ATH
Group of Companies

2024 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

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"I am confident that our Group has the resilience and adaptability to overcome these challenges and seize new opportunities."

It is my pleasure to present the Annual Report of the ATH Group for the financial year ending 30 June 2024 on behalf of the Board of Directors. This year has been remarkable for the Group, as we continue to see a robust recovery across the Pacific from the disruptions caused by the pandemic. The resurgence of economic activities has further underscored the critical importance of reliable and advanced telecommunication services, and ATH Group has been at the forefront of meeting these demands.

A key highlight of this financial year was the successful launch of the 5G network by our subsidiary in American Samoa, making it the first nation in the Pacific to fully adopt 5G technology. This milestone is not only a testament to our commitment to innovation and leadership in the region but also a significant step forward in enhancing connectivity, supporting businesses and improving the quality of life for our customers.

Throughout the year, we maintained our focus on strategic consolidation and expansion across the Pacific region, ensuring that we remain a key player in the telecommunications industry. Our efforts have been guided by our mission to provide unparalleled service quality, customer care and operational efficiency across all our subsidiaries. These initiatives are in line with our commitment to our shareholders and key stakeholders, who remain central to our decision-making processes.

In recognition of our shareholders, who continue to be the foundation of our Group, the Board has endorsed a dividend of $0.03 per share, an increase of 20% compared to last year.

Challenges

One of the ongoing challenges we face is staying ahead in a rapidly changing technological landscape. The advent of 5G technology and the continuous evolution of digital services require us to remain agile and innovative. Our markets are subject to competitive pressures and technological advancements, which we must navigate to ensure long-term success.

This year, we continued our restructuring efforts across the ATH Group to align with market developments and customer needs. The launch of 5G in American Samoa is a prime example of how we are adapting to new technologies and setting the stage for future growth. We remain committed to exploring all avenues for improvement, including the ongoing consolidation of Group companies to enhance performance.

Appointments

This year saw a significant change in our leadership structure. While the Board composition remained largely unchanged, there was a transition in the Chairmanship. Mr. Dakshesh Patel stepped down as Chairman and Mr. Attar Singh was elected as the new Board Chair, with Ms. Tanya Waqanika taking on the role of Deputy Chairperson. These changes reflect our commitment to strong governance and leadership continuity.

I would like to extend our heartfelt thanks to Mr. Patel for his exemplary leadership and dedication during his tenure as Chairman. His contributions have been invaluable in guiding ATH Group through a period of growth and transformation.

Future Outlook on Consolidation and Structure

As we look ahead to FY2025, ATH Group is well-positioned to navigate the challenges and uncertainties that lie ahead. While cost inflation and a shifting geopolitical landscape continue to impact global markets, I am confident that our Group has the resilience and adaptability to overcome these challenges and seize new opportunities.

In line with our commitment to staying at the forefront of technological advancements, ATH is targeting the launch of 5G in Fiji at the earliest opportunity. The Vodafone Fiji network has successfully completed all necessary 5G upgrades and has commenced trials. The commercial launch will proceed as soon as the required regulatory approvals and spectrum allocation are granted. This is a significant step in our strategy to enhance digital connectivity across the region.

Similarly, our operations in other Pacific Island nations are also advancing towards 5G capability. Both Vodafone Samoa and Vodafone Vanuatu have either completed or are in the process of upgrading their networks to 5G. These developments will further strengthen our position as a leading telecommunications provider in the Pacific, enabling us to deliver cutting-edge services and support the evolving needs of our customers.

In its second year of operations, Vodafone PNG has demonstrated remarkable progress across key business areas, leading to significant revenue growth compared to the previous financial year. With the expansion of network coverage to all 22 provinces and strategic partnerships with recharge distributors and dealers, the company has enhanced brand visibility and customer convenience. Vodafone PNG now boasts around 800 sites, supported by multiple redundancy systems and 4G+ capabilities, ensuring a reliable customer experience. The company's people strategy focuses on nurturing local talent, with 95% of staff being PNG nationals, and promoting a culture of continuous growth, leadership and diversity. Financially, the growing customer base continues to drive revenue growth, positioning the company to challenge the mobile market's low penetration rate in the country. Looking ahead, Vodafone PNG remains committed to delivering value and fostering long-term growth for its shareholders.

Our M-paisa platform continues to be a strong performer, with projected annual transactions exceeding $3 billion. Earlier this year, we launched the M-paisa Mastercard services, which have revolutionized the banking sector by providing all M-paisa users with a payment instrument that can be used for both local and international transactions. This innovation has significantly broadened access to financial services, particularly for those previously without such capabilities.

Building on this success, ATH aims to launch similar products across the Pacific, further expanding our reach and providing essential financial services to the unbanked. We remain committed to exploring opportunities to grow our investment portfolio and will continue working closely with major shareholders and international partners to enhance our digital footprint and deliver innovative solutions across the region.

Acknowledgment

I would like to express my deepest appreciation to my fellow Directors for their unwavering support and counsel throughout the year. My gratitude also extends to the Directors of our subsidiary boards for their invaluable contributions.

On behalf of the Board, I would like to thank our stakeholders, the dedicated ATH Group staff, our subsidiary management teams and the CEOs and management of ATH companies for their hard work and dedication. Your efforts have been instrumental in achieving our goals and driving the Group forward.

Attar Singh
Chairman

> As we move forward, our focus will remain on expanding our network infrastructure, enhancing our service offerings, and exploring new growth opportunities across the Pacific.

The financial year 2024 has been pivotal for Amalgamated Telecom Holdings Limited (ATH Group) as we focused on consolidating our operations, streamlining the group structure and enhancing our customer-centric approach. Our strategy centred around the successful launch of the 5G network and the expansion of our fibre network across the region. These initiatives are aligned with our commitment to staying at the forefront of technological advancements while ensuring that our customers have access to the best connectivity solutions available.

The Fijian economy demonstrated steady growth throughout the year, supported by favourable financial conditions. Ample banking system liquidity, standing at $1.9 billion as of June 24, has contributed to a historically low lending rate, which in turn has fuelled private sector credit growth of 9.4% year-over-year as of May. These macroeconomic factors have provided a solid foundation for our operations, allowing us to maintain a strong market presence and continue our expansion efforts across the Pacific.

Financial Highlights

ATH Group reported a net profit after tax of $9.20 million for the 12 months of the financial year 2024, a significant increase from the $4.83 million reported for the 15-month period ending June 2023. This is 138% improvement from the comparable 12-months proportionate net profit after tax for FY23 closing at $3.86 million. The improvement in profitability underscores the effectiveness of our strategic initiatives and our focus on operational efficiency.

Revenue for the 12-month period ending June 2024 was $936 million, slightly down from $960 million recorded during the 15-month audit period ending June 2023 and 22% higher then the comparable 12-months for FY23. FY23 Proportionate 12-month revenue closed at $768 million. Our EBITDA saw a notable increase, closing at $207 million, up from $172 million in the previous period, reflecting a $35 million improvement. This also reflects an improvement of $69 million against comparable 12-months of FY23 performance. This increase was driven by the continued ramp up of the PNG Business and solid performance from our Fiji based business.

The Group's debt level increased to $692 million in FY24 from $650 million in FY23. This was primarily due to investments in Papua New Guinea (PNG) and other strategic investments in Fiji. While the PNG operations posed challenges, including a complex political environment and foreign currency issues that hindered the timely flow of funds, we are optimistic about the future. The PNG business has achieved positive EBITDA performance in the first months of FY2025, marking a milestone development for Vodafone PNG.

Business Development

Throughout FY24, ATH Group remained proactive in exploring new opportunities across the Pacific region, with a focus on expanding our footprint and enhancing our service offerings should these look attractive. Our investments pipeline remains robust, with ongoing discussions to identify and pursue attractive opportunities that are aligned to our overall strategies.

The recent entry of Starlink into the market presents important developments for ATH. While Starlink is a competitive option at the retail front, we also view significant opportunity to leverage of the capabilities to enhance our services and help bridge the digital divide by connecting underserved communities in a cost-effective manner. Our subsidiary, Telecom Fiji Limited (TFL), along with potentially others in the near future, is partnering with Starlink to leverage Starlink satellite technology, which will extend our reach and improve connectivity across the region.

While ATH sees potential in collaborating with telco operators like Starlink to expand mobile coverage in remote areas, we also have concerns. The rise of LEO satellites potentially raises issues related to data sovereignty, information security, and compliance with exchange control regulations and tax laws. Additionally, ATH believes that uniform terms and conditions for all internet service operators are essential to ensure fair competition in the market.

Our strategic focus on consolidation and synergy realisation within the Group continues, with several key projects currently in progress. These initiatives are aimed at optimizing our operations, reducing costs, and enhancing value for our stakeholders.

Business Outlook

The outlook for ATH Group remains positive as we continue to navigate the evolving technological landscape in the telecommunications sector. Our investments in the 5G network underscore our confidence in the economic environment and the markets we serve. We are committed to providing our customers with cutting-edge technology and superior service, ensuring that we remain a leader in the industry.

As we move forward, our focus will remain on expanding our network infrastructure, enhancing our service offerings, and exploring new growth opportunities across the Pacific. We are confident that our strategic initiatives will drive long-term value for our shareholders and position ATH Group for sustained success.

Acknowledgement

I would like to extend my heartfelt gratitude to all stakeholders of ATH Group, including our shareholders, financiers, staff, management, and business partners. Your unwavering support and commitment have been instrumental in our success, and we look forward to continuing our journey together as we strive to achieve greater heights.

Thank you for your trust and confidence in ATH Group.

Ivan Fong
Chief Executive Officer

BOARD OF DIRECTORS

1 **Attar Singh**
Chairman

2 **Dakshesh Patel**
Director

3 **Joweli Taoi**
Director

4 **Vilash Chand**
Director

5 **Viliame Vodonaivalu Baleitavua**
Director

6 **Peter Chan**
Director

7 **Tanya Waqanika**
Director
Deputy Chairperson

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 2024, the remaining 12.05% belongs to 1,406 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.

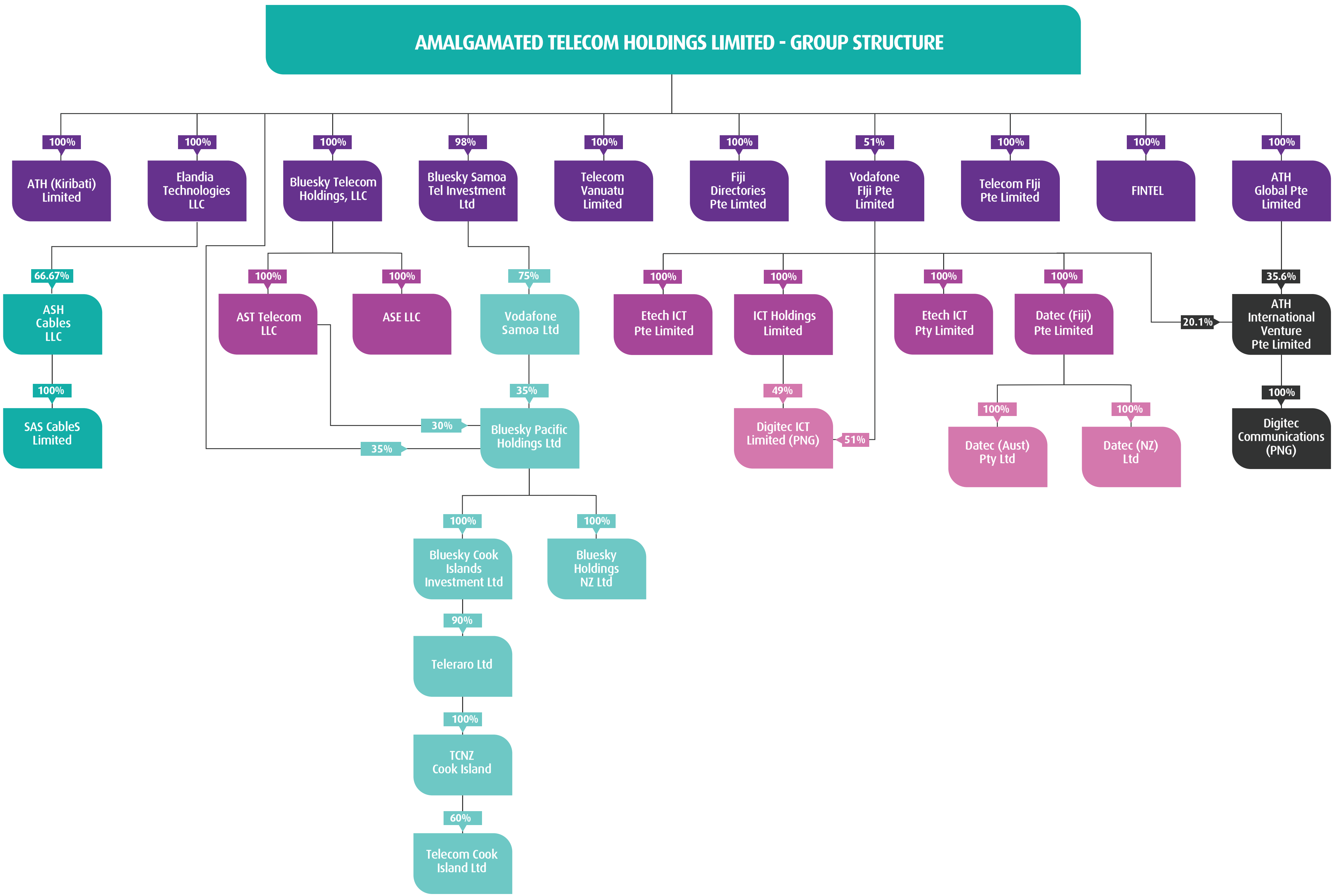
ATH acquired substantially all the assets of Telecommunications Services Kiribati Limited (TSKL) on 26 May 2015 and incorporated a new company, Amalgamated Telecom Holdings (Kiribati) Limited (ATHKL), now trading as Vodafone Kiribati Limited, to hold and operate the assets and provide telecommunication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

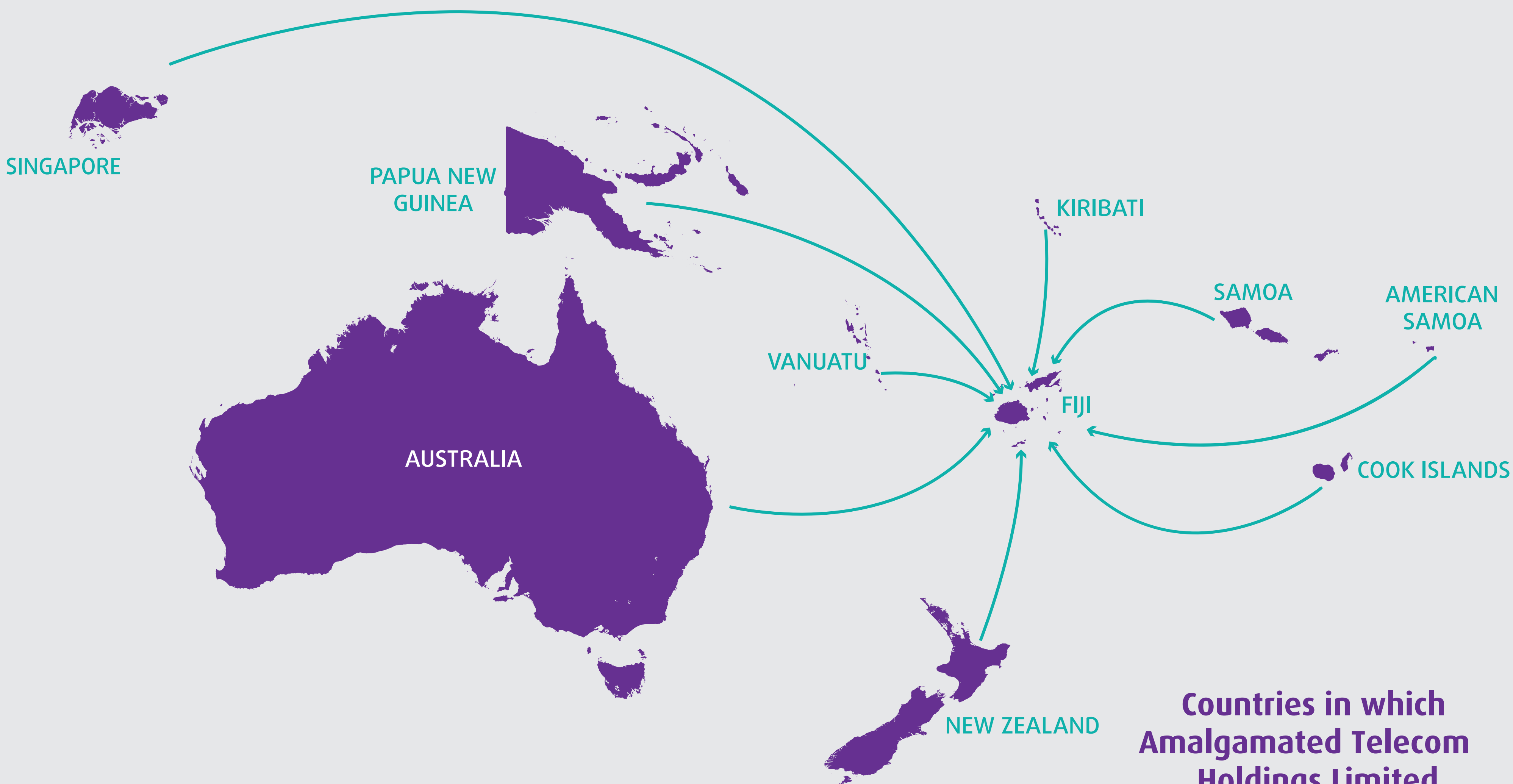
On 27 March 2017, ATH acquired 100% share capital of Telecom Vanuatu Limited (TVL), a leading telecommunications operator in Vanuatu, from MT International Ventures PCC, an investment vehicle wholly owned by Mauritius Telecom Limited. Telecom Vanuatu Limited (now trading as Vodafone Vanuatu) is incorporated 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, 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 Financial Year Ended on 30 June 2024

Principle	Requirement	Compliance Status
01. Establish Clear Responsibilities for Board Oversight	**Separation of Duties** Clear separation of duties between Board and Senior Management.	The separation of roles between the Board and Management is crucial for maintaining strong governance and enhances the Board's strategic oversight role. The Board is comprised of 7 Non- Executive Directors who assess and approve the strategic direction of the Company and review the incremental progress of the business in alignment to strategic goals. As Non- Executive Directors the Board maintains an independent perspective in executing its oversight role. Key functions of the Board include decisions on investments, strategic matters, receiving updates on business performance from the CEO and Senior Management. The Board maintains an overall view in evaluating the capital and resource implications of the strategy in driving for long-term value creation for shareholders
	Board Charter Adopt a Board Charter detailing functions and responsibilities.	There is a Board Charter in place for the Company which outlines the role and responsibilities and structure of the Board of Directors. The Board Charter defines the authority and responsibility of the Board, establishes a governance framework that is aligned to the Corporate Governance Code for ATH. The governance practices addressed through the Board Charter includes, how meetings are conducted, decision-making process and how conflicts of interests are managed. The Board Charter ensures accountability for Board Directors and serves as an operational guiding procedure for the Board and Subcommittee's, which enables the Board to function efficiently and effectively. Further, the current implementation of a Revised Code of Corporate Governance for the Company enhances sound board governance mechanisms for ATH.
02. 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 majority Shareholder 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. One third of Fiji Directors retire by rotation each year and the retiring Directors are eligible to be nominated for re-election. Two of the seven Directors have met the necessary SPX required pre-requisites to be regarded as Independent Directors. The fulfillment of independent directorship requirements, ensures diversity of expertise, insights and the availability of independent leadership perspective on the Board.

