ATH Group of Companies

2023 ANNUAL REPORT

ATH Group of Companies

Vision Statement
"To be an internationally competitive ICT investment company in the Pacific."

Mission Statement
"To enhance shareholder value by pursuing areas that leverage off our core investments in ICT."

Values
ATH's values are:

Integrity
Practising good corporate governance and being faithful to our stakeholders.

Accountability
Helping our stakeholders understand how we make decisions, taking ownership and being answerable and responsible for our actions.

Innovation
Being at the forefront of product service and service offerings.

Efficiency
Delivering on time, and getting things right the first time.

Effectiveness
Ensuring that our business is aligned with, and ultimately contributes to the achievement of our vision.

Goals
ATH's goals are:
- Enhance shareholder value.
- Exploit convergence between the information and telecommunication sectors to enter new areas of business.
- Acquire existing businesses or create and invest in newly established businesses to achieve growth.
- Become a company operating internationally and prominent in the Pacific.
- Adopt international best practices, standards and methods of operation.

Contents

Interim Chairman's Report

I am honored to present the Annual Report of the ATH Group for the financial year concluding on 30 June 2023 on behalf of our esteemed Board of Directors. This financial year has been particularly significant as we witness a steady post-pandemic recovery across the Pacific. The resurgence has heightened the demand for reliable telecommunication services, emphasizing the pivotal role we play in revitalizing businesses and connecting communities.

With the world adapting to a new norm, our mission has never been clearer: to bridge the digital divide and empower our clients. This year was marked by noteworthy strides, encompassing pivotal appointments, strategic consolidations, and acquisitions, further solidifying our foothold in the Pacific region. As the Pacific communities and economies bounce back, the ATH Group is committed to being at the forefront, supporting this revival with robust digital solutions.

Our focus this year was driven by a commitment to enhance our service quality, customer engagement, and operational efficiency across all subsidiaries. Every decision reflected our understanding of both the competitive milieu and the aspirations of our shareholders and primary stakeholders.

In appreciation of our shareholders, whose continued support remains key for the success of the Group, the Board has proposed a dividend of $0.025 per share, showing an uplift from $0.02 in 2022.

The increase to some extent, amplify the impact of the pandemic recovery and underscore the Group's role in serving the emerging telecommunication needs of the Pacific region.

Challenges

One of the main challenges that keeps us alert is modernizing our services to remain relevant amidst competition and the increasingly rapid changes in technology. Our markets are all subject to upheaval by evolutionary and competitive forces which we cannot ignore but must respond and adopt to prosper.

This year, we continue restructure efforts across the ATH Group. This is a continuous exercise as we must keep abreast of the evolution of products and services in the market. We will continue to explore all avenues for improvement, including the ongoing consolidation of Group companies to improve performance.

Changes in technology will always drive the structure and operations of the group, therefore we will always review the need to constantly adapt and ensure that the group is aligned with the latest technology and tuned into the needs of the customers and markets we serve.

As we survey the state of technology, 5G wireless broadband technologies are on the horizon and will support increased broadband capacity with low latency services, to enable Internet of Things and many other new innovations to be widely deployed. This in turn is promising as it will drive demand for more optical fibre deployment, data centers, international cable connectivity and infrastructure investments to adequately provide consumers the services they want.

We are mindful of the competition from all fronts, both locally and internationally, and we are confident that if we continue to evolve in step with the needs of our customers, we will remain the most preferred service provider for them.

Opportunities

The board continues to provide its strategic guidance to management as we go through the investments in PNG and other markets. The board envisages continuing opportunities in the Pacific region with the rebound of the tourism market and overall improvement in business.

Our M-Paisa platform continues to be strong and is anticipated to carry out transaction of more than $3b annually.

We will continue to look for opportunities to grow our investment portfolio working with major shareholders and investment partners both locally and internationally to increase our Digital outreach.

Appointments

During the Financial Year, there were a number of changes on the Board of Directors.

Incoming Directors
(a) Mr Joweli Taoi
(b) Mr Attar Singh
(c) Mrs Tanya Waqanika
(d) Mr Peter Chan

Outgoing Directors
(a) Mr Pravinesh Singh
(b) Ms Kalpana Lal
(c) Ms Tupou Baravilala
(d) Mr Umarji Musa
(e) Mr Taito Waqa

I welcome the appointment of incoming directors on the Board of ATH and look forward to working with you to further propel the company and the group forward.

I also take this opportunity to sincerely thank the outgoing Directors for their valuable and thoughtful guidance, bringing oversight and perspective to the organization during their tenure on the Board. The Group is appreciative for their insights, ideas, dedication and advocacy for ATH during their time on the Board.

Also, number of key appointments were made to fill in key vacancies at ATH and Group companies:

a) Mr. Ivan Fong was appointed as the Chief Executive Officer of ATH;
b) Mr. Abilash Ram was appointed as Chief Financial Officer of ATH;
c) Mr. Pradeep Lal was appointed as Vodafone PNG Chief Executive Officer, taking over from Mr Danny Chew;
d) Ms. Elenoa Biukoto was appointed as Chief Executive Officer of Vodafone Fiji;
e) Mr Rana Bose was appointed as Chief Executive Officer of Vodafone Samoa; and
f) Mr Thomas Bruce was appointed Chief Executive Officer of Vodafone Vanuatu.

On behalf of the Board, I thank Mr. Juan Castellanos de Armas (Chief Financial Officer - ATH) and Mr. Danny Chew (Chief Executive Officer - Vodafone PNG) for their contributions during their tenure at the ATH Group.

Consolidation and Restructure Outlook

The ATH Group will face challenges and uncertainty in FY2024. Cost inflation is expected to prevail in the short to medium term and the changing geopolitical landscape is impacting global markets. I believe ATH Group is well positioned to successfully navigate these challenges and continue to create value for shareholders and broader communities, customers, suppliers and partners. We have built a global business that can make the most of the many opportunities before us. The group continues its effects to extend its market outreach in PNG. It's an exciting time to be at ATH Group.

Acknowledgement

I take this opportunity to thank my fellow directors, for their continued support and counsel during the year. I would also like to thank all the directors on our various subsidiary boards for their valuable contribution on their respective subsidiary boards.

On behalf of the Board, I would like to thank our stakeholders, our dedicated ATH group staff and our respective subsidiary management teams, all the CEOs and management of ATH companies for their efforts and contributions.

Daksesh Patel
Interim Chairman

Chief Executive Officer's Report

In 2023, ATH Group's focus remained on connecting customers to the people and places that matter most. We are concentrating on generating momentum in several areas of the business. Through effective pricing strategies, a strong value proposition, and customer lifecycle management, we will look to grow our postpaid and prepaid businesses. I am pleased to present the ATH Group's Annual Report for 2023.

During the period under review, the Fijian economy recovered to encouraging levels reflecting strengthening domestic demand, improving external environment with a stable inflation and this recovery is evident across a number of businesses in the group returning to or exceeding their pre-COVID 19 levels.

Notwithstanding being amidst one of the world's most challenging operating environments presented by the pandemic, the Group successfully constructed and brought to life a new telecommunications venture in Papua New Guinea (PNG) and we are now proud to operate in PNG under the Vodafone brand. On this front, our ramp up in both network coverage and customer acquisition has been encouraging, though there is still significant progress to be made to achieve our target of 770 sites in Papua New Guinea and we are confident that Vodafone PNG will make a real impact in the market.

We are cognizant that while the expansionary growth strategy is necessary to sustain increased future returns, it is also desirable to maintain the level of immediate returns to our shareholders. Therefore, ATH Group is pleased to propose dividend of $11.96m, a dividend per share of $0.025 compared to $0.02 last year.

Our achievements once again reflect the commitment of the whole group working together with a common vision in pursuing our goals for increasing successes. It is this wholehearted commitment that lies at the heart of our success. We at ATH are of the view that it is the confidence of our stakeholders that drives us forward to achieve success, thereby ensuring that your interests are secured.

Financial Results

The Group consolidated revenue closed at $960 million for the 15 months period compared to the $641 million for the 12 months period while Group EBITDA is $201 million for the 15 months period ended 30 June 2023.

On the other hand, the Group recorded a net loss before tax of $2.95 million for the 15 month period compared to group net profit before tax of $69.13m for the corresponding 12 month period. As discussed in previous AGM; The main contributor to this result is due to ATH investments in PNG that has now been rolled out. As part of this startup, significant costs have been incurred in construction, marketing, equipment and ancillary costs and staff costs. As we progress towards completing our network build and full-scale commercialisation in PNG, the operation is envisaged to start making a positive contribution to the group in FY24. All other group entities performed relatively well.

Net financing cost is $33.82 million. The increase is mainly due to additional debt financing deployed by the Group to fund the PNG Project.

On our Balance Sheet, total assets increased from $1.47 billion to $1.89 billion on a consolidated basis, largely as a result of the new acquisition for various subsidiary companies. Cash and cash equivalents increased to $201 million compared to $112 million in year 2022.

Business Development

In each of the markets we are present in, Governments are in various stages of their digital transformation programmes. The objectives are generally to improve the effectiveness and efficiency of Government services by leveraging online digital technologies. In turn, these programmes are strong catalysts of demand growth for broadband service providers such as the ATH group.

According to international research, telecommunications investment will have to continue to support increasing coverage and the ever-increasing demand for more bandwidth and services. While 4G wireless services are evolved from LTE to LTE-Advanced, offering a boost in speeds. As a group, we also continue to deliver more fibre connectivity to link up our cell sites, to connect businesses and homes.

5G wireless technologies will soon be deployed to deliver even more bandwidth and at lower latencies to accommodate the Internet of Things (IoT). This brings exciting prospects of wearable technology, connected sensors, appliance, homes and cars leading to smart cities and smart nations.

Telecommunications operators and infrastructure providers are in pole-position to act as enablers for IoT ecosystem.

Outlook

We remain optimistic about the medium and long-term prospects for growth. The Group has strong positions in high growth industries, and our task is to focus on building competitive advantages to remain relevant in a fast-changing environment. Whilst we focus on driving operational results, we remain bullish about the future of Fiji and other Pacific regions where we operate.

For the region, there remain certain markets where the ATH group is currently not present. We will continue to explore opportunities that are accretive to group earnings and contribute to long term value for our shareholders, all as part of ATH's strategy of consolidation and investment. Wherever they exist, we will explore, and if fits our plans, we will pursue how best to participate in these markets. We will continue to grow and shine in an ever-changing environment to reach greater heights.

Additionally, the quest to streamline and improve our existing operations and to bring new products and services to our customers will continue to be our primary focus. Digitisation continues to be a key objective of all of the countries where we operate in, and the capabilities we deliver to stakeholders and end-users will continue to be an essential element in digitising the economies we operate in.

Acknowledgement

I would also like to extend my sincere appreciation to the Board of Directors for their continued guidance and support. I also wish to thank all stakeholders, including our shareholders, customers and employees for their continued faith in the Group, especially during these challenging times. I am optimistic about the opportunities that are ahead of us and I look forward to taking our Group to greater heights and achieving greater successes in the years to come.

Ivan Fong
Chief Executive Officer

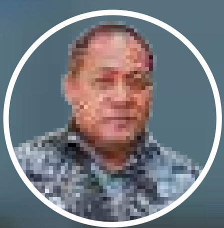
Board of Directors

INTERIM CHAIRMAN

Daksesh Patel is currently the Interim Chairman of Amalgamated Telecom Holdings Limited (ATH). He is a respected businessman, leader and entrepreneur with extensive experience in the Australian steel industry. He is the Interim CEO and Executive Director of InfraBuild, Australia's largest integrated manufacturer and supplier of long steel products and solutions. He is also a director of Vodafone Papua New Guinea, ATH Global Pte Limited and ATH International Venture Pte Limited.

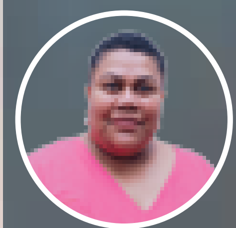
DIRECTOR

Joweli Taoi is the founder of Freight Services Fiji (FSF). A seasoned industry expert with 30 years of experience in international shipping, warehouse management, supply chain, and trade facilitation. He is a board member of Amalgamated Telecom Holdings Limited (ATH), Vodafone Fiji Pte Limited, Vodafone Samoa, Vodafone Cook Islands, Vodafone PNG, ATH Global Pte Ltd, ATH International Venture Pte Ltd and chairman of AST Telecom LLC and Vodafone Kiribati. Mr. Taoi also serves as the Chairman of the ATH Finance, Audit, and Risk Committee and is a member of the Nominations and Human Resource Committee.



DIRECTOR

Viliame Vodonaivalu Baleitavua is the CEO of Fiji National Provident Fund (FNPF) since assuming the role on 11 August, 2021. Previously served as the Chief Investment Officer (CIO) since 2017. He holds a Masters in Applied Finance from the University of Melbourne, a Post Graduate Diploma in Accounting and Finance from Victoria University, and a Bachelor of Arts majoring in Accounting and Information Systems from University of the South Pacific. He sits on the boards of Amalgamated Telecom Holdings Limited (ATH), Vodafone Fiji Pte Limited, FINTEL, Vodafone PNG, and ATH International Venture Pte Ltd. He is Chairman of the ATH Nominations Committee and is a member of the Finance, Audit and Risk Committee and Human Resource Committee.



DIRECTOR

Tanya Waqanika is the Principal of Waqanika Law since 2016. The law firm handles Commercial, Family, Criminal, Employment, Immigration and Conveyancing matters. Ms Waqanika holds a Law Degree and she was admitted to the New South Wales Supreme Court and High Court of Fiji in 1997 respectively. Ms Waqanika is a board member of Amalgamated Telecom Holdings Limited (ATH) and Telecom Fiji Pte Ltd.

DIRECTOR

Attar Singh is a highly experienced Trade Unionist currently serving as an Industrial Relations Advisor for multiple associations including National Union of Municipal Workers and the Fiji Airline Pilots Association and as the General Secretary for the Fiji Longshoremen & Staff Association. He holds a Diploma in Industrial Relations from the Victoria University of Wellington. He also has a background in aviation with training as a Licensed Aircraft Maintenance Engineer. Mr. Singh sits in various boards, including Amalgamated Telecom Holdings Limited (ATH), Vodafone Fiji Pte Limited, Vodafone Kiribati, Vodafone PNG, ATH International Venture Pte Ltd and chairman of Telecom Fiji Pte Ltd and FINTEL. He also serves as the chairman of the ATH Human Resource Committee.

DIRECTOR

Vilash Chand is currently the CEO of Unit Trust of Fiji. Mr Chand holds a Masters in Professional Accounting, Post Graduate Diploma in Finance and Investments and a Bachelor of Accounting and Economics. Mr Chand is a board member of Amalgamated Telecom Holdings Limited (ATH), Telecom Fiji Pte Ltd, FINTEL and chairman of Fiji Directories Pte Ltd. He is also a member of ATH Finance, Audit and Risk Committee.

DIRECTOR

Peter Chan is a financially orientated Director with range, broad cross-functional operations experience over 30 years in Telco/ICT managed services delivery value chain across Australia, New Zealand, and Fiji. Prior to Smartech, Mr Chan worked for Telstra Australia as Head of Service, and at Singtel Optus in a variety of general management and leadership roles. Mr Chan holds a Bachelor of Commerce and is a qualified Chartered Accountant. Mr Chan is a board member of Amalgamated Telecom Holdings Limited (ATH) and Telecom Fiji Pte Ltd; a member of the ATH Finance, Audit and Risk Committee and a member of TFL Finance Strategy Committee.

COMPANY SECRETARY

Ashnil Prasad was appointed as the Company Secretary for ATH on 5 July 2022. He joined ATH in November 2020 as the Head of Risk and Compliance and was the Acting Head of Mergers and Acquisition prior to his appointment as the Chief Investment Officer. Prior to joining ATH, Ashnil worked as the Manager Investment Acquisition at the Fiji National Provident Fund (FNPF). Ashnil completed his Master of Applied Finance studies from Macquarie University, Sydney and is a CPA charterholder.

Company Profile

Establishment and Ownership

Amalgamated Telecom Holdings Limited (ATH) was incorporated as a public company on 10 March 1998 as the vehicle through which the Fiji Government's investments in the telecommunications sector were consolidated for the purpose of privatisation under its public sector reform programme.

ATH commenced operations on 16 December 1998 following the sale of a 49% strategic stake in the Company to the Fiji National Provident Fund (FNPF) through a tender process in which a number of international parties participated.

In September 1999, FNPF consolidated its control of ATH after it acquired a further 2% of the issued shares as per contractual obligations. Consequently, FNPF's shareholding increased to 51% while Government's shareholding decreased to 49%.

Government further sold 9.7% of its shares in February 2002 through a Private Placement with institutional investors including FNPF. A month later an additional 4.7% of Government's shares were sold in a Public Offer, consequently, reducing its shareholding to 34.6%, while FNPF's shareholding increased to 58.2%.

On 22 December 2015, through a Special Crossing on the South Pacific Stock Exchange (SPX), Government partially divested 50% of its remaining shares in ATH. As a result, FNPF increased its shareholding in ATH from 58.2% to 72.3% while Government remains ATH's second largest shareholder with 17.3% interest.

A Rights Issue offer was approved by the shareholders at the ATH Annual General Meeting on 6 November 2019. In consequence, FNPF decreased its shareholding from 73.22% to 72.71% when the non-renounceable rights issue offer closed on 31 May 2021 while Government's shareholding decreased from 16.29% to 15.25%.

As of 30 June 2023, the remaining 12.05% belongs to 1,454 shareholders and individuals.

The Company

Through its investments and provision of direct services in a broad range of telecommunications and related services, ATH is Fiji's main telecommunications holding Company. The Company first extended its footprint in the region with its acquisitions in Kiribati and Vanuatu, followed by the acquisition of the Bluesky Group and its operations in Samoa, American Samoa and the Cook Islands on 22 February 2019, together with the acquisition of the Digitec Group in Papua New Guinea, on 4 June 2019. The principal activities of the ATH Group include the provision of:

- Voice, internet and data related services;
- Business communications solutions;
- ICT and surveillance products;
- Transaction management and prepaid services;
- Directory information services;
- Business Processing Outsourcing (BPO), including call centre services; and
- International telecommunications facilities.

Group Structure

Telecom Fiji Pte Limited (TFL) is a 100% owned subsidiary of ATH and provides fixed telephony services, broadband internet, international voice and data connectivity, sale of telephone equipment and sale of office and computer equipment.

Vodafone Fiji Pte Limited (Vodafone Fiji) is the country's leading provider of mobile telecommunications services and mobile phone money transfer service. Vodafone Fiji is owned on a 51%:49% basis by ATH and FNPF respectively.

On 20 May 2015 Vodafone Fiji acquired 100% of Datec (Fiji) Pte Limited which is one of Fiji's leading IT companies. This acquisition was made to solidify Vodafone Fiji's position as the premier provider of end-to-end ICT solutions for the enterprise and business segment.

Fiji International Telecommunications Pte Limited (FINTEL) is a 100% owned subsidiary of ATH which provides and operates international telecommunication facilities and connectivity for operators in Fiji and the region.

Fiji Directories Pte Limited (FDL) is a wholly owned subsidiary of ATH, following the acquisition, on 20 October 2016, of 10% shares previously held by Edward H O'Brien (Fiji) Limited. FDL's principal business activities are compiling and publishing the Fiji telephone directory and providing access to the same online.

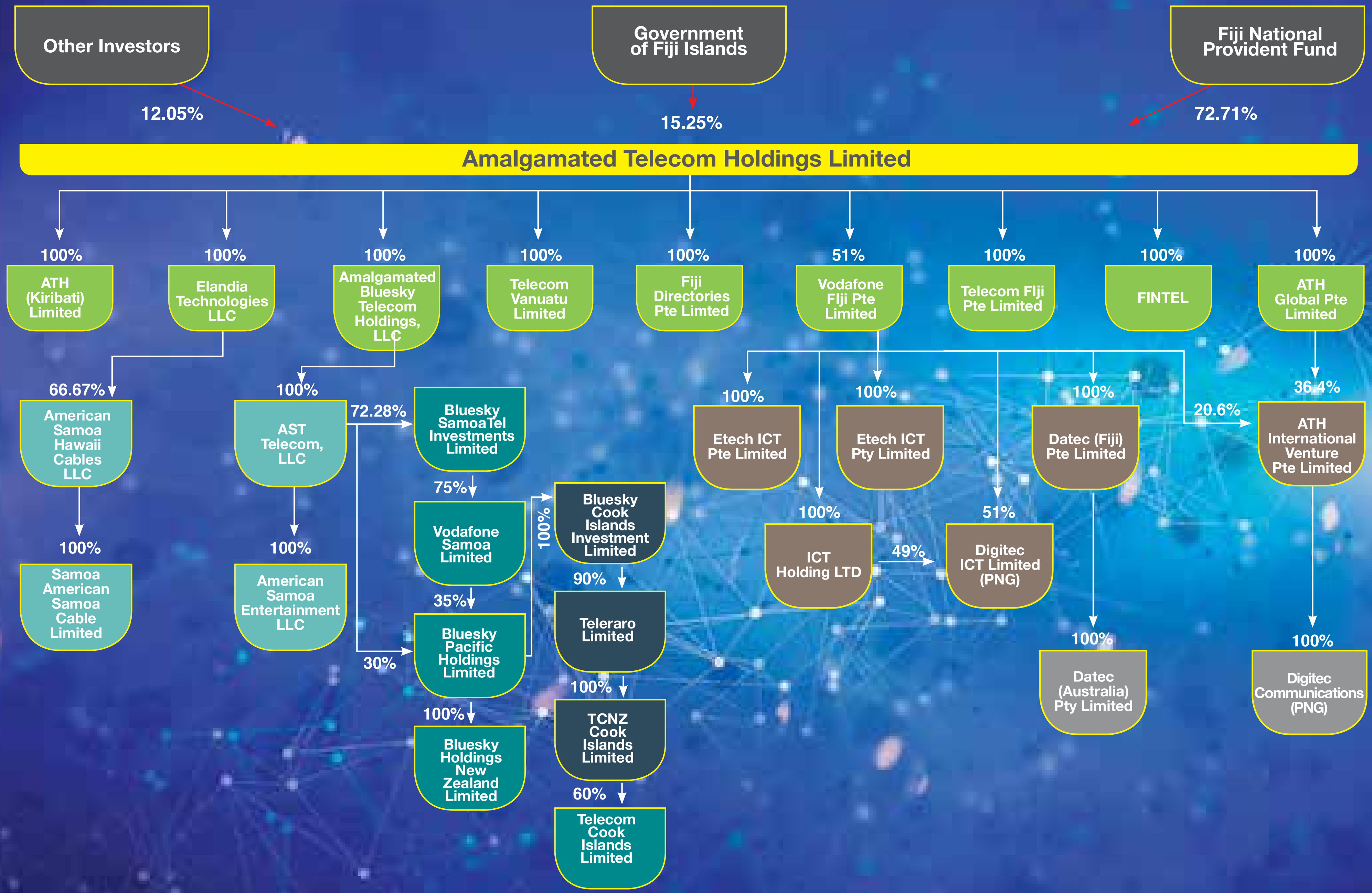
ATH acquired substantially all the assets of Telecommunications Services Kiribati Limited (TSKL) on 26 May 2015 and incorporated a new company, Amalgamated Telecom Holdings (Kiribati) Limited (ATHKL), now trading as Vodafone Kiribati Limited, to hold and operate the assets and provide telecommunication services in Kiribati.

On 27 March 2017 ATH acquired 100% share capital of Telecom Vanuatu Limited (TVL), a leading telecommunications operator in Vanuatu, from MT International Ventures PCC, an investment vehicle wholly owned by Mauritius Telecom Limited. Telecom Vanuatu Limited (now trading as Vodafone Vanuatu) is incorporated and domiciled in Vanuatu.

ATH completed its transaction with Amper SA to acquire its interests in the Bluesky Group on 22 February 2019. The Bluesky Group consists of key telecommunication operators and submarine cables in the telecommunications industry in Samoa, Cook Islands and the Territory of American Samoa. The Bluesky Group's operations include AST Telecom, LLC; Samoa American Samoa Cable; American Samoa Hawaii Cable; Vodafone Samoa; and Vodafone Cook Islands. It represents another breakthrough in the expansion strategy of the Group, consolidating ATH's interests in the Pacific and reinforcing its presence as one of the key telecommunications operators of the region.

In addition, ATHIV, a fully owned holding Company incorporated in Singapore on 7 December 2018, purchased 70% shareholdings in each of Digitec Communications Limited, Etech ICT Pte Limited and Etech ICT Pty Limited. The Digitec Group of Companies is based in Papua New Guinea, Singapore and Australia respectively and provides internet services, computing hardware, software and cloud services in Papua New Guinea. In April 2020, the Group transferred Digitec ICT Limited, Etech ICT Pte Limited and Etech ICT Pty Limited, under Vodafone Fiji Limited.

ATH GROUP STRUCTURE



Countries in which Amalgamated Telecom Holdings Limited Operates

Annual Compliance Report on Corporate Governance

Amalgamated Telecom Holdings Limited For the Fiscal Year Concluding on 30 June 2023

Principle	Requirement	Compliance Status
1. Establish Clear Responsibilities for Board Oversight	Separation of Duties Clear separation of duties between Board and Senior Management.	The role of the Board is to ensure the success of the Company by taking responsibility in setting the Company's strategic direction, good governance and guiding management in order to meet its objective of enhancing corporate profit and shareholder value. The major role of the Board covers investments and strategic matters, governance, risk and compliance, being updated by the Chief Executive Officer, and tracking the performance of subsidiary entities. The Board has delegated the responsibility of operating and administering to the Chief Executive Officer, who is accountable to the Board for the performance of these duties.
	Board Charter Adopt a Board Charter detailing functions and responsibilities.	The Company has a Code of Corporate Governance detailing the functions and responsibilities of the Board. Furthermore, in line with improvements in the Group Policy environment and aligning it with best corporate governance practices, a separate Board Charter is to be implemented in Financial Year 2024.
2. Constitute an Effective Board	Board Composition Balanced Board Composition with Executive and Non-Executive Directors of which one third of total number of Directors to be independent Directors.	The Board comprises of seven (7) Non-Executive Directors of which four (4) are Strategic Investor Directors nominated by the Fiji National Provident Fund (FNPF) and three (3) are Fiji Directors nominated by the Government of Fiji. A person may be nominated as a Director at a General Meeting if the person has been nominated by the Directors, or by one or more members holding in aggregate at least 10% of all the voting shares, for election at that meeting. The Directors are appointed/elected in accordance with the Company's Articles of Association. One third of Fiji Directors retire by rotation each year and the retiring Directors are eligible to be nominated again for re-election. Two of the seven Directors have met the necessary SPX required pre-requisites to be regarded as Independent Directors.
	Gender Diversity Do you have a policy for promoting gender diversity at Board level and have you achieved your policy goals?	Whilst the Company does not have a separate policy on gender diversity at Board level, this will be part of the Board Charter (to be implemented in Financial Year 2024) to promote fairness. The Company's Code of Corporate Governance Principles specifies that the Board should at all times be composed of members whose skills, experience and attributes together reflect diversity, balance, cohesion and match the demands facing the Company.
	Nominations Committee Selection, approval, renewal and succession of Directors to be conducted by the Nominations Committee in accordance with Articles of Association of the Company and Fit and Proper Policy of Reserve Bank.	The Nominations Committee oversees and monitors Board performance, succession planning, Director development and to ensure diversity at both the ATH holding company level and at subsidiaries level. A Nomination Committee Charter has been developed to provide guidance and outline the roles and responsibilities of the Committee.

Annual Compliance Report on Corporate Governance

Amalgamated Telecom Holdings Limited For the Fiscal Year Concluding on 30 June 2023

Principle	Requirement	Compliance Status
	Board Evaluation Process of evaluation of performance of the Board, its Committees and individual Directors. Evaluation to be linked to key performance indicators of the listed entity.	The Board Evaluation process and guidelines is in place which is managed by the Nominations Committee to oversee and monitor Board performance and director development. It ensures that individual directors and the Board as a whole work efficiently in achieving their functions towards ATH.
	Directors Training Directors training and induction procedure to be in place to allow new Directors to participate fully and effectively.	Director induction is a formal process the Company follows whereby the Chief Executive Officer and the management team present a comprehensive corporate profile of the organisation to the newly appointed directors. It is necessary for all incoming Directors to attend the induction programme. In addition, as and when required, workshops are organised for the directors with external consultants and stakeholders.
	Board Sub-Committees Board must have sub-committees which must at a minimum include: • Audit Committee; • Risk Management Committee; and • Nominations Committee/ Recruitment Committee.	The Board has formally constituted three (3) committees namely the Audit, Finance and Risk Committee; Human Resources Committee; and Nominations Committee. The Board is in the process of constituting a Strategic Committee that will oversee the strategic plans that the subsidiaries have invested or are willing to invest on. **The Audit, Finance and Risk Committee** is responsible on Finance matters, for monitoring and recommending to the Board the Company's financial plans and strategies which are consistent with the business strategies of the Company; monitoring the financial budgets used by management to develop the Company's financial plans and strategies. On Audit matters, the Committee is responsible for monitoring the external audit of the Company's affairs including considering the appointment of the auditors, the audit fee and any issues on their resignation or dismissal; discussing with the auditors, before the commencement of each audit, the nature and scope of their audit and reviewing any problems, reservations, or issues arising from the audit and referring matters of a material or serious nature to the Board and also reviewing annual financial statements before submission to the Board. The Committee also oversees that the risks in the Company is managed and mitigated without having any negative impact on the group and also ensure that all effective controls are in place. **The Human Resources Committee** is responsible for advising the Board on human resources issues which includes the remuneration and conditions of employment of the Chief Executive Officer, senior management and succession planning of the Company. **The Nominations Committee** is responsible for the selection, approval, renewal and succession of Directors in the subsidiary companies of the Group. The corporate governance responsibilities are co-shared amongst the three sub-committees to ensure that effective good governance is implemented in the organization.

Annual Compliance Report on Corporate Governance

Amalgamated Telecom Holdings Limited For the Fiscal Year Concluding on 30 June 2023



Principle	Requirement	Compliance Status
3. Appointment of Chief Executive Officer	Chief Executive Officer To appoint a suitably qualified and competent Chief Executive Officer	The Chief Executive Officer is responsible for developing and implementing business strategies and policy guidelines; managing budgets, financial reports and key performance indicators. Mr. Ivan Fong held the post of Chief Executive Officer and Company Secretary for ATH until 30 June 2022. Mr Juan Castellanos de Armas & Mr George Samisoni respectively acted on the position of Chief Executive Officer until the recruitment process was completed and Mr Ivan Fong was reappointed as the CEO after close of the financial year 2023.
4. Appointment of a Board and Company Secretary	Company Secretary Board to appoint a suitably qualified and competent Company Secretary, who is accountable to the Board, through the Chair, for all compliance and governance issues.	The Company Secretary is responsible for providing company secretarial duties and functions, ensuring compliance with regulatory and statutory requirements, managing effective relationships with internal and external parties, and leading and development of ATH staff. Mr. Ashnil Prasad who is the Chief Investment Officer is also the Company Secretary of ATH.
5. Timely and Balanced Disclosure	Annual Reports Timely and accurate disclosures are made in Annual Reports as per Rule 51 of Listing Rules.	As a listed entity, ATH is subject to the rules and regulations for listed companies as set out by the South Pacific Stock Exchange (SPX) and Reserve Bank of Fiji (RBF). This includes market announcements of material information, six-monthly unaudited financials, audited financials and Annual Report.
	Payment to Directors and Senior Management Sufficient information to be provided to shareholders on remuneration paid to Directors and Senior Management.	A total fee of $235,809.69 was paid to Directors for their service during the 15 months financial year in accordance with the shareholders resolution at the last Annual General Meeting. The Company also met other expenses of directors, mainly for travel and accommodation, which were incurred during the course of their duties for ATH. ATH Directors are also covered under a Directors and Officers Insurance Policy and a Personal Accident Insurance Policy. Payment to senior management is disclosed in the Annual Report under Key Management Personnel Compensation.
	Continuous Disclosure General disclosures or Company announcements to be made in a timely manner. The disclosures should be factual without omitting material information and to be expressed in a clear and objective manner to shareholders.	ATH continues to make timely, accurate and full disclosure to the market as per the SPX listing rules.
6. Promote Ethical and Responsible Decision Makin	Code of Conduct To establish a minimum Code of Conduct of the listed entity applicable to Directors, senior management and employees and conduct regular trainings on the same.	The Company has a Code of Conduct which was approved and implemented this financial year. It is relayed to the Directors upon appointment to the Board. ATH believes that all Directors, executives and staff needs to uphold the code of conduct and ethical standards of the Company.

Annual Compliance Report on Corporate Governance

Amalgamated Telecom Holdings Limited For the Fiscal Year Concluding on 30 June 2023

Principle	Requirement	Compliance Status
7. Register of Interests	Conflict of Interest Transactions with related parties resulting in conflict of interest are disclosed and a register is maintained for the purpose.	A separate conflict of interest policy has been approved and implemented. Annual declaration of conflict of interest are done by directors, executives and staff on an ongoing basis and declarations are also done by directors in board meetings subject to conflicting interests in decision making. A register of interests is maintained by the Company in accordance with the Code of Corporate Governance and the new policy.
8. Respect the Rights of Shareholders	Communication with Shareholders To design communication strategy to promote effective communication with shareholders and encourage their participation. Examples: Communication through Annual Reports, Annual General Meetings, or any other means of electronic communication.	In line with SPX continuing listing requirements, the Company issues market announcements of material information, six-monthly unaudited financials, annual audited financials and Annual Report. The same information is posted on SPX and ATH websites. All shareholders are invited to the AGM, receive a copy of Annual Report and notice of meeting prior to the AGM and are given an opportunity to communicate directly with the Board of Directors. ATH fosters and promotes effective communication with shareholders and effective participation at General Meetings. The Company explores how best to take advantage of technology to enhance shareholders communications and how to use General Meetings to enhance a two-way communication.
	Website To create and maintain a website of the listed entity to communicate, effectively with shareholders and other stakeholders. All matters of importance to be updated regularly on the website.	ATH went through a website revamp and has introduced a new website with new features that is not only user friendly but contains large amounts of information about ATH holding company and also the subsidiaries. It maintains an up-to-date supplement of official release of information to the market. The website address is: http://www.ath.com.fj/
	Grievance Redressal Mechanism To establish a Grievance Redressal Mechanism for Shareholders to address shareholders complaints and grievances.	Grievance and Complaints policy has been approved and implemented. It provides on the grievance mechanism which is covered in the Company's Articles of Association and the Corporate Governance Policy. The new policy outlines the grievance details such the type of complaint, the steps taken to file a grievance at ATH and the resolution process which will assist in addressing shareholder complaints and grievances effectively. The policy is also uploaded on the ATH website and also the website has a section where the shareholders can submit their grievances and complaints. The shareholders can email their complaints to complaints@ath.com.fj
	Shareholders Complaints To provide the number of shareholders' complaints received and attended to during the year. Provide reasons if any complaint is unresolved or unattended.	There were no shareholder complaints received during the financial year. The shareholders can email their complaints to complaints@ath.com.fj

Annual Compliance Report on Corporate Governance

Amalgamated Telecom Holdings Limited For the Fiscal Year Concluding on 30 June 2023

Principle	Requirement	Compliance Status
	Corporate Sustainability To adopt a business approach that creates long term shareholder value by embracing opportunities, managing risks, maximising profits and minimising negative social economic, and environmental impacts.	Our approach to business is outlined in the Company's vision, mission and values statements as tabulated in our Annual Report. The Group is committed to continuously improving its business practices to maximise positive and minimise negative social, environmental and economic impacts and to manage risk alongside increasing shareholder value.
9. Accountability and Audit	Internal Audit To appoint an internal auditor or an alternative mechanism to achieve the objectives of risk management, control and governance.	ATH is audited annually by an independent external auditor. The ATH Group and subsidiaries accounts are prepared and audited in compliance with IFRS standards. The Company also has policies and procedures in place to ensure that business activities are carried out as per best practices. The ATH Board has added an internal audit position in the organization structure and ATH will have an internal auditor appointed in the coming year.
	External Audit To appoint an external auditor who reports directly to the Board Audit Committee.	External Auditors are appointed by the Shareholders at the Annual General Meeting, and they report to the Audit, Risk and Finance Committee.
	Rotation of External Auditor To appoint the external auditor for a fixed term requiring senior partner of the audit firm to rotate once in every three or less financial years.	The Company rotates its external auditors every three years.
	Audit Committee To establish an Audit Committee comprising of at least three members of which majority are independent and Chair is not Chair of the Board.	As per the Company structure, the Company has an Audit, Finance and Risk Committee which provides oversight of the Company's internal controls and operations, verifying and safeguarding the integrity of the Company's financial reporting to ensure that the shareholders are provided with transparent financials of the Company. The Committee is made of three (3) ATH Board members and one of the three is also the Chair of the Committee (he is not the Chairperson of the ATH Board)

Annual Compliance Report on Corporate Governance

Amalgamated Telecom Holdings Limited For the Fiscal Year Concluding on 30 June 2023

Principle	Requirement	Compliance Status
10. Risk Management	Risk Management Policy To establish a Risk Management Policy to address risk oversight, risk management and internal control. The Policy to clearly define the roles and responsibilities of the Board, Audit Committee, management and internal audit functions.	A risk management framework has been approved and implemented at ATH which provides the methodology of identifying and managing of risks. The Finance, Audit and Risk Committee is tasked with the responsibility of risk management and enhancing the internal controls in the Company. The Committee also reviews the annual financial statements to be released by the Company, before submission to the Board.
	Whistle Blower Policy As part of the risk management strategy, establish a Whistle Blower Policy by creating a mechanism of reporting concerns of unethical behaviour, actual or suspected fraud or violation of the listed entity's code of conduct or ethics policy, SPX Rules or Companies Act.	A Whistle Blower policy has been developed and implemented which provides a mechanism of reporting unethical, actual dishonesty, fraudulent, corrupt or illegal behavior, violation of the Company's code of conduct. The Company has not received any whistle blower complaints this financial year and to manage whistle blower complaint in future, it will be directly referred to the whistleblower team (comprises of Risk and Human Resource staff and one ATH director) for investigation and addressing of the issue. The whistleblower policy is uploaded on the ATH website to ensure that stakeholders are aware of the mechanism of raising a whistleblower complaint. They can also email their issues to Whistle-blower@ath.com.fj.

