	258,734

4.2 Information about geographical segments

The Group's revenues are derived from operations carried out in Malta and in Cyprus. The Telecommunications segment for both Malta and Cyprus also derives revenue from incoming interconnect traffic and inbound roaming from foreign operators worldwide. Considering the nature of the Group's activities, its non-current assets are predominantly located in Malta and Cyprus.

4.3 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.

GO p.l.c.

Condensed Consolidated Interim Financial Statements

Notes to the Condensed Consolidated Interim Financial Statements
For the period 1 January 2022 to 30 June 2022

5 Property, plant and equipment

(a) Acquisitions and disposals

During the six months ended 30 June 2022, the Group acquired assets, primarily plant and equipment, with a cost of €17.9 million (six months ended 30 June 2021: €22.6 million).

(b) Capital commitments

The following are capital commitments of the Group:

	30 Jun 2022 Unaudited €000	31 Dec 2021 Audited €000
Contracted for:		
Property, plant and equipment	8,909	8,764
Intangible assets	748	15,082
Authorised but not yet contracted for:		
Property, plant and equipment	11,120	11,582
	20,777	35,428

6 Acquisition of subsidiary

On 17 March 2022, the Company announced that it had concluded a transaction that will result in a share subscription in Sens Innovation Group Limited (C101007) ("SENS") with the intention of owning 76% shareholding of this company. On 23 March 2022, the shares had been issued in favour of the Company and Sens became a majority owned subsidiary of the Company.

SENS is an energy management company that leverages proprietary IOT based technology to reduce energy consumption and associated costs for commercial buildings. It designs and builds customised solutions for clients that improve their business operations and efficiencies whilst also contributing to the environmental responsibilities that modern business governance and legislation demands. SENS serves large hotels and commercial clients in Malta, UK, mainland Europe and Dubai.

Further to this strategic acquisition that further strengthens its investment in IoT as part of its drive of digital Malta, the Company anticipates that new opportunities will come its way as it offers environmentally conscious energy saving solutions to companies in Malta, Cyprus and UK.

The total consideration payable for the subscription of the shares was €1 million, with the possibility of a further €1.85 million earn out depending on the performance of SENS, over a period of three years. The fair value of the contingent consideration element is deemed insignificant to GO as a reporting entity in view of the applicable terms and accordingly no provision for this amount has been recognised in this respect.

GO p.l.c.

Condensed Consolidated Interim Financial Statements

Notes to the Condensed Consolidated Interim Financial Statements
For the period 1 January 2022 to 30 June 2022

6 Acquisition of subsidiary - continued

Details of the purchase consideration are as follows:

	€000
Fair value of initial 76% equity holding in Sens as at acquisition date	1,000

The estimated fair values of identifiable assets and liabilities of Sens as at date of acquisition were as follows:

	€000
Intangible assets:	
Intellectual property	1,878
Current assets (principally inventory and trade and other receivables)	1,080
Trade and other payables	(1,642)
Net identifiable assets acquired	1,316
Net Identifiable assets attributable to non-controlling interests	(316)
	1,000

Non-controlling interests have been measured at the related proportion of the net identifiable assets at acquisition.

No further disclosures in respect of this acquisition were deemed necessary, in view of the fact that the acquired subsidiary is not deemed material to GO, as a reporting entity in terms of the requirements of IFRS 3 Business Combinations.

7 Bonds issued by the Group

On 13 May 2021, GO submitted an Application for Authorisation for Admissibility to Listing to the Listing Authority requesting the approval of a prospectus in relation to a proposed public issue in Malta of 3.5% unsecured bonds with an aggregate principal amount of up to €60 million which comprise 60,000 bonds with a nominal value of €1,000 each. The carrying amount as at 30 June 2022 is net of unamortised issue costs amounting to €784,000 (31 December 2021: €828,000). The bond is repayable on 25 June 2031. On 25 May 2021, the Authority approved the Prospectus relating to the Bond Issue and the admissibility to listing of the Bonds pursuant to the Listing Rules. On 25 June 2021 the bonds have been admitted to listing on the official list of the Malta Stock Exchange and trading commenced on 6 July 2021. On 27 June 2022, GO paid its first interest payment to its bond holders amounting to €2.1 million.

The Group's Cypriot subsidiary Cablenet issued €40 million bonds in August 2020, which comprise 40,000 bonds with a nominal value of €1,000 each. The carrying amount as at 30 June 2022 is net of unamortised issue costs amounting to €640,000 (31 December 2021: €672,000). These bonds are unsecured, subject to a fixed interest rate of 4% and are repayable on 19 August 2030. The subsidiary effected the first payment of interest of €1.6 million to the Bond holders in August 2021 and it expects to effect the second payment of interest for an amount of €1.6 million on 18 August 2022.