Annual Compliance Report on Corporate Governance

Amalgamated Telecom Holdings Limited For the Financial Year Ended on 30 June 2024

Principle	Requirement	Compliance Status
	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, the Board Charter requires the Board to promote fairness in appointments and decision making. The updated Code of Corporate Governance allows the Board to outline certain key areas of consideration such as gender diversity which are to serve as guideline for appointing shareholders to consider while nominating Directors to the Board. The Code of Corporate Governance articulates the Board's commitment to promote ethical and responsible decision making. The Nominations Committee of the Board oversees other governance matters for appointments to the Board and guides the Board to address gender diversity considerations in Board appointment processes.
	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.	A Nomination Committee Charter is in place to provide guidance and outline the roles and responsibilities of the Committee. 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. The updated Code of Corporate Governance also addresses specific requirements for Fit and Proper assessment of the Directors, to conducted by the appointing shareholder prior to the confirmation of a Director's appointment.
	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.	There is a Board Evaluation process and guideline in place which is facilitated by the Company Secretary in consultation with the Nominations Committee. The objective of the evaluation process is to support and develop Directors, and to identify areas of improvements to be collectively managed by the Board. Board Evaluation ensures that individual directors and the Board as a whole work efficiently in achieving their functions towards ATH. The additional process for Board evaluation for ATH Directors, includes peer assessments and self-assessments for the Board and Subcommittee Directors.

Annual Compliance Report on Corporate Governance

Amalgamated Telecom Holdings Limited For the Financial Year Ended on 30 June 2024

Principle	Requirement	Compliance Status
	Directors Training The Director's training and induction procedure to be in place to allow new Directors to participate fully and effectively.	Board Directors are taken through an induction process when they join the Board. Board induction includes presentation and information sessions conducted by the CEO and Executive management. During the Board induction a new Director is taken through a series of information sessions to provide the Directors with key information about the business. The process of onboarding company directors is critical for the Company in allowing Directors to ask questions about the business, meet key stakeholders and also conduct site and office visits, to ensure a Director is well informed and equipped to act as a non-executive Director for the Company. It is compulsory for all newly appointed Directors to attend the induction programme. Workshops and information sessions are organised for Directors on an ongoing basis, to ensure Directors are updated on pertinent matters and industry updates relating to the business. External consultants and stakeholders are engaged on a need to basis to provide technical expertise and feedback to the Board.
	Board Sub-Committees Board must have sub-committees which must at a minimum include: Audit Committee; Risk Management Committee; and Nominations Committee/Recruitment Committee.	There are (3) Board subcommittees that actively reviews and discusses Management recommendations before submission to the full Board for decision. The 3 Board committees are: (i) Audit Finance & Risk Committee (ii) Nominations Committee (iii) Human Resources & Remuneration Committee The Board is currently in the process of finalising a Cybersecurity Committee, as it recognises the importance of strengthening the Board's technology expertise as a key element of its ability to oversee strategy. **The Audit, Finance and Risk Committee** plays a pivotal role in safeguarding the Company's financials, ensuring compliance and managing risks effectively. The Committee provides oversight in the areas of Audit, Finance and Risk Management. Through its audit oversight function, the Committee ensures the accuracy and integrity of Company financials and oversees the external and internal audit conducted for the Company.

Annual Compliance Report on Corporate Governance

Amalgamated Telecom Holdings Limited For the Financial Year Ended on 30 June 2024

Principle	Requirement	Compliance Status
Appointment of Chief Executive Officer/ Managing Director		On Finance matters, the Committee reviews and recommends financial policies to the Board to ensure they align with best practices and regulatory requirements. The Committee reviews and recommends the Company annual budget, financial forecast and major financial decision to the Board. Financial control mechanisms are also monitored for effective implementation by the Company. The Committee also oversees that risks in the Company are 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** guides the Board and Management on matters pertaining to the Company's human capital. The Committee addresses recruitment, terms and conditions of employment for executives, succession planning and remuneration. The HR Committee ensure the Company is well resourced with the right skillset and people, in order to achieve its mission and goals. **The Nominations Committee** is responsible for the selection, approval, renewal and succession of Directors in the subsidiary companies of the Group. Whilst the corporate governance responsibilities for the Company are co-shared amongst the three sub-committees of the Board, the Board continuously seeks out opportunities to enhance the roles of these Committees, to ensure sound corporate governance for the Company.
03. Appointment of Chief Executive Officer/Managing	Chief Executive Officer To appoint a suitably qualified and competent Chief Executive Officer	Mr. Ivan Fong is the Chief Executive Officer. Mr. Ashnil Prasad, who is the Chief Investment Officer, is also the Company Secretary of ATH. The Chief Executive Officer is responsible for developing and implementing business strategies and policy guidelines, managing budgets, financial reports and key performance indicators, ensures regulatory and statutory compliance and the effective management of relationships with internal and external stakeholders for the Company, and drives for staff performance through leadership and ongoing initiatives for staff development.
04. 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.	

Annual Compliance Report on Corporate Governance

Amalgamated Telecom Holdings Limited For the Financial Year Ended on 30 June 2024

Principle	Requirement	Compliance Status
05. Timely and Balanced Disclosure	Annual Reports Timely and accurate disclosures are made in Annual Reports as per Rule 51 of Listing Rules.	To ensure the Company remains fully accountable and to shareholders, ATH remains compliant with all disclosure requirements as per SPX Listing Rules and the Reserve Bank of Fiji Guidelines for Listed Companies. Disclosure requirements include the reporting of 6 monthly unaudited financials, market announcements on key changes to the business structure, changes in Board and executive appointment and other information about the business for the information of the market. The publication of the Annual Report for the ATH Group of Companies is conducted on an annual basis and ensures ongoing disclosure and regulatory compliance.
	Payment to Directors and Senior Management Sufficient information to be provided to shareholders on remuneration paid to Directors and Senior Management.	In the previous FY a total of $224,000 was paid out to Board Directors as remuneration for their services to the Company. The ATH Board members are non-executive Directors who attend Board meetings and other engagements in their capacity as Directors, for and on behalf of the Company. The Company has also met other expenses for Directors during the year, which includes travels costs and accommodation incurred by Directors in attending to their duties for ATH. ATH Directors are covered under a Directors and Officers Insurance Policy and a Personal Accident Insurance Policy. Compensation paid for senior management is disclosed in this 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
06. Promote Ethical and Responsible Decision Making	Code of Conduct To establish a minimum Code of Conduct of the listed entity applicable to Directors, senior management and employees and conduct regular training on the same.	The Company has a Code of Conduct which was approved by the Board. There are ongoing discussions and awareness held in the Company to address compliance and promote the importance of maintaining the minimum standards of Conduct expected by the Company. The ATH Code of Corporate Governance mandates the requirement for the Company to maintain an up to date and effective Code of Conduct for the company.

Annual Compliance Report on Corporate Governance

Amalgamated Telecom Holdings Limited For the Financial Year Ended on 30 June 2024

Principle	Requirement	Compliance Status
07. 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.	There is a Conflict-of-Interest Policy ("COI Policy") in place for the Company. 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 COI Policy.
08. 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.	The Company issues market announcements of material information, quarterly and six-monthly unaudited financials, annual audited financials and Annual Report. All Information released as market announcements are publicised through the SPX website and the ATH website for ongoing availability to shareholders. The Annual General Meeting of the Company is organised for every financial year, to allow the Board and executives to present the financials and also provide an update of the business to shareholders. The AGM forums is open to all Shareholders and shareholders are encouraged to attend and participate in discussions and communicate directly with the Board and officers of the Company. ATH fosters and promotes effective communication with shareholders and effective participation at General Meetings. The Company continuously explores how best to take advantage of technology to enhance shareholders communications and how to use General Meetings to enhance a two-way communication. Copies of the Annual Reports are made available to shareholders at the AGM.
	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.	The revamped ATH website which was launched during the FY 2023 Annual General Meeting is now online. Apart from its new look, the Company website now features are more user friendly and presents comprehensive information about the ATH Group of companies. It maintains an up-to-date supplement of official release of information to the market. The website address is: http://www.ath.com.fj/

Annual Compliance Report on Corporate Governance

Amalgamated Telecom Holdings Limited For the Financial Year Ended on 30 June 2024

Principle	Requirement	Compliance Status
	Grievance Redressal Mechanism To establish a Grievance Redressal Mechanism for Shareholders to address shareholders complaints and grievances.	The Code of Corporate Governance and Shareholder Complaints and Grievance Policy are in place to address grievance mechanisms for the Company. The Policy addresses the types of complaints and steps taken to file grievances and the resolution process in addressing shareholder complaints. The grievance redress mechanism is targeted to achieve and effective and efficient process in addressing complaints. The Policy is publicized on the Company website for the information of all shareholders. A dedicated email address is also provided for stakeholders to register their complaints and grievances. 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 was no shareholder complaints received during the financial year.
	Corporate Sustainability To adopt a business approach that creates long term share-holder value by embracing opportunities, managing risks, maximizing profits and minimizing 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. The Board recognises the need to address pressing significant risks that can impact the company's long term value creation.
09. 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.

Annual Compliance Report on Corporate Governance

Amalgamated Telecom Holdings Limited For the Financial Year Ended on 30 June 2024

Principle	Requirement	Compliance Status
	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 audit partners every three years or less and the external firm is not appointed for more than five consecutive 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. Management of risk at ATH and oversight in any audit and finance issues. 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)
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 responsi-bilities of the Board, Audit Committee, management and internal audit functions.	A Risk Management Framework and Risk Appetite Statement is now in place and is currently being implemented at ATH. The Risk Management Framework provides the methodology of identifying and managing of risks for the business and to monitor the effectiveness of controls that are in place. 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.

We remain steadfast in our mission to empower Fiji's digital transformation with the introduction of Artificial Intelligence technologies, enrich lives, and create a brighter, more connected future for all.


vodafone
Fiji

Mr. Joweli Taoi - Chairperson
Ms. Fareen Saheb - CFO/Company Secretary
Mr. Isikeli Tikoduadua - Director
Mr. Viliame Vodonaivalu - Director
Mr. Attar Singh - Director
Mr. Robin Yarrow - Director
Mr. Ashnil Prasad - Director
Mr. Pradeep Lal - Regional CEO
Ms. Elenoa Biukoto - CEO

Overview

The year 2023/24 marked a significant transformation in Fiji's telecommunications landscape, driven by technological advancements, increased demand for digital services, and the government's issuance of a license to a global satellite provider. Vodafone Fiji, is strategically adapting to these changes to maintain its market leadership and drive growth through innovation and diversification. Vodafone Fiji's performance underscores its multifaceted strategies to sustain its growth trajectory and continue to deliver on stakeholder expectations in years ahead.

Vodafone Fiji maintained its leadership in the telecommunications and ICT attributed to commitment to customer satisfaction and continuous innovation. By focusing on a customer-centric approach, the company enhanced data and internet access capabilities and offered globally reputable brands as part of its product suite. This enabled Fijians to connect seamlessly, access information, and engage in online activities. Additionally, Vodafone Fiji introduced products and services to meet the evolving needs of its customer base, which surpassed 900,000 users in the financial year, demonstrating the company's dedication to serving Fijian communities and bridging the digital divide.

Vodafone Fiji's commitment to innovation extends beyond customer experience to include significant investments in network development. Recognizing the importance of robust infrastructure in the digital age, Vodafone Fiji has built a strong foundation for reliable and future-proof networks capable of handling increasing data and connectivity demands. The company has also conducted active user trials for 5G technology, showcasing its dedication to remaining at the forefront of technological advancements. By embracing 5G, Vodafone Fiji is preparing for a new era of hyper-fast connectivity, paving the way for future advancements and innovation.

Vodafone Fiji remains dedicated to delivering sustainable growth and enhancing value for all stakeholders. With a customer-centric approach, a commitment to continuous innovation, and the strength of strategic partnerships, Vodafone Fiji is well-positioned to navigate the evolving digital landscape and maintain its leadership in the Fijian telecommunications industry.

Vodafone Fiji also achieved outstanding results for both shareholders and customers, highlighting its keen market understanding and ability to translate trends into profitable ventures. A prime example of this innovation is the continued growth of M-PAiSA, Fiji's first-ever FINTECH solution in partnership with Mastercard, which empowered Fijians to participate in the global digital economy. Recognizing the transformative power of digital inclusion, Vodafone Fiji actively championed this cause.

The company's partnership with Mastercard for M-PAiSA has been instrumental in expanding financial access for Fijians, particularly those in underserved areas. This initiative not only empowered individuals but also fostered economic growth by facilitating cashless transactions and promoting financial literacy. By fostering a culture of innovation and forging strategic partnerships, Vodafone Fiji has demonstrated its commitment to social responsibility and its role in building a more inclusive digital future for Fiji.

Our Infrastructure

Vodafone Fiji remains committed to providing its customers the best-in-class network technology and user experience. Significant investments were made in the past year to keep pace with the ever-growing demand for mobile data but also staying abreast with the advancement in global network technology.

A cornerstone of these efforts was the upgrade of capacity at 300 network sites across Fiji resulting in a tangible improvement in data speeds through faster upload and download speeds leading to a smoother and more enjoyable online experience. Furthermore, Vodafone Fiji became the first in the country to implement Voice over LTE (VoLTE). This innovative technology utilizes the 4G network to deliver crystal-clear voice calls, a significant leap forward from traditional voice calling methods.

A notable milestone for the year undoubtedly is the live user testing of the 5G network. This revolutionary technology boasts multi-gigabit per second (Gbps) peak data speeds, ultra-low latency and massive network capacity. These advancements pave the way for exciting new possibilities like the Internet of Things (IoT), smart homes and cities and transformative applications in education and healthcare.

Vodafone Fiji has conducted rigorous live 5G user trials in selected locations. These trials have yielded exceptional results, showcasing the true potential of 5G with its high speeds, ultra-low latency, and enhanced connectivity. This leap in performance promises to revolutionize the way users interact with technology, enabling real-time data processing, seamless video conferencing, and the deployment of advanced IoT solutions.

To support the complexities of the 5G network and the anticipated surge in data traffic, Vodafone Fiji has undertaken a comprehensive modernization effort. The expansion and modernization of the Data Center and Network Operating Center (NOC) ensures smooth operation, optimized performance, and robust cybersecurity. Additionally, the implementation of IPv6, a future-proof addressing system that caters to the growing demand for mobile connectivity and empowers innovation in future 5G applications. To seamlessly integrate new technologies like VoLTE, 5G, and IPv6, Vodafone Fiji upgraded its billing infrastructure to provide more tailored products and plans for its customers. Furthermore, new Content Delivery Networks (CDNs) brings content closer to users, resulting in faster loading times for popular platforms like Google, Facebook, Netflix, and Microsoft.

By constantly innovating and investing in its network infrastructure, Vodafone Fiji is ensuring that its customers remain connected and empowered in the ever-evolving digital world

In the corporate and enterprise market, Vodafone Business remains the provider of choice for enterprise solutions. Over the last three decades, it has partnered closely with its business customers, helping them develop robust ICT infrastructures that are critical to their operations. As we move into the era of Industry 4.0, businesses increasingly rely on telecommunications companies like Vodafone to spearhead their digital transformations.

Vodafone Business has evolved into a comprehensive ICT solutions provider through strategic partnerships and collaborations with industry leaders. This evolution has positioned us as a market leader, offering a wide array of next-generation ICT products and services. We have made significant advancements in delivering cutting-edge cybersecurity solutions, next-gen cloud computing, Software-Defined Networks (SDN), Internet of Things (IoT) solutions, unified communications, and managed services. These offerings are essential drivers of digital transformation in the business world.

Vodafone Fiji's user-centric approach has been key to our success. We have significantly enhanced our data capabilities to meet the growing demand for digital services, with total data utilization increasing by 24% year-over-year.

As Vodafone Fiji prepares for the commercial launch of 5G, we anticipate even greater outcomes that will further solidify Vodafone Fiji's position as the leading telecommunications provider in the country. Vodafone is diligently working to ensure a smooth transition to 5G for all business clients, promising a future of unparalleled connectivity and innovation for Fiji.

Vodafone Fiji remains committed to empowering Fiji's digital transformation, enriching lives, and creating a brighter, more connected future for all. Our strategic focus on innovation, and adaptability positions us for sustained growth.

In the area of Fintech and digital payments Vodafone Fiji's M-PAiSA has grown into fully-fledged digital financial services platform offering a myriad of services.

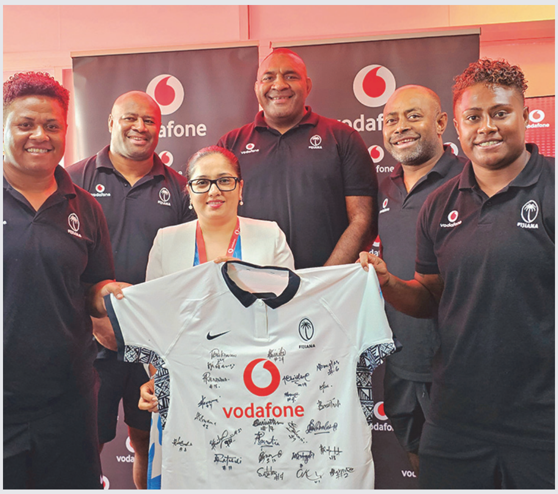
Our People Strategy

At Vodafone, we recognize our employees as our greatest asset and the driving force behind our innovation and success. We're committed to fostering a dynamic and inclusive workplace where every team member feels empowered to thrive.

Vodafone Fiji's people strategy fuels our commitment to delivering exceptional service to our customers. By cultivating exceptional talent, we empower our team to tackle challenges and deliver innovative digital solutions that enhance connectivity and empower our communities.