ATH TEAM

Mr Joweli Taoi - Chairman
Mr Isikeli Tikoduadua - Director
Mr Viliame V Baleitavua - Director
Mr Attar Singh - Director
Mr Robin Yarrow - Director
Mr Ashnil Prasad - Director
Mr Pradeep C Lal - Regional Chief Executive Officer
Ms Elenoa Biukoto - Company Secretary

VODAFONE FIJI

Overview

Vodafone Fiji continues to demonstrate resilience and growth with its commitment to innovation, customer-centric approach and strategic partnerships to maintain a leading position in Fiji's telco market.

The year has been marked by significant industry shifts and technological advancements, we have embraced transformative strategies to elevate our infrastructure, develop a robust people's strategy and explore the opportunities that lie ahead in keeping Fijians connected.

With growth and adaptability in ever-evolving market conditions, Vodafone Fiji continued to achieve outstanding results for shareholders and to delight our customers with diverse services and digitally enabling the communities we serve.

Leveraging into our telco legacy, group investment, technology, and new business verticals, Vodafone Fiji expanded into the Fiji market reinforcing our standing as the leading digital connectivity provider of scale to over 900,000 customers.

The comprehensive strategy of the business taps into adjacent digital and consumer services to retain agility and efficiency, optimizing the expanding portfolios to drive growth. Vodafone Fiji has positioned itself as a catalyst for economic growth and progresses as a digital connectivity provider of scale in the country. And for continued business growth forging strategic partnerships has been a vital prospect. With a strong drive on the economic and commercial industries adapting to cashless operations, M-PAiSA has become a part of Mastercard's global payment network enabling users to transact with over 100 million merchants worldwide both as online remote payment and over the counter payment through the POS networks either locally or abroad.

Fostering a culture of innovation within the organization, Vodafone Fiji has continuously introduced new services and technologies; from pioneering the first mobile network to offering one-stop-shop ICT solutions, launching eCommerce initiatives to the giant leap into country's first FINTECH solution with M-PAiSA and Mastercard.

Vodafone Fiji continues to successfully navigate the ever-evolving digital landscape, adapting to emerging technologies and trends. Through strategic investments and partnerships, we have laid a solid foundation for growth, ensuring our networks remain robust, reliable, and future-ready. "Our leading pace has continuously been accredited to our culture, with a deep understanding that to improve the lives of our customers, we must reflect our internal working culture and our promise of making a difference in people's lives".

Remaining committed to delivering continuous growth and improving long-term value for our customers and shareholders.

Our Infrastructure

Our strategic investments in cutting-edge IT infrastructure have enabled us to continuously enhance our network reliability, coverage, and data speeds, ensuring that our customers remain seamlessly connected in today's digital age.

We are committed to remaining at the forefront of digital transformation and empower customers to experience the latest and best of mobile communications and technologies.

The rising popularity of a digital lifestyle encompassing the use of Internet of Things, artificial intelligence, gaming and productivity tools is growing the hunger for mobile internet and broadband. To equip customers with quick and reliable

access to mobile internet connectivity, the company offers a variety of data plans and 4G+ devices, ensures a seamless subscription process, enhances consumer education, optimizes network performance and promptly identifies innovative opportunities to adapt to changes in technologies, customer behaviour and market dynamics. Vertical services such as M-PAiSA and Vitikart create a dependency on mobile internet which further ensures the loyalty of customers to continue using our services.

Vodafone Fiji continues to evolve as business from a mobile communication only company to a fully-fledged ICT provider and is now the leading fintech solution provider in the country with its M-PAiSA Mobile Money platform. Comprising more than 580,000 registered users, M-PAiSA is now a significant player in financial services ecosystem in Fiji.

Vodafone M-PAiSA is now licensed fully as a Payment Service Provider under Reserve Bank of Fiji administered National Payments Act, 2022. It now places M-PAiSA under the full ambit of the supervisory arm of the RBF under its prudential supervision responsibilities. Accordingly, M-PAiSA will now be accorded the similar level of regulatory and compliance scrutiny as the commercial banks, which would further strengthen its reputation as a trusted financial service in the market.

Our network infrastructure remains a key pillar of our success. We have invested significantly in upgrading and expanding our network to provide seamless connectivity across Fiji. As a result, our customers enjoy a consistent and high-quality service experience. We have also focused on enhancing our data capabilities to meet the growing demand for digital services, ensuring Fiji remains connected to the global digital economy. Vodafone Fiji is poised to roll-out the next wave of connectivity with the roll-out of 5G technology. This revolutionary step promises to reshape industries, enhance communication capabilities, and foster innovation. By leveraging 5G, we will further elevate the digital experience for our customers, opening doors to unprecedented possibilities in entertainment, healthcare, education, and beyond.

Vodafone remains steadfast with leveraging cutting-edge technologies, such as 5G, AI, IoT and cloud, partnering with leading global technology giants to bring the best solutions for our customers. Our business verticals embody a progressive model that enables us to capitalize on opportunities in the rapidly changing digital landscape.

Our People Strategy

Our commitment towards our People is embedded as an integral part of our DNA, reflecting our values to enhancing People's lives. We believe that the commercial success and our vision to enriching People's lives go hand-in-hand.

We took our growth mindset beyond the telco realm and ideated, designed and deployed our end-to-end digital solutions to help the business, governments and enterprises for a brighter and connected digital future. The focus on digital experience combined with our passion to enhance our customer journey inspired our eCommerce and sparked our game changing mCommerce and Fintech solutions in the market.

We are committed to supporting the communities in which we serve by promoting diversity and inclusion in the workforce, which is essential to create a better future. Our future strategic goals define our people's strategy that ensures the organization has the right mix of talent, technologies and employment model to reach our goals. The business's transformation into a digital provider with a regional footprint is a reflection of its employees' growth mindset. This mindset is characterized by a strong focus on agility and curiosity which is essential for developing a future-ready business.

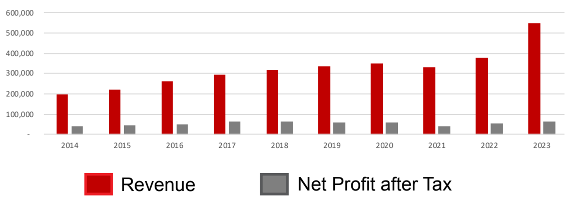
Financial highlights

The financial year 2023 has been a remarkable period for Vodafone Fiji, characterized by surpassing expectations. Throughout this year, Vodafone Fiji remained steady in pursuing its objectives and targets, leading to the achievement of exceptional outcomes for both the company and its stakeholders. Through strategic alignment of its business plans, Vodafone Fiji introduced innovative products, including the M-PAiSA Mastercard, which has not only transformed the telecommunications and financial technology sectors in Fiji but also revolutionized them. The

strategic investments made in infrastructure and services, both in preceding years and the current year, have yielded positive outcomes. Notably, there has been a significant growth in the net subscriber base compared to the previous year, reflecting the company's unwavering dedication to providing valuable propositions to its customers.

The fifteen-months group consolidated revenue increased by 13% from the previous year to $547m as the group companies continued to deliver positive results, yielding a successful performance against last year. The focus on diversification and growth of the businesses has ensured that the business is risk and growth ready and ensures consistent returns to the shareholders.

Revenue and Net Profit After Tax

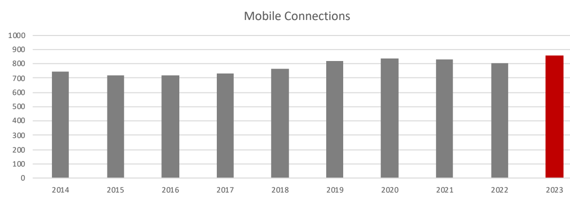


Looking Ahead

Navigating through the dynamic telco industry, Vodafone remains committed to delivering continuous growth and improving long-term value for our customers and shareholders, Vodafone Fiji continuous to forge ahead with remarkable successes solidifying its position as the leading connectivity provider in the country.

Our unwavering commitment to innovation, customer satisfaction, and relentless pursuit to excellence continues to drive our successes across various business verticals. Digital connectivity is an important priority for government as it increasingly impacts the relative competitiveness and resilience of the country. Vodafone is firmly committed to supporting in realizing digital ambitions. However, in order to do so, investment in digital infrastructure is critical.

The year 2023 has been a transformative period for Vodafone Fiji, marked by telco infrastructure advancements and the successful implementation of our people's strategy. Embracing the future with optimism and ambition, Vodafone Fiji remains committed to delivering innovative, reliable, and customer-centric services.



Continually investing in our people, technology, and partnerships, we forge ahead to shape Fiji's digital landscape while staying true to our commitment to excellence. As we make headway, we remain steadfast in our mission to empower Fiji's digital transformation, enrich lives, and create a brighter, more connected future for all.

Corporate Social Responsibility

Vodafone Fiji's commitment extends beyond business and remains at the forefront of giving back to the Vanua. Our corporate social responsibility initiatives through our philanthropic arm, the Vodafone ATH Fiji Foundation, we aim to uplift communities, enhance education, and promote sustainable practices.

We believe that empowering women in the communities we serve is crucial for societal progress. Collaborating with local NGOs and community leaders, we have launched initiatives aimed at imparting valuable skills and knowledge to women, enabling them to become active contributors to their households and local economies.

Our support for youth and women operated businesses and entrepreneurial efforts has been a cornerstone of our community engagement efforts. Through our philanthropic- arm, we have facilitated training workshops, financial literacy programs, and access to networking opportunities to help women and youth entrepreneurs grow their businesses and achieve financial independence.

Community and Staff Involvement

Passion for our Vanua remains the core of our organization's credo. Vodafone Fiji branches further into communities to provide aid through our staff initiatives.

As part of the 'Red Loves Green' initiative, native trees and mangroves are being planted throughout the country in an effort to ensure that our country's flora and fauna remain protected.

Initiating the children's homes visitation around the country, Vodafone staff joined hands to visit the homes with school materials, food supplies and celebrate the Christmas festivities with the children.

The Team effort continued for the 8th consecutive year in partnership with the Hilton Organization to participate in the renowned Bara Battle. Through our participation in the Bara Battle, Vodafone Fiji passionately donates to the cause of helping and assisting our needy children.

Engaging staff members through partner projects and community efforts is an integral part of Vodafone's commitment to the betterment of the country.

Women Empowerment

In an era where gender equality and inclusivity are paramount, Vodafone Fiji has taken significant strides towards fostering women empowerment within its organization and the communities it serves. Vodafone Fiji's commitment to women empowerment is not just a statement but a journey of continuous progress and an effort that extends beyond our office doors.

Through our sponsorship of the Fijiana XV, we take our efforts of women empowerment in the country through sports further. This engagement is a step further toward our community engagement and drive meaningful change.

As we move forward, Vodafone Fiji remains dedicated to championing women empowerment as an integral part of our organizational values. By fostering an inclusive sports sponsorship and creating opportunities for women in our communities, we aim to create a brighter and more equitable future for all.

Sponsorship

With all our sponsored endeavours, our aim is always to enable and empower local communities.

Our commitment extends beyond financial support. We believe in fostering sustainable relationships and working hand-in-hand with our sponsored partners. We actively engage with our partners to ensure that the initiatives we support have a long-lasting and meaningful impact on our communities and country.

At Vodafone, we understand that our success is intrinsically linked to the prosperity of the communities we serve. That is why we are dedicated to promoting engaging initiatives and actively seeking partnerships that embrace diversity and empower Fijians, fostering a growth environment with equal opportunity to thrive.

Our brand is synonymous with sports in the country as we firmly believe in the transformative power of sports. Sports foster discipline, teamwork, and determination – values that resonate with us as an organization deeply committed to supporting local talent and nurturing growth within our community.

Our sponsorships not only enable support towards grassroots initiatives but also creates opportunities for aspiring athletes and professionals, along with promoting youth, women and business community development programs.

"Together We Can", is Vodafone's commitment to the people and the Vanua and not just a corporate slogan; it is deeply ingrained in our organization's credo. Vodafone will continue to invest in our our resources, people and partnerships to create a positive and lasting impact. Together, we can build a brighter future for our communities, fostering a society that thrives on inclusivity, innovation, and sustainability.

datec

Mr Isikeli Tikoduadua - Chairman
Mr Pradeep C Lal - Director
Mr Satyen Singh - Chief Executive Officer
Mr Vinit Nand - Company Secretary

DATEC (FIJI) PTE LIMITED

Fiji Tech Summit 2022, The biggest technology event in Fiji and the region

Overview

Datec Fiji has recorded an exceptional performance reinforcing its position as the leading and most important ICT solutions and services providers in Fiji and the region. Underpinning these results are our superior partnerships levels with leading global OEM's, investment in our people and serving our customers with the latest and cutting-edge technology.

The company has been in the forefront of winning and successfully delivering largest projects in Fiji and the Pacific. As the leading ICT provider with over 37 years of experience in Fiji and the region, we continuously work with our technology partners to enable businesses and customers in their digital transformation journey from adoption to acceleration.

As the technology enabler, various customer engagement activities were held throughout the year to create awareness of recent trends and innovation in the ICT space including providing technical training. Fiji Tech Summit 2022 was yet another milestone achievement for the company by proving to be one of the largest ICT events in Fiji and for the region. The event was a collaboration and connection platform for the IT professionals, Global technology provider and multiple other stakeholders in Fiji & the region. The 2 day event offered a global standard program with great experiences and professional development for the attendees by providing an opportunity to get access to all the global leading technology names physically present in Fiji.

The Fiji Tech Summit 2022 hosted 25 Global Vendors and 200 delegates from Fiji, Australia, New Zealand, USA, and the Pacific Region including IT Managers, CXO's and Senior Govt delegates. Global vendors that participated includes Dell Technologies, Lenovo, Oracle, Samsung, Fortinet, Arcserve, VMware, Infoblox, Salesforce, Leadsquared, Brother, SolarWinds, Proofpoint, Alibaba, Dahua Technology, Newgen, CISCO, HP, Cloud Ready, Eaton, Trend Micro, Westcom Comstar, M Tech, Entelar Grp, and Pacific Comm. The event reaffirms Datec's position as the ICT market leaders through the extensive support from 25 global vendors and with over 250 delegates that attended the event.

During the year, Datec Fiji further improved its Lenovo ISG partnership to the Platinum level reaching the top tier for the Lenovo Infrastructure solutions for the region. We maintained the Dell Platinum position and won HPI's Greater Asia and Singapore sales challenges.

The business also has a robust Quality Management Framework and is accredited with an ISO9001:2015 certification.

Financial Highlights

The financial year for the company was changed to June ending hence leading to an extended 15-month period for the financial results.

Datec Fiji continues to be the preferred supplier for Governments, BFSI, large corporates including MNC's doing business in the Pacific region. The post pandemic era of digital readiness has prompted many businesses to relook at their necessary infrastructure to support digitalization's trends and stay current in the latest technology to remain competitive.

Datec Fiji has been the catalyst to deploy the new trends in the market, ensuring that the customers invest in scalable and secured technology to foster digitalization, innovation, and growth.

With a strong focus on digitalization, Datec Fiji was able to close turnover above last year and up on budget. The business also outperformed with its EBITDA, EBIT and NPAT.

Our People

At Datec Fiji, our people are the key enablers to our ongoing success. Our commitment to developing people to their full potential is an extremely high priority. Our people are credited for their dedication, hard work, and ongoing commitment towards our current and future success. We ensure continuous investment in our people through local and international training and development in line with industry needs and keeping the organisation ready to meet the challenges of the digital age whilst upskilling the employees.

Convergence of Global leading vendor and ICT professionals

Datec Fiji places precedence on establishing a working environment that attracts, develops, and retains the best talent.

Corporate Social Responsibility

Datec's support to the community includes creating awareness on the recent trends and technology, contributing towards human capital development, cyber security awareness and enabling younger generation toward technology literacy.

Datec, along with its global vendors organized multiple free refresher and technical boot camp trainings for IT professionals to increase their knowledge and awareness of new developments in the ICT industry, having a secured infrastructure system and creating product awareness.

The Fiji Tech Summit 2022 was one of the key highlights for Datec Fiji in creating a mega platform for knowledge sharing and convergence of IT professionals in Fiji. For human capital deployment and introducing young minds to various opportunities, Datec also offers a 3-month internship program for university students to join the workforce and gain practical experience, which helps them prepare for their future careers.

The Datec Training Centre provided with free Microsoft Office trainings for school students during school holidays. The intention of the trainings is to upskill the students in their education process and prepare them for tertiary studies including workforce development. Microsoft Office applications offer skills that contain some of the most used tools across various fields, hence, providing this training to students will assist them greatly.

Besides the technology enablement, Datec Fiji continued with its annual blood drive initiative which was held on the World Blood Donor Day at Garden city.

Datec Fiji continued its close association with universities and the education sector through student internship programs, graduate trainee program and industry-based seminars for students.

Women Empowerment

Datec Fiji continues to be an equal opportunity employer. Datec Fiji was invited to present on the "Girls in ICT Day" to encourage young girls to engage with ICT and explore possible career paths in the ICT industry. By bridging the gender gap in technology-related field and creating equal opportunities for girls and women in accessing ICT education, training, and careers, we can nurture talented and skilled female ICT professionals in the increasing demand for ICT expertise.

Through the empowerment, Datec Fiji is breaking the stereotypes of women and technology through recruiting women within the technical teams and supporting them to grow professionally. The superior performance of the women is an encouragement for more women to join the ICT industry.

We strongly believe in women empowerment and achieving gender equality to ensure a sustainable development of not only the organization but as a whole nation.

Looking Ahead

In this era of modern digitization, Datec Fiji plays an integral role in introducing new and sustainable ICT products into the market to keep Fiji and the region at the same pace as global changes. Process automation, workflow approvals and going paperless is one of the upcoming trends in the market. Datec is playing the lead role in having solutions in place to meet customer objectives while also transforming Datec's business through automation and process improvement.

Strategic focus remains on the digital workplace, cyber-Security, managed services, enterprise- wide digitalization, training, and consulting services.

DIGITEC ICT LIMITED
Innovative Solutions

Digitec ICT Limited

Mr Robin Yarrow - Chairman
Mr Ronald Prasad - Director
Mr Pradeep Lal - Director
Mr Ronald Prasad - Chief Executive Officer
Mr Lasith Bandara - Company Secretary

Etech ICT Pty Limited

Mr Robin Yarrow - Chairman
Mr Ronald Prasad - Director
Mr Pradeep Lal - Director
Mr Ronald Prasad - Chief Executive Officer
Mr. Nirmal Singh - Company Secretary

Etech ICT Pte Limited

Mr Robin Yarrow - Chairman
Mr Ronald Prasad - Director
Mr Pradeep Lal - Director
Mr Ketankumar Chandrakant Goda - Nominee Director
Mr Ronald Prasad - Chief Executive Officer
Ms Arva Rangwala - Company Secretary

Business Overview

Digitec ICT Limited, together with ETech ICT Pty Limited and ETech ICT Pte Limited delivered yet another solid performance for FY22-23. The growth was primarily driven by Digitec ICT in the Papua New Guinean market, with a clear focus on deepening engagement with customers to develop long-term valuable and sustainable relationships, providing cost-effective business solutions and unparalleled support services. Despite ongoing challenges and changing market dynamics, it is clear that our strategy is working, and we are well positioned to meet the challenges and opportunities ahead. The key is that we continue to execute consistently and improve returns for our shareholders.

Digitec ICT continues to hold its position as a trusted ICT partner, operating in the hardware, software, retail, ISP, solutions, reseller & systems integration space, catering for various ICT products and services. ETech ICT Pte Ltd and ETech ICT Pty Ltd are distributors of ICT products across the Pacific region. We work closely with the distributor companies to enhance the ICT sector's value chain with our expertise and experience, provide a full suite of services, including end-user computing, data centre solutions, advanced infrastructure, security, imaging, printing, support, back-up and managed services, providing customers the convenience of a one-stop-shop.

Digitalization, cybersecurity, improvements in connectivity and cloud-based solutions are becoming increasingly central to everything we do and will be the driving forces that redefine the ICT landscape. Digitec ICT leads the way in terms of getting customers ready for this journey. We partner with the best in the industry to deliver fit for purpose solutions and our growth is underpinned by our ability to provide value and reliable services. We have come a long way since 2012 to become one of PNG's most trusted ICT partners.

At Digitec we believe that innovation is critical to a sustainable future, and we are investing heavily in our technical capabilities. We continue to redefine and refine our existing relationships with our global technology vendors and partners, and this is what provides us with a substantial advantage over our competitors. We will continue to evolve, so we can build on what we have created, and with the acquisition now complete, we are improving how we operate; we are adopting new ways of

working, and we expect to become faster to market, more efficient and more customer focussed.

Financial Highlights

We measure our success in part by tracking key financial KPIs and while we continue to experience logistics and forex related challenges in PNG during the year, the business acted proactively to manage risks and capitalize on opportunities. Our Financial Year also changed to align with the Group (ending 30th June) and collectively, notwithstanding acquisition related costs, all three ICT companies delivered strong financial results.

Digitec ICT Limited

Coming out of the pandemic and continuing effects of the Ukraine-Russia war, which impacted availability of materials, lead times for delivery, resources and rising costs, we had to respond effectively and change our business models, while investing in new technologies, increasing stock levels, simplifying our systems and managing customer expectations. For FY 22-23, Digitec ICT recorded an 8% YoY growth for total turnover, which was driven by growth in hardware sales, software and solution sales, recharge kiosk business and growth in our ISP subscriber base. Our relentless efforts in the customer engagement space resulted in consistent sales and our prudent approach in managing costs delivered promising results.

ETech ICT Pty Limited & ETech ICT Pte Limited

Our distributor business also performed well during the year. ETech ICT Pte Limited, registered in Singapore recorded growth in its EBITDA and net profit after tax of 36% and 40% respectively, for the 15 month period ended June 2023 when compared to the 12 month period ended March 2022. ETech Pty Limited, registered in Australia recorded growth in its EBITDA and net profit after tax of 47% and 63% respectively, for the 15 month period ended June 2023 when compared to the 12 month period ended March 2022.

Our Infrastructure

Digitec continues to invest in technology and innovation, so our customers can reap the benefits of simplified and cost-effective IT outsourcing. Our state-of-the-art tier 3 equivalent data centre provides many PNG businesses their first step into their cloud journeys and a taste of hassle-free outsourced IT services. As an enabler, we provide a rich pool of expert resources, knowledge, capability, together with critical infrastructure, networking, cyber -security, in-country cloud, co-location, and combined with our connectivity solutions an option to use public cloud. In fact, Digitec leads the market in this space. We offer reliable back-up, and disaster recovery solutions for backing up critical data, virtual machines and reliable recovery of virtualised applications and data. With data sovereignty being a key consideration for many businesses in PNG, Digitec is committed to continually investing in maintaining, growing, upgrading and transforming our data centre operations and services to meet the highest industry standards. With our wide range of ICT solutions, backed up by our team of competent and dedicated resources, Digitec is well positioned to partner and manage ICT, allowing businesses the space and capacity to focus on their core business.

Service Center

Our Service Center provides a range of services locally to ensure our customers get expedient after sales support. Our team of highly skilled and trained personnel provide repair, maintenance, engineering and consulting services for leading brands such as Dell, Apple, Toshiba, Asus, Ricoh, and Samsung. In addition, we provide on-site support and backup services for any product we retail, including attending to hardware/software related issues, troubleshooting, cybersecurity related issues, transferring or migration of data to new systems, etc.

Internet Service Provider (ISP)

ISP is a significant part of the business and Digitec is well known in the market for delivering consistent and reliable services with a very good reputation of back-up support. We have our own backhaul transmission infrastructure in Port Moresby and partner with other larger providers to deliver internet services in PNG. We use a combination of technologies which includes fibre, microwave, LTE and satellite. Our unique data propositions and secure connectivity offers businesses unparalleled performance and flexibility when extending corporate connectivity to their employees either in the office or on the go. Our corporate VPN products provide a range of capabilities for advanced browsing and controlled access within corporate networks for greater security and we offer industry leading uptime on our services.

Partner Status

Digitec ICT along with its distributor companies is committed to building and nurturing its partnerships with 50 plus world's leading technology and solutions providers. We work closely with our partners to build solutions for our customers. The trust from our customers, our growing portfolio and repeat business is a testament to the scope and depth of our commitment to the multi-brand, multi-channel partner network we have developed over the years – Dell, Powershield, Adata, Matrix, Forcepoint, Sophos, Yealink, Yeastar, Oracle, VMWare, Microsoft, Cisco and Racom to name a few.

Digitec is the only Platinum Partner (highest partnership status) for Dell EMC in the Pacific Region, and we have been recognised by Dell and presented with many awards and accolades, which is an indication of our close association and ability to drive excellence in this space.

Continuous Excellence

Digitec ICT is a value-based company and places a lot of emphasis on continuous excellence. We are ISO certified and hold valid ISO 9001, ISO-27001 and ISO/IEC 20000-1:2018 certifications, which demonstrate our commitment on processes to ensure we are benchmarked and stack up against leading ICT providers in the industry.

Women Empowerment

Diversity and inclusion is an important part of Digitec ICT and we are committed to improving women empowerment in our business. We are an equal opportunity employer, and our appointments are based on merit. During the year, we have continued embedding the spirit of women empowerment, equality and respect throughout the organisation, focusing on transforming our culture through addressing habits, leadership, systems and processes, which have resulted in a 41:59 ratio of females to males in the organization. While we still have more work to do in this area, our gender balance statistics is respectable when compared to other organisations in PNG and we will continue to promote our diversity and inclusion agenda, as research shows that it has a direct impact on company performance.

Looking Ahead

According to World Bank the PNG economy is expected to grow at 3.7% and there are a number of large projects in the Mining, LNG and Infrastructure space that is expected to provide the impetus for accelerating growth. With improvements, especially in the infrastructure area, particularly electrification, telecommunications, roads, ports, etc, we are confident to deliver yet another year of sterling performance. We intend to expand our operations beyond the existing and venture into new verticals, particularly in mining and LNG sectors. We have plans to boost our resources and product/service offerings in Mt. Hagan and grow our recharge kiosk footprint.

With respect to our traditional business line, as reliable and cost-effective connectivity options develop in PNG, we are certain that businesses will explore hybrid or multi-cloud options. In the last year, we have witnessed significant adoption of digital technologies, which have resulted in automation and digital transformation across various segments. We believe that as innovation is pushed to the edge, the role of IT will shift dramatically within the next few years. In-house IT in most cases will not have the bandwidth to support the shift in dynamic business environment by simply sticking to its traditional role. These developments point toward much more of a "buffet" approach to technology, where IT outsourcing and cloud strategy becomes an essential part of the overall IT strategy for any business. While we continue to provide and support traditional ICT products and solutions, we are also adapting to the looming market changes, especially the changes in technology and how these will affect businesses, particularly the IT space. We are developing our suite of cloud-based products, subscription models, enterprise solutions and managed services offerings with greater tenacity.

With more cloud adoption, the cybersecurity and connectivity space becomes increasingly important. Cybersecurity is a specialized area and we have invested heavily to develop specialized skills to support our customers. We have partnered with industry leading solution providers to develop effective solutions. This has resulted in the development of new products and services, strengthening our overall enterprise business solutions portfolio.

Internet penetration in PNG is still quite low, at 35%, which indicates immense opportunities. While the market dynamics are changing quite rapidly, we see a lot of opportunity, especially in areas out of Port Moresby and in the data centre and services area.

vodafone PNG

Mr Daksesh Patel - Chairman
Mr Joweli Taoi - Director
Mr Attar Singh - Director
Mr Nirmal Singh - Director
Mr George Rublee - Observer
Mr Pradeep Lal - Chief Executive Officer
Mr Ateen Kumar - Company Secretary

VODAFONE PAPUA NEW GUINEA

Overview

Vodafone PNG envisions improved communications, increased flexibility, and a competitive edge in the telecommunications sector in terms of customer service, network speed, technology advancement, value added services and easier accessibility through our customer touchpoints. A consumer-focused concept is at the heart of the strategy which is reflected in the many products, plans and services that are deployed to start with the launch. With people's focus in mind, nationals are employed across the business areas. In addition, CSR initiatives will add to the competitive edge of the business as it deploys activities to bridge the literacy gaps through philanthropic activations. Vodafone PNG steps in the market with a strong business foresight and forte of well-strategized plans and the rightful expertise and is market ready.

The business was officially launched on the 21st of April 2022 at the iconic APEC Haus in Port Moresby by the Former Deputy Prime Minister of Papua New Guinea. This was witnessed by the Chair, Directors of ATH group, members of the business houses, special dignitaries and all the staff of Vodafone PNG. The journey commenced in late 2019 with setting up of the completely new green field mobile network. The impact of the Russia-Ukraine conflict continued to reverberate across the globe, aggravating supply chain disruptions and adding to inflationary pressures already worsened by the COVID-19 pandemic. This had directly impacted the timing, availability and cost of our imports and a challenge for our business. Despite the challenges posed by the pandemic resulting in logistical, supply chain and health and safety issues, the business managed to achieve this significant milestone.

The business continued with every effort to increase its footprint to other regions in terms of site rollouts and customers. The brand continued to receive positive feedback by consumers in the market for the affordable value propositions for Data, Voice, and SMS services. Vodafone PNG was the first to bring in e-sim in PNG market. The strategic direction has been focused on increasing network footprint across Papua New Guinea and continue to strive to deliver best value propositions at affordable rates. Brand presence was aligned with network footprint and subsequent network expansion. The business continued to employ effective sales' strategies to ensure revenues increase month on month.

In conjunction with the network expansion, we are positioning to effectively drive our key sales strategies with competitive device prices and affordable Voice, SMS and Data tariffs. Moreover, we endeavour to grow Vodafone's brand presence at all key locations in respect to retail outlets, roadshow(s) and dealer/distributor engagements in densely populated areas across all regions. Further, we continue to engage more recharge distributors/dealers at various levels of the distribution path to enhance availability and convenience to our customers and to increase our brand awareness.

Our Infrastructure

Vodafone PNG launched the business with a state of art 4G+ network in April 2022 and continues to drive forward its rollout strategy to transform telecommunications to a new generation connectivity in PNG. The company empowered local tower construction contractors, transportation providers, and electrical companies across all the regions in Papua New Guinea to rollout out the greenfield sites. The strategic direction has been focused on increasing network footprint across Papua New Guinea and continue to strive to deliver best value and reliable services to the consumers.

Network deployment is challenging and costly, partly due to the impervious terrain, and the high proportion of the population living in rural areas. Restriction in travel of specialized skilled labour, working remotely, long shipping lead times and financial challenges have all been at helm of this project. Nevertheless, the team has persisted and persevered with steady progress and the fruitation of going live was finally achieved in the first quarter of 2022.

The business will continue to expand into other regions where we could not reach in this financial year. The aim is to cover the whole 22 provinces by the end of 2023. This will mean a more affordable services to our customers and further strengthen ties with the local communities though the build, operation, and maintenance of the base stations in all the regions.

While we are continuing with the rollout in the business untapped areas, we are also continuing with the optimization of the network so that we continue to increase the service levels. The in-house development capability has increased the valued added services such as cloud-based solutions and USSD text to top-up services. Vodafone PNG is the first to launch VoLTE Roaming in the group.

The baselines and foundations for the business are being laid to achieve the telecommunications transformation in Papua New Guinea. Vodafone PNG remains focused on establishing technology and infrastructure development roadmaps with an integrated approach that aligns to the needs to the Papua New Guinea population.

Our People Strategy

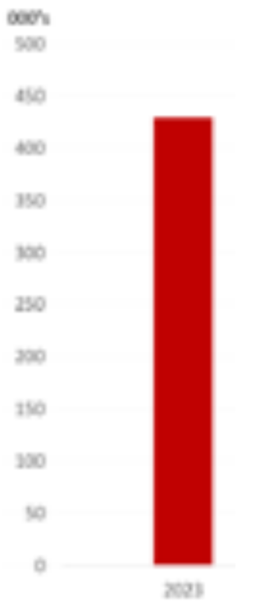
As a new employer in PNG Market, we have the biggest opportunity to make a significant impact on employment choice for people. Our goal is to become an "employer of choice" which will be indicated by the quality of talent we attract, recruit, and retain. With our global brand, years of proven successful operation experience in the region, we have the best of opportunity to grow global talent in our regional operations.

We have started with our people strategy through a Staff Survey – My Voice, to understand what matters to our people. Our staff have spoken highlighting, Communication, Leadership, Rewards & Recognition and Learning & Development as key engagement drivers for them. Work has started to institutionalise these key drivers in the business in the next 12 months progressively. We are confident that addressing these key engagement drivers will be a leap into our objective to be an employer of choice, having an engaged and productive workforce which is a key driver to accelerate success for our business strategy in PNG.

Financial highlights

This being the first year of operations for Vodafone PNG, The business saw a month-on-month increase in customer numbers and revenue while aggressively maintaining the expenses to a lower level. Over the past few months, we have seen a significant improvement in the recharging customer base and subsequently increases in recharging revenues. The focus now is to lift revenues further by pushing connections and recharge in new coverage areas and further strengthening recharge and distribution efforts in these areas.

Mobile Connections



Total Revenue (Kina Mils)

Looking Ahead

The growth continues to be driven by the continued importance of connectivity, bringing both opportunities and challenges for the business. Next year's outlook explores how we are delivering value to consumer and enterprise customers with bundled services and connectivity options. To meet the growing demand for the telecommunications services in the country, we'll also consider how best we can balance the pricing decisions with the need to accelerate deployment of infrastructure. Simultaneously attending to the growing urgency to reduce resources, waste, and emissions from network operations, upgrades, and deployments. As connectivity works its way into the country, it may be more imperative than ever to balance costs with the needs of households, businesses, communities, and the environment.

Consumers often have cost constraints that can limit their options or drive them to seek the best service at the lowest price. To offer more value to consumers, we will be bundling mobile and home internet access, offering to the wider community of Papua New Guinea. We remain committed and continue our investments in innovative technology that positions the company for future growth whilst constantly evaluating the existing product portfolio, customer retention and new technology.

Corporate Social Responsibility

Gender Inclusive Digital Transformation

Vodafone PNG, together with the PNG Country Women's Association and the Lohia Rahe Centre respectively, brought together a diverse group of aspiring and established women entrepreneurs from across NCD and the Central Province. The event comprised of a Vodafone PNG presentation, interactive sessions, engaging discussions, and practical workshops designed to equip participants with the necessary tools and insights to succeed in their business endeavors. Vodafone Business has partnered with Define Initiative and its partners to bring in the 2022 Define Skills Program which is a free digital education course offered for women in PNG. It is focused on empowering female entrepreneurs with digital skills training to accelerate business development to essentially bridge the digital gender gap and potentially increase economic activity in the country.

Community Engagement

The company put emphasis on connecting and giving back to the communities. We engaged with those women at the hospital by donating Vodafone care packs to commemorate the Mother's Day at the two main hospitals in the country.

Additionally, the company supported a 3rd year economics student at the University of Papua New Guinea that had been selected out of 3000 applicants from across 100+ countries to attend Camp2030 in UN General Assembly – a program that equips young changemakers with the skills and networks built from it to implement real, tangible change within their communities.

Mr. Attar Singh - Chairman
Mr. Pravinesh Singh - Director
Mr. Vilash Chand - Director
Ms. Tanya Waqanika - Director
Mr. Peter Chan - Director
Mr. Adhish Naidu - Director
Mr. Charles Goundar – Chief Executive Officer
Mr. Samuela Vadei - Company Secretary

TELECOM FIJI PTE LIMITED



Overview

Telecom, Fiji's leading ICT Company has evolved over the last 100 years from basic landline voice services to now providing end to end ICT solutions, owning and operating the country's backbone telecommunications network infrastructure.

The financial year 2022 – 2023 has seen growth within Fiji and indirectly for Telecom Fiji. Tourism has grown and therefore consumer spending has increased. However, due to the brain drain of employees overseas there have been some challenges in maintaining staff.