GO p.l.c.

Condensed Consolidated Interim Financial Statements

Notes to the Condensed Consolidated Interim Financial Statements
For the period 1 January 2022 to 30 June 2022

8 Dividends

A final dividend in respect of the year ended 31 December 2021 of €0.09 (2020: €0.16) per share, amounting to €9,117,342 million (2020: €16,209,676), was proposed by the Board of Directors. The 2021 final dividend was approved for payment by the Board of Directors during the Annual General Meeting held on 25 May 2022 and accordingly was reflected within these condensed consolidated interim financial statements.

The Board resolved to distribute an interim dividend of €0.06 per share which will be payable on 9 September 2022. The financial statements do not reflect this proposed dividend, which will be accounted for within shareholders' equity as an appropriation of retained earnings for the year ending 31 December 2022.

9 Contingencies

There were no major changes in the contingencies of the Company and its subsidiaries from those disclosed in the consolidated financial statements of the Group for the year ended 31 December 2021.

10 Related party transactions

(a) Parent and ultimate controlling party

The Company and its subsidiaries have a related party relationship with Société Nationale des Télécommunications (Tunisie Telecom), the Company's ultimate parent, related entities ultimately controlled by Tunisie Telecom, together with the Company's directors (key management personnel). 65.4% of the issued share capital of the Company is held by TTML Limited, a wholly owned subsidiary of Tunisie Telecom, which is registered in Malta. Dubai Holding LLC (GO's former ultimate parent) and all entities ultimately controlled by it are still considered to be related parties, in view of Dubai Holding LLC's interest in and significant influence on GO's current ultimate parent. The Tunisian Government holds a 65% shareholding in Tunisie Telecom, and Emirates International Telecommunications ("EIT"), a subsidiary of Dubai Holding LLC, owns the other 35%.

(b) Related party transactions and balances

Consistent with the disclosures in the audited financial statements for the year ended 31 December 2021, the Group has a related party relationship with its current and former ultimate parents and entities ultimately controlled by them (see above), with key management personnel together with close members of their family and entities controlled by them.

GO p.l.c.

Condensed Consolidated Interim Financial Statements

Notes to the Condensed Consolidated Interim Financial Statements
For the period 1 January 2022 to 30 June 2022

10 Related party transactions - continued

(b) Related party transactions and balances - continued

The principal related party transactions during the six-month period under review comprise:

	Six months ended 30 Jun 2022 Unaudited €000	Six months ended 30 Jun 2021 Unaudited €000
Current ultimate parent and related entities		
Dividends paid to	5,965	10,601
Former ultimate parent and related entities		
Payments effected relating to leased assets	1,295	1,301

11 Events after year end

The Company has executed a share purchase agreement (the "Agreement") dated 19 July 2022 with inter alia Mr. Nicolas Shiacolas for the purchase and acquisition of an additional two hundred and thirty thousand (230,000) shares with a nominal value of Euro 1.71 each (the "Shares") in Cablenet. The Shares being acquired in terms of the Agreement represent 6.84% of the total issued share capital in Cablenet and therefore increases the Company's ownership in Cablenet from 63.38% to 70.22%. The purchase price for the acquisition of the Shares is €5.75 million which was payable in full upon completion of the acquisition. The Agreement also grants the Company an option to acquire the remaining equity in Cablenet for a three (3) year period as from the date of the Agreement.

GO p.l.c.

Statement pursuant to Listing Rule 5.75.3

I hereby confirm that to the best of my knowledge:

- the condensed consolidated interim financial statements give a true and fair view of the financial position of the Group as at 30 June 2022, 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 (International Accounting Standard 34, "Interim Financial Reporting");
- the Interim Directors' report includes a fair review of the information required in terms of Listing Rules 5.81 to 5.84.



Lassâad Ben DHIAB
Chairman

9 August 2022



Independent auditor's report

To the Board of Directors of GO 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 GO p.l.c. and its subsidiaries (the Group) as at 30 June 2022, the related condensed consolidated income statement and statements of comprehensive income, changes in equity and cash flows for the six-month period then ended and other explanatory notes ("the condensed consolidated interim financial statements"). The directors are responsible for the preparation and fair presentation of these condensed consolidated interim financial statements 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 these condensed consolidated 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 condensed consolidated interim financial statements 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".

PricewaterhouseCoopers

78 Mill Street
Zone 5, Central Business District
Qormi
Malta

A handwritten signature in blue ink that reads 'F Axisa'.

Fabio Axisa
Partner

9 August 2022

a) The maintenance and integrity of the GO 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.