Our recently introduced hybrid work model allows employees to choose between in-office and work-from-home options, fostering greater work-life balance and productivity. This flexibility enables employees to deliver their best performance from comfortable environments.

The company is dedicated to continuous learning and development. By investing in training programs and further study opportunities, we ensure employees possess the required skills and knowledge to excel in our rapidly evolving industry. We actively promote a culture of collaboration, diversity, and well-being. The growth opportunities and career advancement opportunities in Fiji and other Pacific Islands operation attracts and retains top talent, fostering creativity and driving excellence across the organization.



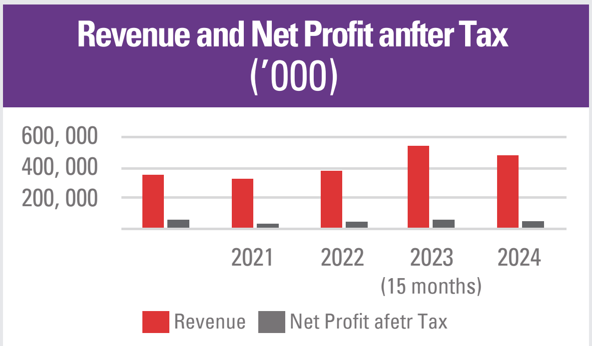
Financial Highlights

The financial year 2024 has been a remarkable period for Vodafone Fiji. Throughout this year, Vodafone Fiji remained steadfast in pursuing its objectives and targets, leading to exceptional outcomes for both the company and its stakeholders. The strategic investments made in infrastructure and services, both in preceding years and the current year, have yielded positive results. Notably, there has been significant growth in the net subscriber base compared to the previous year, reflecting the company's unwavering commitment to its goals.

The group's consolidated revenue is $480 million, as the group companies continue to deliver positive results, leading to a successful performance compared to last year. The focus on diversification and growth of the businesses has ensured that the business is risk and growth ready and ensuring consistent returns to the shareholders.

Looking Ahead

Navigate through the dynamic telco industry,



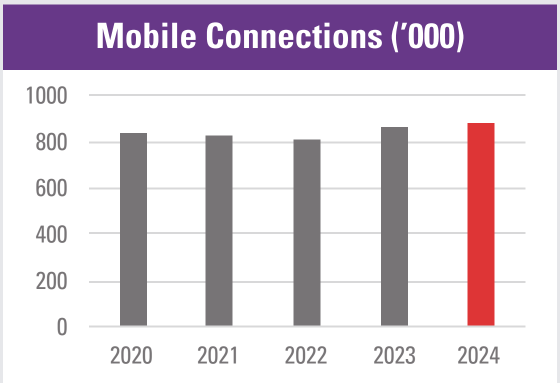
Vodafone remains steadfast in its commitment to delivering continuous growth and enhancing long-term value for our customers and shareholders. Vodafone Fiji continues to forge ahead with remarkable successes, solidifying its position as the leading connectivity provider in the country. Our dedication to innovation, customer satisfaction, and the pursuit of excellence drives our achievements across various business verticals.

Digital connectivity is a significant priority for the government, as it increasingly impacts the country's competitiveness and resilience. Vodafone is firmly committed to supporting the realization of these digital ambitions. However, achieving this goal necessitates substantial investment in digital infrastructure.

Our focus on building robust infrastructure is crucial to ensuring that Fiji remains at the forefront of digital transformation.

The year 2024 has been a transformative period for Vodafone Fiji, marked by significant advancements in telco infrastructure and the successful implementation of our people strategy. Embracing the future with optimism and ambition, Vodafone Fiji remains dedicated to delivering innovative, reliable, and customer-centric services. Our ongoing investments in people, technology, and partnerships are pivotal in shaping Fiji's digital landscape.

As Vodafone Fiji looks ahead, we remain steadfast in our mission to empower Fiji's digital transformation with the introduction of Artificial Intelligence technologies, enrich lives, and create a brighter, more connected future for all. By continually investing in our resources and maintaining our commitment to excellence, Vodafone Fiji is poised to lead the way in driving the nation's digital progress



Corporate Social Responsibility

At Vodafone, our commitment to corporate social responsibility is an integral part of Vodafone Fiji's mission, reflecting our commitment to ethical practices, sustainable development, and community support. We believe that our success goes hand in hand with the well-being of the Fijian society and its environment. Through these initiatives, we strive to make a positive impact on society and the environment, ensuring sustainable growth and inclusive progress for all.

This year, our passion for the environment took us to the remote community of Kavula Village in the interior of Bua on Vanua Levu, where we planted three hundred native trees in line with the Fiji Government's One Million Trees initiative. By fostering a culture of sustainability, we aim to contribute to a better future for all, ensuring that our growth benefits both our customers and the broader community.

Community and Staff Involvement

At Vodafone Fiji, we believe that the strength of our company lies in our deep connection to the communities we serve and the dedication of our staff. Our strategy for community and staff involvement is centred on fostering meaningful relationships, driving positive change and empowering our employees to make a difference.

The fundamental principle of our organization is still our passion for our Vanua. With the efforts of its employees, Vodafone Fiji expands its reach into local communities to help. We are committed to being an active and responsible member of the communities we operate in. Our community involvement initiatives focus on enhancing digital literacy, promoting sustainable practices and supporting local development projects.

Throughout the company, we encourage our staff to volunteer their time, skills, and expertise to initiatives they are passionate about, letting our "Vodafone Spirit" shine.

With our shared dedication to staff and community participation ensures that we are not only offering exceptional telecommunications services but also making a positive impact to the communities we serve. We remain dedicated to building stronger connections, both through our technology and our collective efforts to make a positive impact to our Vanua.

Women Empowerment

At Vodafone Fiji, we are committed to fostering an inclusive and empowering workplace where women can thrive and lead. We recognize that gender diversity is not only a matter of fairness but also a driver of innovation and business success. Our women empowerment strategy focuses on creating opportunities, providing support and cultivating a culture of equality.

We actively promote gender balance in our management and executive teams, ensuring that women have a voice in decision-making processes. Our policies are designed to support women at all stages of their careers. We offer flexible work arrangements to help balance professional and personal responsibilities. By fostering a supportive and flexible work environment, we enable women to achieve their full potential.

At Vodafone, we champion women empowerment, which is not only enhancing our organizational strength but also contributing to a more equitable and innovative telecommunications industry.

Vodafone Fiji's commitment to women empowerment through sports is reflected in our sponsorship of the Vodafone Fijiana XV, and we remain dedicated to increasing the participation of women and girls in sports. Through our dedicated efforts, we aim to create a future where women have equal opportunities to excel in sports, inspiring confidence and leadership in every aspect of their lives.

Policies to Benefit the Environment

We are dedicated to minimizing our environmental footprint and promoting sustainability through comprehensive and proactive policies. Our commitment to environmental stewardship is reflected in the efficient use of energy and community and environmental partnerships.

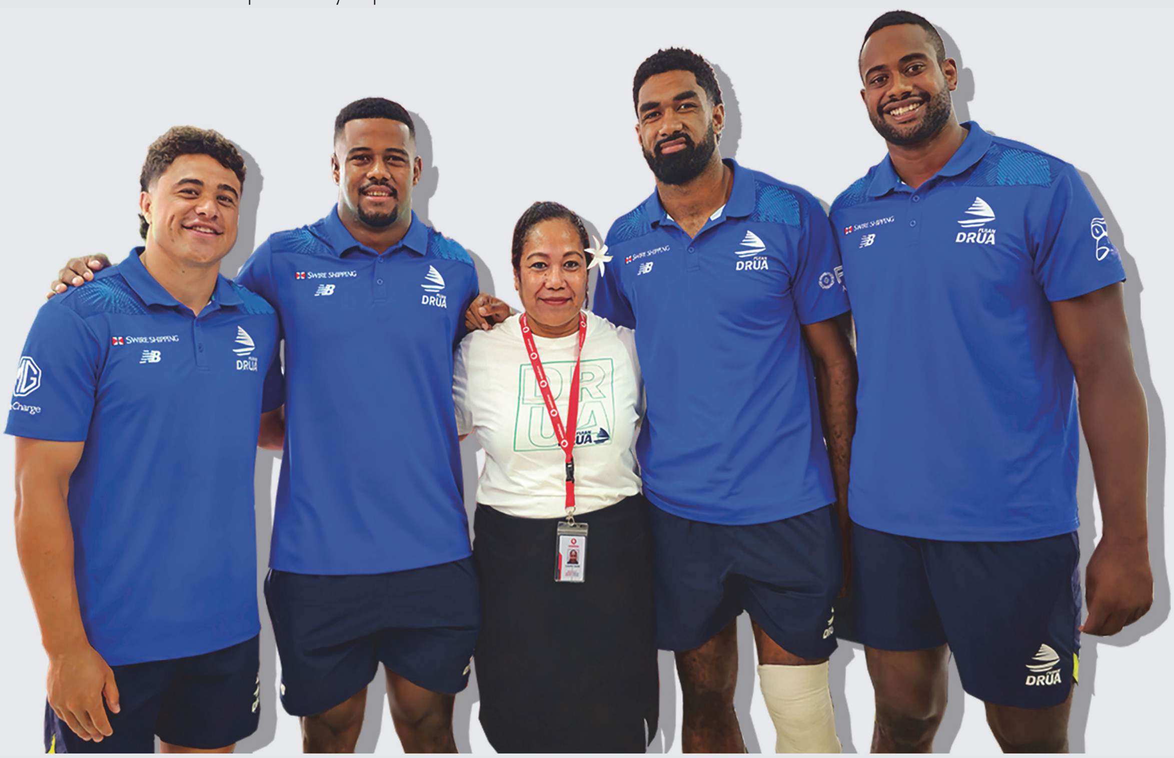
Our environmental policies are an integral part of our mission to create a sustainable future. We are committed to continuously improving our environmental performance and driving positive change for our planet.

Sponsorships

Vodafone Fiji plays a vital role in society and is deeply committed to making a meaningful impact through our sponsorship initiatives. Our sponsorship commitment is driven by a desire to support and uplift the communities we serve, fostering growth, inclusivity, and innovation.

With all our sponsored endeavors, our aim is always to enable and empower local communities and drive positive change. "Together We Can" is Vodafone's commitment to the people and the Vanua.

Our sponsorships in this financial year have connected communities through Carnivals, Sports, and Fashion. These commitments are more than just a financial contribution; they are a pledge to drive positive change and make a lasting impact on society. We are proud to support initiatives that empower individuals, strengthen communities, and create a brighter, more connected future for all.



In this era of modern digitization, Datec Fiji plays a crucial role in introducing innovative and sustainable ICT products to ensure that Fiji and the region remain aligned with global advancements.

Overview

Datec Fiji has delivered yet another strong performance for FY 23/24, establishing itself as the leading ICT solutions and services provider in Fiji and the region, thanks to the strong partnerships with global OEMs, investment in our people and technology, our capabilities and our customers. With over 39 years of experience, we have successfully executed some of the largest ICT projects in Fiji and the Pacific, supporting businesses and customers in their digital transformation journeys.

Throughout the year, we conducted various customer engagement activities to promote ICT trends and innovations, including the highly successful Fiji Tech Summit 2023. This event, which is one of the largest ICT gatherings in the region, hosted 25 global solutions providers and over 250 delegates, fostering an environment of learning, collaboration and professional development.

During the year, we expanded our footprint by establishing Datec New Zealand Limited and acquiring the assets of Fiji Directories Pte Limited, including the Yellow Pages brand. These initiatives are essential for diversifying our revenue streams. We also secured the Prize Level award at the prestigious Fiji Business Excellence Awards, underscoring our position as an industry leader and affirming our capability to excel on a global stage.

Datec Fiji also improved its Dell Titanium status and maintained its Lenovo ISG partnership at the Platinum level, achieving top-tier recognition for Lenovo Infrastructure solutions. Our business operates under a robust Quality Management Framework and holds ISO 9001:2015 certification, which guarantees customers peace of mind and consistently relaibel and dependable services.

Mr. Isikeli Tikoduadua - Chairman
Mr. Pradeep Lal - Director
Mr. Vinit Nand - Chief Executive Officer
Mr. Nivlesh Buttru - Chief Financial Officer/ Company Secretary

Our People

At Datec Fiji, our people are the cornerstone of our ongoing success. We prioritize people's development, recognizing their dedication, hard work, and commitment to our current and future achievements. We invest continuously in our employees through local and international training and development, aligning with industry needs to prepare our organization for the challenges of the digital age while upskilling our workforce.

We are committed to creating a work environment that attracts, develops, and retains top talent.

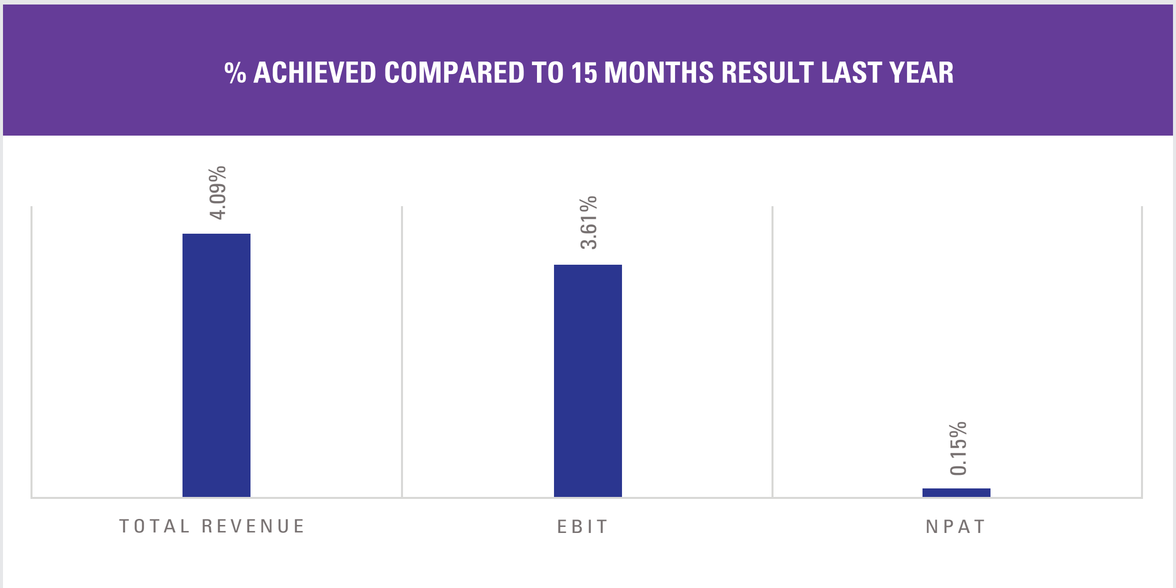
Financial Result

Datec Fiji remains the preferred supplier for government, BFSI sectors, and large corporations, including MNCs operating in the Pacific region. In the post-pandemic era, digital readiness has led many businesses to reassess their infrastructure to support digitalization trends and stay competitive with the latest technology. Datec Fiji has been a catalyst in deploying new market trends, ensuring customers invest in scalable and secure technology to foster digitalization, innovation, and growth.

With a strong focus on digitalization, Datec Fiji exceeded last year's turnover and surpassed budget expectations. The company also outperformed in EBITDA, EBIT, and NPAT. The current year's financial results, covering 12 months, are compared to the 15-month results from the previous year.

Looking Ahead

In this era of modern digitization, Datec Fiji plays a crucial role in introducing innovative and sustainable ICT products to ensure that Fiji and the region remain aligned with global advancements. Looking ahead, our strategic focus includes several key areas such as enhancing our cybersecurity business to safeguard clients from emerging threats, expanding our training center to equip professionals with advanced skills and certifications, and extending our regional footprint to deliver our top-tier ICT solutions across the Pacific. We are also committed to strengthening and expanding our partnerships with leading global technology providers to offer cutting-edge solutions, and prioritizing employee retention to build a supportive and dynamic work environment that attracts and retains top talent. These initiatives are integral to driving digital transformation, fostering innovation, and sustaining growth for our clients and the region.



Corporate Social Responsibility Community Involvement

Datec Fiji is committed to making a positive impact on the community through diverse Corporate Social Responsibility (CSR) initiatives aimed at enhancing digital literacy, promoting cybersecurity awareness, and supporting human capital development. Our activities are designed to advance digital readiness, ensuring individuals are well-equipped for the challenges of the digital age.

Key initiatives include the 'Think Before You Click' cybersecurity awareness program, which educates primary school students about digital safety in collaboration with the Asco Motors foundation targeting ten schools to promote responsible and safe navigation of the digital landscape.

We also empower women entrepreneurs through a two-day Microsoft training program that equips participants with essential digital skills to thrive in competitive business environments. Datec has also partnered with global vendors to offer complimentary refresher and technical boot camp training sessions for IT professionals, focusing on emerging ICT developments and enhancing product awareness.

Our Training Centre provided free Microsoft Office training for school students during the holidays, aimed at improving educational experiences and preparing them for future workforce participation.

Datec continued its annual blood drive initiative on World Blood Donor Day and maintained strong ties with the education sector through student internships, a graduate trainee program, and industry-based seminars, offering valuable insights and career development opportunities.