Nevertheless, Telecom Fiji continued to work towards upgrading essential Telecommunications network infrastructure to provide the best customer experience. Project works continued with relevant stakeholders in ensuring that the internet data demand in Fiji was met especially as businesses resumed to normal pre COVID-19 period.

Telecom Fiji maintains its key strategic objectives to ensure business activities are aligned to areas of priority. Focus has been on the strategic objectives of the business. We maintained our growth in connections and ICT solutions, ensuring that the Company continues to return value to its shareholders and relevant stakeholders.

Our Infrastructure

Telecom Fiji continues to drive its commitment to the upgrade and maintenance of the backbone network infrastructure to ensure scalability, resiliency and deliver the best customer experience for all Fijians.

Expansion and Upgrade of Telecommunications Infrastructure

Continuation of replacement of the aging fibre infrastructure around Fiji was a key priority for Telecom Fiji. The Nasinu–Nakasi Trunk Fibre Project was also completed in 2022. New cables were laid to align with the plant relocation due to Fiji Roads Authority (FRA) funded SARUP project.

Labasa to Seaqaqa Fibre cabling project in Vanua Levu commenced in May 2023. This is part of Phase 1 delivery. As part of phase 2, the cables will be extended all the way to Savusavu. This extension of the fibre is part of Telecom's 5-year investment plan; to ensure the national backbone communications network is highly resilient and accessible for future growth. Telecom will now be able to tap into the high-capacity submarine cable at Savusavu and hand-off Labasa traffic via the wet segment to Suva.

The execution of these projects, along with the ongoing expansion of fibre optics throughout Fiji, showcases Telecom's dedicated investment in the nation's fibre infrastructure. This investment not only underscores Telecom's commitment but also guarantees seamless business operations, fostering sustained economic growth and development in Fiji.

In meeting accelerating growth in internet traffic and integration to cloud platforms, Telecom Fiji continues to invest in additional international internet links to cater for the accelerated demand for internet and data connectivity.

Telecom Fiji has established its inaugural International MPLS NNI in collaboration with the Telstra Group in Australia. This partnership aims to offer our customers uninterrupted global connectivity through an exceptionally secure and dependable link. This integration will replace the old technology of connectivity from the previous IPLC and EPL technologies via SDH transmission, ushering in a new era of resilience that significantly elevates the overall customer experience.

Fibre-to-the-Home (FTTH) Rollout

Telecom Fiji continues with the deployment of its Ultra-Fast Fibre broadband (UFF) service in ensuring high speed and reliable network performance across the nation and enabling more Fijian homes to access reliable connectivity. Customers living in certain areas of the Central and Western division can now enjoy ultra-fast internet speed with FTTH. Over 1500 Home Pass lines have now been deployed. These include areas such as; Wailada Industrial, Karsanji Industrial, Domain & Tacirua Stage 1.

Fibre to the Business Connectivity

We continue to roll out and extend Fibre connectivity to corporate customers and Government ministries in our effort to support the ICT roadmap and make developments towards full digitisation and business automation for all businesses.

The Wailada and Karsanji business zones are the latest business district to have Fibre readily available. Strategies are underway to ensure the rollout of dependable connectivity to a multitude of Fijian businesses, emphasising our commitment to widespread access.

Completion of LTE 4G Expansion Project

Telecom Fiji completed the roll out of LTE 4G Expansion Project in strategic areas to ensure connectivity from densely populated urban, peri-urban and some rural areas.

This strategic maneuver was initially undertaken in response to enabling Fijian residents to participate in online educational courses, engage in remote work arrangements, facilitate religious gatherings, and host conferences amidst the challenges posed by the COVID-19 pandemic. Over time, its scope has expanded significantly to efficiently address the burgeoning requirements for escalated data usage and heightened internet traffic. Telecom Fiji continues to invest in 4G technology to ensure connectivity to areas where underground and overhead cabling maybe a challenge.

Core Network Visibility

Telecom has now successfully established a full-fledged IP platform for its core network and transmission to support a high level of service to our corporate customers, Government ministries, residential customers and also other network operators in providing backhaul and inter-site connectivity.

Establishing a comprehensive IP Core Network is necessary to ensure Network Performance and user quality of experience is prioritised. To fortify the network's security and safeguard traffic integrity, Telecom made substantial investments in intelligent monitoring systems such as Allot Clearsee to enable us to obtain valuable insights and intelligence from network usage data, critical for informed and astute business decision-making.

To be able to deliver an uninterrupted and seamless experience with the Fibre rollouts and LTE 4G expansion, we migrated the transmission network from Time Division Multiplexing (TDM) to full IP. This was to enhance operational efficiency by extending visibility and encouraging resilience during introduction of any new service. Customers are now provided unwavering, premium-grade services for all Telecom services.

Improving Last Mile Copper Connectivity

Telecom has initiated a series of projects aimed at diminishing the reliance on the last-mile copper infrastructure and increasing both service quality and throughput. This is to enhance the efficiency and reliability of the crucial last-mile copper-based telecommunications networks.

Through pre-emptive investments in advanced technologies and infrastructure, Telecom effectively addressed the challenges posed by aging copper networks. This proactive approach has yielded significant enhancements such as improved data transfer rates, reduced latency and increased overall network resilience in Naqara, Taveuni, Matana St, and Nakasi.

This commitment to optimizing last mile copper connectivity benefits current customers, positions Telecom as pioneers in bridging the digital divide and ensures even remote and underserved communities have access to robust and dependable telecommunications services.

Satellite Connectivity for Emergency Remote & Maritime Communications

Telecom Fiji and Kacific Broadband Satellites Limited collaborated to provide a successful demonstration of the Kacific satellite emergency communication system in Albert Park for the National Disaster Management office. The event demonstation served as a testament to the indispensable function of satellite connectivity in facilitating emergency, remote, and maritime communications. The accompanying report shredded light on the transformative impact of satellite technology in revolutionizing communication protocols during emergencies and maritime endeavours. The collaborative efforts of Telecom and Kacific have yielded a partnership depicted by remarkable dependability, offering crucial connectivity in instances where conventional terrestrial networks might prove unreliable, ensuring uninterrupted communications during critical situations.

This demonstration proved instrumental in facilitating disaster response and relief initiatives, highlighting Telecom's commitment to bridging communication disparities, fortifying emergency response capabilities, and elevating the overall position of Telecom's satellite solutions.

Enhancement of Customer Experience Service

In the year 2022/23, Telecom Fiji continued to focus on transforming customer's experience by shifting towards digitally enabled platforms where customer interactions improved, simplifying operational and service delivery processes to streamline and increase customer's experiences. Digital platforms provide convenience and self-service functionalities, which Telecom leveraged using its market expertise to provide the best customer experience where needed.

Digital Transformation

Telecom Fiji successfully completed its digital transformation for Operations and Billing Support Systems (OSS/BSS) in July 2022. The OSS/BSS is a fundamental tool that underpins various functions including customer engagement, service delivery, product offerings, charging and rating, operations workflow management, field resource management and outside plant inventory management. Telecom adopted a new OSS/BSS system that has allowed improved system features and capabilities supporting these functions.

With the deployment of the new OSS/BSS system, it enabled wide array of benefits such as increased efficiency in processes, improved responsiveness to customer service enquiries, better informed customers, efficient operational workflow, more organized wired network service inventory and improved efficiency on billing.

The system was complemented with the deployment of Oracle Field Service (OFS) application. It enabled increased productivity of Field Technicians and faster turnaround time in attending service faults and installing new services.

The myTelecom selfcare app was also launched in July 2022. Customers now have access to other features and functionalities such as topping up, recharging their account, pay bills and other services.

These digital transformation initiatives support Telecom's key strategic plans to meet changing business and market requirements and the ultimate goal to transform customer experience.

Our People

As Telecom owns and operates the country's backbone telecommunications network infrastructure, we focused on building a high-performance culture, employing the best people who can make a difference and live the Telecom Way.

We continue to invest in our employees to help them perform to the best of their abilities and provide them with the necessary digital tools and employee-focused initiative to deliver for a leading end-to-end ICT provider.

Supporting Our People

Major road repairs and maintenance for strategic rural sites including Desvoeux Peak, Delaikoro and Uluivuya and Kavukavu base stations were completed. In response to the wear and tear observed over time in the existing vehicles, 40 new vehicles were acquired and integrated into the Telecom fleets to serve as replacements prioritizing the safety of our staff during their road endeavors. We moved in and occupied new business center at FNPF complex in Nadi providing a new office space for our Nadi based sales team.

Fiji has seen vast improvements post-COVID economic recovery, however Telecom is not immune to the social impact of current labour mobility issues which is impacting employers in the Pacific.

From 01 Apr 2022 to 30 June 2023, Telecom has lost 176 staff of which 92 are from the technical area. Whilst some are leaving to join other local employers, majority are moving to countries that have shortage of labour, like New Zealand and Australia. To mitigate the impact on operations, new strategies have been deployed to try to retain staff. Regular communication and discussions are being had with all staff of the social consequences of migration, financial assistance and educational sessions is being offered to advise staff of expenses and to educate them with decision making.

Employee Training and Development

Telecom continues to realign and focus on talent development, learning and growth for its staff with emphasis on technical training. The Technical training center at Nausori was activated to provide technical training in copper and fibre technologies. 40 Trainee technicians are currently undergoing training on Copper Technology, Fibre Technology and Enterprise technicians. Additional Fibre training (certified) was provided for 60 staff from the technical team conducted by consultants CommsLearning. All members are now fully certified.

As part of the investment in upgrading the OSS/BSS systems for digital transformation, Telecom engaged Oracle India and Australian Consultants, to work close in training key personnel and other company stakeholders for the completion of the project.

Other key areas of training included Business & Management Training. Every employee recruited to join the team at Telecom are given the opportunity to develop and grow within the company. A focus on training programs ensures that staff can be supported in work delivery, particularly in a dynamic Telecommunications environment. Training programs includes Accounting & Financial, Human Resources, Project Management, Sales & Marketing, Audit & Risk Management online workshop and conferences conducted by international accredited speakers/facilitators.

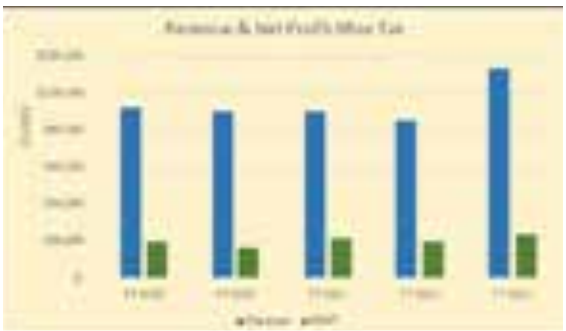
The Leadership Training continues and ensures that there is a balancing focus on the Leaders and the Management team aligned to the company's succession planning.

Under Telecom's graduate trainee program, 5 graduate engineers were recruited and are undergoing a 6-month on the job training rotation within the Engineering Team. Graduate trainees are exposed to different business challenges for both Engineering and Customer Experience, providing them with an excellent platform and opportunity for professional and personal development.

Policy Review

In the past year, 26 company policies have been reviewed. As part of the company's retention strategies and to counter high mobility rate, key employment terms and conditions were also reviewed. These included the extending retirement age from 55yrs to 60yrs with options to retire at 65 for exceptional cases and removal of terminating clause from employment contracts allowing for staff with open ended contracts up to retiring age. Engagement of a reputable firm has been employed to conduct a job evaluation (JE) exercise to ensure there is market relativity on the employment remuneration plan. The JE is expected to be completed in the first quarter of FY 2023 /2024.

Financial Highlights



Growth remains a challenge for operators like Telecom Fiji due to a declining trend in traditional voice revenue and the increase in the level of competition in the market.

Our focus on delivery and execution of our strategic objectives ensured our ability to adapt and respond to such impacts on our business. Our operating revenues increased by 34% for full financial year noting the 15-month period.

Overhead expenses increased by 49% compared to previous financial year, noting the 15-month period and operational maintenance works which were previously on hold due to COVID 19 pandemic.

Net Profit before Income Tax was $29.66 million which is an increase of 21% compared to previous financial year noting 15-month period.

Looking Ahead

Telecom Fiji is committed to both implementing innovative ICT initiatives and exploring avenues to cater to diverse customer segments nationwide. Leveraging its proficient workforce and critical telecommunications infrastructure, the company strives to ensure seamless connectivity for Fijians, regardless of their location.

With a focus on digital transformation, Telecom Fiji is actively pursuing enhanced operational efficiency. Through its array of digital ventures, the company aims to revolutionize the customer experience. By nurturing customer relationships and remaining adaptable to ever-evolving expectations, Telecom Fiji is steadfast in its pursuit of excellence.

In addition, the company places great emphasis on empowering employees to drive continuous improvement, learning, and innovation. This approach fosters a culture that aligns with ongoing industry advancements. By benchmarking against industry best practices, Telecom Fiji ensures a consistent delivery of value to its shareholders.

Corporate Social Responsibility

Telecom Fiji holds a steadfast commitment to the well-being of both its staff and the community it serves. Engaging in CSR activities not only aligns Telecom Fiji with overarching societal objectives but also fosters ethical conduct, amplifying its influence on society and the community well beyond its regular business operations.

Staff Wellness Program

In adopting a Wellness Program, run by Telecom Staff Welfare Officer to focus on the health and well-being of all Telecom employees for long term sustainability of the health of the staff, mitigating health risks, encourage stakeholder engagement via Corporate Business House competitions, social impact, employee wellbeing and to provide a positive workplace.

Pinktober and Movember Initiatives

Aligned with the company's health and wellness program, Telecom Fiji demonstrated its backing for the Fiji Cancer Society's activities in promoting cancer awareness. A generous donation of $10,000 was made to the Fiji Cancer Society as part of the staff's endeavors to collect funds via pledges of wages and other contributions. The internal staff campaign ran throughout the months of October and November to help in fostering understanding about cancer during Pinktober and Movember periods. Telecom Fiji's employees seized this occasion to enhance their knowledge about various cancer types and participated in medical screenings.

Further donations have been made to events organised by Fiji Cancer Society, such as Ambrose Golf Tournament (yearly event).

Frank Hilton Amazing Wheelbarrow Race

Every year Telecom Fiji participates in the Frank Hilton Organisation's annual 'Amazing Wheelbarrow Race' with a sponsorship of $5,000 for participation in the physical race to which all funds go to supporting the organisation in providing for children with disabilities. The aim of the event is to bring together partners, stakeholders and supporters of the Frank Hilton Organization in an innovative approach to assist in fundraising. For Telecom Fiji, it is a worthy cause to support this ongoing service for children with disabilities. It is a fun and social event to raise awareness for the children in need. Telecom Fiji is also the winners of the Best Dress category since 2016, 2022 Telecom's team theme was Blue Christmas which again saw Telecom winning the Best Dress award.

Community Service

Telecom Fiji provided and connected Korovisilou community to Telecom's reliable and ultra-fast Fibre internet service. Korovisilou is now the first rural community in Fiji to be connected to Fibre. Essentials services such as Korovisilou Health Centre and Ratu Latianara College were also given access to Telecom's Fibre broadband service. Other contributions of printers and desktops were also provided.

Further donations have been made to other schools such as Lelean Memorial School, laying down of Fibre cables for the school lab. Cash donations to rebuilding walkways and playgrounds and supply of tools at Drasa Kindergarten.

Women Empowerment

As the Telecom industry continues to innovate and change in the face of the fast dynamic telecommunications industry, women are influencing the industry's ongoing transformation. At Telecom Fiji, we are proud that 26% of the workforce is made up of women and at the senior management level we have 54% women representation where executive decisions are made for the company. This is an inspiration to all females and colleagues those aspiring to grow within the industry and in any business environment.

Telecom Fiji now has the first and only female (Agnes Archana Prasad) FOA Certified Fibre Optic Specialist in Fiji and is Telecom's first female certified Fibre Planner in the company!

Agnes holds many certifications including Certificate in Information Technology, Advanced Certificate in Business Accounting, Certificate in AutoCAD 2D & 3D Modeling, Certificate IV in Project Management and is currently pursuing Diploma in Project management. She has over 20 years' experience in access planning network fibre and copper and has worked in many departments at Telecom, starting as a technician in the Planning department in Labasa where she than joined the Project Management office in Lautoka. She has then since moved to various sectors including Customer care and is now back in Planning in Suva. Agnes has worked hard to ensure that no hurdle will stop her and through Telecom has been able to grow her professional development.

Empowering and encouraging more women to pursue their passion in whatever division they excel in is priority to Telecom which recognizes women's exceptional contributions and highlight the importance of gender diversity in any industry but especially in telecommunications. Together, we can build a brighter and more inclusive future!

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Mr Joweli Taoi - Chairman
Mr Julian (Jules) M Maher - Director
Mr Ashnil Prasad - Director
Mr Pradeep Lal - Director
Mr Justin Tuiasosopo - Chief Executive Officer
Ms Niroshi Rajamohan - Board Secretary

AST Telecom, LLC (Bluesky Communications)

Company Profile

Overview

The financial year 2023 AST telecom LLC, doing business as Bluesky communications, continues to serve the American Samoa market in the island territory of the United States of America. ASE Inc., American Samoa Entertainment is a subsidiary of AST and serves the American Samoa community with entertainment services via its TV services under the brand of MoanaTV. AST, popularly known as Bluesky, is long standing, holds a strong brand position in the market and has gained the loyalty and trust of its customers, community and wider stakeholders. Bluesky celebrated its 24 years of existence this year and continues to grow and advance its business and operations in American Samoa.

With the several changes that the Covid-19 pandemic brought along and despite the post Covid period giving rise to many challenges including economic impacts, global supply chain concerns, change in consumer behaviour, etc., the financial year 2023 stood out to be a dynamic year for Bluesky with key projects and initiatives untiringly pursued by the Bluesky team with confidence and dedication. Amongst the several successes that Bluesky was able to achieve during the financial year, Bluesky was able to secure new customer contracts; deliver on new systems implementations, and secure multimillion funding and grant allocations from the federal and local governments for mobile network replacement and 5G advancements.

Bluesky continues to responsibly support the community and sponsor events that benefit the people of American Samoa. Bluesky maintains its strategic positioning in the market and is diligent to emerging opportunities. Bluesky's workforce is the core of Bluesky's success and Bluesky team caters to the dynamism of today's world and strives to deliver products and services that are technologically on par with the rest of the world and drives the growth of the company.

Our Infrastructure

In commitment to Bluesky's Vision and Mission, Bluesky has carried out extensive work over the past months of 2023 focusing on its Mobile Network upgrade project to strengthen its network connectivity backbone to deliver improved, affordable, and high-speed broadband services across a wider area of American Samoa, and to make broadband available to areas that may not be reachable currently. Through this strategic initiative undertaken and further to the progress made so far, Bluesky is confident of delivering the best outcomes on its strategic technology landscape. Bluesky is strategically approaching its plans and actions towards bringing advanced digital services to is customers and wider stakeholder groups.

With its leading market positioning, Bluesky continues to consistently invest in its network infrastructure and technology that caters to diversifying its products and services and technology solution offerings. Bluesky's current LTE+ mobile network covers 93% of American Samoa's population and is capable of throughputs of up to 150 Mbps. Through the initiatives undertaken, Bluesky is progressing to increase its coverage footprint and serve the people of American Samoa with advanced state-of-the-art mobile technology. Bluesky's wireless access network utilizes next generation transport network technology to provide high-speed connectivity across the island. Residential and business customers are served with expanded broadband connectivity and next generation solutions. High end business customers are serviced with fibre to the premise, international private circuits, data center and ICT solutions. Bluesky plays a key role in empowering the technology drive in American Samoa.

Bluesky has embarked on a major project to advance its Mobile Network Infrastructure to serve the territory of American Samoa and its people. Bluesky's strategic goal is to deploy state-of-the-art mobile technology for its mobile network infrastructure and systems, backed by 5G technology-based services, that will benefit the island and its community. Through this initiative, Bluesky targets to strengthen its network connectivity backbone and deliver stable, affordable, high speed broadband services across a wider area of American Samoa making broadband available to areas that may not be reachable currently. Further, this would allow Bluesky to provide advanced digital services for different stakeholder groups; residential, business, local government departments, Federal agencies etc.

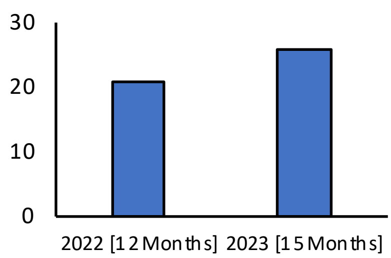
Our People

Bluesky has a dedicated and experienced pool of resources who embrace collaborative working and inclusive working environments. Bluesky team works with the motive to deliver the best to Bluesky customers and making stakeholder engagements pleasing and respectful. Bluesky includes a diverse workforce who bring skills and experiences that collectively empower Bluesky and helps win competing situations. Customer first is at the forefront of Bluesky's core values and customers are given utmost attention and care. The four pillars that guide Bluesky team are customer advocacy, high performance culture, return on investment and diversification and innovation of products and services. Bluesky management and staff hold a well-balanced gender composition and the combined synergies have resulted in making positive outcomes.

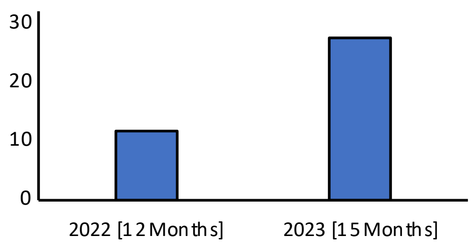
Financial Highlights

Bluesky leads the market share for mobile services with over 78% share, and continues to sustain the leading position while striving to gain new subscribers. Bluesky recorded staying on top of broadband revenue with USD 8.81M contribution and attained a steady 8.54M year to date prepaid revenue for the period. The roaming revenue that had been experiencing adverse impacts since the Covid-19 pandemic and the associated boarder closure, commenced seeing positive progression at the latter part of the 2023 financial year.

Total Revenue (in USD Million)



Net Profit After Tax (in USD Million)



***The 2023 denotes 15 month period on account of the financial year changed to Apr-Jun**

Post Covid economic fluctuations continue to impact the company's financial growth as they have been in the immediate prior years. However, the US Federal Government grants into the territory have supported sustaining the financial standing and allowing a gradual growth since FY2022. Total revenue attainment for FY2023 was USD 25.55 (15months) over FY2022 USD 25.76M (12months). Net Profit ended at USD 1.96M achieving the highest across the years 2017 to 2023.

Corporate Social Responsibility

Bluesky continues to shape the community of American Samoa through its services and community contributions. Over the years, Bluesky has contributed through various partnerships and sponsorships and has always been true to Bluesky's way of giving back and making a difference in the lives of many in the community. Bluesky embraces sustainability and is keen on environmental protection initiatives. Bluesky continues to promote eSims to benefit the environment. Bluesky passionately supports American Samoa's cultural, educational, technological advancement, youth empowerments and many other activities for the betterment of the people and culture of American Samoa.

Community Involvement and Sponsorships

Community involvement, partnerships and sponsorships are part of Bluesky's continued support to the American Samoa community. Bluesky supported the Office of Disaster Assistance and Petroleum Management during their first Disaster Resilience Summit in September of 2022 to address the territory's emergency management efforts. Sponsorships are focused on Youth, Environmental Programs, Non-profit organizations and Community events. Some of the key sponsorships and events during the year included USD $3k for the Cancer Coalition Community, USD $5k to Red Cross who celebrated their 100 years of service, USD $3k to the Hope House which

is a way of annual support to the home for the elders. Other events sponsored by Bluesky included the Mo'osoi festival of Pageant, Tafuna High School Pageant, Marist School Golf tournament, Le Taupou Manaia annual event, Rotary Golf Tournament and a Super Bowl watch party event. Bluesky supported American Samoa Department of Commerce in honor of the 50th anniversary of the National Coastal Zone Management Act and Bluesky sponsored a grand Fireworks show for the community in September of 2022. This was also an act of support for the community's uplift from the Covid pandemic impacts. As part of life saving contributions, Bluesky donated six Automated External Defibrillator (AED) machines worth USD15,000 to be placed in identified public buildings for life-saving purposes. Bluesky continues to care for and support the community of American Samoa.

Women and Youth Empowerment

A key partnership is with the American Samoa Government's (ASG) Human Resources Summer Youth Employment Program (SYEP) in which high schools, community college students and young unemployed adults are given an opportunity to work in the public or private sector to gain work experiences in areas of their interest. Bluesky onboarded eight participants from the program placing them in various departments of Bluesky through which each of the students gained valuable work experience, and one of the participants was absorbed into the workforce as a full-time employee. Bluesky has also been a key part of the public job fair organized by ASG in delivering awareness and opening up opportunities for all youths from across the island. The American Samoa Community College partnership is yet another continued endeavor that Bluesky involves in and has been instrumental in training and preparing two students to gain experience for their future careers.

Looking Ahead

Bluesky continues to gain from the years of existence and growth and is geared for the future ahead as the company continues its journey to celebrate its 25 years of existence in the year 2024. The upcoming financial year is significant for Bluesky with initiatives and programs directed towards deploying a totally new mobile network across the island territory of American Samoa and thereon bringing 5G services for the people of American Samoa. Continuing to invest in the best technology and skilled resources, Bluesky strives to bring the best products and services for its customers.

With the Customer first focus and doing the best to advance the lives of customers, Bluesky team continues to operate and deliver on the goals. Leveraging from the fixed broadband and TV service infrastructure investments and with new investments in the mobile infrastructure, Bluesky aspires to stay strong in the market, win more customers into its portfolio and deliver the best services and experiences for its customers.

Bluesky looks ahead with confidence and competence for the journey . Customer advocacy, technology leadership, and people power will continue to support the growth of Bluesky. With the new infrastructure and technologies that Bluesky aspires to bring into the changing landscape of Bluesky's future ahead, Bluesky looks forward to meeting the requirements of all its stakeholders and keeping its stakeholder groups happy and satisfied. Bluesky strategies for forward business development and organizational growth are founded upon the pillars of customer advocacy, high performing culture, ensuring return on investment with maximum utilization of the network, and diversification in the products and service areas. Bluesky moves on, excited and looking ahead to its strategic accomplishments for the coming year.

Mr Joweli Taoi - Chairman
Mr Viliame V Baleitavua - Director
Mr Tevaga V Tagiilima - Director
Mr Ashil Prasad - Director
Ms Aysha Rimoni - Alternate Director
Mr Rana Bosé - Chief Executive Officer
Mr Anish Chandra - Company Secretary

VODAFONE SAMOA

Overview

Vodafone Samoa has established itself as the most trusted telecommunication brand in Samoa with Fa'a Sãmoa, the 'Samoan Way', is the traditional/customary way of life in Samoan culture in its core value. The Vodafone Samoa business achieved significant business result meeting all key KPIs for the 15 months financial year 2022-2023.

Our Infrastructure

Vodafone Samoa continues to upgrade its network infrastructure to ensure superior experience to the people of Samoa. Vodafone Samoa remains ahead of competition on its large Fibre infrastructure through the country. There were several capex projects involving mobile capacity and backend network upgrades. With further expanding our international bandwidth capacity, Vodafone remains the only company to provide international DRP connectivity via two submarine cables. Vodafone Samoa continues to provide quad play services of Mobile, Fixed Line, Broadband and IP TV services through its infrastructure.

Our People

Vodafone Samoa has 162 staff with over 98% locals. We also have a good gender mix with 42% female employees. The Company continues to upskill its employees through local and international training and sponsoring higher studies.

Financial Highlights

Post border opening in August 2023 Vodafone was able to grow revenues by 14% from prior year 15 months with major growth coming from Mobile, Broadband and Wholesale and roaming services. NPAT grew 90% respectively. Overall economic stimulation through border reopening and new business model was key to grow revenues more than to pre-COVID levels.

Corporate Social Responsibility

In Vodafone's endeavor towards corporate social responsibility (CSR) initiatives is focused in building brand image close to heart of every Samoans and Samoans living abroad.

The following are the key areas in CSR Vodafone is currently focusing education, health, NGO & Sports.
Vodafone continued its partnership with Lakapi Samoa to promote grass root level rugby. By supporting SVSG and Samoa Cancer Society, Vodafone was able to assist with young children and on-going cancer patients. In addition, Vodafone continued with village and school Wi-Fi projects throughout the year.

Vodafone also initiated the Inaugural Leader Summit which attracted key decision makers from the government and private sectors. Furthermore, Vodafone as a core member of the Samoa Information Technology Association (SITA) Partnered to have the Vodafone SITA expo which saw ICT and entrepreneurs along with government present and showcase their solutions.

Looking Ahead

Samoa is the host country for the Commonwealth Head of Government Meeting in 2024. It is anticipated that at least 2000 government heads and partners will be attending the meeting. While the government plans for this event, Vodafone is a key partner member for its sub-committees and will participate in providing solutions for the event. Furthermore, the key priorities for at least the next 12 months will be on further growing revenues targeting our "Big 4 Services" (Mobile, Broadband, Wholesale and Roaming and Devices). Network expansion through the form of new sites, mobile site capacity improvements and overall network infrastructure development will assist in achieving this growth in turnover.

Mr Michael Henry - Chairman
Ms Eleanor Roi - Director
Mr Joweli Taoi - Director
Mr Viliame V Baleitavua - Director
Mr Phillip Henderson - Chief Executive Officer & Managing Director
Ms Ana Inamata - Company Secretary

VODAFONE COOK ISLANDS

Overview

On the back of a positive economic outlook for the Cook Islands, with GDP growth forecast to reach 11.2% in 2023 and 9.1% in 2024 and growth being driven by the recovery of the tourism sector, as the main economic driver, we are expected to ride the wave of recovery in the last year. However, this has been tampered by airline capacity issues, a heavy dependence on the New Zealand route and a lack of the high yield northern hemisphere visitors. The economic recovery therefore has not met expectations, with the resultant pressure on the bottom line. The Financial results were slightly below budget.

The Company continued to focus on cost reduction and optimisation of the organisational restructure to improve efficiency and productivity. Key infrastructure projects were executed to future-proof our networks including the fibre to the premises project. Additionally, after many months of negotiations, the Company was successful in securing a multiyear service contract with the Cook Islands Government to support a refresh of the Pa Enua Network with a roll out of 4G to all islands. This is using a new generation of antenna to bolster a high-capacity low latency national satellite network. Securing the Government as an anchor customer for the Pa Enua was essential in reducing the investment risk for this project.

Despite the imminent threats of competition and new market entrants, the Company focused on growing its revenue to stay ahead. It was crucial to ensure that our teams were engaged, motivated, passionate and healthy.

Notwithstanding significant changes at the Board level, the Company continued to receive clear guidance and governance throughout the year.

Management is optimistic about the future outlook of the industry and the economy, as new airline routes are being introduced and economic recovery gains momentum in 2023/24.

Our Infrastructure

Vodafone Cook Islands provides a comprehensive range of telecommunications services, namely

- PSTN (domestic and international),
- Mobile Network services
- Broadband and Internet services.
- IPTV
- Data Centre hosting services.
- Post Services

PSTN

PSTN services are connected over 12 populated islands providing 100% national coverage with 140% penetration. All of the PSTN exchanges have been refreshed with IP enabled soft switches and legacy TDM signalling removed and converted to an all-IP architecture. Business subs are capable of connecting via the traditional copper or via SIP peering or registration.

Broadband Network

On Rarotonga a CISCO MPLS fibre backbone transport ring at 10Gig provides transport and access services for business and Government for B2B and P2P offering from 1Mbps to 100 Mbps.

Two central GPON nodes have been successfully deployed in Avarua and Aroa data centres.

Broadband customers in the Avarua township have been migrated from the copper network onto the GPON broadband.

Hosting Services

Major hotels and the central Government have been progressively taking advantage of the efficiencies gained with outsourcing their IT infrastructure or connectivity.

The Avarua earth station was converted to a data centre to host the Cook Islands Government Hyperconverged Infrastructure.

Developed hosted PABX services for small to medium businesses and signed seven customers in the last six months.

Mobile Network

The mobile network consists of 3G/4G RAN in Rarotonga and all of the outer islands. Rarotonga has also recently had its 4G network upgraded to include 4T4R at all sites as well as Carrier Aggregation to enhance the experience for the data users.

Domestic Satellite Network

The outer islands have recently had a major revamp of their satellite connectivity in partnership with SES utilising the new and innovative Mpower platform delivery low-latency high throughput capacity to each of the islands. This connectivity is the primary trunk service out of the Aroa DC delivering broadband and mobile backhaul to each island.

Moana TV

MoanaTV is managed in Samoa on their IPTV head-end. This allowed for an exceptionally low entry cost to the Cook Islands as no capital was required. The service is extended to Rarotonga over internet from Samoa via the Manatua Cable into Rarotonga then extended over the broadband network to residents. It also re-uplinked the Rarotonga/Aitutaki Avarua Cable and extended to Aitutaki.

Our People

Vodafone Cook Islands is committed to its people by providing adequate training and development as well as fostering a work environment that is supportive and rewarding. During the year, the Company supported two of its staff with their distance learning programs which resulted in both staff receiving Government Study Grants. It also demonstrated its commitment to staff development by offering LinkedIn Learning to 30 employees.

Financial Highlights

The opening of the borders in January 2022 was a major factor in reshaping the financial landscape for the Company. The global economy weathered a number of challenges during the year, with the full impact on the Company yet to be determined. Consequently, Management focused on increasing revenue through a number of strategies with a strong intent on boosting prepay mobile and offering customised solutions to business customers emerging from the pandemic. A key strategy was to retain high yield customers especially in a newly deregulated industry.

Corporate Social Responsibility

Community Involvement

Vodafone Cook Islands is committed to enable our people with technology through continued support of events and initiatives in the community. Giving back to the community through sponsorship and staff community initiatives have

remained a priority for Vodafone. With the nation coming through the effects of covid, it was important to maintain some form of stability for our people by continuing some of the key sponsorships and initiatives, and these have included some of the following:

- Breast Cancer Foundation is an annual event on our calendar whereby staff look forward to supporting each year. One of the key initiatives is to encourage our women to perform regular checks for early detection. Funds raised go to the Breast Cancer Foundation to support our women in the Pa Enua to travel to Rarotonga for annual breast scanning. Campaigns through sponsoring the SMS broadcasts and social media posts to raise awareness in the community.
- Autism Cook Islands – we provide in-kind support and staff volunteer their time to help with Autism Cook Islands and their annual events. Key assistance to raise awareness and messaging through our platforms.
- We assist numerous community events and sporting organisations to keep our people connected and to promote healthy lifestyle changes in the community through sports and health with a strong emphasis on supporting our people in the Pa Enua.
- Vodafone partners with the Ministry of Cultural Development with events throughout the year in ensuring our culture, language and identity continue to grow with our youth and communities worldwide.
- Supporting education and youth development through technology - Vodafone partners with the Chamber of Commerce and in mentoring our youth through the YES Programme, an initiative to teach our youth how to take the next step in building a business, developing a product or service and commercialisation.

Employee Involvement

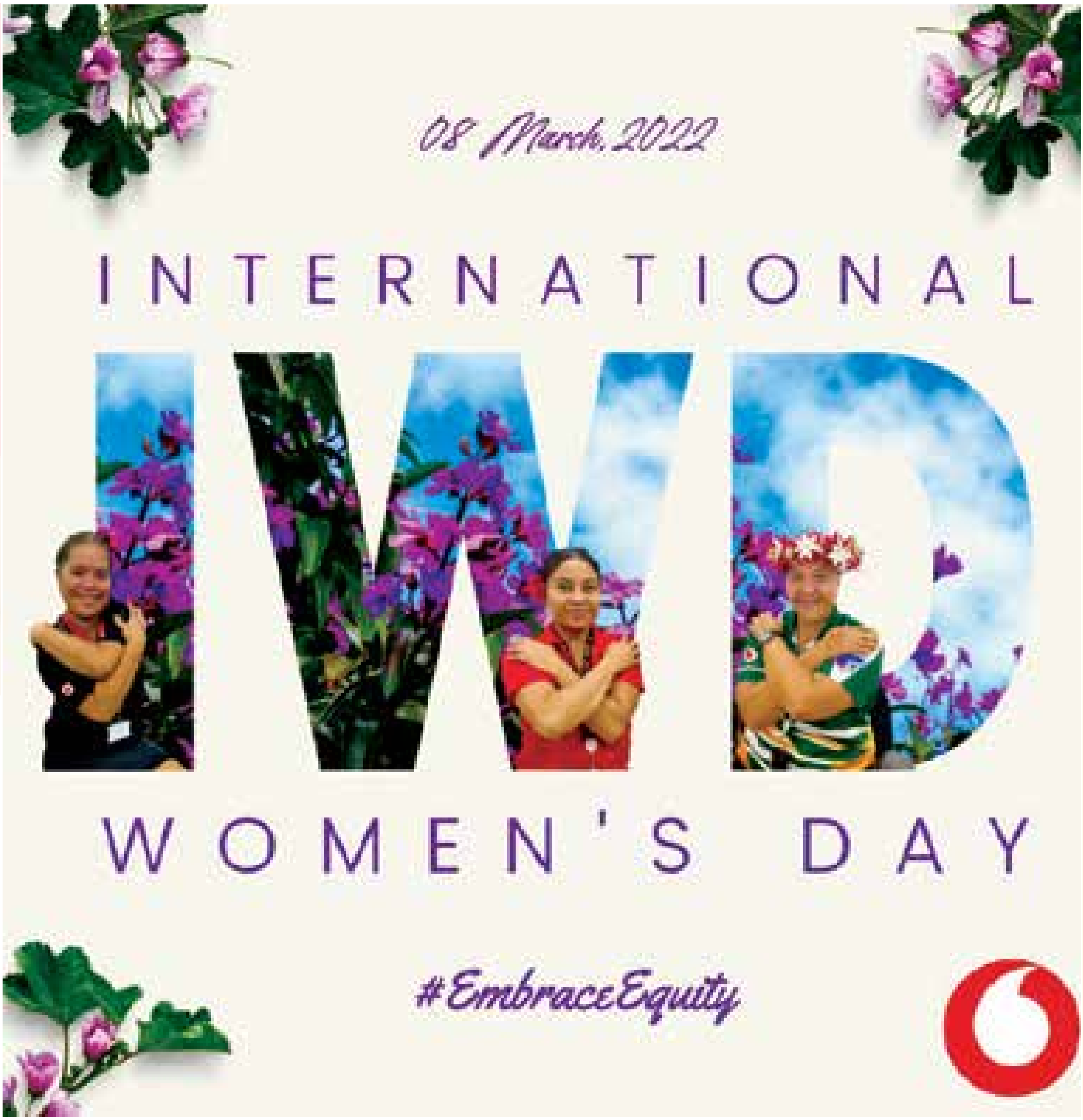
The Company continues to support and embrace internal and external social activities and events where employees are given the opportunity to take part which contributes to maintaining our employee morale. Health and wellbeing are an area that the company wholly supports staff involvement with and over the year we've had an increasingly high participation rate with staff taking part in the following events:

- Social team activities such as Badminton, Business House Golf, Squash and various social competitions.
- Fitness Health Challenges including TMS Health and Aka'uka fitness have been popular with our teams.

