

24 February 2026

ESMA Publishes IFRS 18 Package: Public Statement and Q&As on the ESMA APM Guidelines

1.0 Background

On 17 February 2026, the European Securities and Markets Authority (ESMA) issued a [public statement](#)¹ (hereinafter, the “Public Statement”) on the Implementation of IFRS 18 *Presentation and Disclosure in Financial Statements*, accompanying [Q&A](#)² on the interaction between the ESMA APM Guidelines³ and IFRS 18, as well as targeted amendments to four existing Q&As ([1868](#), [1874](#), [1875](#) and [1877](#)).

2.0 Core Principles and Focus Areas under IFRS 18

Issued by the IASB in April 2024, IFRS 18 replaces IAS 1 *Presentation of Financial Statements*. IFRS 18, effective 1 January 2027 with retrospective application for the comparative prior year, brings significant changes, including:

- new income and expenses categories and subtotals in the statement of profit or loss;
- enhanced requirements for management-defined performance measures (MPM);
- updated requirements on the location of information, aggregation and labelling.

Issuers are reminded of their obligations under IAS 8 *Basis of Preparation of Financial Statements*⁴ to disclose the expected impact of IFRS 18 before its effective date, where material.

3.0 Interaction of the APM Guidelines with IFRS 18

The Q&A clarifies how IFRS 18 interacts with the ESMA APM Guidelines, supporting consistent, non-duplicative disclosures. Issuers should ensure coherence between financial

¹ ESMA Public Statement, Reshaping performance: Implementation of IFRS 18 Presentation and Disclosure in Financial Statements, ESMA32-193237008-9180, dated 17 February 2026.

² The Q&A is available on the ESMA Website ([Q&A n. 2775](#)).

³ [ESMA Guidelines on Alternative Performance Measures](#)

⁴ In replacing IAS 1 with IFRS 18 the IASB carried over some requirements in IAS 1 to IAS 8 and changed the title of IAS 8 to better reflect the amended content of IAS 8.

statements and all public communications (e.g. management reports, press releases, investor presentations⁵, and websites).

Issuers are also encouraged to consult the European Single Electronic Format (ESEF) taxonomy as part of their IFRS 18 implementation. ESMA is incorporating the IFRS Accounting Taxonomy 2025 update, reflecting IFRS 18 into the draft 2025 RTS on ESEF⁶, to facilitate early familiarisation with the new taxonomy.

4.0 Targeted Amendments to Four Existing Q&As

ESMA has revised the following existing Q&As, with the amendments becoming effective on 1 January 2027:

- Q&A 1868 – relating to measures presented simultaneously inside and outside the financial statements (paragraphs 4, 17, 19, 29, 35 to 36 and 45 to 48 of the APM Guidelines);
- Q&A 1874 – relating to interim financial statements (paragraphs 31 and 32 of the APM Guidelines);
- Q&A 1875 – relating to the concept of prominence (paragraphs 35 and 36 of the APM Guidelines); and
- Q&A 1877 – relating to the definition of an APM (paragraphs 17 to 19 and 24 of the APM Guidelines).

5.0 Next Steps

Issuers are encouraged to ensure timely implementation efforts relating to IFRS 18, including by carefully reviewing the information referred to in this Circular and obtaining a clear understanding of the upcoming requirements.

6.0 Contacts

Should you have any queries relating to the above, kindly contact the Authority on transparency@mfsa.mt.

⁵ Paragraph B119 of IFRS 18.

⁶ [ESMA32-1867552937-3765](#) Draft Final Report On the draft Regulatory Technical Standards amending Delegated Regulation (EU) 2019/815 as regards the 2025 update of the taxonomy for the European Single Electronic Reporting (ESEF), 11 September 2025.