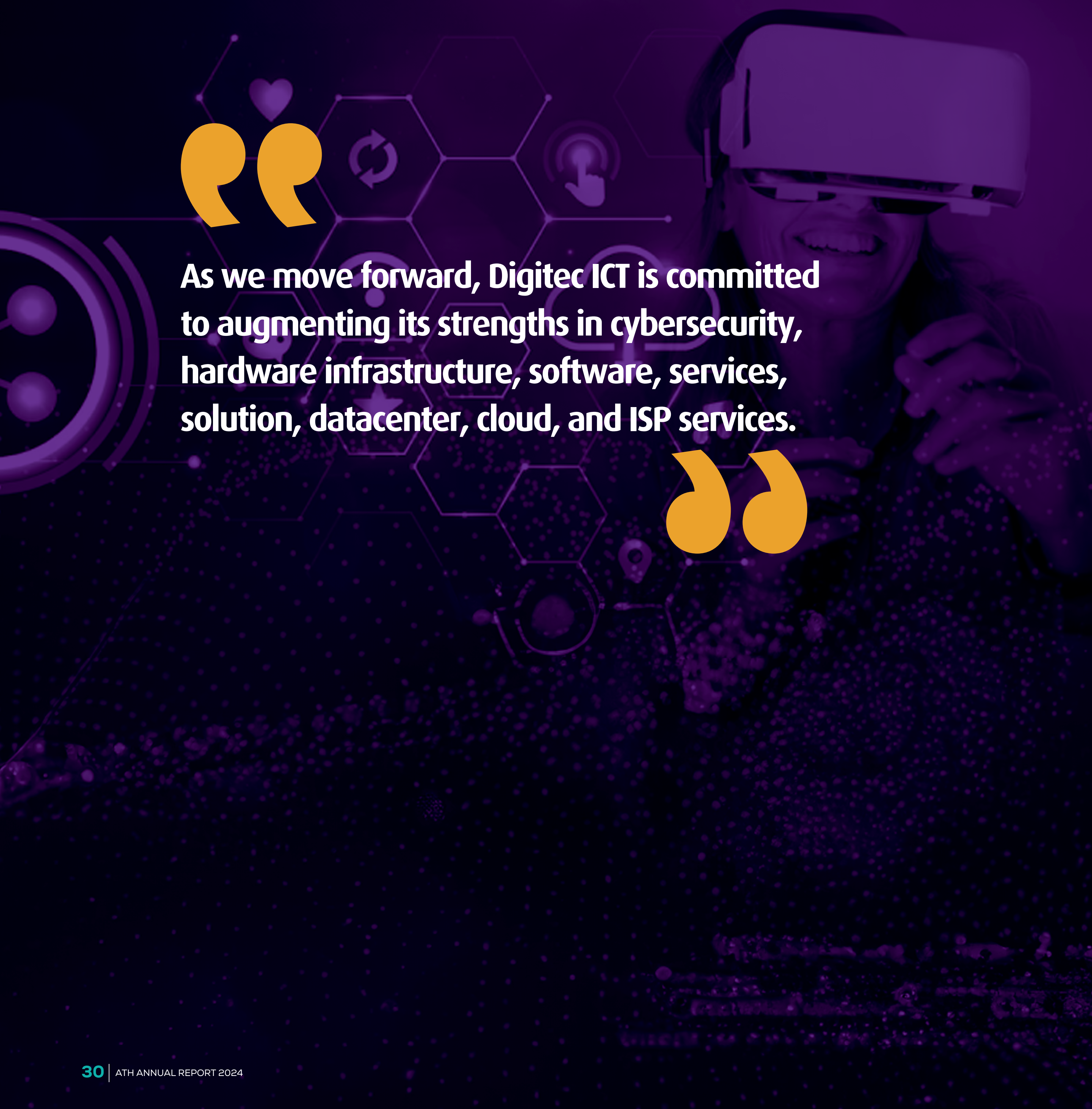
Through these diverse initiatives, Datec Fiji aims to cultivate a well-prepared and digitally literate community that can thrive in a rapidly evolving technological landscape.

Women Empowerment

Datec Fiji is dedicated to empowering women and promoting gender diversity in the ICT sector as a committed equal opportunity employer. We proudly participated in "Girls in ICT Day," where we inspired young girls to explore career paths in technology and work towards bridging the gender gap in the industry. By creating equal opportunities for women in education, training, and careers within ICT, we aim to nurture skilled female professionals who can meet the growing demand for ICT expertise.

In alignment with our commitment to women's empowerment, Datec partnered with a global vendor to initiate Women in ICT forums, specifically designed to encourage greater female participation in the ICT industry. This gathering provided female ICT professionals with a unique platform to network, share ideas, and engage in meaningful discussions. By fostering an environment of collaboration and support, the events eandeavour to empower women and enhance their involvement in the,field.

Our initiatives challenge stereotypes and strengthen our technical teams by actively recruiting and supporting female talent. The exceptional performance of women within our organization is a testament to their capabilities and serves as an inspiration for others to explore careers in ICT. We firmly believe that empowering women and achieving gender equality is vital not only for the sustainable development of Datec Fiji but also for the broader community's advancement. Through these efforts, we are committed to paving the way for more women in the ICT industry.



As we move forward, Digitec ICT is committed to augmenting its strengths in cybersecurity, hardware infrastructure, software, services, solution, datacenter, cloud, and ISP services.

Mr. Joweli Taoi - Chairman
Mr. Attar Singh - Director
Mr. Pradeep Lal - Director
Mr. Satyen Singh - Chief Executive Officer
Mr. Lasith Bandara - Chief Financial Officer/
Company Secretary

Overview

At Digitec ICT and our associated companies, we are driven by a relentless focus on customer-centricity and customer obsession. Our mission is to assist our customers in their digital transformation journey by providing the best value and leveraging our expertise in System Integration, Solutions, Value Added Distribution, Datacenter, ISP, Retail, and Mobile business.

We work closely as a cohesive team with industry-leading partners such as Dell Technologies, Forcepoint, Sophos, Scale Computing, Laserfiche, PowerShield, and Ricoh to create compelling value for our customers. Our strengths lie in Server, Storage, Hyperconverged Infrastructure, and Cyber-Security Solutions, where we are recognized as leaders in the cyber-security space.

Digitec ICT Limited, together with ETech ICT Pty Limited and ETech ICT Pte Limited, delivered yet another solid performance for FY23-24. This year, we achieved significant milestones, including:

- **Expansion of our Cyber-Security Solutions:**
  We fortified our position as leaders in the cyber-security space by introducing advanced threat detection and response solutions, ensuring our clients' data remains secure.

- **Enhanced System Integration Capabilities:**
  We successfully integrated complex IT systems for several high-profile clients, streamlining their operations and boosting efficiency.

- **Growth in Value Added Distribution:**
  Etech ICT expanded its distribution network, bringing cutting-edge technology solutions to a broader market.

- **Datacenter Innovations:**
  We launched state-of-the-art datacenter solutions that offer unparalleled reliability and scalability, meeting the growing demands of our clients.

- **ISP and Mobile Business Expansion:**
  Our ISP and mobile services saw substantial growth, providing faster and more reliable connectivity to our customers.

- **Partnership Achievements:**
  We maintained our Dell Technologies Titanium partnership for three consecutive years, the highest partnership level. For Forcepoint, we are Titanium partners. In Sophos, we are the only Platinum Partner in the South Pacific Island Countries and ranked second in achievement for the entire region of Oceania and ANZ. Additionally, we were nominated as the top partner outside of the USA by Scale Computing.

The Digitec ICT group of companies comprises Digitec ICT Ltd, Etech ICT Pte Limited Singapore, and Etech ICT Pty Australia. Digitec ICT Limited focuses on end-customer solutions, while Etech specializes in value-added distribution. Together, we are committed to delivering innovative and effective solutions that drive success for our clients.

Financial Results

We measure our success by tracking key financial KPIs. Despite facing logistics and forex-related challenges in PNG throughout the year, the business proactively managed risks and capitalized on opportunities.

Digitec ICT Limited Papua New Guinea

Digitec had an outstanding year, surpassing all financial KPISs despite significant challenges such as political unrest, delays to multiple IT projects, and ongoing forex and fuel crises. We achieved impressive growth, with revenue increasing by 22% and EBIT by 39% when compared to last year. Additionally, we maintained top partnership levels with our key OEM vendors, expanded our customer base, and introduced new products.

Etech ICT Pty Limited, Singapore

Etech Singapore closed the year, surpassing all financial KPIs, achieving a 22% increase in revenue and a 13% growth in EBITDA/EBIT when compared to last year. Additionally, Etech maintained top partnership levels with our key OEM vendors and introduced new products.

Etech ICT Pte Limited, Australia

Etech Australia navigated through a challenging year, marked by the absence of large orders and delays due to foreign currency challenges, transportation, and power issues in PNG. Despite these obstacles, Etech Australia closed the year with 87% of last year's revenue and met 85% of the EBIT budget.

Our Datacenter

Digitec ICT has built a state-of-the-art datacenter in PNG, designed with no single point of failure and multiple redundancies, including power backups and generators. Our core infrastructure, developed in collaboration with Dell, Sophos, Forcepoint, and PowerShield, ensures the highest reliability and security. This modern facility, leads the market by offering comprehensive IT outsourcing solutions, including critical infrastructure, networking, cyber-security, in-country cloud, co-location, and connectivity options. We provide robust backup and disaster recovery solutions, ensuring data sovereignty and seamless recovery of virtualized applications and data. Digitec ICT is committed to continuous investment in our datacenter operations, maintaining the highest industry standards to support PNG businesses in their digital transformation journeys.

Service Center

At Digitec ICT, we strongly believe in service excellence. Our Service Center staff are trained and certified by OEMs to ensure we delight our customers with best in class support. We align closely with our OEMs' warranty policies, guaranteeing the best warranty services for Digitec customers. We offer comprehensive Service Level Agreements (SLAs) and ad-hoc break-fix services to meet diverse customer needs. As technology evolves, we have developed service packages that allow our customers to focus on their core business while we manage their technology back-end. This enables their technology staff to concentrate on more strategic priorities. Our Service Center provides a range of local services, including repair, maintenance, engineering, and consulting for leading brands such as Dell, Forcepoint, Sophos, Scale, Matrix, PowerShield, Apple, Toshiba, Asus, Ricoh, and Samsung. We also offer on-site support and backup services, addressing hardware/software issues, troubleshooting, cybersecurity concerns, and data migration.

Internet Service Provider

Our ISP business prioritizes quality over quantity. Our ISP team collaborates closely with the core sales team to provide customers with comprehensive connectivity solutions integrated with advanced Information Technology services. Customers seeking the best in connectivity and IT solutions choose us for a single pane of management and superior service.

Key Highlights:

- **Reputation for Reliability:**
  Digitec is renowned for delivering consistent and reliable services, backed by a strong reputation for excellent support.

- **Robust Infrastructure:**
  We own backhaul transmission infrastructure in Port Moresby and partner with larger providers to deliver internet services across PNG.

ICT Solutions Division

Digitec ICT Solutions division is dedicated to assisting customers in Papua New Guinea on their digital transformation journey. We provide comprehensive consultancy, hardware, software, and services to help organizations achieve their goals. Our end-to-end solutions encompass:

- **End-User Computing:**
  Providing devices, software, and support to enhance user productivity and experience.

- **Enterprise Infrastructure:**
  Designing and implementing robust infrastructure solutions, including servers, storage, and virtualization.

- **Networking:**
  Offering advanced networking solutions to ensure seamless connectivity and communication.

- **Cybersecurity:**
  Implementing security measures to protect against threats and ensure data integrity.

- **Applications:**
  Developing and deploying custom applications tailored to meet specific business needs.

We strive to enhance our customers' productivity and deliver greater value through our partnerships.

Vodafone Kiosks

As a Vodafone company, we are collaborating closely with Vodafone to establish Vodafone Kiosks across Port Moresby, and other provinces. Our goal is to bring connectivity and devices closer to consumers. To achieve the national digital transformation agenda, it is imperative that we significantly enhance connectivity and mobile phone coverage.

Value Added Distribution

Etech is a value-added distributor for Dell Technologies, Ricoh, PowerShield, Scale Computing, and Adata. We collaborate closely with these OEMs to support existing resellers, recruit new ones, and generate new demand. Our commitment extends to the Pacific Island countries and the resellers in this region, ensuring they have access to the best products and support.

Continuous Excellence

At Digitec ICT, we are committed to continuous excellence by consistently investing in our human and material resources to ensure they remain up-to-date and relevant to evolving needs. As a values-based company, we emphasize maintaining high standards and hold valid ISO 9001, ISO 27001, and ISO/IEC 20000-1:2018 certifications. These certifications demonstrate our commitment to benchmarking our processes against leading ICT providers in the industry. In the realm of cybersecurity, we have upgraded to the ISO 27001 certification, making us the first ICT and ISP provider in Papua New Guinea to achieve this standard.

Women Empowerment

At Digitec ICT, we believe in equal opportunity and non-discrimination. We are committed to women empowerment and have made significant strides in promoting diversity and inclusion. Our efforts have resulted in a 46:54 ratio of females to males in the organization. We will continue to foster a culture of equality and respect, as we know it directly impacts our company's performance.

Looking Ahead

As we move forward, Digitec ICT is committed to augmenting its strengths in cybersecurity, hardware infrastructure, software, services, solution, datacenter, cloud, and ISP services. By closely aligning with both existing and new OEMs, we aim to bring the best solutions to Papua New Guinea and the Pacific Island countries. We are laying the groundwork to help our customers embrace AI for growth and progress.

Our business remains focused on customers and our people is the bedrock of our strategy.

Overview

Vodafone PNG entered its second year of operations after launching in April 2022. During this period, the business experienced remarkable growth in customer acquisition, retention, and monetization, resulting in a significant revenue growth when compared to the previous financial year. Throughout the current financial year, we have continued with the project rollout and network optimization efforts, now extending coverage to all 22 provinces in Papua New Guinea. These optimization efforts have delivered a robust network, leading to a considerable improvement in customer experience and retention.

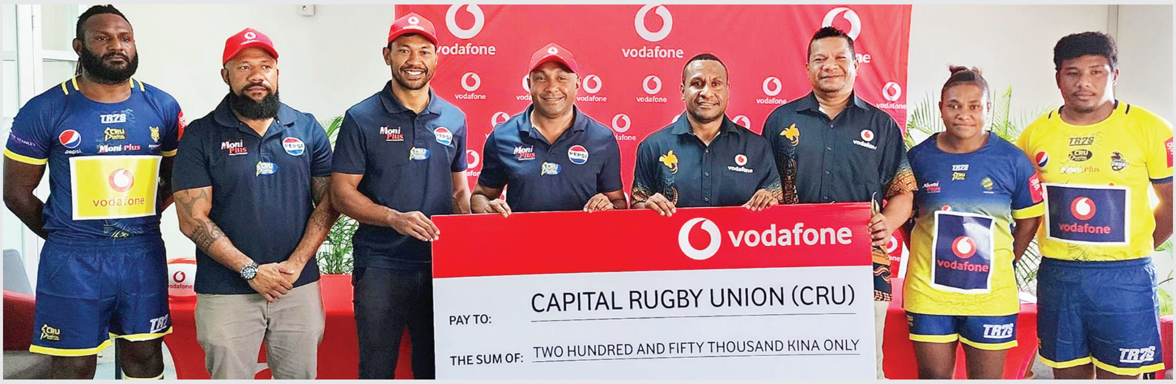
We expanded our reach by engaging more recharge distributors and dealers, enabling availability and convenience for our customers. Vodafone's brand presence saw a significant boost at key locations, including retail outlets, roadshows, and dealer/distributor engagements in densely populated areas across all regions.

Our business remains focused on customers and people, which is the core of our strategy. We continuously monitor our network performance and customer outreach programs, offering convenient, reliable and affordable services to the wider community. We are driven by the inspiration to ensure that the customer remains at the center of everything we do.

And as we move forward, we will continue to embrace new technologies to make operations more digital and efficient, thereby simplifying and improving the customer's journey and experience. We continuously review and update our products and services as well as our operating models to maintain innovative and competitive offerings. Our technology experts monitor developments and emerging trends and work with global partners to capitalise on these opportunities. With the aim of transforming the country, we remain committed to connecting more Papua New Guineans than ever before.

vodafone
PNG

Mr. Dakshesh Patel - Chairman
Mr. Peter Chan - Director
Mr. Nirmal Singh - Director
Mr. Naibuka Saune - Director
Mr. Joweli Taoi - Director
Ms. Selesitina Reti - Director
Mr. Attar Singh - Director
Mr. Pradeep Lal - Regional CEO
Mr. Avindra Nand - Chief Financial Officer/
Company Secretary



Our Infrastructure

Vodafone PNG has strongly established its presence with circa 800 sites covering all 22 provinces, with ongoing infrastructure development to further enhance coverage. We have four data centres located in major provinces and all our sites are 4G+. To overcome geographical challenges and expand coverage, we have implemented multiple levels of redundancy using various backhaul technology solutions. This approach ensures a robust and reliable network with improved uptimes and customer experience.

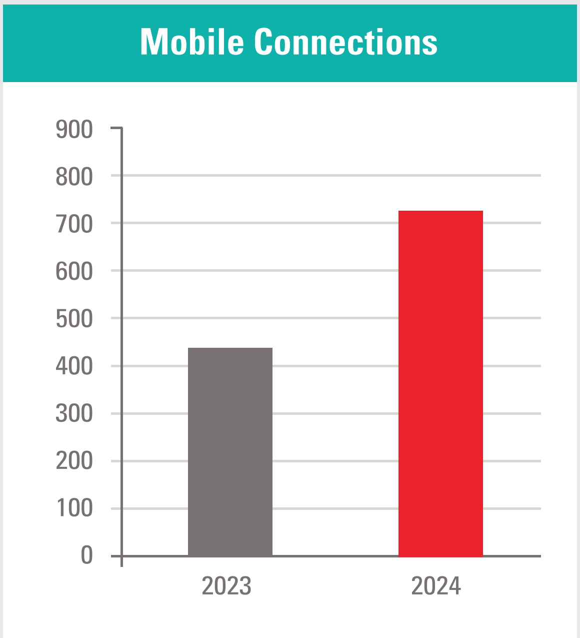
Our People Strategy

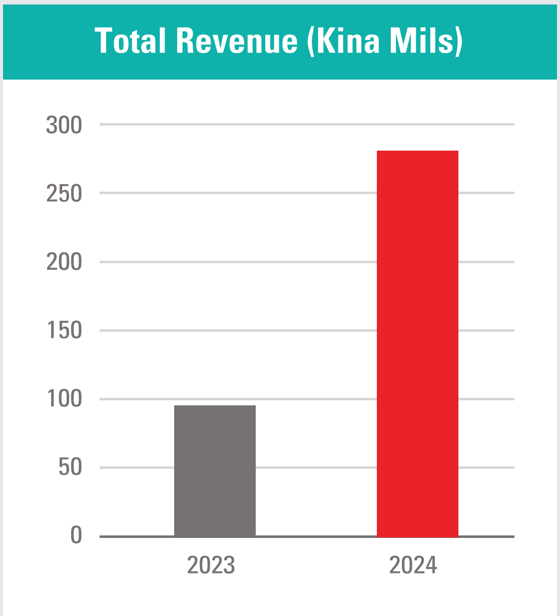
We are making significant strides in our people strategy initiatives, building on the foundation established in our people's pillar. 95% of our staff are locals and attracting and maintaining an engaged workforce with the right skills, capabilities, and experience is crucial for our success. We recognize the challenges of integrating diverse skill sets and have focused on developing a strong, integrated culture to attract and retain the best talent.

Earlier this year, we introduced new initiatives that highlight our commitment to nurturing a workplace environment that values continuous growth, fosters strong leadership capabilities, recognizes and rewards employee contributions, promotes diversity and inclusion, and supports employee well-being. This commitment to empowering societies and connecting the unconnected is what matters most and continues to inspire our people everyday.

Financial highlights

Throughout the financial year, there has been a significant upward trend in customer connections, which has driven related revenue growth. Moving forward, our focus remains on increasing our customer base and revenue to further strengthen long-term sustainability and to grow return on investment.