Women Empowerment

Vodafone Cook Islands is an equal opportunity employer with current staffing of 52% male & 48% female of which 40% are in senior management roles. We strongly believe in women empowerment and achieving gender equality to ensure a sustainable development of not only the organisation but as a whole nation.
Affirmative steps have been taken to make opportunities available in the
traditionally male dominated areas of the business, such as IT and fixed networks. Opportunities are always made available to all women staff to train and trial work in the various teams to broaden their skills and understanding of the business.

The Company's social media campaign promoting "Embrace Equity" was the theme this year as part of the lead up to International Women's Day.



Commitment to the Environment
Vodafone Cook Islands put in place initiatives to promote sustainable and environmentally friendly business practices to help contribute to reducing impact and reduce our waste footprint.

- Replacing, where proper, ICE vehicles with EVs with 40% of the fleet now EV;
- Continuing the push to be a paperless business - digitising forms and promoting online self-care.
- Recycling and sorting of waste continues to be a priority and has been an initiative for the nation. Vodafone supports the initiative to reduce, reuse or recycle waste products and is strongly practised in the company.
- Participating in keeping our Cook Islands paradise clean with community clean up initiatives around Rarotonga which has been part of the health initiatives the company supports.

Giving back to the Community
The Company is dedicated to supporting events, projects and causes that assist the country to prosper. As one of the large corporate sponsors in the country, we play an instrumental role in supplying sponsorships in the areas of health, education, sports, youth development, arts and culture and tourism.

Mr Naibuka U Saune - Director
Mr Ashnil Prasad - Director
Ms Ashnita Kumar - Director
Mr Pradeep Lal - Director
Mr Thomas Bruce - Chief Executive Officer
Mr Ravandra Chand - Company Secretary

VODAFONE VANUATU

Overview

With the reopening of Vanuatu's border in July 2022, a renewed sense of optimism enveloped the nation, setting the stage for vibrant business outlook and an economy poised for growth.

The last two years have presented rapid change in the way people live, businesses operate and the government's outlook on a digitalized society, presenting new opportunities for market growth, innovation, and our commitment to our customers. Vodafone Vanuatu continues to maintain its position to drive digital transformation with its core business and beyond, expanding its footprint across all the islands in Vanuatu.

Despite major challenges faced this financial year, from a pandemic and facing three major cyclones, the resilient network infrastructure, our focus on growth, risk mitigation strategies and the tremendous effort with dedication of the team has navigated through adversity driving the company forward.

Our Infrastructure

Vodafone Vanuatu's steadfast commitment to delivering unparalleled connectivity is reflected in our robust infrastructure investment. We have strategically focused on expanding our reach, enhancing network capabilities, and incorporating cutting-edge technologies to ensure a seamless customer experience despite the geographical challenges. As the demand for data and information services keeps surging, we have invested in new radio site roll out as well as capacity expansion on our existing network. This financial year we have commissioned six new sites.

Our extensive Fibre network across urban and residential areas has been instrumental in ushering in a new era of connectivity. With an eye on inclusivity, we are expanding the GPON network to other major islands in Vanuatu.

We have embarked on a significant system upgrade from an old multiple billing system to a convergence billing system that allows efficient time to market product deliveries, new features to improve and enhance customer experiences.

In a pioneering step, we have launched Vanuatu's first transmission satellite backhaul system to allow connection to the most remote islands, transcending geographical barriers and enabling these communities to partake in the benefits of connectivity with improvement in reliability and reduction in operational cost. In addition, with resilience in mind, satellite tests are well underway for the launch of the subsea cable backup.

With the focus on being the leader of digital services, we continue to drive new innovative solutions with our mobile payment service, working in collaboration with different stakeholders.

These infrastructure developments underscore Vodafone Vanuatu's dedication to offering cutting-edge solutions. As we continue to expand, upgrade, and innovate, our infrastructure remains the bedrock upon which we build a connected future for Vanuatu.

Our People

At Vodafone Vanuatu, our employees are our invaluable assets that drive our success. We take immense pride in our workforce which consists of 97% local talents of which 38% are females and only 3% are expatriates. Our approach is centered on a collaborative work environment that promotes working together through cross functional partnerships that enables the team to drive forward projects collectively with great efficiency. We managed to launch successful technical projects this financial year with the local team.

We also focus on capacity building and upskilling, while believing in empowering individuals to excel and take on pivotal roles. As the technological landscape evolves rapidly, to ensure our employees stay at the forefront, we engaged a number of our technical staffs in educational workshops and training from the Pacific Network Operators' group that took place in Vanuatu in 2023.

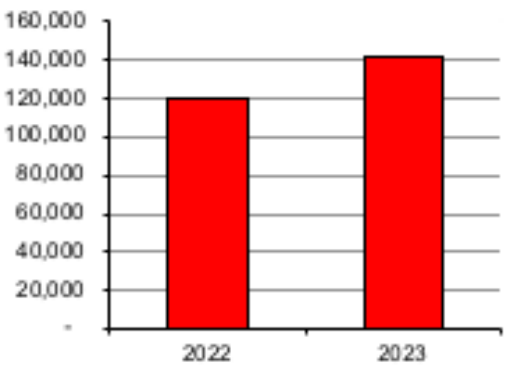
As we look ahead, our commitment to our people remains unwavering. We are steadfast in our belief that a motivated, skilled, and empowered workforce will drive Vodafone Vanuatu's success.

Financial Highlights

Vodafone Vanuatu's financial performance stands as a testament to our steadfast commitment to growth, innovation, and resilience. Despite confronting a series of challenges, our strategic approach enabled us to achieve positive results.

This financial year the team continued to drive its acquisition strategies presenting competitive offers and solutions to our mass market and business customers resulting in 15% growth in our customer base.

Total Customer Base

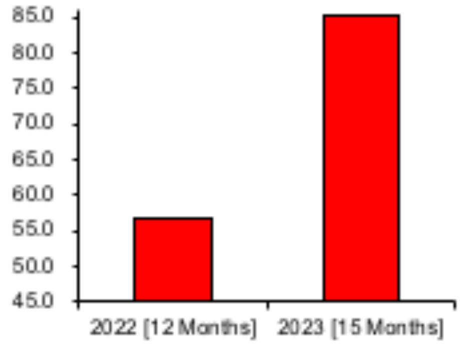


Investment in new base stations in prior years, power & transmission upgrades to minimise network outages and aggressive push for acquisition from sales teams in rural and outer islands has contributed to the growth in subscribers.

While the global inflation and three major cyclones affected the operating cost of the business, the Turnover growth ensured that the high costs were sustainable by the business.

Turnover has grown by 19% from prior year 15 months to reach over 85 million FJD along with NPAT growth by 82%. Both the Prepaid and the Postpaid business have contributed towards the growth in market share while successful uptake of VSAT broadband mostly by government, cooperatives, schools and health centres have further enhanced our reach to outer islands.

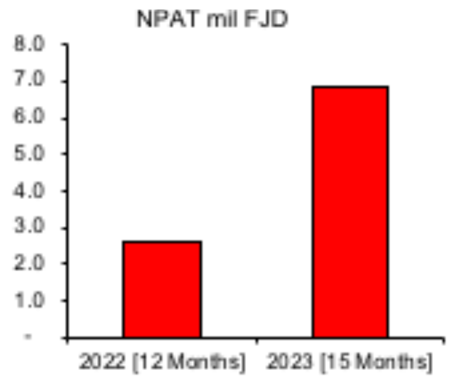
Turnover mil FJD



Turnover has grown by 19% from prior year for the 15 months to reach over 85 million FJD along with NPAT growth by 82%.

Both the Prepaid and the Postpaid business have contributed towards the growth in market share while successful uptake of VSAT broadband mostly by government, cooperatives, schools and health centres have further enhanced our reach to outer islands.

NPAT mil FJD



Looking Ahead

Our commitment to digital transformation remains a key strategy as we continue to invest in cutting-edge technologies that enhance our services, streamline operations, and elevate our overall customer experience.

Our workforce is also our priority as we focus on their growth and wellbeing. We will continue to empower our employees through training, upskilling, and opportunities to excel in various roles in the organization.

As the business landscape evolves, so does the needs of our customers. We are committed to launching innovative solutions to cater for their evolving needs and ensuring to meet the customer expectations.

We have forged strong partnerships and built alliances with strategic technology partners. We believe our unique footprint and group leverage will provide us with a unique and competitive advantage in driving our Digital Transformation agenda.

Corporate Social Responsibility

Community Involvement

As part of its corporate social responsibility, Vodafone Vanuatu continues to play a key role in supporting sports, music, education and community building.

As the Vanuatu border opened after the pandemic and small businesses resumed operations, Vodafone Vanuatu embarked on utilizing its mobile money platform to provide financial assistance to over 800 Market Vendors on 3 major islands who were severely affected by the pandemic and closure of hotel businesses.

On the Musical front, Vodafone Vanuatu has continued to support the annual Music Festival, the ‘Fest Napuan’.

Woman Empowerment

We are proud to champion gender diversity and equality at Vodafone Vanuatu, where women play a pivotal role in leadership positions such as Head of Legal, Head of Human resources, Finance Manager and Chief Commercial officer. 33% of our managers are women from Vanuatu.

Strengthening Brand Through Sponsorships

Sponsorship is a vital avenue through which we actively engage with our community, support local initiatives and contribute to the betterment of society. We have ventured into major partnership showing our support for sports, music, community development initiatives and art & culture.

To reinforce our bonding with the football-crazy community of Vanuatu, we partnered with Vanuatu Football and Oceania Football Confederation to launch major local and regional competitions held in Vanuatu.

We were also the major partner with the government through the ministry of Culture and Melanesia Spearhead group to host the 7th Melanesian Arts and Culture Festival that was held in Port Vila, receiving participants from all the Melanesian countries to show case their arts and cultures.

As Vanuatu tourism is reviving its initiatives to showcase Vanuatu made products, Vodafone has been the major communication provider during the ‘’Tok-Tok” Vanuatu event and Tanna Rally for which we partnered with Vanuatu Rally Championship as its major sponsor to host the car and bike rally race on the island of Tanna.

Mr. Joweli Taoi - Chairman
Mr. Attar Singh - Director
Mr. Viliame V Baleitavua - Director
Mr Rajneel Kumar - Chief Executive Officer
Mr Shalvin Singh - Company Secretary

VODAFONE KIRIBATI

Overview

Amalgamated Telecom Holdings (Kiribati) Limited trading as Vodafone Kiribati, remains at the forefront of the mobile communication sector, offering cost-effective mobile, fixed and data services through its 2G, 3G, 4G and 4G+ network in Kiribati. The Company has demonstrated robust financial performance and made substantial strides in enhancing its network infrastructure throughout the year. Embracing the latest technological advancements, Vodafone Kiribati continued to embrace the latest technological advancements to revitalize the telecommunications market and elevate customer experiences in Kiribati. Additionally, the Company remains committed to investing in its workforce and supporting the local community.

During the year, Vodafone Kiribati received the prestigious accolade for being the 'Most Successful Business in Foreign Investment' at the Kiribati National Business Awards 2022. The esteemed recognition highlights the company's exceptional performance and contributions in attracting foreign investments and making a significant impact on Kiribati's business landscape.

Our Infrastructure

Vodafone Kiribati focused on improving the efficiency of network operations and enhancing network performance. The Company continued to invest in its network enhancements that included core power upgrade, battery/ solar upgrade in the outer islands as well as implementing a range of advanced technological solution in radio and core networks to improve network performance in Kiribati. As at 30 June 2023, Vodafone Kiribati has 34 sites serving 16 islands in Kiribati and population penetration stands at 67%.

Our People

At Vodafone Kiribati, we believe that our people are key to Company's success. Their performance, well-being and knowledge have a significant impact on brand desire, customer satisfaction and ultimately, financial performance. We ensure that our staff undergo the necessary training to equip them with the necessary skills which help them perform to the best of their ability. This includes any in-house training and attending any training sessions necessary abroad.

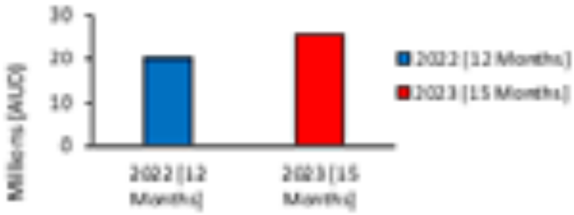
As at 30 June 2023, we had 98 staff of which 68 are full time permanent staff. We also hold a strong female representation of 54%, one of whom heads our Human Resources operation.

We are an equal opportunity employer. We respect everyone and treat everyone with dignity.

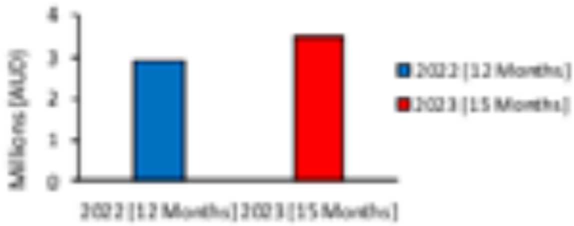
Financial Highlight

For the 15-month financial period from 1 April 2022 to 30 June 2023, Vodafone Kiribati achieved a total turnover of AUD25.48 million which is a result of favorable market penetration through network upgrade projects to improve the efficiency of network operations and enhance network performance. This is also coupled with a strong hold in the prepay market for data, corporate data sector, and the subscriber base.

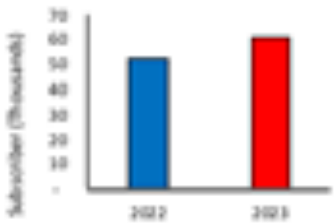
Turnover



Net Profit After Tax



Total Subscriber Base



Looking Ahead

Vodafone Kiribati's way forward is to further invest in its network, increase footprints in the outer Islands and deliver excellent experience to its customers. The company will continue in enhancing coverage by optimizing the existing network in Kiribati.

Mr Attar Singh - Chairman
Mr Pravinesh Singh - Director
Mr Viliame V Baleitavua - Director
Mr Vilash Chand - Director
Mr George Samisoni - Chief Executive Officer & Company Secretary

FIJI INTERNATIONAL TELECOMMUNICATIONS PTE LIMITED (FINTEL)

Overview

Technology continues to be a primary catalyst for change in the world. Technology advances give businesses, governments, and social sector institutions more possibilities to lift their productivity, invent or reinvent offerings, and contribute to humanity's well-being.

As the world's economic recovery process goes by, FINTEL finds new challenges and opportunities in this digitalized and competitive environment.

This endless-seem pandemic has driven the digital adoption and transformation to a higher level. FINTEL is augmenting its network capacity.

Fibre optics deployment is entering the largest investment cycle ever. The benefits provided by this astonishing technology can fulfil all customers' needs and expectations, given that it scores higher than any other broadband technology.

With 3 billion internet users in the world, who are looking for higher speed connectivity, innovations such as 5G network, Fibre to the Home (FTTH) and Fibre to the Building (FTTB) have amplified the positioning of these network systems.

Accelerating Fibre rollout can help narrow the digital divide. Improving access to technology can deliver greater opportunities to underserved communities, helping to reduce the disparities in education, health care, and job opportunities while supporting overall economic productivity. Fibre networks are seen as a national imperative.

Subsea cables remain the primary method of transporting internet traffic because of their speed, capacity and security.

The commercial landscape is changing, too. Whereas most cables are owned by telecommunications companies, businesses such as Google, Microsoft, and Meta have also started to invest in this industry.

Historically, more developed nations have been able to build up a relatively robust network of subsea cables compared to less developed nations.

It is forecasted that 98% of Pacific Island countries, territories, and states will be connected to sub-sea cables in the next couple of years.

Our Infrastructure

FINTEL's investment in the Southern Cross Next Cable system will extend Fiji's international communications to 2050. This investment will progressively provide efficient and high-speed wholesale international backbone capacity for development of the ICT in Fiji and the Pacific region.

Non-terrestrial infrastructure is now playing a key role in Fiji and the Pacific in bridging the digital gap. Owing to better latency and high network speeds, low-earth orbit (LEO) satellites are being introduced in remote areas or even in regions prone to natural disasters that can lead to failure of terrestrial infrastructure.

Two companies, Elon Musk's Starlink and Bharti Airtel and UK Government backed OneWeb, have a little under 2,000 LEO satellites deployed between them.

FINTEL's positioning as the telecommunications hub of the Pacific has attracted both the companies.

Our People

FINTEL has a staff complement of 30. Forty one percent of staff are female, spread out through the Corporate and Human Resource, Finance and Risk, Commercial, Sales and Marketing and Network and Technology departments.

The FINTEL Sports and Social club and the Labour Management Consultative Committee are the main arms that keep staff and families and friends bonded through sports, social work, religious festivals, national and company events.

Corporate social responsibilities include sponsorship of charitable events for the marginalised, handicapped and the elderly and minor sports like Darts.

The support for the minor sports is for the push to be included in regional sports like the South Pacific Games, to add to Fiji's potential medal opportunities.

FINTEL annually supports the nurturing and grooming of local musicians in partnership with the Fiji Performing Rights Association (FIPRA).

As a contribution to the awareness and conservation of the environment, mangrove planting by staff and families is carried out at the Fintel, Vatuwaqa Gateway foreshore.

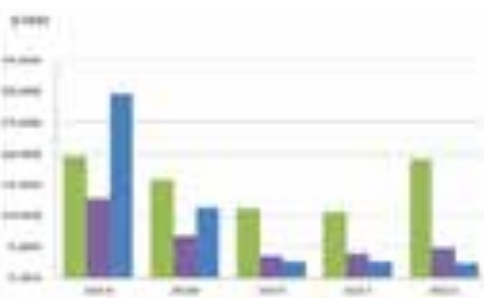
Financial Highlights

FINTEL recorded an Operating Profit of $6.48 million ($3.91M: 2022). Profit before Tax (PBT) of $4.91 million ($3.90M: 2022) and Profit after Tax (PAT) of $2.84 million ($3.31M: 2021) during the year.

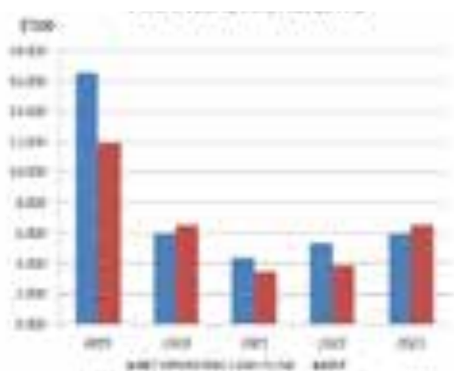
FINTEL paid its shareholder a Dividend of $2.27 million ($2.65 million: 2021).

FINTEL's substantial investment (FJ$46M) in the new Southern Cross Next subsea cable will be a major financial challenge in the fully deregulated market and the continuing impact of the Fijian Competition & Consumer Commission (FCCC) Determination on International Access which includes the regional subsea cable systems.

Financial Highlights



Financial Highlights



Fiji, through FINTEL, has had a single international telecommunications gateway for the past 122 years.

International access resilience, as from the COVID and Tonga tsunami experiences, is critical for the national economy.

FINTEL may face challenges to manage costs while scaling capital-intensive infrastructure, like the replacement of current and landing of new international sub-sea cable systems for the much needed and critical international network resilience and redundancy.

These efforts will require more collaboration and coordination across an ecosystem of telecom service providers, cloud providers, government and investors.

Looking Ahead

The telecommunication industry is experiencing rapid growth and transformation, driven by emerging trends such as 5G technology, Internet of Things (IoT), Artificial intelligence (AI), and edge computing. These innovations promise enhanced connectivity, faster data transmission, and more efficient management of networks and devices.

Demand for connectivity continues to grow, bringing both opportunities and challenges for FINTEL. FINTEL may need to balance pricing decisions with the need to accelerate deployment of infrastructure while attending to the growing urgency to reduce resources, waste, and emissions from network operations, upgrades, and deployments.

There is increased focus on carbon reduction. Industry associations such as the GSMA and the International Telecommunication Union (ITU) have set sustainability guidelines and advocated best practices for the industry. These include setting science-based emissions targets, increasing the use of renewable energy, and tackling e-waste, the world's fastest-growing waste stream.

For FINTEL, opportunities of lowering its own energy usage, increasing clean energy purchases, and helping its suppliers develop their own net-zero roadmaps will be an ongoing effort to help mitigate emissions and avoid reputational damage when more people are weighing the larger costs of economic growth.

FINTEL has many opportunities to deliver advanced wholesale connectivity and higher performance for customers while reinforcing our own value and competitiveness.

Fiji Directories Pte Ltd

Mr Vilash Chand – Chairman
Mr Ashnil Prasad - Director
Mr Laisani Macedru - Director
Ms Sitla Chandra - Chief Executive Officer & Company Secretary

FIJI DIRECTORIES PTE LIMITED

Overview

In the fast-evolving landscape of digital marketing, Fiji Directories Pte Limited, also known as Yellow Pages, has maintained its steadfast commitment to providing innovative solutions to businesses across Fiji. As a pivotal player in both traditional and digital advertising, our mission is to empower local businesses in Fiji to thrive within today's digital economy. With a comprehensive array of media properties including mobile, desktop, and print, we continue to bridge the gap between consumers and businesses, fostering engagement and interaction.

Our Infrastructure

Outreach: The Power of Print

In a nation marked by diverse demographics and varying levels of internet connectivity, our reach extends far beyond the digital realm. Recognizing that not everyone is online, we remain firmly rooted in the power of print. Physical Yellow Pages directories continue to play a vital role in connecting rural customers with businesses, making it a potent marketing platform. This extends beyond the older generation, as even in regions where digital connectivity is limited, these directories maintain their value.

Adapting and Innovating: Embracing the Digital Shift

While our heritage lies in print, we acknowledge the vast opportunities presented by the internet and the ubiquity of Android and iOS devices. In a world of ever-changing demands, Yellow Online and our suite of apps provide comprehensive information about businesses, fulfilling customers' needs with precision. Embracing both print and digital, Fiji Directories has emerged as a versatile media marketing force.

Our infrastructure has evolved to cater to the dynamic needs of consumers and businesses. Our print books offer a variety of advertising formats that suit diverse objectives and budgets.

With meticulous data compilation by our local team and offshore production, highest quality is always delivered as a final product. Moreover, our commitment to sustainability remains strong – the paper used in our print books is traceable, sustainable, and recyclable.

Empowering Businesses and Consumers Through Technology

Yellow Online, our digital offering, stands as a testament to our adaptability. With various packages available – from free listings to gold packs, sponsored links, and featured business options – businesses can customize their online presence. Notably, our listings facilitate higher visibility on Google search results, augmenting businesses' digital presence. Our Yellow Pages Fiji @ Mobile App, available on Play Store (Android) and the App Store (iOS), encapsulates our commitment to embracing the digital age.

Substantial upgrades to our IT infrastructure mark a step forward in enhancing our technological capabilities. New servers, switches, email migration to O365, offsite disaster recovery solutions, and advanced security measures are indicative of our dedication to safeguarding our operations and customer data.

Our Valued Team

Diversity, inclusivity, and respect form the bedrock of our organizational culture. Our team is a blend of cultures, beliefs, backgrounds, and experiences. This rich tapestry enables us to better serve our customers, understand their needs, and foster a collaborative environment that nurtures and promote both professional and personal growth.

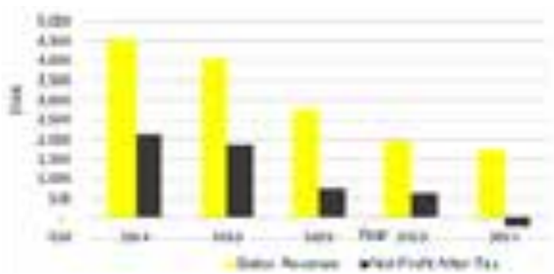
Financial Highlights: Navigating Challenges

While navigating the complexities of a changing market, our financial performance demonstrates resilience. A 13.05% decrease in total revenue for the fifteen-month period ending 30 June, 2023.

Board and Management are reconsidering this business and working on a business restructure plan.

The EBITDA for the fifteen-month period ended 30 June 2023 was 8.27% of total revenues. The EBITDA declined to $651k or 37.33% of revenues for the year ended 30 June, 2023, compared to $947k or 45.99% of total revenues for the same period last year.

Sales Revenue and Net Profit After Tax



Charting the Course Ahead

Our long-term success pivots on expanding and retaining our customer base while ensuring growth and stability in digital revenue. We are focused on slowing the rate of revenue decline, optimizing capital and operating costs effectiveness, and nurturing a skilled, empowered workforce equipped with technological and sales acumen. Our commitment to sustainability drives us to continuously adapt our approach based on the evolving needs of our customers, people, and communities.

Vodafone ATH Fiji Foundation

VODAFONE ATH FIJI FOUNDATION

Incorporated as a registered charity in 2004, the Vodafone ATH Fiji Foundation was established to advance the corporate social responsibility endeavours of Vodafone Fiji and Amalgamated Telecom Holdings.

The Foundation's focus is on cultivating a philanthropic culture while addressing crucial community needs through ground-breaking initiatives. At the core of the foundation's philosophy lies the firm belief in the transformative potential of mobile communication technology in addressing Fiji's most pressing humanitarian challenges.

A fundamental tenet of the foundation's mission is strategically utilising its human resources and technological capabilities to amplify and replicate positive outcomes. This commitment aligns seamlessly with the overarching vision of fostering a stronger, more resilient, interconnected Vanua.

The Vodafone ATH Fiji Foundation has marked a highly productive year, characterized by advancements in youth empowerment, women's empowerment, and sustainable development across the Pacific region.

The foundation's resolute commitment to fostering empowerment among women and youth and its dedication to sustainable development has remained unwavering.

The Vodafone World of Difference (WoD) initiative in the Pacific region has been pivotal in this progress. Through WoD, the Foundation has persevered but also catalyzed the emergence of novel NGOs and potential programs. This has charted an exciting course for WoD Pacific. The Foundation's board have perceptively identified the potential for replicating and scaling up successful endeavours across the wider Pacific region where Vodafone and ATH maintain a presence.

Our Foundation's achievements and its strategic emphasis on infusing sustainability across all tiers of its initiatives have been reflected in our collaborative projects over the years.

A significant stride in this direction has been the advancement of WoD in the Pacific, facilitated by strategic alliances forged with diverse stakeholders: from the private sector to non-governmental organizations, state entities, and regional networks. Through these collaborative partnerships, the foundation has adeptly aligned its pursuits with the United Nations Sustainable Development Goals, ensuring inclusivity and equity remain at the forefront.

Another crucial undertaking by the Foundation is the establishment of the Pacific International Volunteer Network. This initiative endeavours to enlist young volunteers from USP countries, engage regional sports personalities, and involve ex-staff members of crucial stakeholder NGOs to contribute their expertise to Pacific nations temporarily.

These synergistic collaborations have generated a multiplier effect that empowers local communities and propels sustainable action together.

We have seen the Vodafone ATH Fiji Foundation embark on a remarkable journey, creating numerous innovative spinoff programs and strategic initiatives. Each initiative serves as an agent of transformation and empowerment, generating ripples of change and positive impact for years ahead.

Among these inspiring projects, LustreLens Fiji has emerged, wielding the power of photography and visual storytelling while fostering empowerment in countless lives. Philanthropy Pacific is another initiative fostering philanthropic passions throughout the region. Further magnifying our impact, Sexual Health Fiji and VitalityPlus channel their energies into advocating sexual health and overall well-being for a thriving Fiji.

Yet, our Foundation's transformative impact is not confined to these initiatives, our collaboration with trusted charity partners, a number of inspiring initiatives have been launched: Northern Horizon, Equalize Gender Diversity, Ability Sports, ProActive Sports Wellness, AbilityRugby Network, e-Enable Charities, Humanity Inclusive Fiji, Professional Volunteer Pacific, Family Action Fiji, Save Fiji/ Pacific, Fund Fiji: UnityRise for Good Cause, VanuaConnect Fiji, BulaBrands, ClimaConnect: Empowering Climate Action in Fiji and the Pacific.

Together, these extraordinary initiatives address the multifaceted aspects of our mission, each with its own distinct focus. There is a cascade of connections spanning across the Pacific and beyond, with lives being uplifted, communities being empowered, and ripple effects impacting individuals and communities alike. A multiplier effect occurs when each endeavour, partnership, and connection reverberate into an intricate web of change.

Our Foundation's trailblazing efforts continue to serve as catalysts, creating new beginnings and inspiring positive growth and development.

Vodafone World of Difference

Five candidates have been chosen as World of Difference candidates to further their passion for community work, and social, environmental and economic development. The selected team's proficiency promises to amplify recognition and support for WoD Pacific and is a vital step towards NGOs' sustainability.

The WoD team is poised to communicate WoD Pacific's message and to foster engagement among stakeholders both local and international. This calculated approach is designed to stimulate action and forge alliances that lay the groundwork for sustainable development. Strategic investment in the Pacific presents an ideal opportunity for seasoned executives to catalyze positive transformation, harness diverse markets, and bolster brand awareness.

Recognizing the pivotal role of dedicated volunteers in sustaining long-term impact, the selected candidates boast a proven record of mobilizing and engaging volunteers adeptly. Guided by principles of mentorship, training, and recognition, the team is determined to nurture unwavering volunteer commitment, thereby exponentially magnifying the resonance of their initiatives.

The Foundation's selection of WoD candidates' positions it to lead WoD initiatives in the Pacific. It capitalizes on its branding and visibility acumen to garner recognition and bolster support. This team's resolute focus on retaining fervent volunteers through effective mobilization strategies is destined to catalyze its initiatives' enduring triumph.

WoD charities have carved out a striking impact narrative:

- Lifeline Fiji: A lifeline for those in need, addressing emotional well-being concerns, mental health cases, domestic violence, and more. In FY22, Lifeline Fiji answered 4,421 calls, providing crucial support during challenging times.
- Education Initiatives: Fuelling awareness in eight primary schools and five secondary schools, while orchestrating fundraising for clubs and groups, and driving environmental sustainability through collaborative clean-up activities.
- Water Projects: The completion of 20 water projects, valued at $1.2 million, offering clean and safe drinking water to over 3,500 individuals. A testament to partnerships that strengthen community welfare.
- Future Ventures: Demonstrated dedication by securing access to over $1.6 million for forthcoming 2024 projects, underscoring a commitment to expanding impact.
- Hygiene Awareness: Over 600,000 individuals reached through Water, Sanitation, and Hygiene (WASH) campaigns on topics such as women's and menstrual hygiene and global health days, fostering better well-being.
- Community Support: Capacity Building and Story Telling partnership with Rotary saw $100k worth of packages distributed to 30 schools in the Western Division. Raising approximately $8,000 through partnerships, evidencing the commitment to addressing challenges and fostering social empowerment.

These achievements are a testament to the tireless efforts of partners, donors, and passionate team members. As reflections on these milestones stir gratitude, we envision a tomorrow where our resolute dedication to clean water and sustainable solutions continues to transform lives and communities.

Sustainable Funding & Mobile for Good

The Vodafone ATH Fiji Foundation has had a productive year, focusing on various initiatives to address community issues in Fiji. One of their key achievements was securing $5 million worth of mobility devices and medical supplies for Fiji in partnership with the Spinal Injury Association and Physio Net UK. This will greatly benefit the community by providing much-needed support and assistance to those in need.

In addition to these initiatives, the Foundation has been actively involved in various other projects. They have supported Lifeline Fiji's helpline, engaged with youth through various programs, contributed to farming initiatives, and empowered women and young people. They have provided shopping vouchers and dignity packs for women and conducted training sessions on gender-based violence for young men and boys.

The efforts have made a huge impact on addressing community problems in Fiji. The Foundation's financials indicate a $500,000 budget for the year, with $454,809 spent to date. The balance of $45,191 demonstrates responsible financial management and resource allocation to support their initiatives effectively.

Grants Approved and Paid in The Current Financial Year	
Particulars	**FY 2022-2023**
WOD Expenses	
WOD Admin Expenses	183,964
Management and Admin Expenses	2,193
Total WOD Expenses	**186,157**
Double Your Dollar - Donations	
Treasure Home	1,000
Fiji Disabled Peoples Association	1,000
Fiji Association for the Deaf	1,000
Hakwa Foundation	3,000
Northern Charity Alliance	1,000
Philanthropy Pacific	1,000
Save Fiji	3,000
Lifeline Fiji	1,500
Storytelling Fiji	1,000
Western Charity Alliance	2,000
CBST	2,000
Red Cross Society	2,000
Ruve Foundation	1,000
Spinal Injury Association	2,000
Philanthropy Pacific	1,000
Total Double Your Dollar (DYD)	**$23,500**
Mobile for Good	-
Total Mobile for Good	-
Philanthropy Pacific	2,500
Tailevu Provincial Youth Council	2,500
Omega Social Service	5,000
Ruve Foundation	18,000
Rabi Virgin Coconut Oil	20,000
Lifeline Fiji	15,000
Spinal Injury Association	54,000
Northern Charity Alliance	20,000
Xavier College	4,800
Koroinasolo Village School	2,500
Ovalau Volleyball Association	3,000
Udu Point Womens Initiative	5,000
Hakwa Foundation	10,000
Nairara Youth Club	2,500
FAB Tailevu Provincial	5,000
Narukusara Youth Club	2,500
Vuabale Catering	2,500
Lifeline Fiji	5,000
Capacity Building & Storytelling	27,762
Kaleli Youth and Sports	5,000
Nabuli Womens Club	2,500
United Blind Persons Fiji	23,090
TeiTei Taveuni	7,000
Total Sustainable Funding	**$245,152**
Total Donations	**$454,809**

ATH

Group of Companies

and Subsidiary Companies

Financial Statements for the 15 Month Period Ended 30 June 2023

Contents

DIRECTORS' REPORT

In accordance with a resolution of the board of directors, the directors herewith submit the consolidated statement of financial position of Amalgamated Telecom Holdings Limited ("the Holding Company") and its subsidiary companies ("the Group", individually referred to as "group entities", see note 31 for investments in subsidiaries) as at 30 June 2023, the related consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the period then ended and report as follows:

Directors
The following were directors of the Holding Company at any time during the financial period and up to the date of this report:

Ms Kalpana Lal – Chairperson – Resigned 3 March 2023
Mr Daksesh Patel – Interim Chairperson – Appointed 3 March 2023
Mr Joweli Taoi – Appointed 3 March 2023
Mr Attar Singh – Appointed 3 March 2023
Mrs Tanya Waqanika – Appointed 25 April 2023
Mr Peter Chan – Appointed 25 April 2023
Mr Vilash Chand – Appointed 20 October 2022
Mr Viliame Vodonaivalu
Mr Taito Waqa – Resigned 3 March 2023
Mr Umarji Musa – Resigned 1 March 2023
Mr David Kolitagane – Resigned 20 October 2022
Ms Tupou'tuah Baravilala – Resigned 6 March 2023
Mr Pravinesh Singh – Resigned 3 March 2023

Principal Activities
The principal activity of the Group during the period were the provision of telecommunications services. The principal activities of the operating subsidiary companies were as follows:

Entity	Principal Activities
Telecom Fiji Pte Limited	Telecommunication, Information and Communications Technology (ICT) and data services, post and pre-paid telephony services, sale of telephone equipment, sale of office and computer equipment, provision of internet related services and selling of prepaid transactions cards.
Vodafone Fiji Pte Limited including its subsidiaries, Datec (Fiji) Pte Limited and its subsidiary, Datec Australia Pty Limited, Digitec ICT Limited (PNG), Etech ICT Pte Limited (Singapore) and Etech ICT Pty Limited (Australia).	Cellular mobile telecommunication services, cloud services, e-transport, other ancillary services on mobile platform and sale of computer hardware and software, ICT services, equipment rental, provision of technical support and other related services provided within the technology industry.
Fiji International Telecommunications Pte Limited (FINTEL)	International telecommunications facilities and provision of Internet related services.
Fiji Directories Pte Limited	Compiling and publishing online and print Fiji telephone directory services.
Amalgamated Telecom Holdings (Kiribati) Limited	Telecommunications and ICT services in the Republic of Kiribati.
Telecom Vanuatu Limited	Telecommunication services in the Republic of Vanuatu.
Amalgamated Bluesky Telecom Holdings LLC and its subsidiary companies including AST Telecom LLC, American Samoa Entertainment Inc., Bluesky Samoa Limited, Telecom Cook Islands Limited, TCNZ Cook Islands Limited, Teleraro Limited, Bluesky Pacific Holdings Limited, Bluesky Cook Islands Investment Limited, Bluesky Holding New Zealand Limited and Teleraro Management Limited	Equity investments, provision of mobile wireless (GSM) and broadband internet services, provision of telecommunication services which includes local and international telecommunications services, sale of telephone equipment, compilation and publishing of telephone directory, provision of internet connection and internet related services, operation of a mobile and fixed line telecommunications network and provision of cable services and internet.
eLandia Technologies, LLC and its subsidiary companies including American Samoa Hawaii Cable LLC and Samoa American Samoa Cable Limited	Equity investments, operation of an undersea fibre optic cable system and the sale of broadband capacity.
ATH International Venture Pte Limited and its subsidiary company including Digitec Communications Limited (PNG)	Equity investments and telecommunication services.