Looking Ahead

The mobile phone penetration in Papua New Guinea remains low when compared to neighbouring countries. Historically, there have been many barriers to adoption, and with our network-build project nearing completion, we are well positioned to challenge the status quo. With our never-before-seen deals and value, we continue to stimulate the market and peak customer interest. Vodafone's entry into Papua New Guinea has been a game changer and with our investment in the network, channels, partners and long-term customer value management, we are confident of delivering growth and value for our shareholders.

Telecom Fiji, leading the way in ICT innovation in Fiji, we are committed to a future where connectivity is seamless and digital empowerment is widespread.

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

Overview

Telecom Fiji Limited, Fiji's leading ICT company, has evolved over the past 100 years from providing basic landline voice services to delivering comprehensive end-to-end ICT solutions. As the owner and operator of the country's backbone telecommunications network infrastructure, Telecom Fiji plays a crucial role in connecting the nation.

Financial year 2023 – 2024 has been a period of significant growth for Telecom Fiji, driven by increased tourism and consumer spending. Despite facing challenges such as the "brain drain" resulting in losing many employees to overseas markets, the company has made substantial progress.

Telecom Fiji has focused on upgrading essential telecommunications network infrastructure to enhance customer experience. We have worked in collaboration with relevant stakeholders to ensure that the ever-increasing internet data demands are catered for and supporting businesses as they embark on their digital transformation journeys.

We maintain clear and focused on our strategic objectives so that our business activities align with priority areas. This has driven growth in connections and ICT solutions, ensuring continuous value and returns to our shareholders and stakeholders. Telecom Fiji remains committed to its mission of advancing Fiji's ICT landscape and providing superior services to its customers.

Expansion and Upgrade of Telecommunications Infrastructure

During the year, Telecom Fiji made significant strides in enhancing and expanding its telecommunications infrastructure to support the nation's growing connectivity needs. The completion of Phase 1 of the Labasa-Savusavu Fibre project marked a major milestone.

In May 2024, a groundbreaking ceremony signaled the commencement of Phase 2, constructing an optical fibre network from Seaqaqa to Savusavu. This fibre network will connect into the high-capacity Savusavu Cable Landing Station (CLS) and extend it all the way to Labasa. This project will also bolster the resilience of the transmission network in the North, reducing the impact of natural disasters on connectivity.

Furthermore, Telecom Fiji provisioned a third fibre route at the Vodafone Warabetia Datacenter. This addition enhances network resiliency by providing redundancy, thereby minimizing the risk of outages caused natural and man-made disasters.

Fibre-to-the-Home (FTTH) Rollout

Telecom Fiji persevered with its ambitious Fibre-to-the-Home (FTTH) expansion program, bringing ultra-fast and rock-solid reliable internet services to more Fijian households and businesses. This year, the FTTH network reticulation extended to several more suburbs, including Waimanu Road, Mead Road, Rups Subdivision, Nasese Waters, Stirling Place, and Samabula.

Fibre to the Business Connectivity

We continue to advance our commitment to expanding Fibre connectivity to corporate customers and government ministries, aligned with the national ICT roadmap and driving progress towards full digitization and business automation.

The Waimanu and Samabula business districts are the latest areas to benefit from our high-speed, reliable Fibre network.

LTE 4G Core Network

Wireless 4G broadband demand continued its strong growth. To cater for this, the 4G Core network and a number of cell sites were upgraded resulting in improved 4G service experience.

Enhancement of Customer Experience Service

Telecom Fiji emphasised focus on transforming our customers' experiences by adopting the paradigm of First Time Resolution (FTR). Key to this was the realignment of our work processes to enable customer requirements to be addressed and resolved at the first contact.

Digital Transformation – Enhancing Organizational Efficiency with OSS/BSS

Our digital transformation journey continues to drive us towards new heights of organizational efficiency and innovation. Last year, we successfully deployed a full stack of OSS/BSS (Operations Support Systems and Business Support Systems) to re-cast the foundation for our operational processes. This year, we've built upon that foundation with a series of significant enhancements designed to further streamline our workflows and improve customer service.

Our People

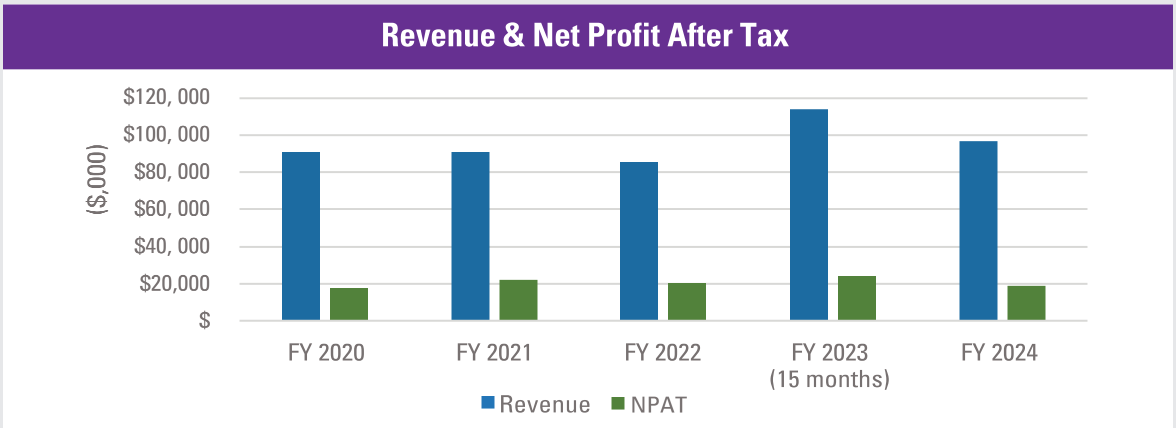
Telecom Fiji reinforced its commitment to cultivating a high-performance culture and investing in its workforce, recognizing that our people are the cornerstone of our success.

We continued to invest in our employees by providing them with the necessary digital tools and launching employee-focused initiatives designed to enhance their performance. By fostering a supportive and innovative work environment, Telecom Fiji remains dedicated to nurturing talent and driving excellence across the organization.

Employee Training and Development

We recently had a cohort of trainee technicians graduate from our Technical Training Centre. They underwent 12 months of intensive training, mastering essential field engineering skills. We look forward to the contributions and value they will bring to our team and the telecommunications industry as a whole.

Financial Highlights



Growth remains a challenge for operators like Telecom Fiji due to declining traditional voice revenue and the level of competition in the market however, with the initiatives stated above and with the enhancement in customer experience, growth remains steady.

Our focus on delivery and execution of our strategic objectives ensured our ability to adapt and respond to such impacts on our business. Operating revenues increased by 5.7% while the expenses decreased by 6% resulting in a 2% increase in Net Profit before Tax when compared to 12-month average of FY23.

Corporate Social Responsibility

Staff Wellness Program

This program focuses on the long-term sustainability of our staff's health by incorporating regular health screenings, team walks, and weekly wellness activities across all divisions.

Pinktober and Movember Initiatives

Telecom Fiji continued its commitment to cancer awareness through its Pinktober and Movember initiatives, aligned with the company's health and wellness program.

Frank Hilton Amazing Wheelbarrow Race

Telecom Fiji proudly continued its tradition of supporting the Frank Hilton Organization's annual 'Amazing Wheelbarrow Race' with sponsorship and active participation in the race, demonstrating its commitment to children with disabilities.

Community Service

Telecom Fiji is committed to supporting the community through various initiatives, including sponsoring a young athlete from Rampur College with essential gear to foster growth and opportunities. The company also supports rural schools like Lagalaga Primary School and Ratu Latinara College by providing computers and printers to bridge the digital divide and promote digital literacy.

Women Empowerment

Women play a crucial role in shaping the telecommunications industry, and at Telecom Fiji, they make up 27% of our workforce and hold 50% of senior management positions, where key executive decisions are made.

Looking Ahead

Telecom Fiji, leading the way in ICT innovation in Fiji, we are committed to a future where connectivity is seamless and digital empowerment is widespread. Our mission for the future revolves around three core principles: expanding connectivity, driving digital transformation, and prioritizing our people and customers.

We are focused on transforming the way we operate and interact with our customers. By leveraging digital technologies and initiatives, we will enhance operational efficiency and revolutionize the customer experience. Our goal is to remain adaptable to the ever-evolving expectations of our customers, ensuring that we provide top-tier services and support.

Our journey is pinned on driving digital growth, bridging the digital divide, and leveraging our technology to make a difference to peoples' lives in American Samoa.

Overview

AST Telecom LLC, operating as Bluesky Communications, celebrates 25 years of delivering advanced telecommunication services to the people in the US Territory American Samoa. Through its subsidiary ASE Inc., branded as MoanaTV, AST also provides entertainment services to its customers, and continues to strengthen its market presence and leverage its business position to deliver value to shareholders.

This year has been Challenging from fincial perspective, however; AST introduced a completely new mobile network, integrated systems and delivering 5G services. This sets the foundation for a promising future. Despite facing numerous challenges, AST has set a benchmark in the region, demonstrating its commitment to delivering cutting-edge technology and meeting customer expectations.

AST continues to hold a strong brand position, supported by customer loyalty and a community that values the Bluesky brand. Despite post-COVID challenges and remoteness, AST's strategic initiatives and projects have flourished, delivering yet another year of successful results. This year, AST has received the largest U.S. Federal development funding for the first time in its history, signifying improved relations with key stakeholders, AST secured a development grant for the expansion of its broadband network from the local government of American Samoa.

The Bluesky team remains dedicated to the company, its customers and shareholders. As we commemorate our 25 years of dedicated service to the people of American Samoa, AST continues to responsibly and diligently grow its business and operations, striving to make a meaningful difference to peoples' lives.

Our Infrastructure

Our strategic investments in technology have consistently driven growth for both the company and the territory. The new infrastructure paves the way for the expansion of Bluesky's products and services and ensures our ability to provide extended coverage, affordable and improved high-speed broadband services throughout American Samoa.

bluesky

Mr. Joweli Taoi - Chairman
Mr. Julian Maher - Director
Mr. Ashnil Prasad - Director
Mr. Pradeep Lal - Director
Mr. Peter Chan - Director
Mr. Attar Singh - Director
Mr. Justin Tuiasosopo - Chief Executive Officer
Ms. Niroshi Rajamohan - Business Process Manager/ Company Secretary

We continue to maintain a strong and competitive position in the mobile prepaid market and solidify our lead in the fixed broadband and entertainment services sector.

Our focus has always been to deliver consistent, high-quality connectivity to our customers, and we have delivered on our promise. The investment in advanced network technology means enhanced connectivity with faster data transfer speeds, marking significant improvements in customer experience. We remain committed to our vision of advancing technology for the better and a globally connected future where innovation thrives, and communication are boundless.

Our People

AST recognizes that people are at the heart of its existence and its core values are defined to embrace and enhance the existence of the company through a passionate, dedicated and a talented pool of resources who respect, understand and take care of the needs of stakeholders with commitment. Bluesky employees are a family of united warm members who collaborate effectively combining the diverse strengths and skills of each other to attain company goals and celebrate shared successes. A culture of continuous improvement and development is utmost priority for Bluesky to reach the fullest potential of the Bluesky team. The work environment at Bluesky has consistently achieved excellent results.

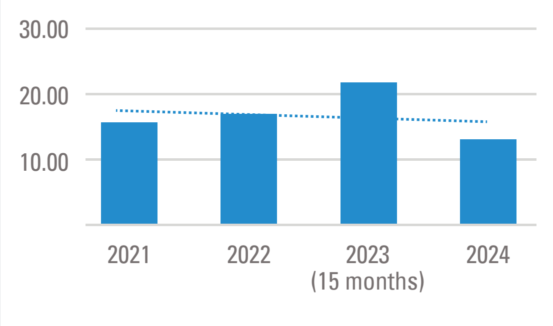
Safety of the Bluesky team has always stayed as a first priority and Bluesky follows OSHA standards. In the pursuit for achieving shared company goals that create value for all stakeholders, Bluesky management lead their team with high levels of responsibility, accountability, integrity, passion and care.

Our people are at the center of our existence, embracing core values and beliefs that make up the company. We have passionate, dedicated, and talented individuals and teams, that effectively collaborate by bringing their differences, combining their diverse strengths and skills to drive common objectives. Bluesky champions a culture of continuous improvement and development to bring out the best in its people. Safety remains a top priority with our adherence to OSHA standards and we continue to forge ahead with responsibility, accountability, integrity, passion, and care.

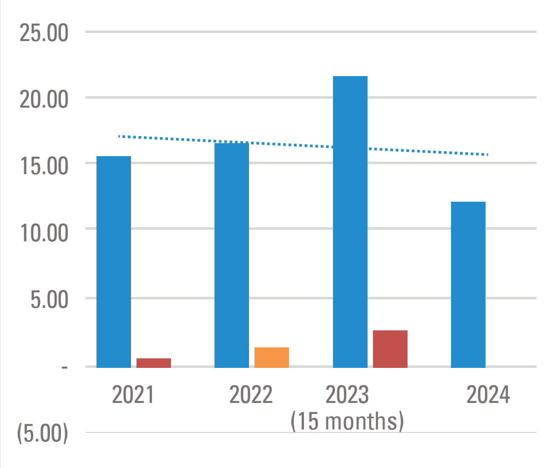
Financial Highlights

Bluesky's overall performance for FY2024 has declined when compared to previous years. Major reduction was noted with Federal projects which started pre-covid and has now conluded. The revenue in FY23 also included the grants revenue received for reap and repair projects. It will also be worth noting that the country has seen a huge migration of loacals to mainland USA which is somewhat reducing the market size.

Total Revenue (in USD Million)



Revenue and Net Profit After Tax (in USD Million)



In accordance with a Letter of Undertaking with US regulatory agencies, Bluesky replaced its 4G mobile network and with new infrastructure and leveraged the opportunity to implement 5G capability, we are confident to deliver improved user experience and drive revenue growth.

Corporate Social Responsibility

The community of American Samoa has always been at the heart of Bluesky's corporate social responsibility efforts. We operate with a strong focus on national security, environmental protection, and societal considerations. As part of its commitment to environmental preservation, we partnered with Finafinau, an organization promoting youth leadership in environmental advocacy and climate action. We also support initiatives that enable students to participate in the Native Youth Community Adaptation Leadership Congress, which combats the detrimental effects of climate change.

Bluesky consistently supports our communities through sponsorships and partnerships with local communities and government agencies, focusing on cultural, educational, and technological advancements. The company prioritizes local skill development through internships and job training, youth empowerment, and supporting sports teams at international events. As part of our social responsibility, we are committed to preserving Samoan culture.

Community Involvement, Sponsorships, Women and Youth Empowerment

Bluesky has contributed over US$100,000 through various partnerships and sponsorships to empower and support the community in navigating the evolving landscape of the modern age. Committed to fostering local youth development, we have significantly supported sports initiatives, including the American Youth Football of Samoa, Junior Prep Sports of American Samoa, American Samoa Tennis Association's Junior Tennis Team, American Samoa Softball Association, American Samoa Jr. Golf Club, American Samoa Volleyball Clubs, American Samoa Rowers Association, and American Samoa Basketball Association.

As a technology company, Bluesky consistently supports STEM initiatives. We recently backed STEM programs for seven local high schools and the Army JROTC Robotics team, which competed in the 2023 VEX Robotics Championship. We continue to award scholarships to recognize the talents and accomplishments of high school and community college students.

Collaborating with the local government, Bluesky supports Youth Employment Programs and provides on-the-job training for students majoring in business, accounting, ICT, and engineering discplines. Beyond these areas, Bluesky has contributed funds for developing a new community playground in American Samoa, demonstrating its commitment to the community's recreation and wellbeing. We value giving back to the community and play a significant role in the growth of students, women, youth, and the community at large. This commitment is a fundamental aspect of our existence.

Looking Ahead

Our journey is pinned on driving digital growth, bridging the digital divide, and leveraging our technology to make a difference to peoples' lives in American Samoa. As the company celebrates its 25th anniversary, we aim to capitalize on our strengths, maintain our competitive edge, and expand into new segments to drive growth, deliver diverse capabilities and exceptional experiences for our customers and stakeholders.

We are well positioned to drive growth and improved customer experience.

Mr. Joweli Taoi - Chairman
Mr. Ashnil Prasad - Director
Mr. Tevaga Tagiilima - Director
Mr. Peter Chan - Director
Mr. Attar Singh - Director
Mr. Rana Bose - Chief Executive Officer
Mr. Anish Chandra - Chief Financial Officer/ Company Secretary

Overview

The past year has been transformative for our company and Samoa, with NPAT increasing by 39% over the previous year. As the leading telecom services provider in Samoa, we have expanded and enhanced our infrastructure, ensuring robust and reliable connectivity for our customers. Our commitment to excellence has positioned us at the forefront of Samoa's digital transformation, as we prepare to launch 5G before Commonwealth Heads of Government Meeting (CHOGM) 2024 in October.

Our Infrastructure

Vodafone Samoa offers quad play services, including Mobile, Fixed Line, Broadband, and IPTV services. We lead the market with our extensive fiber infrastructure across the country and continue to upgrade our network infrastructure to ensure a superior experience. Several capital expenditure projects have been undertaken this year to upgrade our backend infrastructure and enhance capacity. By expanding international bandwidth capacity, we remain the only provider of international DRP connectivity via two submarine cables.

Our People

Vodafone Samoa has 158 staff, with over 98% locals, and 42% female employees. The company is committed to upskilling its workforce through local and international training programs and by sponsoring higher education for its employees.

Financial Highlights

Revenues for this year grew by 3% when compared to the previous year, with an EBITDA growth of 13% and NPAT growth of 39%. The EBITDA growth was primarily driven by revenue growth initiatives and significant cost-saving and efficiency measures implemented by management.