Principal Activities (cont'd)
There were no significant changes in the nature of principal activities of the Group during the financial period.

Results

The consolidated loss after income tax attributable to the members of the Holding Company for the fifteen month period ended 30 June 2023 was $11,681,000 (for the period 1 April 2021 to 31 March 2022: consolidated profit after income tax attributable to the members of the Holding Company of $34,818,000).

Dividends

Interim dividends of $9,572,000 were declared by the Holding Company for the fifteen month period ended 30 June 2023 (for the period 1 April 2021 to 31 March 2022: $9,572,000).

Final dividends of $11,965,000 were proposed by the Holding Company for the period ended 30 June 2023 (for the period 1 April 2021 to 31 March 2022: $NIL).

Basis of Accounting - Going Concern

The financial statements of the Group have been prepared on a going concern basis. The directors consider the application of the going concern principle to be appropriate in the preparation of these consolidated financial statements as the directors believe that the Group has adequate funds to meet its liabilities as and when they fall due over the next twelve months.

Bad Debts and Allowance for Expected Credit Loss

Prior to the completion of the financial statements of the Group, the directors took reasonable steps to ascertain that action had been taken in relation to writing off of bad debts and the making of allowance for expected credit loss. In the opinion of the directors, adequate allowance has been made for expected credit loss.

As at the date of this report, the directors are not aware of any circumstances, which would render the amount written off for bad debts, or the allowance for expected credit loss in the Group, inadequate to any substantial extent.

Current and Non-Current Assets

Prior to the completion of the financial statements of the Group, the directors took reasonable steps to ascertain whether any current and non-current assets were unlikely to realise in the ordinary course of business their values as shown in the accounting records of the Group. Where necessary, these assets have been written down or adequate allowance has been made to bring the values of such assets to an amount that they might be expected to realise.

As at the date of this report, the directors are not aware of any circumstances, which would render the values attributed to current and non-current assets in the Group's financial statements misleading.

Unusual Transactions

In the opinion of the directors, the results of the operations of the Group during the financial period were not substantially affected by any item, transaction or event of a material unusual nature, nor has there arisen between the end of the financial period and the date of this report, any item, transaction or event of a material unusual nature, likely in the opinion of the directors, to affect substantially the results of the operations of the Group in the current financial period.

Significant Events during the Period

(a) On 22 April 2022, the Group launched its new mobile broadband telecommunications network in PNG.
(b) In accordance with Income Tax (Rates of Tax and Levies) (Amendment) Regulations 2023, commencing from financial year ending 30 June 2024 (tax year 2023), all Fiji based companies in the group will be subject to corporate income tax at the rate of 25%. Accordingly, the current corporate income tax rate of 10% for listed companies and 20% for unlisted companies will increase to 25% from financial year ending 30 June 2024.
(c) During the current financial period, the subsidiary company, Vodafone Fiji Pte Limited, acquired the remaining 49% shares in Digitec ICT Limited, Etech ICT Pte Limited and Etech ICT Pty Limited.

Events Subsequent to Balance Date

There has not arisen in the interval between the end of the financial period and the date of this report any item, transaction or event of a material and unusual nature likely to affect significantly the operations of the Group, the results of those operations, or the state of the affairs of the Group, in subsequent financial periods.

Other Circumstances

As at the date of this report:

(i) no charge on the assets of any company in the Group has been given since the end of the financial period to secure the liabilities of any other person;

(ii) no contingent liabilities have arisen since the end of the financial period for which any company in the Group could become liable; and

(iii) no contingent liabilities or other liabilities of any company in the Group have become or are likely to become enforceable within the period of twelve months after the end of the financial period which, in the opinion of the directors, will or may substantially affect the ability of the Group to meet its obligations as and when they fall due.

As at the date of this report, the directors are not aware of any circumstances that have arisen, not otherwise dealt with in this report or the Group's financial statements which would make adherence to the existing method of valuation of assets or liabilities of the Group misleading or inappropriate.

Directors' Benefits

Since the end of the previous financial period, no director has received or become entitled to receive a benefit (other than benefits disclosed in the financial statements and / or those included in the aggregate amount of emoluments received or due and receivable by directors shown in the consolidated financial statements or received as the fixed salary of a full-time employee of any company in the Group or of a related corporation) by reason of a contract made by any company in the Group or by a related corporation with the director or with a company of which the director is a member, or with a company in which the director has a substantial financial interest.

For and on behalf of the board and in accordance with a resolution of the board of directors.

Dated this 31st day of October 2023.

.... Director

.... Director

DIRECTORS' DECLARATION

In the opinion of the directors of the Holding Company:

a) the accompanying consolidated statement of profit or loss and other comprehensive income of the Group is drawn up so as to give a true and fair view of the results of the Group for the fifteen month period ended 30 June 2023;

b) the accompanying consolidated statement of financial position of the Group is drawn up so as to give a true and fair view of the state of the affairs of the Group as at 30 June 2023;

c) the accompanying consolidated statement of changes in equity of the Group is drawn up so as to give a true and fair view of the movement in shareholders' funds for the fifteen month period ended 30 June 2023;

d) the accompanying consolidated statement of cash flows of the Group is drawn up so as to give a true and fair view of the cash flows of the Group for the fifteen month period ended 30 June 2023;

e) at the date of this statement, there are reasonable grounds to believe that the group entities will be able to pay their debts as and when they become due and payable;

f) all related party transactions have been adequately recorded in the books of the group entities; and

g) the consolidated financial statements have been prepared in accordance with the Companies Act 2015.

For and on behalf of the board and in accordance with a resolution of the board of directors.

Dated this 31st day of October 2023.

....	....
Director	Director

Lead Auditor's Independence Declaration under Section 395 of the Companies Act 2015

To the Directors of Amalgamated Telecom Holdings Limited

I declare that, to the best of our knowledge and belief, in relation to the audit of Amalgamated Telecom Holdings Limited for the 15 month period ended 30 June 2023, there have been:

i. no contraventions of the auditor independence requirements as set out in the *Companies Act 2015* in relation to the audit; and

ii. no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG
KPMG

Steve Nutley
Partner

Suva, Fiji
31 October, 2023

Independent Auditor's Report

To the shareholders of Amalgamated Telecom Holdings Limited

Report on the audit of the Financial Report

Opinion

We have audited the ***Financial Report*** of Amalgamated Telecom Holdings Limited (the Company).

In our opinion, the accompanying Financial Report of the Company is in accordance with the *Companies Act 2015*, including:

- giving a true and fair view of the ***Group's*** financial position as at 30 June 2023 and of its financial performance for the 15 month period ended on that date; and
- complying with *International Financial Reporting Standards*.

The ***Financial Report*** of the Group comprise:

- Consolidated statement of financial position as at 30 June 2023;
- Consolidated statement of profit or loss and other comprehensive income, Consolidated statement of changes in equity, and Consolidated statement of cash flows for the 15 month period then ended; and
- Notes including a summary of significant accounting policies.

The ***Group*** consists of Amalgamated Telecom Holdings Limited (the Company) and the entities it controlled at the period end or from time to time during the financial period.

Basis for opinion

We conducted our audit in accordance with the *International Standards on Auditing*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Group in accordance with the ethical requirements of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), together with the *Companies Act 2015* and the ethical requirements that are relevant to our audit of the Financial Report in Fiji. We have fulfilled our other ethical responsibilities in accordance with these requirements.

We confirm that we have remained independent as required by the Code throughout the period of our audit and to the date of this Auditor's Report.

KPMG

Key Audit Matters

The ***Key Audit Matters*** we identified are:

- Valuation of goodwill; and
- Revenue recognition.

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Report of the current period.

These matters were addressed in the context of our audit of the Financial Report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of goodwill ($134,064K)	
Refer to Note 15(a) to the Financial Report	
The key audit matter	**How the matter was addressed in our audit**
A key audit matter for us was the Group's annual testing of goodwill for impairment, given the size of the balance (being 7% of total assets), and certain conditions impacting the Group that increased the judgement applied by us when evaluating the evidence available. We focussed on the significant forward-looking assumptions the Group applied in their value in use and fair value less costs of disposal models, including: ▪ forecast cash flows – the Group has experienced growth because of post-COVID-19 economic recovery. The uncertainty of continued economic growth increases the possibility of goodwill being impaired, plus the risk of inaccurate forecasts or a significantly wider range of possible outcomes for us to consider. ▪ forecast capital expenditure - the Group incurs significant capital investment annually. For value in use models, the Group's accounting policy is to only include future capital expenditure that will maintain the Cash Generating Unit's (CGU's) performance in the cash flow estimates. Our testing focussed on this. ▪ forecast growth rates and terminal growth rates – In addition to the uncertainties described above, the	Working with our valuation specialists, our procedures included: ▪ considering the appropriateness of the value in use and fair value less costs of disposal methods applied by the Group to perform the annual test of goodwill for impairment against the requirements of the accounting standards. ▪ assessing the integrity of the value in use and fair value less costs of disposal models used, including the accuracy of the underlying formulas. ▪ considering the sensitivity of the models by varying key assumptions, such as forecast growth rates, terminal growth rates and discount rates, within a reasonably possible range. We did this to identify those CGUs at higher risk of impairment and those assumptions at higher risk of bias or inconsistency in application and to focus our further procedures. ▪ comparing the forecast cash flows and capital expenditure contained in the value in use and fair value less costs of disposal models to Board approved forecasts. This included understanding the nature of each capital expenditure to distinguish maintenance capital expenditure from expansionary capital expenditure for purposes of the value in use models.

Group's models are highly sensitive to small changes in these assumptions, reducing available headroom and indicating possible impairment. This drives additional audit effort specific to their feasibility and consistency of application to the Group's strategy. ▪ discount rate – these are complicated in nature and vary according to the conditions and environment the specific CGU is subject to from time to time, together with the model's approach to incorporating risks into the cash flows or discount rates. The Group's modelling is highly sensitive to small changes in the discount rate. The Group uses complex models to perform their annual testing of goodwill for impairment. The models are largely manually developed, use adjusted historical performance, and a range of internal and external sources as inputs to the assumptions. The Group has not met prior forecasts, raising our concern for reliability of current forecasts. Complex modelling, using forward-looking assumptions tend to be prone to greater risk for potential bias, error and inconsistent application. These conditions necessitate additional scrutiny by us, in particular to address the objectivity of sources used for assumptions, and their consistent application. We involved valuation specialists to supplement our senior audit team members in assessing this key audit matter.	▪ assessing the accuracy of previous Group forecasts to inform our evaluation of forecasts incorporated in the models. ▪ challenging the Group's significant forecast cash flow and growth assumptions in light of the expected continuation of economic growth. We compared key events to the Board approved plan and strategy. We applied increased scepticism to forecasts in the areas where previous forecasts were not achieved. We used our knowledge of the Group, their past performance, business and customers, and our industry experience. ▪ checking the consistency of the growth rates to the Group's stated plan and strategy, past performance of the Group, and our experience regarding the feasibility of these in the industry and economic environment in which it operates in. ▪ independently developing a discount rate range considered comparable using publicly available information for comparable entities, adjusted by risk factors specific to the Group, and the respective countries and industry it operates in. ▪ compared the implied multiples from comparable market transactions to the relevant multiples from the Group's valuations. ▪ assessing the disclosures in the financial report using our understanding obtained from our testing and against the requirements of the accounting standards.

Revenue recognition ($960,392K)	
Refer to Note 3.1 and 6 to the Financial Report	
The key audit matter	**How the matter was addressed in our audit**
Revenue recognition was a key audit matter due to the: ▪ Group having complex billing systems to process large volumes of data relating to a combination of different telecommunication products and services, and price changes during the period. This increases the complexity of our audit, which together with the involvement of our IT specialists, resulted in increased audit effort. ▪ significance of revenue to the financial performance of the Group.	Our procedures included: ▪ evaluating the appropriateness of the Group's accounting policies for revenue recognition against the requirements of the accounting standards. ▪ assessing, with the assistance of our IT specialists, the Group's: o key internal controls in the IT environment in which the business systems operate, including access to program controls, program change controls, program development controls and computer operation controls; o key internal IT controls in relation to the end-to-end reconciliation from the rating and billing systems to the accounting general ledger. ▪ testing the key controls related to the authorisation of rate changes in the billing systems; ▪ evaluating the calculation control used to determine amounts billed to customers. ▪ testing the end-to-end reconciliation from the Group's billing systems to the general ledger. This included analysing significant reconciling journal entries processed between the billing system and general ledger to relevant underlying documentation, such as customer signed contracts. ▪ assessing a sample of new plans introduced during the current period to consider the application of revenue recognition in accordance with the Group’s accounting policies. ▪ performing sample tests on the accuracy of customer bill generation by comparing customer rate and charge plans

	information therein to information such as customer terms and conditions contained in their contracts. ▪ forming an expectation of prepaid revenue for each month of the financial period, by applying a factor of prepaid revenue as a percentage of cash collected through top-ups in comparable prior periods to cash collected through top-ups during the financial period. ▪ comparing a sample of the top–ups during the financial period to cash receipts. ▪ comparing a sample of the sales transactions on either side of the balance sheet date and a sample of credit notes issued after period end to relevant underlying documentation such as customer contracts, to check the timing of revenue recognition. ▪ assessing the disclosures in the financial report using our understanding obtained from our testing and against the requirements of the accounting standards.

Other Information

Other Information is financial and non-financial information in Amalgamated Telecom Holdings Limited's annual report and directors' report which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information. When we read the annual report and directors' report, if we conclude that there is a material misstatement therein of this Other Information, we are required to communicate that fact. Based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- preparing the Financial Report that give a true and fair view in accordance with *International Financial Reporting Standards* and the *Companies Act 2015;*

- implementing necessary internal control to enable the preparation of a Financial Report that give a true and fair view and are free from material misstatement, whether due to fraud or error; and
- assessing the Group and Company's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Group and Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- to obtain reasonable assurance about whether the Financial Report as a whole is 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 *International Standards on Auditing* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They 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 the Financial Report.

As part of the audit in accordance with the *International Standards on Auditing*, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Report, 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 opinions. 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 controls.
- 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' 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 Group'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 Report 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Report, including the disclosures, and whether the Financial Report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Financial Report. We are

responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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 the audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Report of the current period and are therefore the Key Audit Matters. We describe these matters in our report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

In our opinion:

- proper books of account have been kept by the Company, sufficient to enable financial statements to be prepared, so far as it appears from our examination of those books; and
- to the best of our knowledge and according to the information and explanations given to us the financial statements give the information required by the *Companies Act 2015*, in the manner so required.

KPMG

Steve Nutley
Partner

Suva, Fiji
31 October 2023

AMALGAMATED TELECOM HOLDINGS LIMITED AND SUBSIDIARY COMPANIES

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FIFTEEN MONTH PERIOD ENDED 30 JUNE 2023

	Note	For the period 1 April 2022 to 30 June 2023 $'000	For the period 1 April 2021 to 31 March 2022 $'000
Revenue	6	960,392	640,654
Direct costs	7	(390,848)	(252,677)
Gross profit		569,544	387,977
Other income	8	12,826	10,021
Impairment loss on trade receivables and contract assets recognised, net	20(c)	(2,848)	(2,003)
Marketing and promotion expenses		(29,778)	(14,955)
Other expenses	11	(518,872)	(305,658)
Operating profit		30,872	75,382
Finance income	10	19,257	17,165
Finance costs	10	(53,078)	(23,422)
Net finance costs		(33,821)	(6,257)
(Loss)/profit before tax		(2,949)	69,125
Income tax benefit/(expense)	12(a)	7,786	(13,271)
Profit		4,837	55,854
Other comprehensive expense			
Items that are or may be reclassified subsequently to profit or loss			
Foreign operations - foreign currency translation differences		9,919	(2,291)
Other comprehensive expense, net of tax		9,919	(2,291)
Total comprehensive (expense)/income		14,756	53,563

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

AMALGAMATED TELECOM HOLDINGS LIMITED AND SUBSIDIARY COMPANIES

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME [CONT'D] FOR THE FIFTEEN MONTH PERIOD ENDED 30 JUNE 2023

	Note	For the period 1 April 2022 to 30 June 2023 $'000	For the period 1 April 2021 to 31 March 2022 $'000
(Loss)/profit attributable to:			
Equity holders of the Holding Company		11,681	34,818
Non-controlling interests	17	(6,844)	21,036
		4,837	55,854
Total comprehensive (expense)/income attributable to:			
Equity holders of the Holding Company		22,247	32,576
Non-controlling interests	17	(7,491)	20,987
		14,756	53,563
Earnings per share			
- Basic and diluted earnings per share (cents per share)	13	2.44	7.38

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

AMALGAMATED TELECOM HOLDINGS LIMITED AND SUBSIDIARY COMPANIES

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FIFTEEN MONTH PERIOD ENDED 30 JUNE 2023

	Attributable to equity holders of the Holding Company							
	Share capital $'000	Foreign currency translation reserve $'000	Merger reserve $'000	Other equity reserve $'000	Retained earnings $'000	Total $'000	Non-controlling interests $'000	Total equity $'000
Balance as at 1 April 2021	**159,214**	**(1,812)**	**4,519**	**-**	**238,938**	**400,859**	**148,872**	**549,731**
Total comprehensive income								
Profit	-	-	-	-	34,818	34,818	21,036	55,854
Other comprehensive expense	-	(2,242)	-	-	-	(2,242)	(49)	(2,291)
Total comprehensive income	-	(2,242)	-	-	34,818	32,576	20,987	53,563
Transactions with owners of the Holding Company								
Contributions and distributions								
Issues of ordinary shares	61,356	-	-	-	-	61,356	-	61,356
Dividends (Note 27)	-	-	-	-	(9,572)	(9,572)	(20,889)	(30,461)
Total contributions and distributions	61,356	-	-	-	(9,572)	51,784	(20,889)	30,895
Changes in ownership interests								
Acquisition of non-controlling interests (Note 31)	-	-	-	(6,327)	-	(6,327)	(5,074)	(11,401)
Total changes in ownership interests	-	-	-	(6,327)	-	(6,327)	(5,074)	(11,401)
Total transaction with owners of the Holding Company	61,356	-	-	(6,327)	(9,572)	45,457	(25,963)	19,494
Balance as at 31 March 2022	**220,570**	**(4,054)**	**4,519**	**(6,327)**	**264,184**	**478,892**	**143,896**	**622,788**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY [CONT'D]
FOR THE FIFTEEN MONTH PERIOD ENDED 30 JUNE 2023

	Attributable to equity holders of the Holding Company							
	Share capital $'000	Foreign currency translation reserve $'000	Merger reserve $'000	Other equity reserve $'000	Retained earnings $'000	Total $'000	Non-controlling interests $'000	Total equity $'000
Balance as at 1 April 2022	220,570	(4,054)	4,519	(6,327)	264,184	478,892	143,896	622,788
Total comprehensive expense								
(Loss)/profit	-	-	-	-	11,681	11,681	(6,844)	4,837
Other comprehensive (expense)/income	-	10,566	-	-	-	10,566	(647)	9,919
Total comprehensive (expense)/income	-	10,566	-	-	11,681	22,247	(7,491)	14,756
Transactions with owners of the Holding Company								
Contributions and distributions								
Dividends (Note 27)	-	-	-	-	(21,537)	(21,537)	(25,457)	(46,994)
Total contributions and distributions	-	-	-	-	(21,537)	(21,537)	(25,457)	(46,994)
Changes in ownership interests								
Issues of ordinary shares (Note 33)	-	-	-	-	-	-	207,957	207,957
Application of the anticipated acquisition method to the put option (Note 31(e))	-	-	-	-	-	-	(56,508)	(56,508)
Acquisition of non-controlling interests in Digitec ICT Limited, Etech ICT Pte Limited and Etech ICT Pty Limited (Note 31(b))	-	-	(6,936)	-	-	(6,936)	(42,545)	(49,481)
Acquisition of non-controlling interests in Digitec Communications Limited (Note 31(f))	-	-	-	(17,449)	-	(17,449)	12,312	(5,137)
Acquisition of non-controlling interests in Bluesky SamoaTel Investments Limited (Note 31(d))	-	-	-	(436)	-	(436)	-	(436)
Changes in the carrying amount of the put liability (Note 31(e))	-	-	-	(8,555)	-	(8,555)	-	(8,555)
Total changes in ownership interests	-	-	(6,936)	(26,440)	-	(33,376)	121,216	87,840
Total transaction with owners of the Holding Company	-	-	(6,936)	(26,440)	(21,537)	(54,913)	95,759	40,846
Balance as at 30 June 2023	**220,570**	**6,512**	**(2,417)**	**(32,767)**	**254,328**	**446,226**	**232,164**	**678,390**

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

AMALGAMATED TELECOM HOLDINGS LIMITED AND SUBSIDIARY COMPANIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023

	Note	30 June 2023 $'000	31 March 2022* $'000
Assets			
Non-current assets			
Deferred tax assets	12(b)	68,490	30,366
Property, plant and equipment	14	974,563	759,297
Intangible assets	15	183,535	181,060
Right of use assets	16(a)	134,717	94,869
Trade and other receivables and contract assets	20	3,025	3,059
Equity investment securities		2,835	2,741
		1,367,165	1,071,392
Current assets			
Inventories	18	68,204	58,826
Debt investment securities	19	7,783	18,315
Trade and other receivables and contract assets	20	174,836	130,137
M-PAiSA trust account - restricted cash	21	74,960	74,915
Cash and cash equivalents	21	201,300	116,302
		527,083	398,495
Total assets		**1,894,248**	**1,469,887**
Shareholders' equity and liabilities			
Shareholders' equity			
Share capital	22	220,570	220,570
Foreign currency translation reserve	23	6,512	(4,054)
Merger reserve	31(b)	(2,417)	4,519
Other equity reserve	31(c)(d)(e)	(32,767)	(6,327)
Retained earnings		254,328	264,184
Equity attributable to the owners of the Holding Company		446,226	478,892
Equity attributable to non-controlling interests	17	232,164	143,896
Total shareholders' equity		678,390	622,788
Liabilities			
Non-current liabilities			
Deferred tax liabilities	12(c)	12,861	26,618
Lease liabilities	16(b)	68,163	68,825
Borrowings	24	580,106	256,701
Provisions	25	466	685
Trade and other payables	26	6,111	4,100
		667,707	356,929

* See Note 2(h) for details of changes in accounting policy.

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION [CONT'D]
AS AT 30 JUNE 2023

	Note	30 June 2023 $'000	31 March 2022* $'000
Current liabilities			
E-value in circulation	4.1(c)	74,960	74,915
Current tax liability	12(d)	21,343	9,672
Lease liabilities	16(b)	15,849	9,875
Borrowings	24	70,139	93,013
Provisions	25	7,283	5,158
Trade and other payables	26	293,512	283,119
Put liability	31(e)	65,065	-
Contingent consideration payable	33	-	14,418
		548,151	490,170
Total liabilities		1,215,858	847,099
Total shareholders' equity and liabilities		**1,894,248**	**1,469,887**

For and on behalf of the board and in accordance with a resolution of the board of directors.

Director

Director

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

AMALGAMATED TELECOM HOLDINGS LIMITED AND SUBSIDIARY COMPANIES

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FIFTEEN MONTH PERIOD ENDED 30 JUNE 2023

	For the period 1 April 2022 to 30 June 2023 $'000	For the period 1 April 2021 to 31 March 2022 $'000
Cash flows from operating activities		
Receipts from customers and others	948,131	687,432
Payments to suppliers and employees	(753,399)	(507,746)
Cash generated from operating activities	194,732	179,686
Interest received	3,820	917
Interest paid	(35,053)	(20,905)
Income taxes paid	(29,942)	(20,401)
Net cash from operating activities	133,557	139,297
Cash flows from investing activities		
Acquisition of property, plant and equipment	(375,564)	(188,952)
Acquisition of intangible assets	(13,877)	(4,405)
Proceeds from sale of property, plant and equipment	4,332	1,313
Acquisition of non-controlling interest	(1,592)	-
Redemption of/(payment for) debt investment securities	13,764	(2,993)
Net cash used in investing activities	(372,937)	(195,037)
Cash flows from financing activities		
Dividends paid to equity holders of the Holding Company	(16,611)	(2,533)
Dividends paid to non-controlling interests	(36,460)	(16,932)
Repayment of borrowings	(47,071)	(44,429)
Proceeds from borrowings	334,708	103,048
Proceeds from share issue	110,646	61,356
Payment of lease liabilities	(12,915)	(10,652)
Net cash from/(used in) financing activities	332,297	89,858
Net change in cash and cash equivalents	92,917	34,118
Cash and cash equivalents at the beginning of the financial period	112,080	79,351
Effect of movements in exchange rates on cash held	(4,346)	(1,389)
Cash and cash equivalents at the end of the financial period (Note 21)	200,651	112,080

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

NOTE 1. GENERAL INFORMATION

a) Reporting entity

Amalgamated Telecom Holdings Limited (the Holding Company) is a limited liability company incorporated and domiciled in Fiji. The Holding Company is listed on the South Pacific Stock Exchange. The Holding Company's registered office and principal place of business is at Harbour Front Building, Rodwell Road, Suva.

b) Consolidated financial statements

The consolidated financial statements for the fifteen month period ended 30 June 2023 comprise the Holding Company and its subsidiaries (together referred to as "the Group", individually referred to as "group entities").

The financial year end for the Group has changed from March to June. Accordingly, these consolidated financial statements are for the 15 months period ended 30 June 2023. The results for the 15 months period ended 30 June 2023 are not entirely comparable to the prior period.

c) Parent company

The Holding Company's parent company is Fiji National Provident Fund (FNPF), a defined contribution superannuation fund domiciled in Fiji.

d) Principal activities

The principal activity of the Group during the period were the provision of telecommunications services. The principal activities of the operating subsidiary companies were as follows:

Entity	Principal Activities
Telecom Fiji Pte Limited	Telecommunication, ICT and data services, post and pre-paid telephony services, sale of telephone equipment, sale of office and computer equipment, provision of internet related services and selling of prepaid transactions cards.
Vodafone Fiji Pte Limited including its subsidiaries, Datec (Fiji) Pte Limited and its subsidiary, Datec Australia Pty Limited, Digitec ICT Limited (PNG), Etech ICT Pte Limited (Singapore) and Etech ICT Pty Limited (Australia).	Cellular mobile telecommunication services, cloud services, e-transport, other ancillary services on mobile platform and sale of computer hardware and software, ICT services, equipment rental, provision of technical support and other related services provided within the technology industry.
Fiji International Telecommunications Pte Limited (FINTEL)	International telecommunications facilities and provision of Internet related services.
Fiji Directories Pte Limited	Compiling and publishing online and print Fiji telephone directory services.
Amalgamated Telecom Holdings (Kiribati) Limited	Telecommunications and ICT services in the Republic of Kiribati.
Telecom Vanuatu Limited	Telecommunication services in the Republic of Vanuatu.
Amalgamated Bluesky Telecom Holdings LLC and its subsidiary companies including AST Telecom LLC, American Samoa Entertainment Inc., Bluesky Samoa Limited, Telecom Cook Islands Limited, TCNZ Cook Islands Limited, Teleraro Limited, Bluesky Pacific Holdings Limited, Bluesky Cook Islands Investment Limited, Bluesky Holding New Zealand Limited and Teleraro Management Limited	Equity investments, provision of mobile wireless (GSM) and broadband internet services, provision of telecommunication services which includes local and international telecommunications services, sale of telephone equipment, compilation and publishing of telephone directory, provision of internet connection and internet related services, operation of a mobile and fixed line telecommunications network and provision of cable services and internet.
eLandia Technologies, LLC and its subsidiary companies including American Samoa Hawaii Cable LLC and Samoa American Samoa Cable Limited	Equity investments, operation of an undersea fibre optic cable system and the sale of broadband capacity.
ATH International Venture Pte Limited and its subsidiary company including Digitec Communications Limited (PNG)	Equity investments and telecommunication services.

There were no significant changes in the nature of principal activities of the Group during the financial period.

NOTE 2. BASIS OF PREPARATION

e) Basis of preparation

The consolidated financial statements of the Group have been prepared on the historical cost basis except for equity investment securities, which are measured on a fair value basis.

f) Statement of compliance

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board and in compliance with the requirements of the Companies Act, 2015.

g) Standards issued but not yet effective

A number of new and amended standards are effective for annual periods beginning after 1 April 2022 and earlier application is permitted; however, the Group has not early adopted the new or amended standards in preparing these consolidated financial statements.

The following new and amended standards and interpretations are not expected to have a significant impact on the Group's consolidated financial statements.

- IFRS 17 Insurance Contracts and amendments to IFRS 17 Insurance Contracts.
- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)
- Definition of Accounting Estimate (Amendments to IAS 8)
- Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction - Amendments to IAS 12 Income Taxes
- Classification of liabilities as current or non-current (Amendments to IAS 1)
- Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)
- Non-current Liabilities with Covenants (Amendments to IAS 1)
- International Tax Reform—Pillar Two Model Rules (Amendments to IAS 12)
- Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)
- Lack of exchangeability (Amendments to IAS 21)

h) New standards and interpretations adopted by the Group

IFRIC Demand Deposits with Restrictions on Use arising from a Contract with a Third Party

In April 2022 IFRIC published an agenda decision on demand deposits with restrictions arising from a contract with a third party. The IFRIC states that restrictions on the use of a demand deposit arising from a contract with a third party do not result in the demand deposit no longer being cash, unless those restrictions change the nature of the demand deposit in a way that is would no longer meet the definition of cash in IAS 7 *Statement of Cash Flows*. The Group's accounting policy has historically been to classify cash related to M-PAiSA trust account as an other financial asset in line with prevailing accounting standards and interpretations. As a result of this agenda decision, the Group is required to retrospectively apply the decision as a change in accounting policy, and instead classify the M-PAiSA trust account as restricted cash.

This has resulted in the classification of the M-PAiSA trust account being restated from an 'other financial asset' to 'restricted cash' in the Consolidated Statement of Financial Position at 31 March 2022. There was no impact to the Consolidated Statement of Profit or Loss and Other Comprehensive Income or the Consolidated Statements of Cash Flows for the year ended 31 March 2022. The new accounting policy is presented in Notes 3.18 and 21.

i) Change in income tax rate

In accordance with Income Tax (Rates of Tax and Levies) (Amendment) Regulations 2023, commencing from financial year ending 30 June 2024 (tax year 2023), all Fiji based companies in the group will be subject to corporate income tax at the rate of 25%. Accordingly, the current corporate income tax rate of 10% for listed companies and 20% for unlisted companies will increase to 25% from financial year ending 30 June 2024. The Income Tax (Rates of Tax and Levies) (Amendment) Regulations 2023 was deemed to be substantively enacted as at 30 June 2023. Accordingly, deferred tax as at period end for all Fiji based companies in the group has been measured at 25% (see note 12).

NOTE 2. BASIS OF PREPARATION (CONT'D)

a) Basis of consolidation

i. Business combinations
The Group accounts for business combinations using the acquisition method when control is transferred to the Group (see 2(d) (ii)). The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment (see 3.8). Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities (see (3.12)).

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

ii. Subsidiaries
Subsidiaries are entities controlled by the Group. The Group 'controls' an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

iii. Non-controlling interests (NCI)
NCI are measured initially at their proportionate share of the acquiree's identifiable net assets at the date of acquisition. Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

iv. Loss of control
When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

v. Interests in equity-accounted investees
The Group's interests in equity-accounted investees comprise interests in associates. Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. Interests in associates are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and OCI of equity accounted investees, until the date on which significant influence ceases.

vi. Transactions eliminated on consolidation
Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

e) Functional and presentation currency

The consolidated financial statements are presented in Fiji dollars, which is the Holding Company's functional currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

NOTE 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the consolidated financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

3.1 Revenue recognition

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control over a product or service to a customer. The following is a description of principal activities from which the Group generates its revenue.

The Group principally generates revenue from providing mobile telecommunication services, such as access to the network, airtime usage, messaging and internet services, sale of mobile devices, retailing of computer hardware and software, technical support services, equipment rental and other related services provided within the technology industry. Products and services may be sold separately or in bundled packages. The typical length of a contract for bundled packages is 24 months.

Revenue recognition with respect to the Group's specific business activities are as follows:

Products and services	Nature, timing of satisfaction of performance obligations and significant payment terms
Fixed line and mobile telecommunication services	Revenue for voice and video calls, messaging and mobile data provided to customers is recognised as services are performed, with unearned revenue from services to be provided in future periods deferred. Revenue from prepaid products and fixed monthly charges billed in advance is deferred and recognised as revenue once the related service has been provided. Revenue from interconnect fees is recognised at the time the services are performed. This is included within call revenue, data network and internet revenue in note 6(B).
M-PAiSA	M-PAiSA is a service allowing customers to transfer money using a mobile phone. This service is provided by the subsidiary company, Vodafone Fiji Pte Limited. A similar service is provided by the subsidiary company, Bluesky Samoa Limited, that enables customers to send and receive money anywhere in Samoa. E-value in circulation represents the outstanding value of money in the customers M-PAiSA account as at period end. M-PAiSA trust account is the equivalent value of cash held by the subsidiary companies, Vodafone Fiji Pte Limited and Bluesky Samoa Limited. Revenue from this service is earned from transfers and withdrawal transactions performed by customers. A tariff that is generated depending on the funds being transacted is applied on all transactions which cumulatively are reported as M-PAiSA transaction commission revenue. Commission revenue is recognised at the time the transfer or withdrawal transactions are performed by the customers. This is included within other sales and services in note 6(B).

NOTE 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.1 Revenue recognition (cont'd)

Products and services	Nature, timing of satisfaction of performance obligations and significant payment terms
Sale of computer hardware, software, mobile devices and terminals	Sales of computer hardware and software which are not part of any bundled package are recognised when a group entity has delivered products to the customer and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Sales of devices and terminals which are not part of any bundled package are recognised when a group entity sells them to the customer. Revenue is recognised at the point the devices and terminals are dispatched from the warehouse to the customer or sold at a group's retail outlet. For bundled packages, the Group accounts for individual products and services separately if they are distinct – i.e. if a product or service is separately identifiable from other items in the bundled package and if a customer can benefit from it. The consideration is allocated between separate products and services in a bundle based on relative their stand-alone selling prices. The stand-alone selling prices are determined based on the list prices at which the Group sells the mobile devices, and telecommunication services separately. This is included within 'computer hardware, software and technical support services revenue' and 'equipment and ancillaries revenue' in Note 6(B).
Sale of technical support services	Revenue from technical support and software development services is generally recognised based on the performance obligations completed to date. The Group measures progress towards complete satisfaction of the performance obligation based on surveys of performance completed to date.
Published and on-line directories	**Published directories** Revenue is recognised upon dispatch of the directories for distribution. Monies collected in advance are deferred. **Online directories** Revenue from contracts in relation to online directory is recognised over the term of the contract. This is included within directory revenue in Note 6(B).
Sale of broadband capacity	Revenue from sale of broadband capacity is recognised over time by measuring the progress toward complete satisfaction of performance obligation to deliver the services. The Group measures progress towards complete satisfaction of the performance obligation based on time elapsed. This is included within data network and internet revenue in note 6(B).
Subscription revenue	Revenue from subscription television services is initially deferred and is recognised over time as revenue in the period(s) that the related services is provided to subscribers. The Group measures progress towards complete satisfaction of the performance obligation based on time elapsed. This is included within data network and internet revenue in note 6(B).

NOTE 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.2 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to be made ready for their intended use or sale, are added to the cost of those assets, until such time as those assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

3.3 Dividend distribution

Dividend distribution to the Holding Company's shareholders is recognised as a liability in the consolidated financial statements in the period in which the dividend is declared by the Holding Company's directors.