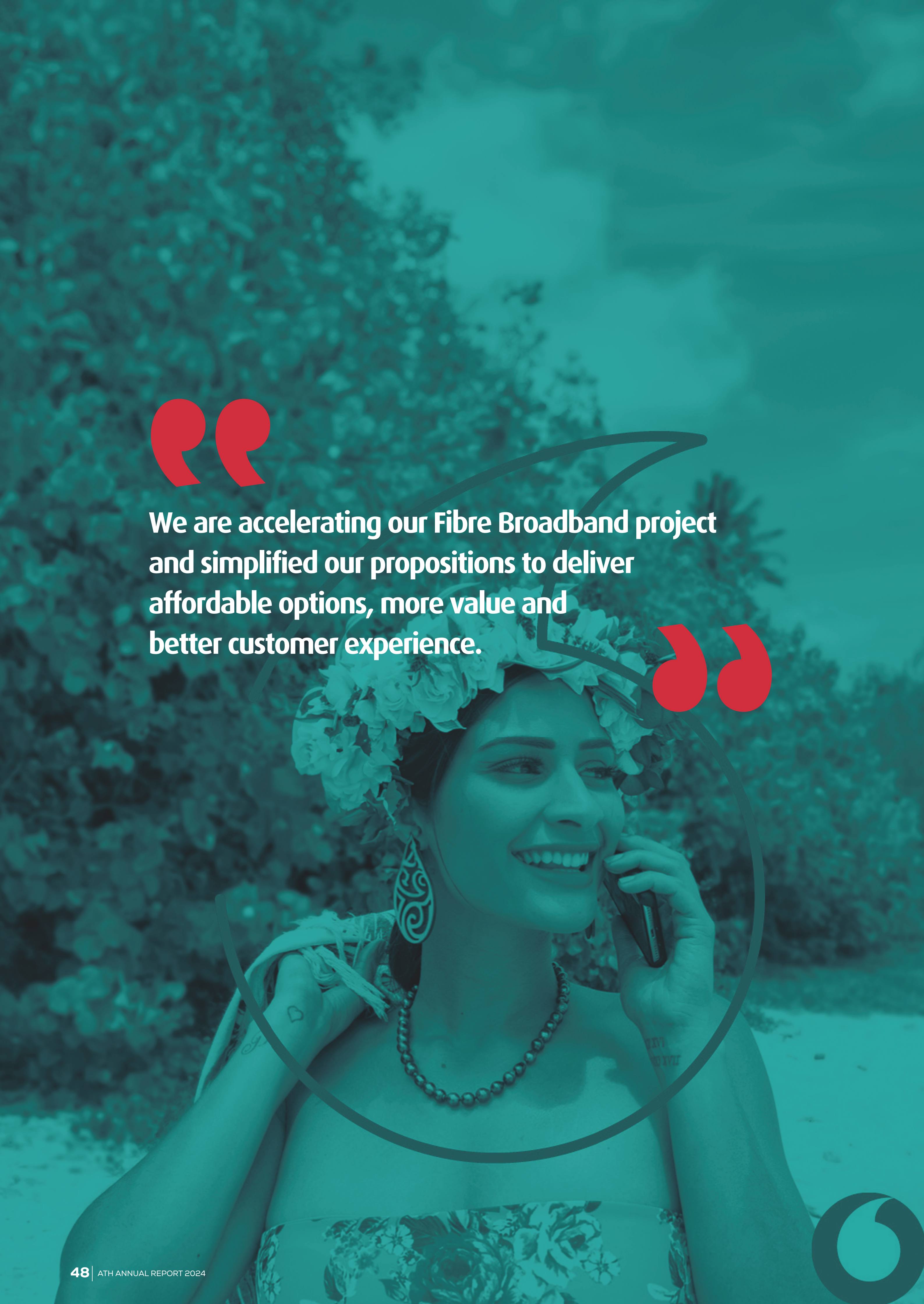
Corporate Social Responsibility

Vodafone's corporate social responsibility initiatives focus on building a brand image that resonates with Samoans both locally and abroad. Key areas of focus include education, health, NGOs, and sports. We continued our partnership with Lakapi Samoa to promote grassroots rugby and supported organizations like SVSG, Goshen Trust, and the Samoa Cancer Society, to assist young children and ongoing cancer patients.

Vodafone played a crucial role as an industry expert and key stakeholder in assisting the Government of Samoa with preparations for the CHOGM in October 2024. This event will host over 5,000 delegates and world leaders. We developed the official website for CHOGM 2024, the official delegate registration portal, and provide Wi-Fi connectivity at event venues.

Looking Ahead

With our investment in the network, particularly through new site development, capacity upgrades, expansion and 5G, we are well positioned to drive growth and improved customer experience.



"We are accelerating our Fibre Broadband project and simplified our propositions to deliver affordable options, more value and better customer experience."

vodafone
COOK ISLANDS

Mr. Michael Henry - Chairman
Mr Phillip Henderson - Executive Director/ Chief Executive Officer
Mr. Rebecca Puni - Director
Mr. Joweli Taoi - Director
Mr. Ivan Fong - Director
Ms. Ana Inamata - Chief Financial Officer/ Company Secretary

Overview

Economic Context

As we move into 2024, the Cook Islands economy shows strong signs of recovery and growth. GDP growth for 2023 was estimated at 14.5%, with a projected rate of 9.1% for 2024. This positive outlook is largely driven by a rebound in the tourism sector, which remains the primary economic driver for the country.

However, the economy faces challenges such as inflation, expected to moderate to 2.3% in 2024, and external risks like high global fuel prices and related impacts. These factors necessitate ongoing economic reforms and investments in infrastructure to sustain growth and resilience.

Market Challenges

Starlink's entry into the market caused significant loss in the high-yield residential and certain business segments of the broadband services market. This, coupled with contracted international capacity with ACL on the submarine cable, squeezed margins due to reduced revenue. In response, negotiations with ACL were renewed to address the impact of Starlink's entry, which impacted both Vodafone and ACL.

Strategic Initiatives

The Company continued to focus on cost reduction and optimization in work practices to improve efficiency and productivity. The GPON project was accelerated in response to the Starlink impact, enabling Vodafone to offer a viable high-speed, higher-quality broadband service at a competitive price to Starlink. The company completed the refresh of the Pa Enua Network, rolling out 4G to all islands. A key part of this project was providing connectivity services to the Government; however, contractual payments have been delayed, impacting the budget achievement for the Pa Enua services.

Ongoing investment in the mobile service generated the required ROI, and the company rolled various upgrades in late 2023, in time for the Cook Islands hosting the PIFS conference in November. An early move into providing IoT infrastructure two years ago has paid off, with To Tatou Vai contracting Vodafone to provide smart water meters and data collection services over our IoT network. The company has also agreed on a pilot with Te Aponga Uira to trial smart power meters in late 2024

Workforce and Governance

Despite the advent of competition and new market entrants, the Company focused on growing its revenue, managing costs, and introducing new services to stay ahead. Ensuring that our teams remain engaged, motivated, passionate, and healthy is crucial.

Our Infrastructure

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

- Mobile Network services
- Broadband and Internet services.
- PSTN (domestic and international)
- IPTV
- Data Centre hosting services.
- Post Services
- Mobile Wallet
- IOT Network services
- Technology retail

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 new technology and converted to an all-IP architecture. Business subscribers can now connect via traditional copper, SIP peering or registration.

Broadband Network

On Rarotonga a MPLS Fibre backbone transport ring provides transport and access services for business and Government for B2B and P2P offering up to 100 Mbps bandwidth.

Two central GPON in Avarua and Aroa data centres support FTTH expansion for customers on Rarotonga and a GPON node in Aitutaki provides connectivity for customers in Aitutaki

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.

We also deployed hosted PABX services for small to medium businesses and onboarded seven customers in the last six months

Mobile Network

The mobile network consists of 3G/4G RAN in Rarotonga and the outer islands. We recently upgraded the network to provide better throughputs and faster data speeds to customers in Raratonga.

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 Services were upgraded during the year, which allowed for an exceptionally low entry cost to the Cook Islands.

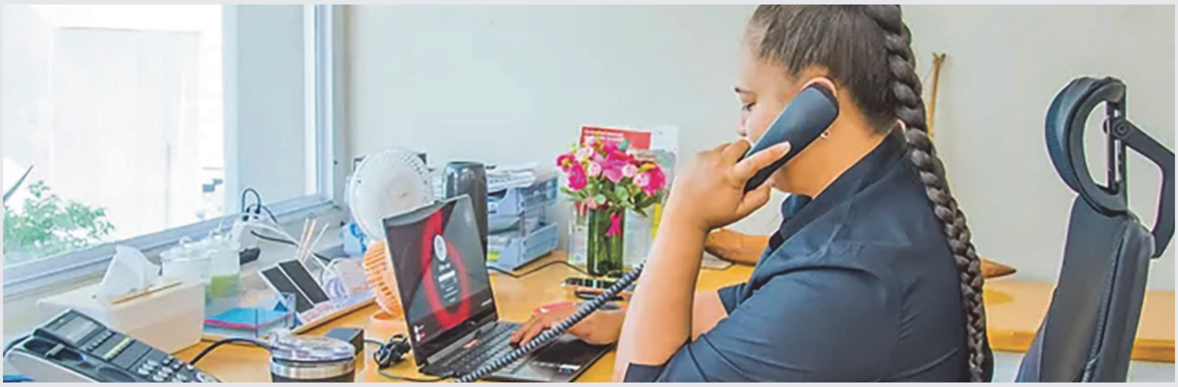
IOT Platform

An investment made several years ago in the establishment of an island-wide network of LoRaWAN IoT Gateways has begun to yield significant returns. The Proof of Concept (PoC) stage, conducted in collaboration with To Tatau Vai (Water Authority), has successfully concluded. This has led to the Water Authority's commitment to deploy Smart Water Meters for enhanced network management and user billing. Vodafone is entrusted with providing the comprehensive end-to-end solution, encompassing data processing and reporting. Additionally, the water metering initiative has been extended to our Pa Enua and has garnered interest from partners with a potential of offering this solution to other Pacific Islands.

Fleet management has gained popularity, with customers subscribing in 2023, bringing the total connections just shy of 100 vehicles managed on our platform. A new PoC is being developed in partnership with the Power Authority to facilitate smart power metering for customer billing. We have also conducted tests on LoRa IoT Emergency buttons and remote health monitoring devices and are preparing to partner with private health entities in Rarotonga for trials.

Our People

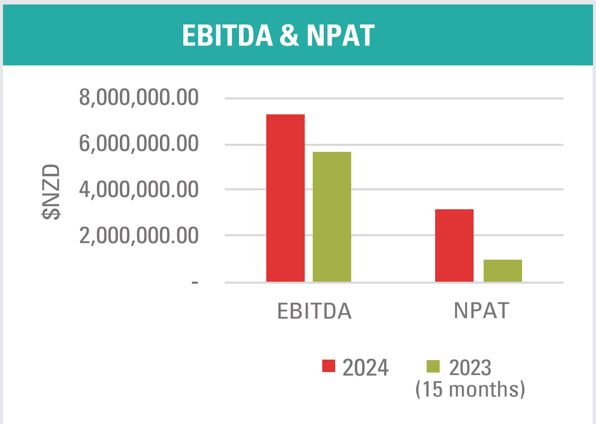
Vodafone Cook Islands has demonstrated its commitment to the well-being and growth of its people through conducting various development and training programs during the year. This included three short term attachments to the Vodafone Fiji office, Energise Leadership Workshop and one-on-one coaching sessions for the management team. LinkedIn Learning was also accessed by a number of avid learners in various fields of interest.



Financial Highlights

The start of the new financial year was the crystallization of the recovery phase after Covid-19. More visitor numbers were recorded as additional inbound flights were reintroduced.

The Company generated NZD$31M in total revenue, slightly below its pre-pandemic peak. Competitive pressure from Starlink led to a decline of 12% in internet revenue and OTT had an impact of 20% on conventional landline revenue when compared to the previous year. Management strategized effectively to focus to emerging services like IoT, promotions and customer rewards, which resulted in a 17% increase in revenues and this is expected to continue growing in the next financial year.



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 is a critical part of our commitment and remains a priority for Vodafone. Some of our key sponsorships and initiatives include the following:

- Breast Cancer Foundation is an annual event on our calendar and one the 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. This year we did something different to encourage health and fitness and organised a community 'Aka Uka' dance fitness event. Through supporting these events, we see an increase in awareness and fellow businesses joining in to support the community.

- Autism Cook Islands – holds annual events with the popular Te Kara Run. Vodafone is a strong supporter of this event and continues to provide monetary and in-kind support 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 and the various programmes and initiatives throughout the year.

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, the nation as a whole. Affirmative steps have been taken to make opportunities available in the traditionally male dominated areas of the business, such as IT and fixed networks.

During the year, a female member of the IT, VAS department attended a Women in Tech Workshop in Auckland. Her primary role was to network with skilled developers and identify talent who could collaborate with our team on future projects. Several women are now transitioning to tech careers to pursue new opportunities and personal growth. The Company encourages local participation at these events to inspire individuals to upskill and broaden their professional connections.

International Women's Day theme this year is 'Inspire Inclusion' and is about celebrating the strength, creativity, and leadership of our female colleagues. Together, we create a workplace where everyone thrives. Fostering an environment of respect, empowerment, and collaboration every day is also crucial for progress.

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;
- Commissioned a 28KW solar array to supplement power to the Aroa datacentre.
- 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.

Looking Ahead

Despite our strong market position, we have re-strategized to accelerate key projects and investments to mitigate risks posed by new non-traditional telco entrants, which has disrupted certain market segments. We are accelerating our Fibre Broadband project and simplified our propositions to deliver affordable options, more value and better customer experience. We remain focused and continue to invest in mobile technology to connect more people and respond effectively to the ever increasing demand for connectivity and data on the go.

> We are dedicated to growth strategies in both our consumer and enterprise markets, introducing innovative ICT solutions to meet evolving needs.

vodafone
VANUATU

Mr. Attar Singh - Chairman
Mr. Waisea Kamikamica - Director
Mr. Ashnil Prasad - Director
Ms. Tanya Waqanika - Director
Mr. Pradeep Lal - Director
Ms. Ashnita Kumar - Director
Mr. Thomas Bruce - Chief Executive Officer
Mr. Ravendra Chand - Chief Financial Officer/ Company Secretary

Overview

The past year has been exceptionally challenging for Vodafone Vanuatu, as the country faced multiple disruptions. The impact of four major cyclones caused economic turmoil, affecting agriculture, infrastructure and daily operations. The political environment was equally unstable, resulting in a referendum in May 2024 aimed at restoring political stability.

Additionally, the grounding and subsequent liquidation of the national airline had far-reaching consequences. This event disrupted the economy and triggered a sharp decline in the tourism industry.

Despite these formidable challenges, Vodafone Vanuatu has remained resilient, continuing to provide essential services and support to our customers. Our commitment to innovation and community support has been unwavering, as we navigate through these difficult times towards a more stable and prosperous future.

Our Infrastructure

Vodafone Vanuatu remains dedicated to providing exceptional connectivity through ongoing investment in our infrastructure. Our strategic efforts have concentrated on expanding coverage, improving network capabilities, and integrating advanced technologies to maintain a smooth customer experience despite the severe geographical obstacles. With the increasing demand for data and information services, we continue to expand capacity to improve our network. This year, we successfully increased capacity on six high-traffic sites in Port Vila, enhanced our primary and secondary links to the northern and southern islands and shoring up network stability, We launched seven new commercial sites, and upgraded 58 rural sites from 3G to 4G.

Our fibre network covering urban and residential areas has been pivotal in advancing connectivity across Vanuatu. Focused on inclusivity, we have extended the GPON network to major islands like Malekula and Santo, while also extending coverage to new residential zones around Port Vila. The ongoing project will further expand to additional residential areas in Port Vila and Santo in the upcoming year, enhancing accessibility and reliability for our customers.

We are also upgrading our systems to deliver better customer experiences. In our ongoing commitment to customer convenience through digital transformation, we launched e-SIM technology, increased the number of digital refill channels, and continued to grow online recharge options. These initiatives ensure that our customers have seamless and modern options for staying connected.

We continue to collaborate closely with satellite suppliers to explore additional solutions. This year, we also launched direct SAT-to-Phone SMS in partnership with Lynk. We plan to expand this offering to include voice and data services in the coming year, further enhancing our connectivity options.

With a focus on being the leader in digital services, we continue to drive innovation through our mobile payment service platform in collaboration with various stakeholders. We are proud to be the first to launch outward remittance service and our goal is to further expand our presence by integrating with major banks and enhancing the seamless experience for our customers.

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 foundation upon which we build a connected future for Vanuatu.

Our People

Our employees are our valuable assets that drive our success. We take immense pride in our workforce, which consists of 97% local talent, of which 38% are female. Our approach is centered on an equal-opportunity, collaborative work environment that promotes working together through cross-functional partnerships, enabling the team to drive projects forward collectively and efficiently.

We also completed a refresher on our values and purpose, and alignment to the Vodafone Way of working. We are pursuing ISO certification to further enhance our operational standards and commitment to excellence.

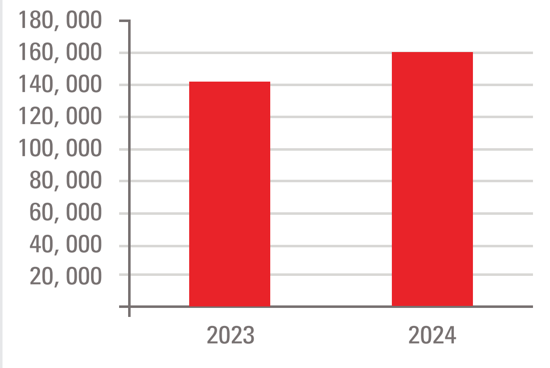
We continued with our efforts on capacity building and upskilling as we firmly believe in empowering individuals to excel and take on pivotal roles. As the technological landscape evolves rapidly, we ensure our employees stay at the forefront by engaging them in educational workshops and training. This year, we initiated exchange programs for our technical team, including deployments to PNG. We also welcomed visits from the regional team, who shared business ideas, goals, and learnings from other regions, fostering a collaborative environment for mutual growth.

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

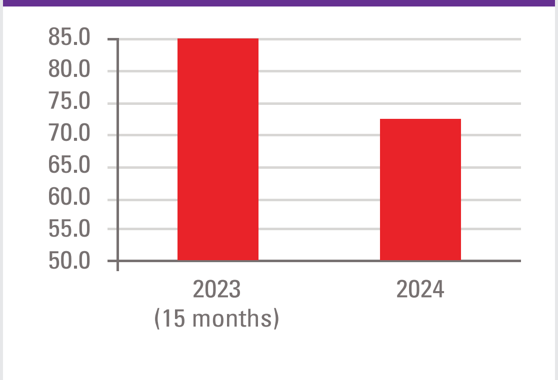
Despite challenges, Vodafone Vanuatu continues to deliver growth Our successful acquisition strategies resulted in 12% growth in our subscriber base.

Total Customer Base



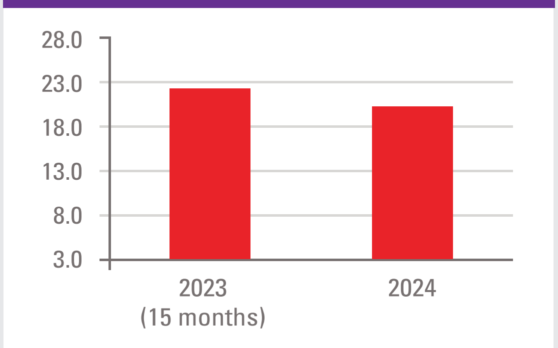
While global inflation and multiple cyclones impacted operating costs of the business, our strong growth helped sustain the increased costs.

Turnover mil FJB

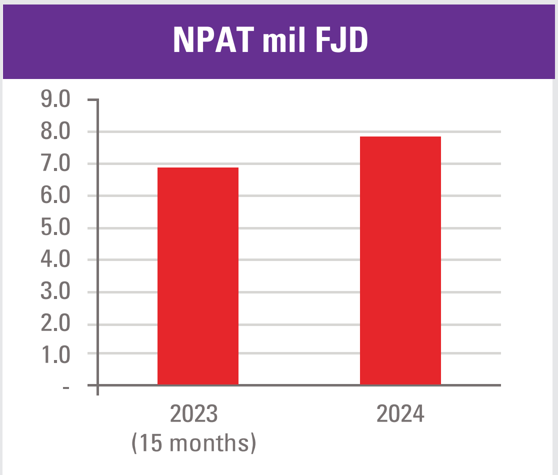


Turnover grew by 4% when compared prior year.

EBITDA mil FJD



The Turnover growth along with measures to improve efficiency within the organisation has seen EBITDA and NPAT grow by 14% and 36% respectively.



Looking Ahead

As we look to the future, our focus is on driving digital transformation and investing in technologies that elevate the customer experience. We are committed to building and embedding the Vodafone Way into every aspect of our daily work life, fostering a culture of speed, simplicity, and trust
.

Our workforce remains a key priority, with ongoing efforts in capacity building and training to empower and upskill our employees.

We are dedicated to growth strategies in both our consumer and enterprise markets, introducing innovative ICT solutions to meet evolving needs. Additionally, we aim to expand our mobile money system, enhancing financial inclusion and convenience for our customers.

Moreover, we continue to prioritize building collaborations and partnerships with our communities and businesses, strengthening our ties and contributing to sustainable development across Vanuatu.

By continuing to prioritize these areas, we are confident in our ability to deliver exceptional value and service, driving Vodafone Vanuatu's success in the years to come.

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 through our events and partnership.

We have actively engaged in various community initiatives throughout the year. This includes organizing the highly successful Vodafone Christmas Carol events in four locations across Vanuatu, which drew the largest audience to date. We also participated in Chiefs Day celebrations, reinforcing our support for local traditions and leadership.

Furthermore, we launched our new Vodafone shop for Penama province together with launching for the first time, a Vodafone Penama Volleyball Mix Tournament on Ambae Island, promoting gender equality in sports. This initiative was highly successful in fostering community participation and promoting inclusivity. Additionally, during the festive season, we visited the children's ward at Tanna Hospital, bringing joy and support to young patients and their families.

These initiatives reflect our dedication to making a positive impact in the communities we serve, fostering connections, and contributing to local well-being.

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 partnerships showing our support for sports, music, community development initiatives and art & culture.

This year, we continued our sponsorship efforts by supporting the Port Vila Football Association, Vanuatu Rugby Association, and Vanuatu Volleyball Association. Additionally, we sponsored ICT Days, where we won three awards: Excellent Booth Display of the Year and two product pitch awards.

Through these sponsorships, Vodafone Vanuatu remains dedicated to fostering community engagement and supporting initiatives that enhance the cultural, sporting, and technological landscape of Vanuatu.

Vodafone Kiribati's strategy for the future includes continued investment in network infrastructure and driving further operational cost savings.

Vodafone KIRIBATI

Mr. Joweli Taoi - Chairman
Mr. Attar Singh - Director
Mr. Ivan Fong - Director
Ms. Tanya Waqanika - Director
Mr. Shalvin Singh - Chief Executive Officer / Company Secretary

Overview

Amalgamated Telecom Holdings (Kiribati) Limited, trading as Vodafone Kiribati, continues to lead the mobile communication sector in Kiribati, offering comprehensive and cost-effective mobile, fixed, and data services through its extensive 2G, 3G, 4G, and 4G+ networks. The Company achievedhas shown strong financial performance and significant progress in upgrading its network infrastructure over the past year. By embracing the latest technological advancements, Vodafone Kiribati has revitalized the telecommunications market and enhanced customer experiences across the nation. Additionally, the Company is committed to investing in its workforce and supporting the local community.

During the year, Vodafone Kiribati was honored with the 'Best telecommunication Provider' award at the Kiribati National Business Awards 2023, reflecting its excellence in performance and contributions to the telecommunications sector.

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, including core power upgrades and battery/solar upgrades in the outer islands. Additionally, advanced technological solutions were implemented in radio and core networks to improve overall network performance in Kiribati.

At the beginning of the fiscal year, Vodafone Kiribati operated 34 sites across 16 islands, with a population penetration of 67%. During the year, five new sites were commissioned: three in the outer islands and two on the mainland. This expansion has significantly enhanced network coverage and reliability, ensuring better connectivity for our customers.

As a satellite-based telecommunications operator, Vodafone Kiribati continues to adopt and implement new technologies in the market. This commitment to innovation and modernization helps us provide reliable and high-quality services to our customers, even in the most remote areas of Kiribati.

Our People

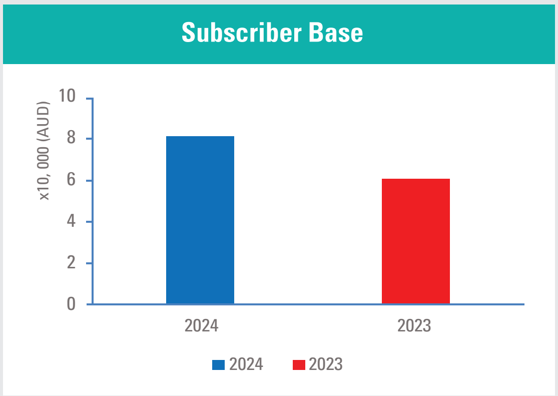
At Vodafone Kiribati, we believe that our people are the cornerstone of the Company's success. Our employees' performance, well-being, and knowledge profoundly impact brand desirability, customer satisfaction, and financial performance. Recognizing this, we prioritize equipping our staff with the necessary skills through comprehensive training programs tailored to their needs. This commitment extends beyond routine in-house training sessions; we actively encourage and facilitate our employees' participation in external training and educational opportunities abroad. This dual approach ensures our team stays abreast of the latest industry advancements, enhancing their professional growth and enabling them to deliver exceptional service to our customers.

Majority of our workforce comprises of long-serving employees who bring a wealth of experience and deep-seated knowledge of the telecommunications sector. Their extensive tenure with the company is a testament to our supportive and growth-oriented work environment. This experienced team plays a pivotal role in maintaining our high service standards and operational efficiency, ensuring that Vodafone Kiribati continues to lead the market. We hold a strong female representation of 51% in the company.We are an equal opportunity employer. We respect everyone and treat everyone with dignity.

Financial Highlight

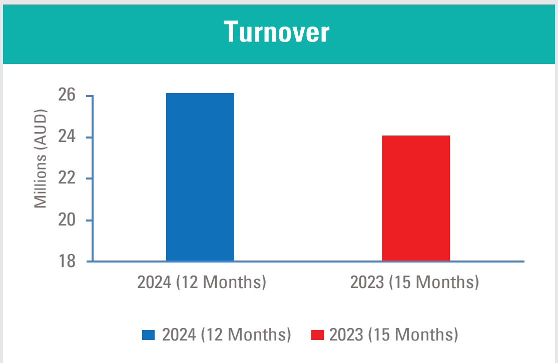
Vodafone Kiribati's financial performance is a testament to our commitment to growth, innovation, and resilience. Despite the challenges faced during the year, including economic fluctuations and operational hurdles, Vodafone Kiribati has demonstrated financial resilience. The company's ability to adapt and implement effective strategies has been key to maintaining financial stability.

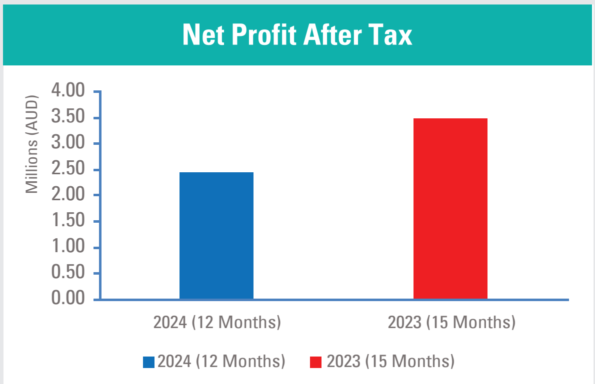
Our successful customer acquisition strategies has led to a 33% growth in our subscriber base. This growth was driven by extensive connection drives and the introduction of competitive offers tailored to meet the needs of both prepaid and business customers.



Despite facing significant challenges due to the introduction of competition in the market, particularly from StarlinkVodafone Kiribati has focused on enhancing service quality, expanding coverage, and offering value to retain customers and our market position.

Turnover grew by 4% from the prior year (12 months) enhancing our market share and solidifying our position as a leading telecommunications provider in Kiribati.





Looking Ahead

Vodafone Kiribati's strategy for the future includes continuous investment in network infrastructure. In response to the growing demand for data, we plan to upgrade capacity and expand coverage to outer islands.

We look forward to a significant development on the horizon, which is the arrival of the EMC subsea fiber cable in October 2025. This will be a game-changer for telecommunications in Kiribati, enhancing bandwidth capacity and connectivity speeds. The submarine cable is expected to provide a cost-effective, stable and faster internet speeds, supporting the digital needs of businesses and consumers.

These strategic initiatives underscore Vodafone Kiribati's commitment to innovation and excellence, ensuring it remains a leader in the telecommunications industry while fostering a digitally inclusive future for Kiribati.

Corporate Social Responsibility

Vodafone Kiribati is committed to conduct business in a socially, economically, environmentally responsible and sustainable manner. We continue to holistically implement processes where corporate social responsibility and social impact are integrated across the business.

Woman Empowerment

We are proud to report that 51% of our staff are I-Kiribati women, reflecting our dedication to gender equality in the workplace. We believe that empowering women leads to stronger communities and better business outcomes. Our initiatives advocate for gender equality by providing equal opportunities for career growth, leadership development, and skill enhancement. Through targeted training programs, mentorship opportunities, and supportive workplace policies, we aim to create an inclusive environment where women can thrive and contribute significantly to our success. By championing women's empowerment, Vodafone Kiribati not only supports the professional development of I-Kiribati women but also sets a standard for gender equality in the telecommunications industry and beyond. This commitment underscores our belief that diversity and inclusion drive innovation and organizational excellence.

Strengthening Brand Through Sponsorship

Vodafone Kiribati has directed its support and contributions towards various Government Ministries, State-Owned Enterprises, Non-Profit Organizations, and small community-based groups. These contributions are made through data connectivity, A2P SMS services, and donations, all aligning with our core values and mission.

During the year, Vodafone Kiribati sponsored and supported the Miss Kiribati Beauty Pagaent, which was a significant success. Our sponsorship not only highlighted the beauty and talent of the contestants but also promoted cultural heritage and community spirit. This event provided a platform for young women to showcase their skills and ambitions, aligning with our commitment to gender equality and empowerment.

Additionally, Vodafone Kiribati was a major partner with the Kiribati Island Football Federation (KIFF) for local soccer events. Our partnership with KIFF played a crucial role in promoting sports and healthy lifestyles within the community. By supporting local soccer events, we helped foster teamwork, discipline, and community engagement among the youth and sports enthusiasts in Kiribati.

These initiatives demonstrate Vodafone Kiribati's dedication to supporting and uplifting the local community, reinforcing our role as a responsible corporate citizen committed to the well-being and development of Kiribati.

"FINTEL's positioning as the telecommunications hub of the Pacific has seen the establishment of gateways for two Low earth Orbit (LEO) satellite operators, Starlink and OneWeb."

Fintel
BEYOND THE CALL

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.

Overview

Today's globalised world thrives on the transmission of data. From financial transactions to social media posts, the vast majority of international communications is transmitted by subsea telecommunication cables.

Demand for new Submarine Cable capacity is being driven by seemingly unending double-digit annual growth in data traffic.

Transmitting about 99% of the world's telecommunications, submarine cables have emerged as critical infrastructure necessary for systems to function.

Investment in new submarine cables has surged in recent years. New cable investment has averaged over $2 billion per year in the past eight years. With demand continuing to rise at an exponential rate, the value of new submarine cables entering service from 2024-2026 is forecasted to reach over $10 billion.

The need for subsea network resiliency cannot be overemphasized when it comes to either moving huge amounts of data over transoceanic distances or ensuring the connectivity of a small community to the rest of the world. With the increasing dependence of our modern societies on digital services, diversity for international connectivity has become a requirement of the utmost importance.

In March this year, three cables in the Red Sea were severed by an anchor drag followed by the West African subsea cable outage where four cable systems were damaged by an undersea canyon avalanche incident. While these incidents led to widespread connectivity disruption, affecting at least 11 countries across the continent, they also demonstrated the need for robust redundancy measures to manage outages.

The impact of events like cable cuts highlights the need for a coordinated, multilateral approach to protecting shared infrastructure across multi-stakeholders. There is an increasing urgency to discuss the set-up of global and regional frameworks for joint monitoring, risk mitigation, and emergency response procedures for the submarine cables. By securing such telecom infrastructure, we can attract more investment, spur economic growth, and enhance competitiveness at the global stage.

As such, submarine cables are a vital component of a country's national infrastructure and many governments have declared subsea cables strategic national assets. 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, Amazon and Meta have also started to invest in this industry. As of 2023, content and cloud networks accounted for more than 70% of all bandwidth usage.

Data is shaping into the currency of the 21st century. As global demand for data continues to grow at an extraordinary rate, a changing geopolitical climate and increased focus on cybersecurity and national security concerns, including ownership of critical infrastructure, will continue to impact submarine cable transactions and developments in the coming years.

Our Infrastructure

FINTEL's Vatuwaqa Communications Centre, is Fiji's only International Telecommunication Gateway.

FINTEL's investment of $46 million in the Southern Cross Next (SX Next) subsea cable system extends Fiji's international connectivity to 2050.

The investment will continue to progressively provide cheaper and high speed international backbone capacity for development of the Internet in Fiji and the Pacific region.

Given Fiji's strategic location at the heart of the South Pacific, Fintel is the transit point of choice for other Pacific Island countries.

Tonga, Samoa, Vanuatu, New Caledonia, French Polynesia, American Samoa, Cook Islands, Niue, Kiribati, Tokelau and Wallis & Futuna, gain direct or indirect international connectivity through Fintel.

Satellite communication is transforming connectivity across the Pacific region by bridging geographical barriers and connecting diverse communities. The expansion of satellite coverage has allowed previously isolated islands to share information instantly, bringing essential resources and opportunities to remote areas.

The cost of satellite services is decreasing, making it accessible to smaller organizations and consumers. Satellites also facilitate regional cooperation, offer support in times of disasters, and foster connections between isolated communities.

There is a surge in interests from the non-geostationary satellite operators (NGSO) in the Pacific.

FINTEL's positioning as the telecommunications hub of the Pacific has seen the establishment of gateways for two Low earth Orbit (LEO) satellite operators, Starlink and OneWeb.

Our People

FINTEL has a staff complement of 29. Thirty five percent of the 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 the minor sports.

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 a Profit after Tax of $3.8 million ($2.8M: 2023) during the year.
Dividend of $3.0 million ($2.2 million: 2023) was paid to the shareholder

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

The current Southern Cross Now cable system is due for replacement in 2030. An investment commitment of around USD$20M may be required by 2026.

Fiji, through FINTEL, has had a single international telecommunications gateway for well over a century.

The FCCC ruling may be inhibiting the national carriers from pursuing other international subsea cable access.

International access resilience, as from the Tonga, and the recent Middle East and Africa subsea cable outage experiences, is critical for the national economy.

Regulatory and gateway market threats are forecasted to continue which may require FINTEL to review investments to current and future subsea cable and satellite systems.

Looking Ahead

FINTEL's network development activities continue to focus on the enhancement of its core, Tele-housing and Co-location services at FINTEL's Vatuwaqa Communications Centre, in providing efficient and effective services to the domestic, regional and international corporate clients.

The direct and indirect interconnection with regional and global subsea cable systems, the partnership with global satellite operators and the associated value added services will provide the future delivery of key business objectives.

The future of satellite communication in the Pacific region is promising. Expanded connectivity, new applications, private sector growth, and cross-border collaboration are anticipated. The technology is set to bridge digital divides, foster innovation, and improve lives, building a more connected and enriched Pacific Island society.

The proliferation of Low Earth Orbit (LEO) satellites has caused a sea change in a sector which has long been dominated by geostationary orbit (GSO) providers.

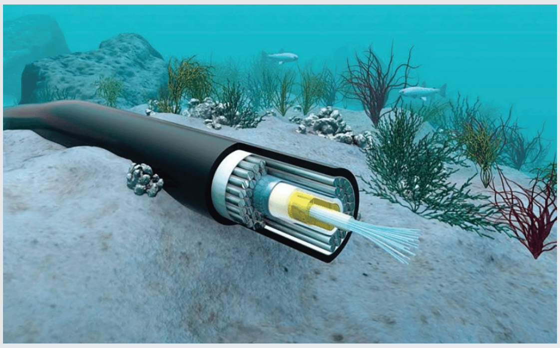
Major new players like Starlink, OneWeb and Amazon's Kuiper have entered the sector.

While LEO is unlikely to replace GSO, it offers benefits in terms of coverage availability and quality of service. It is also now affordable to launch LEO satellites and the low latency that they offer makes them suitable and commercially viable for advanced communications services, particularly in remote and unserved areas.

This makes the technology especially well-suited to emerging markets, where fixed satellite access is helping to bridge the digital divide. LEO is also driving new use cases such as direct to mobile and IoT devices, as well as enabling satellite backhaul for 4G and 5G. Due to their low latency and high bandwidth, LEO satellites are also able to provide services comparable to 5G or fibre, making them ideal for mission-critical communications such as defence or disaster relief and advanced broadband for enterprise applications across business verticals such as shipping, aviation, and mining.

Subsea cable and satellite will continue to be complimentary mediums for the Pacific Islands. Both empower communities by providing access to information and services that improve education, healthcare, agriculture, and more, unlocking new possibilities for progress and development.

Fintel will continue play a key role in attracting global players in both subsea cables and satellite, for the benefit of Fiji and the Pacific Islands..



The Vodafone ATH Fiji Foundation remains committed to providing ongoing support to a variety of initiatives, projects, and charities hroughout Fiji and the wider Pacific region.

Vodafone ATH Fiji Foundation

Introduction

Incorporated as a registered charity organisation in 2004, the Vodafone ATH Fiji Foundation was established to lead the corporate social responsibility initiatives of Vodafone Fiji and Amalgamated Telecom Holdings, ensuring a positive social and philanthropic impact on communities. With a mission to foster philanthropy and address critical community needs, the Foundation leverages mobile communication technology to tackle Fiji's most pressing humanitarian challenges.