Dividend distribution to the non-controlling shareholders of subsidiary companies is recognised as a liability in the consolidated financial statements in the period in which the dividend is declared by the relevant subsidiary companies' directors.

3.4 Property, plant and equipment

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

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in profit or loss. Freehold land is not depreciated.

The annual depreciation rates are as follows:

- Leasehold land	Lease term
- Leasehold buildings and improvements	3% - 20%
- Telecommunications equipment and plant	
- Exchange plant and telecommunications infrastructure	5% - 33%
- Subscriber equipment	5% - 33%
- Trunk network plant	5% - 10%
- Plant and machinery	10% - 25%
- Equipment rental	10% - 25%
- Motor vehicles	20% - 25%
- Furniture, fittings and office equipment	10% - 25%
- Computer equipment	10% - 33%

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

NOTE 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.5 Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in IFRS 16.

As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

NOTE 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.5 Leases (cont'd)

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

IRU network capacity

The subsidiary company, Telecom Fiji Limited, acquired indefeasible rights to use (IRU) network capacity in Southern Cross Cables. As a result, the subsidiary company entered into an agreement with Optus Networks Pty Limited to lease IRU network capacity for IP Transit and STM-1 and STM-4 via Australia and USA links. The subsidiary company has also been entering into an agreement with Optus Network Pty Limited annually for IP Transit.

The subsidiary company, Fiji International Telecommunications Limited, also acquired IRU network capacity in Southern Cross Cables. As a result, the subsidiary company entered into an agreement with Southern Cross Cables Limited to lease IRU network capacity via Australia, USA and New Zealand links until 2030.

The amount recorded under right of use assets represents consideration prepaid to acquire IRU network capacities. The IRU network capacities are amortised over their estimated economic useful lives, as follows:

- IP Transit	33% -100%
- STM-1	6% - 7%
- STM-4	6% - 10%
- SX NXT	5%

The estimated economic useful lives of the IRU network capacities are reviewed, and adjusted if appropriate, at each balance date.

As a lessor

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative standalone prices.

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

NOTE 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.5 Leases (cont'd)

As a lessor (cont'd)

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Group applies IFRS 15 to allocate the consideration in the contract.

The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'revenue'.

3.6 Intangible assets and goodwill

i. Recognition and measurement

a) Goodwill

Goodwill arising on the acquisition of subsidiaries is measured at cost less accumulated impairment losses.

b) Other intangible assets

Other intangible assets, including customer relationships and contracts, that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.

Brands that are acquired in a business combination and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses. Brands that are acquired in a business combination and have indefinite useful lives are measured at cost less accumulated impairment losses.

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Spectrum licences are capitalised on the basis of the costs incurred to acquire the licences. The licences are capable of being used as at the date of purchase, but cannot be used until the associated network assets necessary are available for use.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

iii. Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in profit or loss. Goodwill is not amortised.

The estimated useful lives for current and comparative periods are as follows:

- computer software: 2–5 years
- spectrum licences: shorter of remaining licence rights and estimated economic useful lives
- customer relationships and contracts: 5 years
- brand: 15 months

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

NOTE 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.7 Foreign currency

i. Foreign currency transactions
Transactions in foreign currencies are translated into the respective functional currencies of Group companies at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in profit or loss and presented within finance costs.

ii. Foreign operations
The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into Fiji dollar at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into Fiji dollar at the exchange rates at the dates of the transactions.

Foreign currency differences are recognised in OCI and accumulated in the translation reserve, except to the extent that the translation difference is allocated to NCI.

When a foreign operation is disposed of in its entirety or partially such that control or significant influence is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to NCI. When the Group disposes of only part of an associate while retaining significant influence, the relevant proportion of the cumulative amount is reclassified to profit or loss.

3.8 Impairment of non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than inventories, contract assets and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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 or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, 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.

NOTE 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.9 Government grants

Government grants are initially recognised in the statement of financial position as deferred income at fair value if there is reasonable assurance that they will be received and the Group will comply with the conditions attached with the grant. Grants that compensate the Group for expenses incurred are recognised in profit or loss on a systematic basis in the periods in which the expenses are recognised. Grants that compensate the Group for the cost of an asset are recognised in profit or loss as other income on a systematic basis over the useful life of the asset.

3.10 Income tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI. The Group has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under IAS 37 *Provisions, Contingent Liabilities and Contingent Assets*.

i. Current tax
Current tax comprises the expected tax payable or receivable on the taxable income or loss for the period and any adjustment to the tax payable or receivable in respect of previous periods. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends. Current tax assets and liabilities are offset only if certain criteria are met.

ii. Deferred tax
Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date, and reflects uncertainty related to income taxes, if any.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset only if certain criteria are met.

NOTE 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.11 Value Added Tax (VAT)

Revenues, expenses, assets and liabilities are recognised net of the amount of Value Added Tax (VAT), except:

(a) where the amount of VAT incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or

(b) for receivables and payables which are recognised inclusive of VAT.

The amount of VAT recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

The VAT component of cash flows arising from operating and investing activities which is recoverable from or payable to, the taxation authority is classified as part of operating cash flows.

3.12 Share capital

Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity. Income tax relating to transaction costs of an equity transaction is accounted for in accordance with IAS 12 (see Note 3.10).

3.13 Inventories

Inventories comprise of merchandise, computer hardware, spares, accessories and other consumables, and are measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of selling.

The cost incurred in acquiring the inventories and bringing them to their existing location and condition are accounted using the following formulae:

i) Merchandise and other consumables - first-in-first-out basis.

ii) Computer hardware, spares, accessories and other consumables – weighted average basis.

Inventory obsolescence is considered as part of determining the net realisable value, based on reviews of inventories.

3.14 Financial instruments

i) Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

NOTE 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.14 Financial instruments (cont'd)

ii) Classification and subsequent measurement

Financial assets
On initial recognition, a financial asset is classified as measured at: amortised cost; FVOCI - debt investment; FVOCI - equity investment; or FVTPL. The Company measures term deposits at amortised cost.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and

- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis. The Group has not elected to present subsequent changes in the investment's fair value in OCI.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment
The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:
- The stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- How the performance of the portfolio is evaluated and reported to the Group's management;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- How managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- The frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

NOTE 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.14 Financial instruments (cont'd)

ii) Classification and subsequent measurement (cont'd)

Financial assets: Business model assessment (Cont'd)

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- Contingent events that would change the amount or timing of cash flows;
- Terms that may adjust the contractual coupon rate, including variable rate features;
- Prepayment and extension features; and
- Terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract.

Financial assets: Subsequent measurement and gains and losses

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

NOTE 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.14 Financial instruments (cont'd)

ii) Classification and subsequent measurement (cont'd)

Financial assets: Subsequent measurement and gains and losses (cont'd)

Debt investments at FVOCI

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVPTL are measured at fair value and net gains and losses including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

iii) Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

iv) Modifications of financial assets

If the terms of a financial asset are modified, the Group evaluates whether the cash flows of the modified asset are substantially different. If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognised and a new financial asset is recognised at fair value.

NOTE 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.14 Financial instruments (cont'd)

iv) Modifications of financial assets (cont'd)

If the cash flows of the modified asset carried at amortised cost are not substantially different, then the modification does not result in derecognition of the financial asset. In this case, the Group recalculates the gross carrying amount of the financial asset and recognises the amount arising from adjusting the gross carrying amount as a modification gain or loss in profit or loss. If such a modification is carried out because of financial difficulties of the borrower, then the gain or loss is presented together with impairment losses. In other cases, it is presented as interest income (refer note 3.16).

v) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

3.15 Impairment of non-derivative financial assets

The Group recognises loss allowances for ECLs on financial assets measured at amortised cost and contract assets.

The Group measures loss allowances at an amount equal to lifetime ECL, except for the following, which are measured as 12-month ECL:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities, bank balances, receivable from related parties and other receivables for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables (including lease receivables) and contract assets are always measured at an amount equal to lifetime ECL.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment, including forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Group considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

NOTE 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.15 Impairment of non-derivative financial assets (cont'd)

The Group considers a debt security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'. The Group considers this to be Baa3 or higher per Moody's or BBB- or higher per Standards and Poor's.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the asset.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

NOTE 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.16 Finance income and finance costs

The Group's finance income and finance costs include:

- Interest income
- Interest expense
- the foreign currency gain or loss on financial assets and financial liabilities
- impairment losses (and reversals) on investments in debt securities carried at amortised cost

Interest income or expense is recognised using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

3.17 Fair value measurement

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

When one is available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Group uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and long positions at a bid price and liabilities and short positions at an ask price.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

NOTE 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.18 Cash and cash equivalents

For the purpose of statements of cash flows, cash and cash equivalents include cash on hand, cash at banks; short term deposits with banks and bank overdrafts. M-PAiSA trust account is not part of the cash management and therefore it is excluded. Bank overdrafts are included within borrowings and disclosed as current liabilities in the statements of financial position.

3.19 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that recovery will be received and the amount of the receivable can be measured reliably.

3.20 Employee entitlements

Wages and salaries

Liabilities for wages and salaries expected to be settled within 12 months of the balance date are accrued up to the balance date.

Annual leave and sick leave

Liability for annual leave is recognized in the provision for employee entitlements. Liabilities for annual leave are expected to be settled within 12 months of the balance date and are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates prevailing at that time.

Long service leave and retirement benefits

Liability for long service leave is recognised in the provision for employee entitlements and measured at the present value of expected future payments to be made in respect of services provided by employees up to the balance date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the balance date on government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Liability for retirement benefits is recognised in the provision for employee entitlements and measured at the present value of expected future payments to be made in respect of services provided by employees up to the balance date. Consideration is given to expected future wage and salary levels, periods of service and probability of pay-out. Expected future payments are discounted using market yields at the balance date on government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

NOTE 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.20 Employee entitlements (cont'd)

Bonus plans

The Group pays bonuses to employees based on the achievement of individual objectives by the employees and performance of the respective subsidiary companies. The Group recognises a provision where contractually obliged or where there is a past practice, subject to performance evaluation.

Termination benefits

The Group recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a formal plan without the possibility of withdrawal or providing termination benefits as a result for an offer made for redundancy. Benefits falling due more than 12 months after the balance date are disclosed at present value.

Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided.

3.21 Segment reporting

Operating Segments

An operating segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other operating segments.

For reporting purposes, the Group considers itself to be operating predominantly in the telecommunications industry and revenue from other sources are not material.

The Group has disclosed three reportable segments as follows:

- Fixed line telecommunications ("Fixed Line Telecom") segment includes all fixed line telecommunication services including the sale or lease of telecommunications related office equipment, accessories and services including prepaid telephony and card services;

- Mobile telecommunications ("Mobile Telecom") segment includes all mobile telecommunication services including the sale of associated equipment, accessories and services;

- Other segment comprises of provisions of international public and dedicated telecommunications, data and internet services, sale of computer hardware and software, provision of technical support services and directory services.

The accounting policies adopted for segment reporting are the same accounting policies adopted for preparing and presenting consolidated financial statements of the Group.

Geographical segment

A geographical segment constitutes the provision of products or services within a particular economic environment that are subject to risks and return that are different from those of segments operating in other economic environments.

The Holding Company and four subsidiary companies operate in Fiji while its other subsidiary companies operate in Kiribati, Vanuatu, American Samoa, Samoa, Cook Islands, New Zealand (non-operating), United States of America (non-operating), Papua New Guinea, Singapore and Australia.

The segment reporting has been disclosed under note 32.

NOTE 4. FINANCIAL RISK MANAGEMENT

4.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (foreign exchange risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. Risk management is carried out by executive management. Executive management identifies, evaluates and monitors financial risks in close co-operation with the operating units.

a) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rate, will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to control market risk exposures within acceptable parameters while optimising the return on risk.

Unfavourable changes to duty and tax regulations may expose the Group to a decline in revenue. The Group operates in a number of countries and changes to respective government's policies therefore affect the economic situation and ultimately the revenue of the Group. To address this, the Group reviews its pricing and product range regularly and responds appropriately to these changes.

i) Foreign exchange risk

The Group largely procures most of its telecommunication equipment and supplies from overseas and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities.

Management has set up a policy that requires the Group companies to manage its foreign exchange risk against their functional currency. Foreign exchange risk arises when future commercial transactions or recognised assets and liabilities are denominated in a currency other than the functional currency of the respective Group companies. For significant settlements, the Group companies seek quotations from recognised banks and use the most favourable exchange rate for settlement purposes.

As at period end, financial liabilities (trade and other payables) denominated in foreign currencies are significant and hence changes in the US dollar by 10% (increase or decrease) are expected to have a significant impact on the net profit currently reflected in the Group's financial statements. The carrying amount of the Group's significant foreign currency denominated monetary liabilities at the end of the reporting period are as follows:

	30 June 2023 F$'000	31 March 2022 F$'000
USD	149,787	162,194

As at period end, there were no material financial assets denominated in foreign currencies.

The following significant exchange rate against FJD was applied during the period:

	Reporting date spot rate	
	For the period 1 April 2022 to 30 June 2023	For the period 1 April 2021 to 31 March 2022
USD	0.442	0.478

NOTE 4. FINANCIAL RISK MANAGEMENT (CONT'D)

4.1 Financial risk factors (cont'd)

a) Market risk (cont'd)

i) Foreign exchange risk (cont'd)

A reasonably possible strengthening (weakening) of the US dollar against the Fiji dollar at 30 June would have affected the measurement of financial instruments denominated in a foreign currency and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant. A sensitivity rate of 10% is used when reporting foreign currency risk internally to key management personnel which also represents management's assessment of the reasonably possible change in foreign exchange rates.

	Profit or (loss)	
	Strengthen F$'000	Weaken F$'000
31 March 2022		
USD	(16,219)	16,219
30 June 2023		
USD	(14,979)	14,979

ii) Interest rate risk

Interest rate risks are managed closely by the directors and management within the approved policy parameters. For re-investment and additional borrowings, the Group negotiates an appropriate interest rate with banks and other lenders and invests with or borrows from banks or other financial institutions which offers the best overall commercial terms, including the interest rate.

The Group has interest-bearing assets in the form of debt investment securities and advances to related entities. Generally, these are at fixed interest rates, hence, there are no uncertainties related to interest rate cash flows during the period of investment.

Furthermore, the subsidiary companies, Amalgamated Telecom Holdings (Kiribati) Limited and Vodafone Fiji Pte Limited have significant interest-bearing borrowings from ANZ Bank (Kiribati) Limited, and Fiji National Provident Fund, respectively. These borrowings are at fixed interest rate over the remaining 2 - 15 years' term of the loan. Given the fixed nature of interest rates, the Group has a high level of certainty over the impact on cash flows arising from interest income and expense.

The Holding Company has significant borrowings from Australia and New Zealand Banking Group Limited in respect to acquisition of subsidiary companies, Telecom Vanuatu Limited and the Bluesky Group for which repayments are based on notional term of 13-15 years and are at variable interest rate.

Also, the subsidiary company, Telecom Vanuatu Limited, has significant interest-bearing borrowings from ANZ Bank (Vanuatu) Limited and Vanuatu National Provident Fund at variable interest rates.

The subsidiary companies, Bluesky SamoaTel Investments Limited, Teleraro Limited and Bluesky Samoa Limited, have significant interest-bearing borrowings from ANZ Bank (Samoa) Limited at variable interest rates.

NOTE 4. FINANCIAL RISK MANAGEMENT (CONT'D)

4.1 Financial risk factors (cont'd)

a) Market risk (cont'd)

ii) Interest rate risk (cont'd)

At the reporting date the profile of the Group's variable interest bearing financial instruments was as follows:

	30 June 2023 $'000	31 March 2022 $'000
Bank overdraft	649	4,222
Borrowings	351,777	179,538
	352,426	183,760

Sensitivity analysis
A 100 basis points (bp) increase in interest rates at the reporting date would have decreased the profit or loss by amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for 2022.

	Profit or loss before tax $'000
30 June 2023	
Variable rate instruments	3,524
31 March 2022	
Variable rate instruments	1,838

b) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Group's exposure and the credit ratings of its counterparties, where available, are continuously monitored. Credit exposure is controlled by counterparty limits that are reviewed and approved by management on a regular basis.

Trade receivables consist of a large number of customers, spread across geographical areas. Ongoing credit evaluations are performed on the financial condition of trade receivables.

The Group does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The carrying amount of financial assets and contract assets represent the maximum credit exposure.

Refer note 20(c) for details of impairment losses on financial assets and contract assets recognised in profit or loss.

Trade receivables and contract assets

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the country in which customers operate.

NOTE 4. FINANCIAL RISK MANAGEMENT (CONT'D)

4.1 Financial risk factors (cont'd)

b) Credit risk (cont'd)

Trade receivables and contract assets

At 30 June, the exposure to credit risk for gross trade receivables and contract assets by geographic region was as follows:

	30 June 2023 $'000	31 March 2022 $'000
Fiji	67,420	54,612
Samoa	17,479	9,819
Papua New Guinea	16,935	7,757
Vanuatu	6,478	5,979
American Samoa	6,218	4,429
Singapore	5,000	-
Cook Islands	3,222	3,897
Kiribati	1,514	1,484
Australia	107	16
	124,373	87,993

Expected credit loss assessment

The Group uses an allowance matrix to measure the ECLs of trade receivables and contract assets from individual customers, which comprise a large number of small balances.

Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency to write-off. Roll rates are calculated separately for exposures in different segments based on the following common credit risk characteristics – geographic region.

The following table provides information about the Group's exposure to credit risk and ECLs for trade receivables and contract assets from individual customers as at 30 June 2023 and 31 March 2022:

	Weighted average loss rate	Gross Carrying amount $'000	Loss allowance $'000	Credit Impaired
30 June 2023				
Current (not past due)	2%	53,160	987	No
1- 30 days past due	6%	17,035	995	No
31 - 60 days past due	12%	7,294	849	No
61 - 90 days past due	17%	3,765	658	No
More than 90 days past due	56%	24,445	16,946	Yes
		105,699	20,435	
Debtors specifically assessed		18,674	9,291	
		124,373	29,726	
31 March 2022				
Current (not past due)	3%	35,859	1,176	No
1- 30 days past due	7%	12,756	842	No
31 - 60 days past due	17%	5,022	866	No
61 - 90 days past due	60%	8,221	4,957	No
More than 90 days past due	79%	9,942	7,847	Yes
		71,800	15,688	
Debtors specifically assessed		16,193	9,784	
		87,993	25,472	

NOTE 4. FINANCIAL RISK MANAGEMENT (CONT'D)

4.1 Financial risk factors (cont'd)

b) Credit risk (cont'd)

Loss rates are based on actual credit loss experience over the past two years.

The Group performs a qualitative assessment to measure the ECLs for other receivables, advances and related party receivables. The factors considered by the Group includes whether there are evidence to support that there has been a significant increase in credit risk, whether there any impact on time value of money, how and when the Group will require repayment from the counter party and whether any indicators of default exist.

Cash and cash equivalents
The Group held cash and cash equivalents of $201,300,000 at 30 June 2023 (31 March 2022: $116,302,000). The cash and cash equivalents are primarily held with banks, which are rated B to AA-, based on Standards and Poor's (S&P) ratings.

Impairment on cash and cash equivalents has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Group uses a similar approach for assessment of ECLs for cash and cash equivalents to those used for debt securities. The Group did not recognise an impairment allowance against cash and cash equivalents as at 30 June 2023 (31 March 2022: nil).

Debt investment securities
The Group held debt investment securities of $7,783,000 at 30 June 2023 (31 March 2022: $18,315,000). The debt investment securities are held with banks and credit institutions. Debt investment securities held with banks are primarily rated B to AA-, based on S&P ratings. In relation to debt investment securities held with credit institutions the Group monitors changes in credit risk by reviewing available press and regulatory information.

Impairment on debt investment securities held with banks and credit institutions has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Group did not recognise an impairment allowance against debt investment securities as at 30 June 2023 (31 March 2022: nil).

c) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations for its liabilities. Prudent liquidity risk management requires maintaining sufficient cash and marketable securities to ensure availability of funding. Proper management of the Group's liquidity position is essential in order to ensure that adequate funds are available to meet the Group's ongoing financial obligations.

NOTE 4. FINANCIAL RISK MANAGEMENT (CONT'D)

4.1 Financial risk factors (cont'd)

c) Liquidity risk (cont'd)

The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. The Group monitors liquidity through rolling forecasts of the Group's cash flow position and maintaining adequate funding arrangements. Also, a reasonable portion of revenue is billed and collected in advance or generally within 30 days of invoice. The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments.

	On demand $'000	Less than 1 year $'000	Between 1 and 2 years $'000	Between 3 and 5 years $'000	Over 5 years $'000	Total $'000
Financial liabilities						
30 June 2023						
Trade and other payables	-	253,611	6,111	-	-	259,722
Put liability (see note 31(e))	-	65,065	-	-	-	65,065
E-value in circulation*	74,960	-	-	-	-	74,960
Lease liabilities	-	16,884	18,863	23,526	74,376	133,649
Borrowings	649	70,573	83,507	162,047	406,575	723,351
	75,609	406,133	108,481	185,573	480,951	1,256,747
31 March 2022						
Trade and other payables	-	255,071	4,100	-	-	259,171
E-value in circulation*	74,915	-	-	-	-	74,915
Lease liabilities	-	12,178	13,821	17,640	87,141	130,780
Borrowings	4,222	105,474	55,241	147,179	133,656	445,772
	79,137	372,723	73,162	164,819	220,797	910,638
Financial assets						
30 June 2023						
Debt investment securities	-	7,783	-	-	-	7,783
Trade and other receivables	-	172,136	3,025	-	-	175,161
M-PAiSA trust account - restricted cash*	74,960	-	-	-	-	74,960
Cash and cash equivalents	201,300	-	-	-	-	201,300
	276,260	179,919	3,025	-	-	459,204
31 March 2022						
Debt investment securities	-	18,315	-	-	-	18,315
Trade and other receivables	-	133,543	3,059	-	-	136,602
M-PAiSA trust account - restricted cash*	74,915	-	-	-	-	74,915
Cash and cash equivalents	116,302	-	-	-	-	116,302
	191,217	151,858	3,059	-	-	346,134

* M-PAISA is a mobile phone-based money transfer service that enables customers to send and receive money anywhere in Fiji. This service is provided by the subsidiary company, Vodafone Fiji Pte Limited. A similar service is provided by the subsidiary company, Bluesky Samoa Limited, that enables customers to send and receive money anywhere in Samoa.

NOTE 4. FINANCIAL RISK MANAGEMENT (CONT'D)

4.1 Financial risk factors (cont'd)

c) Liquidity risk (cont'd)

* E-value in circulation represents the outstanding value of money in the customers M-PAiSA account as at period end. M-PAiSA trust account is the equivalent value of cash held by the subsidiary companies, Vodafone Fiji Pte Limited and Bluesky Samoa Limited.

4.2 Other risks

a) Operational risk

Operational risk is the risk of loss arising from systems failure, human error, and fraud. When controls fail to perform, operational risks can cause damage to reputation, have legal or regulatory implications, or lead to financial crisis. The Group cannot eliminate all operational risk, but through a control framework and by monitoring and responding to potential risks, the Group is able to manage this risks. Controls include effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment procedures.

b) Regulatory risk

The Group's profitability can be significantly impacted by regulatory agencies which govern the telecommunication sector. Specifically, retail and wholesale prices are regulated by Fijian Competition and Consumer Commission and the Group's operating environment is regulated by Telecommunications Authority of Fiji, Communications Commission of Kiribati, Telecommunications and Radio Communications Regulator of Vanuatu, National Information and Communications Technology Authority of Papua New Guinea, Office of the Regulator of Samoa, Government of the Cook Islands, Federal Communication Commission (FCC) of USA, the Governor of American Samoa, Infocomm Media Development Authority of Singapore and Australian Communications and Media Authority of Australia.

4.3 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares and/or sell assets to reduce debt. The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the statement of financial position) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the statement of financial position plus net debt.

NOTE 4. FINANCIAL RISK MANAGEMENT (CONT'D)

4.3 Capital risk management (cont'd)

The gearing ratios at 30 June 2023 and 31 March 2022 were as follows:

	30 June 2023 $'000	31 March 2022 $'000
Total borrowings	650,245	349,714
Less: Cash and cash equivalents	(201,300)	(116,302)
Net debt	448,945	233,412
Total equity	678,390	622,788
Total capital (Total equity plus Net debt)	1,127,335	856,200
Gearing ratio (Net debt / Total capital x 100)	40%	27%
Debt to equity ratio % (Net debt / Total equity)	66%	37%

NOTE 5. USE OF JUDGEMENTS AND ESTIMATES

In preparing these consolidated financial statements, management has made judgements and estimates that affect the application of the Group's 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 estimates are recognised prospectively.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties at 30 June 2023 that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial period is included in the following notes:

- Note 15(a) – impairment test of goodwill: key assumptions underlying recoverable amounts; and
- Notes 3.15 and 4.1(b) – measurement of ECL allowance for trade receivables and contract assets: key assumptions in determining the roll rate
- Note 10 - recognition of deferred tax assets on carry forward tax losses

NOTE 5. USE OF JUDGEMENTS AND ESTIMATES (continued)

Assumptions and estimation uncertainties (continued)

i. Measurement of fair values

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

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

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

	For the period 1 April 2022 to 30 June 2023 $'000	For the period 1 April 2021 to 31 March 2022 $'000
NOTE 6. REVENUE		
A. Revenue streams		
Revenue from ordinary activities are as follows:		
Revenue from contracts with customers	954,256	638,027
Other revenue		
- Equipment and lease circuit rental	6,136	2,627
Total revenue	960,392	640,654

NOTE 6. REVENUE [CONT'D]

B. Disaggregation of revenue from contracts with customers

In the following table, revenue from contracts with customers is disaggregated by major products and service lines.

	For the period 1 April 2022 to 30 June 2023 $'000	For the period 1 April 2021 to 31 March 2022 $'000
Major products/service lines		
Call revenue	128,662	202,851
Computer hardware, software and technical support services revenue	78,728	62,313
Data network and internet revenue	575,353	250,047
Directory revenue	1,566	1,904
Equipment and ancillaries revenue	131,323	91,104
Other sales and services	38,624	29,808
Total revenue	954,256	638,027

C. Contract balances

The following table provides information about gross receivables, contract assets and contract liabilities from contracts with customers.

	30 June 2023 $'000	31 March 2022 $'000
Receivables, included in 'trade and other receivables and contract assets'	121,726	86,295
Contract assets, included in 'trade and other receivables and contract assets'	5,464	1,698
Contract liabilities, included in 'trade and other payables'	30,513	27,111

The contract assets primarily relate to the Group's rights to consideration for mobile handsets provided to customers but not billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Group issues an invoice to the customer.

The contract liabilities primarily relate to advance consideration received from customers under the mobile contracts and from prepaid products and fixed monthly charges billed in advance. Revenue under mobile contracts are recognised when customers source the hardware from the Group. Revenue from prepaid products and fixed monthly charges billed in advance is recognised as revenue either once the related service has been provided or when the product date has expired, whichever occurs earlier.

The amount of $27,111,000 included in contract liabilities at 31 March 2022 has been recognised as revenue for the fifteen month period ended 30 June 2023 (for the period 1 April 2021 to 31 March 2022: $14,572,000).

No information is provided about remaining performance obligations at 30 June 2023 that have an original expected duration of one year or less or where the Group recognises revenue based on the amount it has a right to invoice, as allowed by IFRS 15.

The Group recognises the incremental costs of obtaining contracts as an expense when incurred if the amortisation period of the assets that the Group otherwise would have recognised is one year or less, as allowed by IFRS 15.

	For the period 1 April 2022 to 30 June 2023 $'000	For the period 1 April 2021 to 31 March 2022 $'000
NOTE 7. DIRECT COSTS		
Airtime and PSTN charges	79,421	57,051
Computer hardware, software and technical support services	89,711	54,212
Directory production costs	198	184
Equipment and ancillary costs	101,513	90,528
Satellite/Bandwidth charges	115,150	50,685
Stock obsolescence	4,855	17
Total direct costs	390,848	252,677

Direct costs represent the specific costs that the Group considers in pricing its products and services disclosed under note 6(b).

NOTE 8. OTHER INCOME

Bad debts recovered	-	1,744
Gain on sale of property, plant and equipment	-	52
Insurance proceeds	820	-
Universal service fund	2,639	2,027
Other miscellaneous income	9,367	6,198
Total other income	12,826	10,021

NOTE 9. PERSONNEL COSTS

Wages and salaries, including leave pay and other benefits	95,544	63,220
Superannuation contributions	5,709	3,842
Other personnel costs	16,183	6,308
Total personnel costs	117,436	73,370

	For the period 1 April 2022 to 30 June 2023 $'000	For the period 1 April 2021 to 31 March 2022 $'000
NOTE 10. NET FINANCE COSTS		
Interest income under the effective interest method on:		
- Debt investment securities	494	564
- Advances to related parties	-	30
Total interest income arising from financial assets measured at amortised cost	494	594
Net realised foreign exchange gain	1,797	1,030
Net unrealised foreign exchange gain	16,966	15,541
Finance income - other	18,763	16,571
	19,257	17,165
Financial liabilities measured at amortised cost - interest expense on:		
- Lease liabilities	(4,753)	(4,362)
- Borrowings	(26,445)	(11,268)
- Contingent consideration payable	-	(220)
- Advance from related parties	(10,610)	(5,275)
Net unrealised foreign exchange loss	(11,270)	(2,297)
Finance costs	(53,078)	(23,422)
Net finance costs recognised in profit or loss	(33,821)	(6,257)

NOTE 11. OTHER EXPENSES

Auditor's remuneration:		
• Audit fees - group auditor	691	496
- other auditors	391	122
• Other services - group auditor	173	79
- other auditors	93	20
Consultancy and contractors fees	2,138	1,480
Directors' remuneration - fees and allowances	1,264	710
Electricity	28,486	17,165
Insurance	14,449	11,794
Impairment of goodwill on consolidation (note 15(a))	-	2,200
Legal and professional fees	3,511	2,870
Licence and support service fees	33,010	19,377
Computer software support charges	19,505	15,422
Rent and rates	57,799	14,257
Repairs and maintenance	10,758	5,526
Travelling and transportation	10,952	4,039
Loss on sale of property, plant and equipment	598	-
Personnel costs (note 9)	117,436	73,370
Depreciation of property, plant and equipment (note 14)	141,967	94,994
Depreciation of right of use assets (note 16)	15,484	10,994
Amortisation of intangible assets (note 15)	12,491	9,819
Other miscellaneous expenses	47,676	20,924
Total other expenses	518,872	305,658

NOTE 12. INCOME TAX

a) Income tax (benefit)/expense

	For the period 1 April 2022 to 30 June 2023 $'000	For the period 1 April 2021 to 31 March 2022 $'000
(Loss)/profit before tax	(2,949)	69,125
Tax using the Company's domestic tax rate	(295)	6,913
Impact of difference in tax rates in foreign jurisdictions	(11,528)	8,817
Impact of change in tax rates (see note 2(h))	1,930	-
Tax effect of:		
• Non-deductible expenses	843	128
• Tax concessions and incentives	(587)	(430)
Tax effect of temporary differences and tax losses recognised	1,455	(2,746)
Under provision in prior year	396	589
Income tax (benefit)/expense	(7,786)	13,271
Income tax (benefit)/expense comprises of:		
Current tax expense	42,526	30,169
Deferred tax benefit	(52,638)	(17,487)
Impact of change in tax rates (see note 2(h))	1,930	-
Under provision in prior year	396	589
Income tax (benefit)/expense	(7,786)	13,271

b) Deferred tax assets

	30 June 2023 $'000	31 March 2022 $'000
Allowance for expected credit loss	7,553	6,080
Employee entitlements	1,457	892
Allowance for stock obsolescence	1,357	957
Difference in carrying value of right of use assets and lease liabilities for accounting and income tax purpose	2,553	2,653
Carried forward tax losses	66,176	18,237
Others	2,224	-
Unrealised foreign exchange loss	-	1,547
	81,320	30,366
Set-off of tax	(12,830)	-
Total deferred tax assets	68,490	30,366

c) Deferred tax liabilities

	30 June 2023 $'000	31 March 2022 $'000
Difference in carrying value of property, plant, equipment, computer software, IRU network capacity, customer relationship and contracts, brand and spectrum licences for accounting and income tax purpose	24,505	26,051
Unrealised foreign exchange gain	1,176	-
Others	10	567
	25,691	26,618
Set-off of tax	(12,830)	-
Total deferred tax liabilities	12,861	26,618

NOTE 12. INCOME TAX (CONT'D)

d) Current tax liability

	30 June 2023 $'000	31 March 2022 $'000
Balance at beginning of period	9,672	306
Current tax expense	42,526	30,169
Income tax paid	(30,289)	(20,401)
Tax deducted at source - Resident Interest Withholding Tax	(258)	(297)
Effect of movements in exchange rates	468	(386)
Others	-	(308)
Under provision in prior year	(776)	589
Balance at end of period	21,343	9,672

e) Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items as it is not probable that future taxable income will be available against which the Holding Company can utilise the tax benefits. The benefit will only be obtained if:

i. the Holding Company derives future assessable income of a nature and of an amount sufficient to enable the benefits from the deductions for the losses to be realised;
ii. the Holding Company continue to comply with the conditions for deductibility imposed by the law; and
iii. no change in tax legislation adversely affect the Holding Company in realising the benefit from the deductions for the losses.

	30 June 2023 $'000	31 March 2022 $'000
Employee entitlements	51	15
Unrealised exchange loss	2,687	-
Property, plant and equipment	5	-
	2,743	15

NOTE 13. EARNINGS PER SHARE

Basic and diluted earnings per share

The calculation of basic and diluted earnings per share has been based on the following profit attributable to ordinary shareholders and weighted-average number of ordinary shares outstanding.

	30 June 2023	31 March 2022
Profit attributable to equity holders of the Holding Company	11,681	34,818
Weighted average number of ordinary shares (in thousands)	478,590	478,590
Basic and diluted earnings per share (cents per share)	**2.44**	**7.28**

NOTE 14. PROPERTY, PLANT AND EQUIPMENT

	Leasehold land and buildings $'000	Telecommunications equipment and plant $'000	Computer equipment $'000	Furniture, fittings and office equipment $'000	Motor vehicles $'000	Capital equipment $'000	Capital work in progress $'000	Total $'000
Period ended 30 June 2023								
Opening net book amount	40,196	357,360	17,835	11,132	7,911	2,631	322,232	759,297
Additions	2,711	422	374	1,472	1,680	8,525	340,509	355,693
Effect of movements in exchange rates	(2,050)	(1,318)	33	(2,083)	(52)	-	27,818	22,348
Disposals	-	(4,578)	(112)	(62)	(301)	-	(3,517)	(8,570)
Transfers	2,043	398,003	10,509	2,501	5,782	-	(431,076)	(12,238)
Depreciation	(2,206)	(122,612)	(9,947)	(3,021)	(4,181)	-	-	(141,967)
Closing net book amount	40,694	627,277	18,692	9,939	10,839	11,156	255,966	974,563
At 30 June 2023								
Cost	90,747	1,686,001	98,273	90,585	28,380	11,247	255,966	2,261,199
Accumulated depreciation and impairment allowance	(50,053)	(1,058,724)	(79,581)	(80,646)	(17,541)	(91)	-	(1,286,636)
Net book amount	40,694	627,277	18,692	9,939	10,839	11,156	255,966	974,563

NOTE 14. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	Leasehold land and buildings $'000	Telecommunications equipment and plant $'000	Computer equipment $'000	Furniture, fittings and office equipment $'000	Motor vehicles $'000	Capital equipment $'000	Capital work in progress $'000	Total $'000
Year ended 31 March 2022								
Opening net book amount	41,503	395,777	19,021	9,851	7,583	1,502	222,167	697,404
Additions	370	12,712	3,484	3,106	3,947	1,048	127,008	151,675
Effect of movements in exchange rates	1,591	1,459	(2)	2,184	654	81	605	6,572
Disposals	(1)	-	(2)	-	(1,328)	-	(29)	(1,360)
Transfers	21	24,499	2,615	87	268	-	(27,490)	-
Reclassification	(786)	863	-	(44)	(4)	-	(29)	-
Depreciation	(2,502)	(77,950)	(7,281)	(4,052)	(3,209)	-	-	(94,994)
Closing net book amount	40,196	357,360	17,835	11,132	7,911	2,631	322,232	759,297
At 31 March 2022								
Cost	94,100	1,430,620	88,593	94,544	25,862	2,721	322,232	2,058,672
Accumulated depreciation and impairment allowance	(53,904)	(1,073,260)	(70,758)	(83,412)	(17,951)	(90)	-	(1,299,375)
Net book amount	40,196	357,360	17,835	11,132	7,911	2,631	322,232	759,297

a) Borrowing costs directly attributable to the acquisition and construction of qualifying assets amounting to $1.2m (PGK1.9m) (2022: $1.7m (PGK2.8m)) has been capitalized during the period.

b) All properties, plant and equipment of the Holding Company and subsidiary companies, Amalgamated Telecom Holdings (Kiribati) Limited, Telecom Vanuatu Limited and Digitec Communications Limited have been pledged to ANZ Banking Group Limited (Fiji), ANZ Bank (Kiribati) Limited, ANZ Bank (Vanuatu) Limited, BSP Financial Group Limited and Kina Securities Limited, respectively as security in accordance with the security arrangements for term loan facilities. Furthermore, land and buildings located at Bluesky Headquarters at Maluafou, Samoa are subject to a first charge against Bluesky Samoa Limited's bank loans with ANZ Bank (Samoa) Limited. Items of properties, plant and equipment pledged as securities as at 30 June 2023 amounted to $526,011,000 (31 March 2022: $78,791,000).

	30 June 2023 $'000	31 March 2022 $'000
NOTE 15. INTANGIBLE ASSETS		
Goodwill (a)	134,064	132,388
Computer software (b)	15,765	5,965
Spectrum licences (c)	17,017	18,615
Brand (d)	7,827	7,827
Customer relationship and contracts (e)	8,862	16,265
Total intangible assets, net	183,535	181,060
a) Goodwill		
Gross carrying amounts:		
Goodwill on acquisition of :		
Datec (Fiji) Pte Limited and Subsidiary Company (i)	3,401	3,401
Telecom Vanuatu Limited (ii)	5,711	5,711
Bluesky Group (iii)	114,055	114,055
Digitec Group (iv)	21,897	20,221
	145,064	143,388
Accumulated impairment:		
Opening balance	11,000	8,800
Impairment loss	-	2,200
Closing balance	11,000	11,000
Net book amount	134,064	132,388

i) On 29 May 2015, subsidiary company, Vodafone Fiji Pte Limited acquired 100% shareholding in Datec (Fiji) Pte Limited and its Subsidiary Company. Goodwill of $3,401,000 was recognised as the excess of the consideration transferred over the fair value of net assets acquired at acquisition-date. The recoverable amount of this CGU was based on its value in use, determined by discounting the future cash flows to be generated from the continuing use of the CGU. The carrying amount of the CGU was determined to be lower than its recoverable amount of $27,890,000 (2022: $20,494,000). The key assumptions used in the estimation of value in use were as follows:

	30 June 2023	31 March 2022
Discount rate	11.1%	11.3%
Terminal value growth rate	2.0%	2.0%
Budgeted EBITDA growth rate (average of next five years)	7.0%	6.0%

The discount rate was a post-tax measure based on the rate of 30-year US government bonds as well as 10-year NZ government bonds issued by the government in the relevant market and adjusted for country risk and an inflation differential to reflect the same currency as the cash flows, further adjusted for a risk premium to reflect both the increased risk of investing in equities generally and the systematic risk of the specific CGU. The pre-tax discount rate was 14.08% (2022: 14.11%).

Five years of cash flows were included in the discounted cash flow model. A long-term growth rate into perpetuity has been determined as the nominal gross domestic product (GDP) rates for the country in which the CGU operates.

Budgeted EBITDA was based on expectations of future outcomes taking into account past experience, adjusted for the anticipated revenue growth. Revenue growth was projected taking into account the average growth levels experienced over the past five years and the estimated sales volume and price growth for the next five years.

Management has identified that a reasonably possible change in the key assumptions would not cause the carrying amount to exceed the recoverable amount.

NOTE 15. INTANGIBLE ASSETS [CONT'D]

a) Goodwill (cont'd)

ii) On 27 March 2017, the Holding Company acquired 100% shareholding in Telecom Vanuatu Limited. Goodwill of $5,711,000 (accumulated impairment losses of $2,500,000) was recognised as the excess of the consideration transferred over the fair value of net assets acquired at acquisition-date.

The recoverable amount of this CGU was based on its value in use, determined by discounting the future cash flows to be generated from the continuing use of the CGU. The carrying amount of the CGU was determined to be lower than its recoverable amount of $77,436,000 (2022: $56,625,000). The key assumptions used in the estimation of value in use were as follows:

	30 June 2023	**31 March 2022**
Discount rate	16.7%	15.8%
Terminal value growth rate	2.0%	2.0%
Budgeted EBITDA growth rate (average of next five years)	10.0%	3.0%
Average annual maintenance capital expenditure	$8,900,000	$5,300,000

The discount rate was a post-tax measure based on the rate of 30-year US government bonds as well as 10-year NZ government bonds issued by the government in the relevant market and adjusted for country risk and an inflation differential to reflect the same currency as the cash flows, further adjusted for a risk premium to reflect both the increased risk of investing in equities generally and the systematic risk of the specific CGU. The pre-tax discount rate was 16.70% (2022: 15.80%).

Five years of cash flows were included in the discounted cash flow model. A long-term growth rate into perpetuity has been determined as the nominal gross domestic product (GDP) rates for the country in which the CGU operates.

Budgeted EBITDA was based on expectations of future outcomes taking into account past experience, adjusted for the anticipated revenue growth. Revenue growth was projected taking into account the average growth levels experienced over the past five years and the estimated subscriber base for the next five years.

Management has identified that a reasonably possible change in the key assumptions could cause the carrying amount to exceed the recoverable amount. The following table shows the amount by which the key assumptions would need to change individually for the estimated recoverable amount to be equal to the carrying amount.

	Change required for carrying amount to equal recoverable amount
Budgeted EBITDA growth rate	5.22%

iii) On 1 January 2019, the Holding Company acquired 100% membership in AST Telecom LLC and 100% shareholding in eLandia Technologies Inc. Goodwill of $114,055,000 was recognised as the excess of the consideration transferred over the fair value of net assets acquired at acquisition-date. The goodwill was allocated to the operating companies within the Group as follows:

a. American Samoa Telecom LLC - $31,279,000

The recoverable amount of this CGU was based on its value in use, determined by discounting the future cash flows to be generated from the continuing use of the CGU. The carrying amount of the CGU was determined to be lower than its recoverable amount of $67,520,000 (2022: $69,307,000).

NOTE 15. INTANGIBLE ASSETS [CONT'D]

a) Goodwill (cont'd)

The key assumptions used in the estimation of value in use were as follows:

	30 June 2023	31 March 2022
Discount rate	8.6%	8.3%
Terminal value growth rate	2.0%	2.0%
Budgeted EBITDA growth rate (average of next five years)	4.0%	4.0%

The discount rate was a post-tax measure based on the rate of 30-year US government bonds as well as 10-year NZ government bonds issued by the government in the relevant market and adjusted for country risk and an inflation differential to reflect the same currency as the cash flows, further adjusted for a risk premium to reflect both the increased risk of investing in equities generally and the systematic risk of the specific CGU. The pre-tax discount rate was 11.74% (2022: 11.35%).

Five years of cash flows were included in the discounted cash flow model. A long-term growth rate into perpetuity has been determined as the nominal gross domestic product (GDP) rates for the country in which the CGU operates.

Budgeted EBITDA was based on expectations of future outcomes taking into account past experience, adjusted for the anticipated revenue growth. Revenue growth was projected taking into account the average growth levels experienced over the past five years and the estimated subscriber base for the next five years.

Management has identified that a reasonably possible change in the key assumptions could cause the carrying amount to exceed the recoverable amount. The following table shows the amount by which the key assumptions would need to change individually for the estimated recoverable amount to be equal to the carrying amount.

	Change required for carrying amount to equal recoverable amount
Budgeted EBITDA growth rate	2.26%

b. Bluesky Samoa Limited - $18,886,000 (accumulated impairment losses of $8,500,000)

The recoverable amount of this CGU was based on its value in use, determined by discounting the future cash flows to be generated from the continuing use of the CGU. The carrying amount of the CGU was determined to be lower than its recoverable amount of $57,343,000 (2022: $48,828,000). For the period 1 April 2021 to 31 March 2022 an impairment loss of $2,200,000 was recognised. The impairment loss was fully allocated to goodwill and included in "other expenses".

The key assumptions used in the estimation of value in use were as follows:

	30 June 2023	31 March 2022
Discount rate	15.3%	14.5%
Terminal value growth rate	2.0%	2.0%
Budgeted EBITDA growth rate (average of next five years)	10.0%	8.0%

The discount rate was a post-tax measure based on the rate of 30-year US government bonds as well as 10-year NZ government bonds issued by the government in the relevant market and adjusted for country risk and an inflation differential to reflect the same currency as the cash flows, further adjusted for a risk premium to reflect both the increased risk of investing in equities generally and the systematic risk of the specific CGU. The pre-tax discount rate was 20.21% (2022: 18.79%).

NOTE 15. INTANGIBLE ASSETS [CONT'D]

a) Goodwill (cont'd)

Five years of cash flows were included in the discounted cash flow model. A long-term growth rate into perpetuity has been determined as the nominal gross domestic product (GDP) rates for the country in which the CGU operates.

Budgeted EBITDA was based on expectations of future outcomes taking into account past experience, adjusted for the anticipated revenue growth. Revenue growth was projected taking into account the average growth levels experienced over the past five years and the estimated subscriber base for the next five years.

Management has identified that a reasonably possible change in the key assumptions would cause the carrying amount to exceed the recoverable amount. The following table shows the amount by which the key assumptions would need to change individually for the estimated recoverable amount to be equal to the carrying amount.

	Change required for carrying amount to equal recoverable amount
Budgeted EBITDA growth rate	0.95%

c. Telecom Cook Islands Limited - $23,970,000

The recoverable amount of this CGU was based on its value in use, determined by discounting the future cash flows to be generated from the continuing use of the CGU. The carrying amount of the CGU was determined to be lower than its recoverable amount of $89,621,000 (2022: $73,096,000). The key assumptions used in the estimation of value in use were as follows:

	30 June 2023	**31 March 2022**
Discount rate	11.6%	10.1%
Terminal value growth rate	2.0%	2.0%

The discount rate was a post-tax measure based on the rate of 30-year US government bonds as well as 10-year NZ government bonds issued by the government in the relevant market and adjusted for country risk and an inflation differential to reflect the same currency as the cash flows, further adjusted for a risk premium to reflect both the increased risk of investing in equities generally and the systematic risk of the specific CGU. The pre-tax discount rate was 13.98% (2022: 12.01%).

Five years of cash flows were included in the discounted cash flow model. A long-term growth rate into perpetuity has been determined as the nominal gross domestic product (GDP) rates for the country in which the CGU operates.

Budgeted EBITDA was based on expectations of future outcomes taking into account past experience, adjusted for the anticipated revenue growth. Revenue growth was projected taking into account the average growth levels experienced over the past five years and the estimated subscriber base for the next five years.

Management has identified that a reasonably possible change in the key assumptions would not cause the carrying amount to exceed the recoverable amount.

NOTE 15. INTANGIBLE ASSETS [CONT'D]

a) Goodwill (cont'd)

d. Vodafone Fiji Pte Limited - $39,920,000

The recoverable amount of this CGU was based on its value in use, determined by discounting the future cash flows to be generated from the continuing use of the CGU. The carrying amount of the CGU was determined to be lower than its recoverable amount of $671,009,000 (2022: $682,252,000). The key assumptions used in the estimation of value in use were as follows:

	30 June 2023	**31 March 2022**
Discount rate	11.1%	11.3%
Terminal value growth rate	2.0%	2.0%
Budgeted EBITDA growth rate (average of next five years)	3.0%	3.0%

The discount rate was a post-tax measure based on the rate of 30-year US government bonds as well as 10-year NZ government bonds issued by the government in the relevant market and adjusted for country risk and an inflation differential to reflect the same currency as the cash flows, further adjusted for a risk premium to reflect both the increased risk of investing in equities generally and the systematic risk of the specific CGU. The pre-tax discount rate was 13.45% (2022: 13.67%).

Five years of cash flows were included in the discounted cash flow model. A long-term growth rate into perpetuity has been determined as the nominal gross domestic product (GDP) rates for the country in which the CGU operates.

Budgeted EBITDA was based on expectations of future outcomes taking into account past experience, adjusted for the anticipated revenue growth. Revenue growth was projected taking into account the average growth levels experienced over the past five years and the estimated subscriber base for the next five years.

Management has identified that a reasonably possible change in the key assumptions would not cause the carrying amount to exceed the recoverable amount

iv) On 1 January 2019, ATH International Venture Pte Limited acquired 70% shareholding in Etech ICT Pty Limited of Australia, Etech ICT Pte Limited of Singapore and Digitec Communication Limited (collectively Digitec group) of Papua New Guinea. Goodwill of $21,897,000 (2022: $20,221,000) was recognised as the excess of the consideration transferred over the fair value of net assets acquired at acquisition-date. The entire goodwill was allocated to Digitec Communications Limited.

The recoverable amount of this CGU was based on fair value less costs of disposal, estimated using discounted cash flows. The fair value measurement was categorised as a Level 3 fair value based on the inputs in the valuation technique used (see Note 5(i)). The key assumptions used in the estimation of the recoverable amount are set out below. The values assigned to the key assumptions represent management's assessment of future trends in the industry and have been based on historical data from both external and internal sources.

	30 June 2023	**31 March 2022**
Discount rate	15.2%	14.3%
Terminal value growth rate	2.0%	2.0%

The discount rate was a post-tax measure estimated based on a market weighted-average cost of capital, with an assumed debt-to-value ratio of 30% at a pre-tax cost of debt of 12.5% to 13% (2022: 12.5% to 13%). The pre-tax discount rate was 19.98% (2022: 18.87%).

NOTE 15. INTANGIBLE ASSETS (CONT'D)

a) Goodwill (cont'd)

The cash flow projections included specific estimates for five years and a terminal growth rate thereafter. The terminal growth rate was determined based on management's estimate of the long-term compound annual EBITDA growth rate, consistent with the assumptions that a market participant would make.

Budgeted EBITDA was based on expectations of future outcomes taking into account past experience and different market analysis, adjusted for the anticipated revenue growth. Revenue growth was projected talking into account the past experience of the Group, the business plan of Digitec Communications Limited, and the estimated subscriber base for the next five years.

The estimated recoverable amount of the CGU exceeded its carrying amount by approximately $290,643,000 (2022: $475,498,000).

Management has identified that a reasonably possible change in the key assumptions would not cause the carrying amount to exceed the recoverable amount.

	30 June 2023 $'000	31 March 2022 $'000
b) Computer software		
Gross carrying amount:		
Balance at beginning of period	46,093	41,571
Additions	-	4,405
Transfer from work in progress	12,238	77
Effect of movement in exchange rates	(400)	40
Balance at end of period	57,931	46,093
Accumulated amortisation:		
Balance at beginning of period	40,128	38,689
Amortisation	2,254	1,410
Effect of movement in exchange rates	(216)	29
Balance at end of period	42,166	40,128
Net book amount	15,765	5,965

NOTE 15. INTANGIBLE ASSETS (CONT'D)

c) Spectrum licences

	30 June 2023 $'000	31 March 2022 $'000
Gross carrying amount:		
Balance at beginning of period	27,423	27,252
Additions	1,980	
Effect of movements in exchange rates	(157)	171
Balance at end of period	29,110	27,423
Accumulated amortisation:		
Balance at beginning of period	8,808	6,340
Effect of movements in exchange rates	(404)	(38)
Amortisation	3,689	2,506
Balance at end of period	12,093	8,808
Net book amount	17,017	18,615

Spectrum licences include licenses acquired by the subsidiary companies, Telecom Fiji Pte Limited and Vodafone Fiji Pte Limited on 2 September 2013 from Department of Communications. Spectrum licences also include licence acquired by the subsidiary companies, Amalgamated Telecom Holdings (Kiribati) Limited on 27 May 2016 from Communications Commission of Kiribati and Digitec Communications Limited on 19 December 2018 from National Information and Communications Technology Authority.

The licences of Telecom Fiji Pte Limited and Vodafone Fiji Pte Limited had an initial 5-year term starting from 2 September 2013, then extending to further 10 years' conditional on compliance with implementation requirements. The purchase consideration has been capitalised to intangible assets.

The licence of Amalgamated Telecom Holdings (Kiribati) Limited had an initial 15-year term starting from 27 May 2016, then extending to further 5 years' conditional on compliance with implementation requirements. The purchase consideration has been capitalised to intangible assets.

The licence of Digitec Communications Limited is for a 10-year term starting from 18 December 2018.

d) Brand

	30 June 2023 $'000	31 March 2022 $'000
Gross carrying amount:		
Balance at beginning of period	15,407	15,407
Balance at end of period	15,407	15,407
Accumulated amortisation:		
Balance at beginning of period	7,580	7,580
Balance at end of period	7,580	7,580
Net book amount	7,827	7,827

NOTE 15. INTANGIBLE ASSETS (CONT'D)

d) Brand (cont'd)

The carrying amount as at period end relates to the value of the Digitec brand attributable to Digitec ICT Limited of $1,400,000 and the value of the Bluesky brand attributable to American Samoa Telecom LLC of $6,427,000. The Group has assessed that these brand values have an indefinite useful life as the brands are mature and contribute significant value to the businesses and its abandonment would represent an unrealistic decision given the market in which the businesses operate, the industry in which the brands are being used and the nature of services that the entities provide. Impairment of brand has been tested together with impairment of goodwill (see Note 15(a)).

	30 June 2023 $'000	31 March 2022 $'000
e) Customer relationship and contracts		
Gross carrying amount:		
Balance at beginning of period	35,585	36,113
Effect of movements in exchange rates	264	(528)
Balance at end of period	35,849	35,585
Accumulated amortisation:		
Balance at beginning of period	19,320	13,933
Amortisation	6,548	5,903
Effect of movements in exchange rates	1,119	(516)
Balance at end of period	26,987	19,320
Net book amount	8,862	16,265

NOTE 16. LEASES

Information about leases for which the Group is a lessee is presented below.

A. Right of use assets

i) Property leases

The Group leases land and building. Information about leases for which the Group is a lessee is presented below:

	30 June 2023 $'000	31 March 2022 $'000
Balance at beginning of period	67,268	62,362
Additions	12,206	12,641
Effect of movement in exchange rates	1,703	165
Remeasurement	569	470
Disposals	-	(120)
Depreciation charge for the period`	(11,729)	(8,250)
Balance at end of period	70,017	67,268

ii) IRU Network Capacity

	30 June 2023 $'000	31 March 2022 $'000
Balance at beginning of period	27,601	26,199
Additions	39,518	4,014
Effect of movements in exchange rates	1,336	132
Depreciation charge for the period	(3,755)	(2,744)
Balance at end of period	64,700	27,601
Total right of use assets	134,717	94,869

(a) Indefeasible Right of Use ("IRU") capacity relates to the lease of IRU network capacities by subsidiary companies, Telecom Fiji Pte Limited, Fiji International Telecommunications Pte Limited and American Samoa Holdings Limited. The IRU network capacity purchase consideration or lease consideration has been capitalised and is amortised over its estimated economic useful life.

NOTE 16. LEASES (CONT'D)

B. Lease liabilities

	30 June 2023 $'000	31 March 2022 $'000
Lease liabilities included in the statement of financial position		
Current		
IRU network capacity	5,158	4,774
Property leases	10,691	5,101
Total current lease liabilities	15,849	9,875
Non-current		
IRU network capacity	4,190	3,884
Property leases	63,973	64,941
Total non-current lease liabilities	68,163	68,825
Total lease liabilities	84,012	78,700
Amounts recognised in profit or loss		
Interest on lease liabilities	4,753	4,362
Expenses relating to short-term leases and variable lease payments	41,579	32,871
	46,332	37,233
Amounts recognised in the statement of cash flows		
Total cash outflow for leases	59,685	47,885
Maturity analysis - contractual undiscounted cash flows		
Less than one year	16,884	12,178
One to five years	42,389	31,461
More than five years	74,376	87,141
Total undiscounted lease liabilities	133,649	130,780

Real estate leases

The Group leases various premises, base stations, land and buildings for its office premises, tower sites and access roads. These range over periods from one to ninety-nine years. Some leases include an option to renew the lease for an additional period after the end of the contract term. Some leases provide for additional rental payments that are based on changes in local price indices.

Extension options

Some leases contain extension options exercisable by the Group before the end of the non-cancellable contract period. Where practicable, the Group seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Group and not by the lessors. The Group assesses at lease commencement whether it is reasonably certain to exercise the extension options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant change in circumstances within its control.

NOTE 17. NON-CONTROLLING INTEREST

The following table summarises the information relating to each of the Group's subsidiaries that has material NCI, before any intra-group eliminations.

30 June 2023	Vodafone Group $'000	Bluesky Group $'000	ATH Global Group $'000	Intra-group eliminations $'000	Total $'000
NCI Percentage*	49.0%	*	53.1%		
Non-current assets	338,922	195,937	586,584		
Current assets	230,175	54,325	159,003		
Non- current liabilities	(143,077)	(58,059)	(296,526)		
Current liabilities	(262,410)	(48,444)	(122,783)		
Net assets	163,610	143,759	326,278		
Net assets attributable to NCI	80,169	48,738	173,066	(69,809)	232,164
Revenue	547,279	161,188	60,689		
Profit / (loss)	61,061	11,965	(111,144)		
OCI	2,355	(14,222)	2,769		
Total comprehensive income	63,416	(2,257)	(108,375)		
Profit / (loss) allocated to NCI	32,490	2,632	(41,629)	(337)	(6,844)
OCI allocated to NCI	2,075	(4,346)	1,624		(647)
Cash flows from operating activities	102,517	30,144	(76,176)		
Cash flows from investment activities	(40,666)	(47,194)	(81,910)		
Cash flows from financing activities (dividends to NCI: $36,460,000)	(42,645)	6,912	224,718		
Net increase in cash and cash equivalents	19,206	(10,138)	66,632		

31 March 2022	Vodafone Fiji Pte Limited $'000	Bluesky Group $'000	ATHIV Group $'000	Intra-group eliminations $'000	Total $'000
NCI Percentage*	49.0%	*	30.0%		
Non-current assets	380,139	165,521	287,400		
Current assets	186,063	57,029	66,866		
Non- current liabilities	(144,014)	(49,872)	(19,396)		
Current liabilities	(236,992)	(41,741)	(364,188)		
Net assets	185,196	130,937	(29,318)		
Net assets attributable to NCI	100,462	52,633	(8,796)	(403)	143,896
Revenue	378,111	111,773	-		
Profit / (loss)	52,289	1,487	(20,198)		
OCI	394	(1,214)	(4,230)		
Total comprehensive income	52,683	273	(24,428)		
Profit / (loss) allocated to NCI	27,933	(1,205)	(6,059)	367	21,036
OCI allocated to NCI	291	(653)	(1,269)	1,582	(49)
Cash flows from operating activities	116,513	12,122	(42,376)		
Cash flows from investment activities	(114,724)	(8,474)	23,911		
Cash flows from financing activities (dividends to NCI: $16,932,000)	10,260	(4,476)	27,935		
Net increase in cash and cash equivalents	12,049	(828)	9,470		

* Refer note 31 for percentage ownership in the Bluesky Group.

NOTE 18. INVENTORIES

	30 June 2023 $'000	31 March 2022 $'000
Merchandise and consumables	73,652	60,325
Less: allowance for stock obsolescence	(9,135)	(4,479)
	64,517	55,846
Goods in transit	3,687	2,980
Total inventories, net	68,204	58,826

In 2023, inventories of $101,513,000 (for the period 1 April 2021 to 31 March 2022: $90,528,000) were recognised as an expense during the period and included in “direct costs”.

NOTE 19. DEBT INVESTMENT SECURITIES

	30 June 2023 $'000	31 March 2022 $'000
Current		
Term deposits	7,783	18,315
Total debt investment securities	7,783	18,315

(a) The carrying amount of debt investment securities are considered to be a reasonable approximation of fair value.

(b) Term deposits held with financial institutions attract interest rates in the range of 0.05% to 2.25% per annum (2022: 0.10% to 2.25% per annum) and will mature within 12 months from balance date.

NOTE 20. TRADE AND OTHER RECEIVABLES AND CONTRACT ASSETS

	30 June 2023 $'000	31 March 2022 $'000
Non-current		
Advance to Amalgamated Telecom Nominees Limited (Note 30(h))	2,482	2,482
Refundable deposits and others	543	577
Total non-current trade and other receivables and contract assets	3,025	3,059
Current		
Trade receivables	118,909	86,295
Contract assets	5,464	1,698
Less: allowance for expected credit losses	(29,726)	(25,472)
Trade receivables and contract assets, net	94,647	62,521
Receivable from related parties (Note 30(g))	472	1,136
GST receivable	42,631	21,046
Other receivables and advances	10,124	25,066
Prepayments	26,962	20,368
Total current trade and other receivables and contract assets	174,836	130,137

(a) The carrying amount of trade and other receivables and contract assets are considered to be a reasonable approximation of fair value.

NOTE 20. TRADE AND OTHER RECEIVABLES AND CONTRACT ASSETS (CONT'D)

(b) Trade receivables principally comprise amounts outstanding for sale of telephones, office equipment and computer equipment and rendering of telecommunication, data and internet related services. Trade receivables are non-interest bearing and are generally settled on 15 - 60 day terms.

(c) Movements in the allowance for expected credit loss of trade and other receivables and contract assets, including contract assets, are as follows:

	30 June 2023 $'000	31 March 2022 $'000
Balance at beginning of period	25,472	24,887
Net re-measurement of loss allowance	2,848	2,003
Effect of movement in exchange rates	1,119	(410)
Amounts written off during the period	287	(1,008)
Balance at end of period	29,726	25,472

The Group generally obtains security deposits for all new land line and internet connections. Apart from these, it does not hold any collateral as security.

NOTE 21. NOTES TO THE STATEMENT OF CASH FLOWS

Cash and cash equivalents as shown in the consolidated statement of cash flows is reconciled to the related items on the consolidated statement of financial position as follows:

	30 June 2023 $'000	31 March 2022 $'000
M-PAiSA trust account – restricted cash (see note 4.1(c))	74,960	74,915
Cash on hand and at bank	201,300	116,302
Bank overdraft	(649)	(4,222)
Cash and cash equivalents in the consolidated statement of financial position	275,611	186,995
Less: Restricted cash	(74,960)	(74,915)
Cash and cash equivalents in the consolidated statement of cash flows	200,651	112,080

Cash and cash equivalents in the consolidated statement of financial position included restricted cash relating to the provision of M-PAiSA services in Fiji and Samoa.

Refer note 31(f) and note 33 for details of non-cash investing and financing transactions.

Financing facilities

Financing facilities available to the Group includes bank overdrafts. Financing facilities in the form of bank overdrafts of $45,439,000 were available to the Group as at 30 June 2023 (31 March 2022: $26,144,000) of which $649,000 (31 March 2022: $4,222,000) was utilised. See also note 24.

	30 June 2023 $'000	31 March 2022 $'000
NOTE 22. SHARE CAPITAL		
Issued and Paid Up Capital		
Balance as at 30 June 2023: 478,590,099 (31 March 2022: 478,590,099) ordinary shares	220,570	220,570

All issued shares are fully paid. Shares have no par value.
During the 2022 financial year, the Holding Company received valid applications for 30,678,000 new shares under a rights issue totalling $61,356,000 from eligible shareholders.

NOTE 23. Foreign currency translation reserve

The foreign currency translation reserve relates to foreign currency translation as at period end on consolidation of subsidiary companies operating in foreign jurisdictions whose financial statements and transactions are denominated in a currency other than the presentation currency of the Group.

NOTE 24. BORROWINGS

	30 June 2023 $'000	31 March 2022 $'000
Non-current		
Term loan - Fiji National Provident Fund (a)(i)	34,031	51,427
Term loan - Fiji National Provident Fund (a)(ii)	51,251	60,000
Term loan - Fiji National Provident Fund (a)(iii)	45,249	-
Term loan - ANZ Bank (Kiribati) Limited (b)	-	160
Term loan - ANZ Bank (Vanuatu) Limited (c)	1,913	5,857
Term loan - ANZ Banking Group Limited - Fiji (d)	113,478	116,930
Term loan - ANZ Bank (Samoa) Limited (f)	19,244	22,327
Term loan - Westpac Banking Corporation (h)	55	-
Term loan - Bank of South Pacific (i)(a)	30,523	-
Term loan - Bank of South Pacific - Samoa (i)(b)	10,610	-
Term loan - Bank of South Pacific and Kina bank (j)	231,298	-
Term loan - Home Finance Corporation (k)	42,454	-
Total non-current borrowings	580,106	256,701
Current		
Term loan - Fiji National Provident Fund (a)(i)	13,141	11,147
Term loan - Fiji National Provident Fund (a)(ii)	8,749	-
Term loan - Fiji National Provident Fund (a)(iii)	-	42,589
Term loan - ANZ Bank (Kiribati) Limited (b)	-	631
Term loan - ANZ Bank (Vanuatu) Limited (c)	2,697	2,439
Term loan - ANZ Banking Group Limited - Fiji (d)	10,723	11,466
Term loan - ANZ Bank (Samoa) Limited (f)	5,937	4,695
Term loan - Vanuatu National Provident Fund (g)	15,851	15,824
Term loan - Westpac Banking Corporation (h)	40	-
Term loan - Bank of South Pacific (i)(a)	6,391	-
Term loan - Bank of South Pacific - Samoa (i)(b)	1,338	-
Term loan - Bank of South Pacific - Cook Island (i)(c)	1,078	-
Term loan - Home Finance Corporation (k)	3,545	-
Bank overdraft - Bred Bank (Vanuatu) Limited (e)	-	3,350
Bank overdraft - ANZ Bank (Samoa) Limited (f)	649	872
Total current borrowings	70,139	93,013
Total borrowings	650,245	349,714

The Group did not have any defaults of principal or interest or other breaches with respect to its borrowings during the periods ended 30 June 2023 and 31 March 2022. Other than the bank overdraft facility, the only other facility available to the Group is term loans which have all been fully drawn down.

NOTE 24. BORROWINGS (CONT'D)

(a) Term loan - Fiji National Provident Fund

(i) During 2019 financial year, the subsidiary company, Vodafone Fiji Pte Limited entered into a loan agreement with FNPF for $80m. The loan is at a fixed interest rate of 4% (2022: 4.30%) per annum. Total term of the loan is 7 years.

(ii) During 2022 financial year, the subsidiary company, Vodafone Fiji Pte Limited entered into a loan agreement with FNPF for $60m. The loan is at a fixed interest rate of 6.25% (2022: 6.25%) per annum. Total term of the loan is 7 years.

A corporate guarantee has been provided by the subsidiary company for the loan.

(iii) During 2022 financial year, the subsidiary company, Digitec Communication Limited entered into a loan agreement with FNPF for USD 20m (FJD 45.2 million). The loan is at a fixed interest rate of 6% (2022: 6%) per annum. Total term of the loan is 3 years.

(b) Term loan - ANZ Bank (Kiribati) Limited

The term loan from ANZ Bank (Kiribati) Limited is subject to interest at a rate of 5.9% (2022: 5.9%) per annum. The term loan is subject to a fixed interest rate and is repayable by monthly instalments of AUD 35,029 (2022: AUD 35,029) (inclusive of interest). This loan was fully paid off during the year.

The term loan was secured by the following:

i) Limited Guarantee provided by the Holding Company to the amount of AUD 9,577,000 plus interest, costs and other amount.

ii) First registered mortgage debentures given by the subsidiary company, Amalgamated Telecom Holdings (Kiribati) Limited being a fixed and floating charge over all present and future assets, undertakings (including goodwill) and unpaid or uncalled capital of that security provider.

iii) Deed of Subordination with the Holding Company, the subsidiary company, Amalgamated Telecom Holdings (Kiribati) Limited and ANZ Bank (Kiribati) Limited, covenanting that the loan from the Holding Company to the subsidiary company will not reduce without prior written consent of ANZ Bank (Kiribati) Limited and ANZ Bank (Kiribati) Limited has priority to extend the facilities provided.

(c) Term loan - ANZ Bank (Vanuatu) Limited

The term loan from ANZ Bank (Vanuatu) Limited is subject to a variable interest rate, which was 5.25% (2022:6%) per annum at balance date. Total term of the loan is 7 years.

The term loan is secured by registered equitable mortgage debenture over the assets of the subsidiary company, Telecom Vanuatu Limited.

NOTE 24. BORROWINGS (CONT'D)

(d) Term loan - ANZ Banking Group Limited - Fiji

In the prior years, the Holding Company obtained loans from ANZ Banking Group Limited (ANZ) to finance acquisition of Telecom Vanuatu Limited and Amper SA interest in certain subsidiaries of Bluesky Group.

The loan facilities from ANZ Banking Group Limited (ANZ) are secured and subject to variable interest rates. The term loans are secured by the following:

i) First registered mortgage debentures over all assets and undertakings including uncalled capital and unpaid premiums of the Holding Company.

ii) Authority to appropriate and set off term deposit held with ANZ.

iii) Deed of Assignment dated 23 November 2016 assigning the Holding Company second priority over the assets of AST Telecom LLC to ANZ.

Details of outstanding term loans are as follows:

Borrowing for acquisition of Telecom Vanuatu Limited
The term loan amounting to FJD 11 million (2022: FJD 15 million) at period-end was obtained for the purpose of funding the transaction to acquire Telecom Vanuatu Limited.

The loan is payable at monthly repayments of FJD 299,947 (2022: FJD 299,947) based on notional term of 14 years and at variable interest rate, which was 3.9% (2022: 4.75%) per annum at the balance date.

Borrowing for acquisition of Amper SA interest in certain subsidiaries of Bluesky Group
The term loans amounting to USD 49 million (FJD 113 million) (2022: USD 53 million (FJD 114 million)) at period-end were obtained for the purpose of funding the transaction to acquire Amper SA's interest in certain subsidiaries of the Bluesky Group.

The loans are payable at monthly repayments of USD 621,682 (2022: USD 494,627) based on notional terms of between 13 – 15 years and at variable interest rate, which was 8.83% (2022: 3.63%) per annum at balance date.

(e) Bank overdraft - Bred Bank (Vanuatu) Limited

The subsidiary company, Telecom Vanuatu Limited, has a revolving bank overdraft facility of VUV 270 million (FJD 5.3 million) (2022: VUV 270 million (FJD 5.3 million)) at an interest rate of 6.75% (2022: 6.75%) per annum.

A corporate guarantee has been provided by the Holding Company for the bank overdraft.

NOTE 24. BORROWINGS (CONT'D)

(f) Term loan and Bank overdraft - ANZ Bank (Samoa) Limited

The subsidiary company, Bluesky Samoa Limited, has a bank overdraft facility of WST 1 million (FJD 831k) (2022: WST 1 million (FJD 803k)) at an interest rate of 7% (2022: 7%) per annum and term loan with ANZ Bank (Samoa) Limited at a variable interest rate, which was 7% (2022: 7%) per annum at balance date. Total term of the loan is 7 years. The term loan and bank overdraft facility is secured by the following:

(i) First registered mortgage over leasehold Bluesky Headquarters at Maluafou. Lease is 20 years commencing 2003 with a right of renewal of 20 years and final expiry in 2043.

(ii) First registered mortgage debenture over the fixed and floating assets (including paid and unpaid capital) of Bluesky Samoa Limited.

The subsidiary company, AST Telecom LLC, obtained a loan of USD 7 million in the current financial period at an interest rate of 7%. Total term of loan is 5 years.

(g) Term loan - Vanuatu National Provident Fund

The subsidiary company, Telecom Vanuatu Limited, has an equity convertible loan from Vanuatu National Provident Fund at a variable interest rate, which was 6% (2022: 6%) per annum at balance date. The conversion feature has expired as of 30 June 2023.

A corporate guarantee has been provided by the Holding Company for the loan.

(h) Bank overdraft and Finance lease - Westpac Banking Corporation

The subsidiary company, Vodafone Fiji Pte Limited, has a bank overdraft facility of $20 million (2022: $20 million) at a variable interest rate, which was 4.35% (2022: 4.35%) per annum at balance date, with Westpac Banking Corporation which is unsecured and subject to maintaining certain financial covenants.

The subsidiary company, Datec (Fiji) Pte Limited, has a standard finance lease facility at an interest rate of 4.5% (2022: 4.5%) per annum which is secured by the following:

(a) Registered first fixed and floating charge over all the assets of the subsidiary company.

(b) Undertakings including uncalled and called but unpaid capital of the subsidiary company.

(c) Letter of support from the subsidiary company, Vodafone Fiji Pte Limited.

(d) Standard lease schedule over the subsidiary company's motor vehicles.

In addition, Datec (Fiji) Pte Limited has a bank overdraft facility of $1 million with Westpac Banking Corporation. Interest is payable at a rate of 4.35% (2022: 4.35%) per annum.

(i) Term loan - Bank of South Pacific

(a) During the current financial year, the subsidiary company, Vodafone Fiji Pte Limited entered into a loan agreement with Bank of South Pacific for $36.90m. The loan is at an interest rate of 7% per annum. Total term of the loan is 5 years.

Corporate guarantee has been provided by the subsidiary company for the loan.

(b) The subsidiary company, Bluesky SamoaTel Investments Limited, has a term loan with BSP Bank (Samoa) Limited at a variable interest rate, which was 6% (2022: with ANZ Bank (Samoa) Limited at a variable interest rate of 7%) per annum at balance date. Total term of the loan is 7 years. The term loan is secured by the following:

(i) First registered mortgage debenture, being a fixed and floating charge, over all present and future assets, undertakings and unpaid or uncalled capital of Bluesky SamoaTel Investments Limited.

NOTE 24. BORROWINGS (CONT'D)

(i) Term loan - Bank of South Pacific (Cont'd)

(c) The subsidiary company, Teleraro Limited, has a term loan with BSP Bank (Cook Island) at a variable interest rate, which was 6.80% (2022: with Australian and New Zealand Banking Group Limited at a variable interest rate of 6.85%) per annum at balance date. Total term of the loan is 2 years. The term loan is secured by the following:

(i) First registered mortgage debenture, being a fixed and floating charge, over all assets and undertakings (including paid and unpaid capital) of Teleraro Limited.

(ii) First registered mortgage over 100% of the shares held in TCNZ Cook Islands Limited by Teleraro Limited.

(j) Term loan - Bank of South Pacific and Kina

During the current financial year, the subsidiary company, Digitec Communications Limited consolidated its borrowings and entered into a syndicated loan facility with BSP, Kina Securities Limited and Fiji National Provident Fund. The syndicate loan facility consists of term facility (PGK 223m), USD term facility (USD 20m), working capital facility (PGK 137m) and overdraft facility (PGK 30m). As of 30 June 2023, the overdraft facility was yet to be utilised. The syndicate loan currently attracts interest of 7.25% with principal repayments to commence in November 2025 until maturity in August 2029.

The syndicate facility is secured by a floating charge over all revolving assets and fixed charge over all other secured properties of the subsidiary company.

(k) Term loan - Home Finance Company Limited (HFC)

During the current financial year, the subsidiary company, FINTEL, obtained a loan for a term of 11 years at 3.5% interest per annum, for the acquisition of IRU on the new Southern Cross Next Cable. The loan is interest payment only for the first 12 months and principal and interest repayments of $454,875 commences thereafter. The loan is secured by first registered general security agreement over all assets and undertakings (including uncalled and unpaid premiums) of the subsidiary company.

(l) Other Bank Facilities - ANZ Banking Group Limited - Fiji

The subsidiary company, Telecom Fiji Pte Limited, has an indemnity guarantee and visa business credit card facilities with ANZ Banking Group Limited - Fiji. These facilities are secured by letter of charge over term deposit funds.

Reconciliation of movement of liabilities to cash flows from financing activities

	Other borrowings ($'000)	Lease liabilities ($'000)	Total ($'000)
Balance at 1 April 2022	345,492	78,700	424,192
Changes from financing cash flows			
Proceeds from borrowings	334,708	-	334,708
Repayment of borrowings	(47,071)	-	(47,071)
Payment of lease liabilities	-	(12,915)	(12,915)
Total changes from financing cash flows	**287,637**	(12,915)	**274,722**
The effect of changes in foreign exchange rates	**16,466**	**5,348**	**21,814**
Other changes - liability related			
New leases	-	12,206	12,206
Re-measurement	-	673	673
Interest expense	37,055	4,753	41,808
Interest paid	(37,055)	(4,753)	(41,808)
Total liability related other changes	**-**	**12,879**	**12,879**
Balance at 30 June 2023	**649,595**	**84,012**	**733,607**

NOTE 24. BORROWINGS (CONT'D)

Reconciliation of movement of liabilities to cash flows from financing activities	Other borrowings ($'000)	Lease liabilities ($'000)	Total ($'000)
Balance at 1 April 2021	285,590	70,121	355,711
Changes from financing cash flows			
Proceeds from borrowings	103,048	-	103,048
Repayment of borrowings	(44,429)	-	(44,429)
Payment of lease liabilities	-	(10,652)	(10,652)
Total changes from financing cash flows	**344,209**	**59,469**	**403,678**
The effect of changes in foreign exchange rates	**1,283**	**6,240**	**7,523**
Other changes - liability related			
New leases	-	12,641	12,641
Re-measurement	-	470	470
Disposal	-	(120)	(120)
Interest expense	16,543	4,362	20,905
Interest paid	(16,543)	(4,362)	(20,905)
Total liability related other changes	**-**	**12,991**	**12,991**
Balance at 31 March 2022	**345,492**	**78,700**	**424,192**

NOTE 25. PROVISIONS

	30 June 2023 $'000	31 March 2022 $'000
Non-current		
Retirement benefits	466	685
Current		
Employee entitlements	7,256	5,137
Directory production costs	27	21
	7,283	5,158

NOTE 26. TRADE AND OTHER PAYABLES

	30 June 2023 $'000	31 March 2022 $'000
Non-current		
Subscriber deposits	6,111	4,100
Total non-current trade and other payables	6,111	4,100
Current		
Trade payables and accruals (a)	216,027	169,478
Owing to related parties (Note 30(g))	-	58,588
Advance for relocation of telecommunication cables	1,153	937
Dividend payable	31,872	25,640
	249,052	254,643
Security deposits	5,712	1,365
Contract liabilities	38,748	27,111
Total current trade and other payables	293,512	283,119
Total trade and other payables	299,623	287,219

(a) Trade payables principally comprise amounts outstanding for trade purchases and on-going costs. Trade payables are non-interest bearing and are normally settled on a 30 – 60-day term.

The carrying amount of trade and other payables are considered to be a reasonable approximation of fair value.

NOTE 27. DIVIDENDS

	30 June 2023 $'000	31 March 2022 $'000
Ordinary shares		
Interim dividend ($0.020 per share (2022: $0.02)	9,572	9,572
Final dividend ($0.025 per share (2022: $Nil)	11,965	-
Total dividends	21,537	9,572

During the period dividends declared by group entities and payable to non-controlling interests was $25,457,000 (for the period 1 April 2021 to 31 March 2022: 20,889,000).

	30 June 2023 $'000	31 March 2022 $'000
NOTE 28. CONTINGENT LIABILITIES		
Following is a summary of estimated contingent liabilities:		
Bank and performance guarantees	4,508	4,886

a) Legal claims

Various claims have been brought against certain subsidiary companies. The directors have obtained legal advice on these claims and are confident that no significant liability other than those that have been brought to account or have been disclosed will eventuate.

The subsidiary company, Telecom Cook Islands Limited, has been advised of potential claims from some landowners for overdue rent reviews. The lease is held by the Cook Islands Government Property Corporation and the subsidiary company occupies the land under a joint venture agreement between the shareholders of the subsidiary company. A deed of variation of the lease dated 2 October 2007 was prepared by Cook Islands Investment Corporation which included the settlement for overdue rent reviews. However, the legal counsel for the landowners have claimed that the deed is unlawful. The legitimacy of this claim is still being determined, including if successful, whether the subsidiary company would be liable for any potential liability.

Another landowner is also pursuing compensation for occupation of land from the subsidiary company, Telecom Cook Islands Limited. The details of the claim are not clear. There is no formal lease agreement but rental has been paid in accordance with a written agreement with certain family members.

It is not clear if there will be a further liability resulting from these claims, nor any expected amounts beyond that already paid.

b) Other contingent liabilities

i) The subsidiary company, Vodafone Fiji Pte Limited, has provided letter of support to its subsidiary company, Datec (Fiji) Pte Limited, for the bank overdraft facility with Westpac Banking Corporation.

ii) The Holding Company has given a limited guarantee to Bred Bank (Vanuatu) Limited for the bank overdraft facility obtained by the subsidiary company, Telecom Vanuatu Limited, to the amount of VUV 659,000,000.

iii) The Holding Company has given a guarantee to Vanuatu National Provident Fund for the term loan obtained by the subsidiary company, Telecom Vanuatu Limited, to the amount payable pursuant to the Deed of Loan between Vanuatu National Provident Fund and the subsidiary company.

iv) The Holding Company has given a financial guarantee to BSP Bank (PNG) for the term loan obtained by its subsidiary company, Vodafone Papua New Guinea, to the amount payable pursuant to the Equity Commitment between BSP(PNG) and the subsidiary company.

v) The subsidiary company, Vodafone Fiji Pte Limited, has provided a limited guarantee and indemnity to its subsidiary company, Digitec ICT Limited, for a business loan facility with Bank of South Pacific Financial Group Limited in PNG.

NOTE 28. CONTINGENT LIABILITIES [CONT'D]

b) Other contingent liabilities (cont'd)

vi) The subsidiary company, Bluesky Samoa Limited, was able to resolve to long outstanding matter of tax losses carried forward from 2011. As part of the settlement, the Ministry of Customs and Revenue accepted to allow 80% of WST 13,842,249 to be carried forward as allowable losses. The impact of WST 2,768,450 at 27% tax has been taken into account in current year income tax calculations of the subsidiary company.

NOTE 29. COMMITMENTS

a) Capital commitments

	30 June 2023 $'000	31 March 2022 $'000
Capital expenditure commitments as at balance date are as follows:		
Intangible assets	2,556	43,689
Property, plant and equipment	202,244	333,076

Capital expenditure commitments primarily relate to various capital investment projects, programs and initiatives approved by the Board of Directors of the Holding Company and the subsidiary companies. In prior year, capital expenditure commitments included $43,643,000 for lease of new submarine cable capacity linking Australia and USA.

b) Operating lease expenses

The Group has entered into line rental agreements with various line rental service providers. The arrangement includes variable lease payments based on an index or rate. The Group also has a number of short term leases, for which no right of use assets and liabilities have been recognised. Refer note 16 for rental payments for the fifteen month period ended 30 June 2023 in respect to the above.

c) Sponsorship agreement with Fiji Rugby Union

During the financial period, the subsidiary company, Vodafone Fiji Pte Limited, entered into a sponsorship agreement with Fiji Rugby Union.

As per the terms of the agreement, Fiji Rugby Union has granted sponsorship rights in respect to certain properties under the control of FRU, including Kaji Rugby Competition, Vanua Championship, Deans Competition and Fijiana Fifteens Team on an exclusive basis to the subsidiary company. The subsidiary company has agreed to the acquisition of such sponsorship rights to be solely for the subsidiary company which include corporate entities for sponsorship in cash and sponsorship in kind for a period of 5 years.

NOTE 29. COMMITMENTS (CONT'D)

d) Sponsorship agreement with Fiji National Rugby League Limited

During the financial period, the subsidiary company, Vodafone Fiji Pte Limited entered into a sponsorship agreement with Fiji National Rugby League Limited.

As per the terms of the agreement, Fiji National Rugby League (FNRL) has granted sponsorship rights in respect to its events, including the Fiji Bati team, Vodafone Cup Tournament, and Fiji Secondary Schools Rugby League Competition rugby events on an exclusive basis to the subsidiary company. The subsidiary company has agreed to the acquisition of such sponsorship rights to be solely for the subsidiary company for sponsorship in cash and sponsorship in kind for a period of 3 years.

e) Licence fees

Certain subsidiaries within the Group are committed to pay licence fees to the Government of Fiji, the Government of Kiribati (for Amalgamated Telecom Holdings (Kiribati) Limited), the Government of Vanuatu (for Telecom Vanuatu Limited) and Office of the Regulator (for Bluesky Samoa Limited) based on the audited annual gross revenue which arises directly from the provision of services under the respective licence.

Certain subsidiaries in Fiji are also required to pay Universal Service Levies to the Government of Fiji based on the audited annual gross revenue which arises directly from the provision of services under the respective licence in the current period and such annual gross revenue are calculated net of settlements charges to other licensees paying Universal Service levies in Fiji.

f) Operating lease income

The Group earns rental income from colocations and equipment and lease circuit rental. The Group has classified these leases as operating leases, because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets.

Rental income recognised by the Group during the fifteen month period ended 30 June 2023 was $1,934,000 (for the period 1 April 2021 to 31 March 2022: $1,427,000). The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date:

	30 June 2023 $'000	31 March 2022 $'000
Less than one year	2,217	1,635
Between one and five years	131	544
	2,348	2,179

NOTE 30. RELATED PARTIES

a) Parent entity

The ultimate parent company is Fiji National Provident Fund (FNPF), a defined contribution superannuation fund domiciled in Fiji.

b) Directors

The names of persons who were directors of the Holding Company at any time during the financial period are as follows:

Ms Kalpana Lal - Chairperson - Resigned 3 March 2023
Mr Daksesh Patel - Interim Chairperson - Appointed 3 March 2023
Mr Joweli Taoi - Appointed 3 March 2023
Mr Attar Singh - Appointed 3 March 2023
Mrs Tanya Waqanika - Appointed 25 April 2023
Mr Peter Chan - Appointed 25 April 2023
Mr Vilash Chand - Appointed 20 October 2022
Mr Viliame Vodonaivalu
Mr Taito Waqa - Resigned 3 March 2023
Mr Umarji Musa - Resigned 1 March 2023
Mr David Kolitagane - Resigned 20 October 2022
Ms Tupou'tuah Baravilala - Resigned 6 March 2023
Mr Pravinesh Singh - Resigned 3 March 2023

Directors' remuneration is disclosed under Note 11.

c) Government related entity

The Government of Fiji has significant influence over the Group through its shareholding of 16.3% in the Holding Company and also through its influence over the parent company, Fiji National Provident Fund, through the FNPF Act 2011 under which FNPF has been constituted. The Group has transactions with the Government, and other government-related entities, including but not limited to sales and purchases of goods and ancillary materials, rendering and receiving services, lease of assets, and use of public utilities.

d) Sale of goods and services

	For the period 1 April 2022 to 30 June 2023 $'000	For the period 1 April 2021 to 31 March 2022 $'000
Interest income (Amalgamated Telecom Nominees Limited)	-	30
Sale of hardware, software and services (FNPF)	1,235	1,817
Advertising income (FNPF)	19	19

e) Purchases of goods and services

Interest expenses and fees (FNPF)	9,636	5,274
Operating lease (FNPF)	2,120	1,490

f) Key management personnel compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entities of the Group, directly or indirectly, including any director (whether executive or otherwise) of those entities. The aggregate compensation to key management personnel are as follows:

Salaries and other short-term employee benefits	7,383	5,416

NOTE 30. RELATED PARTIES [CONT'D]

g) Period-end balances arising from sales/purchases of goods and services

	30 June 2023 $'000	31 March 2022 $'000
Receivable from related parties (Note 20):		
- Ultimate parent entity	472	1,136
Payable to related parties (Note 26):		
- Ultimate parent entity	-	23
- Unit trust of Samoa and Samoa National Provident Fund	-	41,832
- Austel Investment Pte Limited	-	16,733
	-	58,588

h) Loans and advances to related parties

Advances to other related entity - Amalgamated Telecom Nominees Limited (Note 20)	2,482	2,482

i) Borrowings from ultimate parent entity

Term loans (Note 24)	152,421	165,163

Refer Note 24 for terms underlying the borrowings from ultimate parent entity.

j) Debt investment securities

Term deposits held with HFC Bank	250	2,040

k) Guarantees

Refer Note 28(b) for provision of guarantees to related parties.

l) Commitments

Refer Note 28(b) for provision of letter of support to related parties.

NOTE 31. SUBSIDIARY COMPANIES

a) The financial statements of the Group incorporate the assets, liabilities and results of the following subsidiary companies. The basis of consolidation is discussed under note 2 (d).

	Principal place of business	Equity holding	
		30 June 2023	31 March 2022
Telecom Fiji Pte Limited	Fiji	100%	100%
Fiji International Telecommunications Pte Limited	Fiji	100%	100%
Vodafone Fiji Pte Limited	Fiji	51%	51%
Datec (Fiji) Pte Limited	Fiji	51%	51%
Datec Australia Pty Limited	Australia	51%	51%
Fiji Directories Pte Limited	Fiji	100%	100%
Amalgamated Telecom Holdings (Kiribati) Limited	Kiribati	100%	100%
Telecom Vanuatu Limited	Vanuatu	100%	100%
ATH Global Pte Limited	Singapore	100%	100%
ATH International Venture Pte Limited	Singapore	46.9%	100%
Digitec Communications Limited	PNG	46.9%	70%
Digitec ICT Limited	PNG	51%	26%
Etech ICT Pty Limited	Australia	51%	26%
Etech ICT Pte Limited	Singapore	51%	26%
eLandia Technologies, LLC	USA	100%	100%
American Samoa Hawaii Cable LLC	American Samoa	66.7%	66.7%
Samoa American Samoa Cable	American Samoa	66.7%	66.7%
Amalgamated Bluesky Telecom Holdings LLC	USA	100%	100%
AST Telecom LLC	American Samoa	100%	100%
American Samoa Entertainment	American Samoa	100%	100%
Bluesky SamoaTel Investments	Samoa	98.0%	97.2%
Bluesky Samoa Limited	Samoa	73.5%	72.9%
Bluesky Pacific Holdings Limited	Samoa	90.7%	90.5%
Bluesky Holding New Zealand Limited	New Zealand	90.7%	90.5%
Bluesky Cook Islands Investment	Cook Islands	90.7%	90.5%
Teleraro Management Limited	Cook Islands	90.7%	90.5%
Teleraro Limited	Cook Islands	81.7%	81.5%
TCNZ Cook Islands Limited	Cook Islands	81.7%	81.5%
Telecom Cook Islands Limited	Cook Islands	49.0%	48.9%

All the subsidiaries have the same balance date as the parent entity.

Although the Holding Company has less than half of the shareholding in Telecom Cook Islands Limited, ATH International Venture Pte Limited, Digitec Communications Limited, management has determined that the Holding Company controls Telecom Cook Islands Limited, ATH International Venture Pte Limited, Digitec Communications Limited. This is on the basis that the Holding Company appoints the majority of the directors for Telecom Cook Islands Limited, ATH International Venture Pte Limited and Digitec Communications Limited and has the majority voting rights through these director appointments.

b) On 1 April 2020, Vodafone Fiji Pte Limited acquired 70% shareholding in Digitec ICT Limited, Etech ICT Pte Limited and Etech ICT Pty Limited from Digitec Communication Limited and ATH International Venture Pte Limited. The transaction was accounted for as a common control transaction as at the time of this transaction Vodafone Fiji Pte Limited, Digitec Communication Limited and ATH International Venture Pte Limited were controlled by the same shareholder, the Holding Company. As the Holding Company was not a party to the common control transaction, these consolidated financial statements were not affected by the transaction. However, on the same day (i.e. 1 April 2020), following transfer of control, Vodafone Fiji Pte Limited disposed 19% interest in Digitec ICT Limited, Etech ICT Pte Limited and Etech ICT Pty Limited decreasing the Groups ownership interest from 70% to 26%. This change in ownership interest has been accounted for as an equity transaction, the effects of which are presented in the merger reserve.

NOTE 31. SUBSIDIARY COMPANIES (CONT'D)

During the current financial period, the subsidiary company, Vodafone Fiji Pte Limited, acquired the remaining 49% shares in Digitec ICT Limited, Etech ICT Pte Limited and Etech ICT Pty Limited, increasing the Groups ownership interest from 26% to 51%. This change in ownership interest has been accounted for as an equity transaction, the effects of which are presented in the merger reserve.

c) In May 2021 the Holding Company acquired 30.34% minority shareholding in Bluesky Pacific Holding Limited. This acquisition of non-controlling interest has been accounted for as an equity transaction, the effects of which are presented in the other equity reserve.

d) During the financial period, the Holding Company acquired 92 shares (0.8% minority shareholding) in Bluesky SamoaTel Investments Limited, which increased direct ownership interest to 98%. This acquisition of non-controlling interest has been accounted for as an equity transaction, the effects of which are presented in the other equity reserve.

e) In August 2022, ATH International Venture Pte Limited issued 214,170,000 additional shares to ATH Global Pte Limited, Fiji National Provident Fund, Vodafone Fiji Pte Limited, Asian Development Bank, Austel, Samoa National Provident Fund and Unit Trust of Samoa for a consideration of USD 200,163,000 (of which USD 78,086,000 and USD 44,084,000 was received from ATH Global Pte Limited and Vodafone Fiji Pte Limited, respectively). This resulted in a decrease in the Groups ownership interest from 100% to 46.9%. This change in ownership interest has been accounted for as an equity transaction, the effects (difference between share of net assets and consideration paid) of which are presented in the other equity reserve.

ATH International Venture Pte Limited issued a put option to Asian Development Bank which entitles Asian Development Bank to require Vodafone Fiji Pte Limited to purchase its shares in ATH International Venture Pte Ltd on the occurrence of certain events. Asian Development Bank may exercise the put option if a trigger event has occurred any time from the Subscription Completion Date (August 2022) up to and including the expiry of the Put Exercise period and/or in all other cases at any time during the Put Exercise Period. The Group has recognised a liability for the present value of the exercise price of the option as the Group has an obligation to deliver cash or another financial asset if Asian Development Bank exercise the option. To account for the debit side of this transaction, the contract has been accounted for as an anticipated acquisition of the underlying non-controlling interest, i.e., as if the put option has already been exercised by Asian Development Bank. Consequently, the underlying interest legally attributable to Asian Development Bank has been presented as already owned by the Group, both in the statement of financial position and in the statement of profit or loss and other comprehensive income. Subsequent to initial recognition the Group recognises changes in the carrying amount of the put liability within equity, specifically in the other equity reserve.

f) In August 2022, at the time of issue of additional shares in ATH International Venture Pte Limited (see note 31(e)), ATH International Venture Pte Limited acquired the remaining 30% interest in Digitec Communications Limited from Austel and in exchange offered Austel 10% shareholding in ATH International Venture Pte Limited. This change in ownership interest has been accounted for as an equity transaction, the effects (difference between share of net assets and consideration paid) of which are presented in the other equity reserve.

NOTE 32. SEGMENT REPORTING

A. Basis for segmentation

The Group has the following three strategic divisions, which are its reportable segments. These divisions offer different products and services, and are managed separately because they require different technology and marketing strategies. The following summary describes the operations of each reportable segment:

Reportable segments	Operations
Fixed Line Telecom	Provision of telecommunication services over fixed line telecommunications network and sale of telephone equipment
Mobile Telecom	Provision of telecommunication services over mobile telecommunications network and sale of telephone equipment
ICT	Provision of ICT services, cloud services, sale of computer hardware and software, and provision of technical support and other related services provided within the technology industry.

The Group's Chief Executive Officer reviews the internal management reports of each division at least monthly.

B. Information about reportable segments

Information related to each reportable segment is set out below. Segment profit (loss) before tax is used to measure performance because management believes that this information is the most relevant in evaluating the results of the respective segments relative to other entities that operate in the same industries.

a) Operating Segments

	Fixed Line Telecom $'000	Mobile Telecom $'000	ICT $'000	Other $'000	Elimination $'000	Total $'000
30 June 2023						
External revenues	121,188	667,118	118,310	53,776	-	960,392
Inter-segment revenue	29,316	36,443	11,864	50,140	(127,763)	-
Other income	3,367	5,543	2,366	1,550	-	12,826
Segment revenue & other income	153,871	709,104	132,540	105,466	(127,763)	973,218
Segment profit (loss) before tax	35,391	(7,201)	(22,508)	26,364	(34,995)	(2,949)
Interest income	-	5,505	-	-	(5,011)	494
Interest expense	1,493	29,332	-	27,679	(5,426)	53,078
Depreciation and amortisation	22,040	127,911	4,478	8,196	7,317	169,942
Other material non-cash items:						
Impairment losses on trade receivables and contract assets	505	1,918	34	391	-	2,848
Impairment losses on non-financial assets	-	-	-	-	-	-
Segment assets	235,672	1,473,118	82,214	805,585	(702,341)	1,894,248
Capital expenditure	39,938	302,625	3,664	9,466	-	355,693
Segment liabilities	76,686	1,081,099	20,826	239,643	(205,778)	1,212,476

NOTE 32. SEGMENT REPORTING (CONT'D)

B. Information about reportable segments (continued)

a) Operating Segments (continued)

	Fixed Line Telecom $'000	Mobile Telecom $'000	ICT $'000	Other $'000	Elimination $'000	Total $'000
31 March 2022						
External revenues	89,518	435,437	81,253	34,446	-	640,654
Inter-segment revenue	2,460	10,929	38	34,460	(47,887)	-
Other income	2,013	5,991	903	1,114	-	10,021
Segment revenue	93,991	452,357	82,194	70,020	(47,887)	650,675
Segment profit (loss) before tax	23,614	60,461	14,013	(162)	(28,801)	69,125
Interest income	505	1,034	-	1,451	(2,396)	594
Interest expense	1,208	11,809	-	12,273	(1,868)	23,422
Depreciation and amortisation	18,231	80,222	1,118	10,942	5,294	115,807
Other material non-cash items:						
Impairment losses on trade receivables and contract assets	867	1,409	196	(395)	(74)	2,003
Impairment losses on non-financial assets	-	2,200	-	-	-	2,200
Segment assets	170,952	600,578	72,062	1,366,437	(740,142)	1,469,887
Capital expenditure	34,189	42,117	1,636	81,890	-	159,832
Segment liabilities	76,868	470,931	22,179	648,660	(371,539)	847,099

NOTE 32. SEGMENT REPORTING (CONT'D)

b) Geographical segments

The geographic information analyses the Group's revenue and non-current assets by the Holding Company's country of domicile and other countries. In presenting the geographic information, segment revenue has been based on the geographic location of customers and segment assets were based on the geographic location of the assets.

	Fiji $'000	Outside Fiji $'000	Elimination $'000	Total $'000
30 June 2023				
External revenues	544,727	415,665	-	960,392
Inter-segment revenue	105,317	22,446	(127,763)	-
Other income	6,747	6,079	-	12,826
Segment revenue & other income	656,791	444,190	(127,763)	973,218
Segment profit (loss) before tax	155,372	(123,326)	(34,995)	(2,949)
Interest income	3,177	2,328	(5,011)	494
Interest expense	36,745	21,759	(5,426)	53,078
Depreciation and amortisation	85,134	77,491	7,317	169,942
Other material non-cash items:				
Impairment losses on trade receivables and contract assets	1,554	1,294	-	2,848
Impairment losses on non-financial assets	-	-	-	-
Segment assets	1,436,931	1,159,658	(702,341)	1,894,248
Capital expenditure	98,790	256,903	-	355,693
Segment liabilities	659,093	759,161	(205,778)	1,212,476
31 March 2022				
External revenues	391,125	249,529	-	640,654
Inter-segment revenue	46,779	1,108	(47,887)	-
Other income	4,628	5,393	-	10,021
Segment revenue	442,532	256,030	(47,887)	650,675
Segment profit (loss) before tax	121,440	(23,514)	(28,801)	69,125
Interest income	1,448	1,542	(2,396)	594
Interest expense	16,251	9,039	(1,868)	23,422
Depreciation and amortisation	70,209	40,304	5,294	115,807
Other material non-cash items:				
Impairment losses on trade receivables and contract assets	7	2,070	(74)	2,003
Impairment losses on non-financial assets	-	2,200	-	2,200
Segment assets	1,435,951	774,078	(740,142)	1,469,887
Capital expenditure	56,215	103,617	-	159,832
Segment liabilities	637,178	581,460	(371,539)	847,099

NOTE 32. SEGMENT REPORTING (CONT'D)

c) Geographic information

The geographic information analyses the Group's non-current assets by the Holdings Company's country of domicile and other countries. In presenting the geographic information, segment assets were based on the geographic location of the assets.

	30 June 2023 $'000	31 March 2022 $'000
Non-current assets		
Fiji	429,410	499,584
All foreign countries		
Papua New Guinea	511,345	295,931
American Samoa	69,717	37,819
Samoa	65,849	70,596
Vanuatu	52,060	58,225
Cook Islands	26,074	28,149
Kiribati	18,923	23,770
Others	148	82
Elimination	122,314	24,129
	1,295,840	1,038,285

Non-current assets exclude financial investments and deferred tax assets.

NOTE 33. CONTINGENT CONSIDERATION PAYABLE

In 2019, the Holding Company had completed the acquisition of the Digitec group, an ICT provider in PNG, Singapore and Australia. At the same time a Shareholders Deed was entered between the Holding Company, Austel Investment Pty Limited ('Austel') and Digitec Communications Limited.

At the commencement of the Shareholders Deed, the Holding Company was the majority shareholder and Austel was the minority shareholder in Digitec Communications Limited. The Shareholders Deed was intended to document the arrangements between the Holding Company and Austel during the initial network roll-out.

Based on the Shareholders Deed, the Holding Company and Austel's share of the equity contribution to the network cost was to be in proportion to its shareholding in Digitec Communications Limited and both parties had acknowledged and agreed that Austel's equity contribution was to be USD 18m consisting of:

- USD 8m being met by application of deferred payment from sale of Digitec Communications Limited by Austel to the Holding Company; and
- the notional value to be ascribed to the licences owned by Digitec Communications Limited and necessary to utilise for the telecommunications business. The licences were provisionally valued at USD 10m but were to be adjusted depending on the actual cost of the network roll out.

The Group determined that the fair value of this arrangement was $13,770,355 (i.e. USD 7m). The Group has determined that $13,770,355 represents contingent consideration under IFRS 3 *Business Combination*. Accordingly, an additional goodwill of $13,770,355 has been recognised and allocated to Digitec Communications Limited. The contra has been recognised as contingent consideration payable as the shareholding in Digitec Communications Limited is yet to be formalised.

In 2022, interest expense of USD220,000 was recognised as a result of unwinding of discount in relation to the contingent consideration payable.

The above transaction was formalised during the fifteen month period ended 30 June 2023 and the contingent payable was converted into equity.

NOTE 33. CONTINGENT CONSIDERATION PAYABLE (CONTD)

In August 2022, at the time of issue of additional shares in ATH International Venture Pte Limited (see note 31(e)), additional funding was made by all shareholders but one shareholder, Austel, which maintains its proportion of interest.

This transaction between ATH International Venture Pte Limited and its shareholders has been accounted for as an equity transaction, the effects of which are presented in the other equity reserve.

NOTE 34. EVENTS SUBSEQUENT TO BALANCE DATE

There has not arisen in the interval between the end of the financial period and the date of this report any item, transaction or event of a material and unusual nature likely to affect significantly the operations of the Group, the results of those operations, or the state of the affairs of the Group, in subsequent financial periods.

NOTE 35. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the board of directors and authorised for issue on 31 October 2023.

South Pacific Stock Exchange - Listing Requirements

1. Top 20 shareholders report under Section 51.2 (v):

Shareholders	No. Of Shares
The Fiji National Provident Fund Board	347,964,953
Republic Of Fiji Islands	72,966,105
Unit Trust Of Fiji (Trustee Company) Limited	19,391,624
Unit Trust Of Samoa (Trust)	6,928,710
Itaukei Trust Fund Board	6,546,144
Amalgamated Telecom Nominees Limited	4,700,193
Retirement Fund Board (Tonga)	4,000,000
FHL Trustees Limited Atf Fijian Holdings Unit Trust	3,260,962
BSP Life (Fiji) Limited	2,173,387
FHL Media Limited	2,095,793
Samoa National Provident Fund (SNPF)	1,666,666
Carlisle (Fiji) Limited	488,565
FijiCare Insurance Limited	176,396
Shiu Raj	137,603
Naitasiri Provincial Council	119,980
Jacks Equity Investment Limited	114,013
Kiran Lata Kumar	100,000
Kiritbhai Patel F/N Prabhudas Patel	100,000
Nakuruvakarua Company Limited	100,000
RFMF Army Medical Scheme	100,000
Savendra Prabhu Dayal	99,000
Lomaiviti Provincial Council	94,340
Rewa Provincial Council	94,300

2. Distribution of shareholding under Section 51.2 (vi):

No. of Shareholders	Shareholding	Total Percentage Holding
314	0 - 500	0.03%
912	501 -5,000 shares	0.37%
120	5001 -10,000 shares	0.20%
43	10,001 -20,000 shares	0.14%
19	20,001 -30,000 shares	0.10%
6	30,001 -40,000 shares	0.04%
9	40,001 -50,000 shares	0.09%
15	50,001 -100,000 shares	0.26%
5	100,001 -1,000,000 shares	0.22%
11	over 1,000,000 shares	98.55%
1,454		**100%**

South Pacific Stock Exchange - Listing Requirements (Cont'd)

3. Disclosure on the trading results of each subsidiary under Section 51.2 (x):

(Amount in $'000)	Telecom Fiji Limited	Vodafone Fiji Limited & Subsidiary Companies	FINTEL	Fiji Directories Limited	ATH Kiribati Limited	Telecom Vanuatu Limited	Bluesky Group	ATHIV Group
Sales revenue	87,180	547,279	19,225	1,725	39,161	87,762	161,188	60,689
Other Operating revenue (excluding dividends)	27,054	22,188	81	65	-	185	3,964	0
	114,234	569,467	19,306	1,790	39,161	87,577	165,152	60,689
Depreciation and amortisation	17,033	68,065	3,707	214	4,728	13,898	20,861	34,016
Impairment loss on trade and other receivable	-	796	-	759	23	-	2,105	54
Cost of Sales	17,999	244,059	4,433	198	14,725	32,288	67,226	40,982
Other expenses	48,669	146,337	4,839	982	11,035	32,438	54,657	131,214
Finance cost/(income) net	(671)	8,973	1,422	(3)	508	1,874	2,859	10,459
Income tax expense/(benefit)	6,592	20,954	2,066	146	2,858	-	5,480	44,688
Share of Profit from Associates		18,283						
	89,622	507,467	16,467	2,004	33,831	80,498	153,188	172,037
Net profit after income tax (excluding dividends)	24,612	62,000	2,839	-214	5,330	7,079	11,964	111,348
Operating assets	175,609	572,143	73,702	4,013	26,836	69,798	250,263	746,407
Operating liabilities	51,126	404,211	56,654	620	6,916	34,831	106,503	596,326
Shareholders' equity	124,483	167,932	17,048	3,392	19,919	34,968	143,759	150,081

4. Share Register

Central Share Registry Pte Limited
Shops 1 and 11
Sabrina Building
Victoria Parade
Suva, Fiji

South Pacific Stock Exchange - Listing Requirements (Cont'd)

5. Group Consolidated Ten Years Financial Performance under section 51.2 (xiv) (xv):

	For the 15 months ended 30 June 2023 ($'000)	For the 12 months ended 31 March 2022 ($'000)	For the 12 months ended 31 March 2021 ($'000)	For the 12 months ended 31 March 2020 ($'000)	For the 12 months ended 31 March 2019 ($'000)	For the 12 months ended 31 March 2018 ($'000)	For the 12 months ended 31 March 2017 ($'000)	For the 12 months ended 31 March 2016 ($'000)	For the 12 months ended 31 March 2015 ($'000)	For the 12 months ended 31 March 2014 ($'000)
Operating Revenue	960,392	640,654	579,765	675,947	523,679	460,416	394,702	356,211	310,668	281,004
EBIT	30,872	75,382	59,638	102,973	119,485	118,803	108,411	90,878	85,272	46,664
EBITDA	200,815	191,189	169,913	214,720	189,335	173,384	153,611	134,468	129,903	93,109
Net Earnings	4,837	55,854	41,374	43,354	75,024	58,065	54,222	56,725	49,812	14,469
Earnings per share	(3.86) cents	7.38 cents	3.26 cents	3.38 cents	10.05 cents	13.8 cents	12.8 cents	13.4 cents	11.8 cents	3.4 cents
Return on equity	0.71%	8.97%	7.53%	9.30%	16.33%	20.56%	22.3%	26.5%	25.7%	8.4%
Total Assets	1,907,506	1,469,887	1,281,171	1,206,430	1,133,284	682,586	635,313	466,882	417,105	396,813
Return on assets	1.5%	3.9%	3.4%	3.8%	6.4%	11.5%	19.2%	23.0%	22.7%	10.7%
Current Ratio	1.10 times	0.81 times	0.75 times	1.01 times	0.98 times	0.85 times	0.61 times	0.76 times	0.82 times	0.86 times
Net Debt	448,945	233,412	206,239	280,150	258,018	99,723	118,233	12,139	22,394	46,606
Gearing	40%	27%	27%	38%	36%	23%	29%	5.0%	9.0%	19.0%
Interest cover	5.4 times	9.15 times	8.81 times	4.74 times	10.53 times	13.82 times	34.9 times	41.5 times	28.9 times	9.9 times
Net cash flow from operating activities	108,147	139,297	161,371	148,024	140,350	129,828	132,590	105,006	116,340	94,252
Capital expenditure	350,138	159,832	181,069	155,043	184,093	84,306	43,412	71,932	60,810	24,636
Dividend per share	$ 0.045	$ 0.020	$0.000	$0.000	$0.025	$0.045	$0.06	$0.08	$0.07	$0.05
Net Tangible Asset per share	0.56	0.86	0.50	0.33	0.26	$0.60	$0.50	$0.44	$0.41	$0.35
Market price per share	$ 1.97	$ 1.79	$1.82	$2.58	$3.28	$2.28	$1.32	$1.20	$1.01	$0.80
Maximum market price per share	$ 2.18	$ 1.84	$2.43	$3.34	$3.28	$2.30	$1.32	$1.25	$1.01	$0.86
Minimum market price per share	$ 1.80	$ 1.60	$1.80	$2.58	$2.28	$1.32	$1.08	$1.00	$0.81	$0.60
Price Earnings ratio	(51.04) times	24.25 times	55.83 times	76.33 times	32.64 times	16.52 times	10.3 times	8.9 times	8.6 times	23.5 times
Dividend Yield	2.28%	1.12%	0.00%	0.00%	0.76%	1.9%	4.5%	6.7%	6.9%	6.3%

Group of Companies

SUBSIDIARIES CONTACT DETAILS

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