This commitment aligns with its vision of building a stronger, more resilient, and interconnected Vanua. Stakeholders and shareholders can take pride in supporting a foundation that drives social change through innovation and compassion, improving countless Fijian lives.

Key Highlights

As the philanthropic arm of Vodafone Fiji Limited and ATH, the Vodafone ATH Fiji Foundation celebrates 20 years of impactful giving, dedicated to sustainable social impact and community development across Fiji. Since its inception, the Foundation has supported over 2,000 charitable organizations, contributing $50 million to initiatives in healthcare, education, income generation, environmental sustainability, and disaster response.

Partnering with 800 villages and 400 schools, the Foundation has provided $12 million in direct grants and introduced transformative programs like Vodafone World of Difference and Mobile for Good, benefiting over 120,000 communities.

As it embarks on a new phase of strategic expansion, the Foundation is documenting its processes and lessons learned to share knowledge with other Pacific organizations, ensuring its legacy of impact extends beyond Fiji.

Sustainable Funding & Mobile for Good

This year, the Vodafone ATH Fiji Foundation significantly advanced its commitment to education, healthcare, community well-being, and climate resilience, driving sustainable development across Fiji. Key initiatives included upgrading educational facilities at Nausori Village Kindergarten, Wairuku Primary School, and Bayly Memorial School, aimed at enhancing learning opportunities for children. In healthcare, projects like the Kaleli Village Dispensary Income Generation Project and the "Sounds of Freedom" movie event raised awareness about healthcare access and human trafficking.

The Gonedau Project Fisher Folk promoted sustainable fishing practices and economic stability. Collaborative efforts with LifeLine Fiji on World Suicide Prevention Day and the "Sleep Rough" initiative highlighted support for vulnerable populations. In partnership with Rotary Pacific Water for Life and the European Union, the Foundation co-financed climate change and water security workshops and concluded the CRCC Project, emphasizing environmental sustainability, water security, and disaster risk reduction.

The Foundation's proactive efforts included grants to the Ahava Foundation, Aruka Foundation, and the AlLevi8 Network, supporting over 240 street dwellers through capacity building, training, and job placement initiatives. Additionally, the distribution of 2,000 dictionaries, school bags, and dignity packs to schools and communities in Ba, Tavua, and Rakiraki highlighted its dedication to education and welfare. In partnership with Rotary Pacific Water for Life, MFAT, the European Union, and Pleass Beverage - Vaiwai, the Foundation led critical climate resilience projects, significantly enhancing water infrastructure, sanitation, and hygiene across various Fijian communities.

Vodafone World of Difference

During the recent reporting period, the Vodafone ATH Fiji Foundation successfully deployed a team of professional volunteers through the Vodafone World of Difference (WoD) program, with several volunteers becoming full-time Executive Officers of their chosen charities. WoD Charity Rotary Pacific Water for Life secured a $213,000 Fiji Water Foundation grant, benefiting five schools and villages, and additional co-financing from LDS Charities and MFAT for various water infrastructure projects. Save Fiji also contributed to water security with donations to Rewa Province and mobility devices for those in need. Looking forward, the Rotary Pacific Water for Life Foundation, in collaboration with partners, secured in-principle approval for a FJD 1.8m three-year project with the EU to address climate change impacts and empower civil society organizations in governance and development.

Lifeline Fiji is a volunteer based organization that entails provision of a 24/7 toll-free crisis Helpline, Community-based Crisis Support (Psychological First Aid), Promoting emotional well-being to the public. The foundation worked in partnership with Lifeline Fiji providing assistance to families in western division and organized fundraising events, including a Gala Dinner that raised $80,000. Lifeline Fiji also extended its reach through corporate training sessions, benefiting establishments like IHG Hotels and Shangri-La Fijian Resort.

BSignificant progress has been made in the Northern Charity Alliance (NCA) and Equalise Fiji programs, with the completion of Phase 1 of the Diversity Hub, which will support various Civil Society Organizations (CSOs) and the Diversity Net community. NCA is leading Financial Literacy and Regional Governance Training in collaboration with Australian Volunteer International, reflecting a commitment to continuous learning. The WoD program maintains financial prudence, while a Monitoring, Evaluation, and Learning (MEL) Framework tracks progress. Additionally, NCA and Equalise Fiji offer short courses for youth, partnering with the Ministry of Education, Itaukei Affairs Board, Fiji National University, and WWF to promote sustainable practices and economic development through projects like the Gonedau Project.

Vodafone World of Difference saw significant advancements this year with another call for expressions of interest process, recruitment of five WoD candidates with diverse expertise, including Gender and Development, Governance and Financial Literacy, Inclusive Community Development, and Youth Development.

The Foundation's expanded network now encompasses an additional 50 charities, signifying growth, resilience, and a steadfast dedication to community welfare.

The Vodafone ATH Fiji Foundation remains committed to providing ongoing support to a variety of initiatives, projects, and charities throughout Fiji and the wider Pacific region. This support includes extensive funding for grants, technical assistance, and capacity building, and promoting the sustainability of these programs. The Foundation will continue to allocate resources to ensure that its mission of uplifting communities and fostering positive social change remains steadfast.

Conclusion

In closing, the Vodafone ATH Fiji Foundation's 20th year has been marked by unwavering dedication, substantial achievements, and a resolute commitment to fostering positive change across Fiji and the wider Pacific region.

As we look to the future, we remain steadfast in our mission to uplift communities, drive sustainable development, and build a brighter, more resilient future for all.

Grants Approved and Paid from July 2023 to June 2024

PARTICULARS	FY 23-24
Vodafone World of Difference	
WOD Admin Expenses	244,340
Management and Admin Expenses	16,272
Total WOD Expenses	260,612
Double Your Dollar - Donations	
Hakwa Foundation	1,000
Northern Charity Alliance	1,000
Save Fiji	2,000
Lifeline Fiji	1,000
CBST	2,000
Red Cross Society	1,000
Ruve Foundation	1,000
Spinal Injury Association	1,000
Philanthropy Pacific	1,000
Omega Social Services	1,000
Total DYD	12,000
Sustainable Funding	
Philanthropy Pacific	5,000
Spinal Injury Association	30,000
Northern Charity Alliance	23,550
Alevi8 Network & Ahava Project	7,000
Naqeledamu Village Youth Club	2,500
Rotary Pacific Water For Life Foundation	50,000
Flametree Waldorf Kindergarten	5,000
FDPF-SIA	30,000
Fiji College Of General Practitioners	7,000
Motivate Pacific	6,000
Nausori Village Kindergarten	3,540
Naimawi Youth Club	2,500
Navatoga Youth Club	2,500
Bayly Memorial School	7,000
Vailose Youth Club	2,500
Gospel Primary School	8,000
Total Sustainable Funding	192,090
TOTAL DONATIONS	464,702

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

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 32 for investments in subsidiaries) as at 30 June 2024, 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 year then ended and report as follows:

Directors

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

Mr Attar Singh – Chairman -Appointed 10 July 2024
Mr Dakshesh Patel
Mr Joweli Taoi
Mrs Tanya Waqanika - Appointed 10 July 2024
Mr Peter Chan
Mr Vilash Chand
Mr Viliame Vodonaivalu

Principal Activities

The principal activity of the Group during the year 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, Datec New Zealand 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. In March 2024, the operations of this entity has been transferred to Datec (Fiji) Pte Limited.
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.

DIRECTORS' REPORT [CONT'D]

Principal Activities (Cont'd)

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

Results

The consolidated profit after income tax attributable to the members of the Holding Company for the year ended 30 June 2024 was $17,097,000 (for the period 1 April 2022 to 30 June 2023: consolidated profit after income tax attributable to the members of the Holding Company of $11,681,000).

Dividends

Dividends of $14,358,000 were proposed by the Holding Company, endorsed by the board of directors, subject to its final approval by the shareholders at the AGM, for the year ended 30 June 2024 (for the period 1 April 2022 to 30 June 2023: $21,537,000)

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 year 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 year 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 year.

DIRECTORS' REPORT [CONT'D]

Events Subsequent to Balance Date

There has not arisen in the interval between the end of the financial year 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 years.

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 year to secure the liabilities of any other person;

(ii) no contingent liabilities have arisen since the end of the financial year 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 year 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 19th day of September 2024 .

....
Director

....
Director

AMALGAMATED TELECOM HOLDINGS LIMITED AND SUBSIDIARY COMPANIES

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 year ended 30 June 2024;

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 2024;

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 year ended 30 June 2024;

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 year ended 30 June 2024;

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 19th day of September 2024.

....
Director

....
Director

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Offices in Suva and Lautoka

BDO
Chartered Accountants
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Suva, Fiji

AMALGAMATED TELECOM HOLDINGS LIMITED AND SUBSIDIARY COMPANIES

AUDITOR'S INDEPENDENCE DECLARATION TO THE DIRECTORS

As Auditor for the audit of Amalgamated Telecom Holdings Limited and subsidiary companies for the financial year ended 30 June 2024, I declare to the best of my knowledge and belief, there have been:

(a) no contraventions of the auditor independence requirements of the Companies Act, 2015 in relation to the audit; and

(b) no contraventions of any applicable code of professional conduct in relation to the audit.

Wathsala Suraweera
Partner
Suva, Fiji

BDO
CHARTERED ACCOUNTANTS

19th September2024

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Amalgamated Telecom Holdings Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the consolidated financial statements of Amalgamated Telecom Holdings Limited and its subsidiary companies (the Group), which comprise the consolidated statement of financial position as at 30 June 2024, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 30 June 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants (IESBA Code)* together with the ethical requirements that are relevant to our audit of the financial statements in Fiji, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

To the Shareholders of Amalgamated Telecom Holdings Limited (Cont'd)

Key Audit Matters (Cont'd)

Key audit matter	How our audit addressed the matter
Impairment Assessments of Non - Financial Assets	
a) Impairment Assessment of Goodwill The Group's goodwill is recognised in a number Cash Generating Units (CGUs).We focused on this area due to: • the size of the goodwill balance ($136million as at 30 June 2024); • the Group's assessment of the 'Value In Use' of the CGUs involves significant judgements about the future results of the relevant CGU's and the discount rates applied to future cash flow forecasts; and • the Group incurs significant capital investments annually and the capital expenditure forecasts also involves significant estimation and judgement process. The Group performed an impairment assessment of the goodwill by: • calculating the Value In Use for each CGU using a discounted cash flow model. These models used cash flows (revenues, expenses and capital expenditure) for each CGU for five years, with a terminal growth rate applied to the fifth year. These cash flows were then discounted to net present value using each CGU's weighted average cost of capital (WACC); and • comparing the resulting Value In Use of each CGU to their respective book values. Refer to note 15(a) of the financial statements for details of the Group's impairment test and assumptions. Given the complexities involved in Goodwill impairment assessment process, we got our valuation experts involved to assist our senior audit team members in assessing this matter.	We performed detailed procedures for all the CGUs which included the following, amongst others: • Reviewed and assessed the methodology used by the Group and its appropriateness for conducting goodwill impairment tests. • Evaluated each CGU's cash flow forecasts, capital expenditure forecasts and the process by which they were developed, including considering the mathematical accuracy of the underlying calculations. We also compared them to the latest Board-approved budgets. We found that the budgets used in the Value In Use calculations were consistent with the Board - approved budgets and forecasts. • Compared current year (2024) actual results with the prior year (2023) forecast to consider whether any forecasts included assumptions that, with hindsight, had been optimistic. • Evaluated the Group's key assumptions for growth rates in the forecasts by comparing them to historical results and economic and industry forecasts. • We got our valuation experts involved, to recalculate management's discount rates based on the Group and its industry. Valuation specialists were also involved in assessing the Value In Use model for valuation methodology, including the treatment of assumptions for capital expenditure, working capital, terminal value and the net present value calculations. • Performed sensitivity analysis on all CGUs in two main areas being the discount rate and terminal growth rate assumptions. For the CGUs with a higher risk of impairment we performed a range of sensitivity analyses including discount rate, terminal growth rate assumptions and revenue growth. • Reviewed events and transactions occurring after the reporting date that may indicate changes in the recoverable amounts of CGUs. • Assessed the Group's disclosures of the quantitative and qualitative considerations in relation to the valuation of goodwill, by comparing these disclosures to our understanding of the matter and against the requirements of the accounting standards.

To the Shareholders of Amalgamated Telecom Holdings Limited (Cont'd)

Key Audit Matters (Cont'd)

Key audit matter	How our audit addressed the matter
Impairment Assessments of Non - Financial Assets	
b) Impairment Assessment of Property, Plant and Equipment Property, Plant and Equipment (PPE) is considered to be one of the most significant balances in the financial statements of the Group given the size of the balance being $1,060miilon as at 30 June 2024. Furthermore, complexities are involved in capitalization and impairment assessment process of property, plant and equipment, in particular due to evolving changes in technology in telecommunications industry. Significant investments are also made by the Group annually in enhancing the infrastructure networks in various subsidiary entities. Given the evolving changes in technology in telecommunications industry and significant investments made in capital assets of the Group over time, we have considered assessment of impairment of property, plant and equipment as a key audit aspect for the audit hence, considered it as a key audit matter.	We performed following procedures in relation to impairment assessment of property, plant and equipment amongst others: • Reviewed the Group's policies and procedures for testing property, plant and equipment for impairment and internal controls related to the identification and assessment of impaired property, plant and equipment. • Ensured that the Group's impairment assessment process complies with relevant accounting standards. • Reviewed the criteria used by the Group to identify potential impairment indicators (e.g., significant decline in market value, physical damage, changes in technology, upgrade into new technology or market conditions). • Assessed whether the Group's process for identifying impairment indicators is consistent with accounting standards and industry practices. • Checked for any signs of impairment based on internal indicators and external indicators affecting the telecommunications industry and assessments carried out by the management evaluating the indicators and conclusions reached.

To the Shareholders of Amalgamated Telecom Holdings Limited (Cont'd)

Key Audit Matters (Cont'd)

Key audit matter	How our audit addressed the matter
Revenue Recognition	
Revenue recognition of the Group is relatively complex as the Group is predominantly involved in telecommunications industry and its various telecommunication products and revenue streams requires large volume of data processing with the significant volumes of transactions. The audit focused on evaluating the adequacy and appropriateness of the Group's revenue recognition policies, testing the accuracy of revenue calculations, and ensuring compliance with the relevant accounting standards.	Our procedures included amongst others: • With the assistance of our IT specialists, evaluated the design and implementation of internal controls related to revenue recognition and tested the operating effectiveness of these controls through walkthroughs and sample testing. This specifically included the evaluation of general IT Control environment of the Group and its effectiveness for our reliance. • Reviewed the Group's revenue recognition policies and procedures and evaluated whether these policies aligned with the relevant accounting standards. • Assessed the Group's practices for recognizing revenue from various sources (e.g., pre-paid services, post-paid services, subscription fees, equipment sales, and bundled services). • Obtained and reviewed a sample of customer contracts, in particular for new products and plans introduced during the year including bundled service agreements and long-term contracts etc. • Identified the performance obligations in different contracts and products and assessed the terms and conditions to determine how they impact revenue recognition. • Tested the complete reconciliations between the Group's billing systems and the general ledger. This involved analyzing and reconciling journal entries recorded in both the billing system and the general ledger. • Selected a sample of revenue transactions for detailed testing and verified the accuracy of revenue entries by tracing them to supporting documentation such as contracts, billings, and receipts. Confirmed that revenue is recognized in accordance with the contract terms and accounting policies. • Performed analytical procedures on prepaid revenue such as developing an expectation for monthly prepaid revenue during the financial period by applying the ratio of prepaid revenue to cash collected from top-ups in previous comparable periods to the cash collected from top-ups in the current period. • Performed cut-off testing to verify that revenue is recorded in the correct period. For example, checked transactions occurring near the period-end to ensure deferred revenue are recognized appropriately. • Reviewed the revenue-related disclosures in the financial statements to ensure they meet the requirements of the applicable accounting standards. Verified that the disclosures include information on significant judgments, estimates, and changes in revenue recognition practices.

To the Shareholders of Amalgamated Telecom Holdings Limited (Cont'd)

Other Information

The management and directors are responsible for the other information. The other information comprise of the information included in the directors' report and the Annual Report of the Group for the year ended 30 June 2024 but does not include in the consolidated financial statements and the auditor's report thereon. The Annual Report is expected to be made available to us after the date of the auditor's report.

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

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

Responsibilities of the Management and Those Charged with Governance for the Consolidated Financial Statements

The management and directors are responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS and the Companies Act, 2015 and for such internal control as the management and directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the management and directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable matters related to going concern and using the going concern basis of accounting unless the management and directors either intend to liquidate the companies in the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

As part of an audit in accordance with ISA, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

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

To the Shareholders of Amalgamated Telecom Holdings Limited (Cont'd)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (Cont'd)

- 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 management and directors.
- Conclude on the appropriateness of the management's and 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 material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the companies in the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent 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 consolidated financial statements. 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 charges with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We 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, related safeguards.

From the matters communicated with the management and directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's 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.

Other Matter

The consolidated financial statements of the Group for the fifteen-month period ended 30 June 2023 were audited by other auditor who expressed an unmodified opinion on those consolidated financial statements on 31 October 2023.

INDEPENDENT AUDITOR'S REPORT [CONT'D]

To the Shareholders of Amalgamated Telecom Holdings Limited (Cont'd)

Report on Other Legal and Regulatory Requirements

In our opinion, the consolidated financial statements have been prepared in accordance with the requirements of the Companies Act, 2015 in all material respects, and;

a) we have been given all information, explanations and assistance necessary for the conduct of the audit; and

b) the Group has kept financial records sufficient to enable the consolidated financial statements to be prepared and audited.

BDO
CHARTERED ACCOUNTANTS

Wathsala Suraweera
Partner
Suva, Fiji
19 September 2024

AMALGAMATED TELECOM HOLDINGS LIMITED AND SUBSIDIARY COMPANIES
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2024

	Note	For the period 1 July 2023 to 30 June 2024 $'000	For the period 1 April 2022 to 30 June 2023 $'000
Revenue	6	935,954	960,392
Direct costs	7	(361,042)	(390,848)
Gross profit		574,912	569,544
Other income	8	15,555	12,826
Impairment loss on trade receivables and contract assets recognised, net	20(c)	(2,732)	(2,848)
Marketing and promotion expenses		(20,434)	(29,778)
Other expenses	11	(509,009)	(518,872)
Operating profit		58,292	30,872
Finance income	10	11,676	19,257
Finance costs	10	(66,808)	(53,078)
Net finance costs		(55,132)	(33,821)
Profit / (loss) before tax		3,160	(2,949)
Income tax benefit	12(a)	6,042	7,786
Profit for the period		9,202	4,837
Other comprehensive income			
Items that are or may be reclassified subsequently to profit or loss			
Foreign operations - foreign currency translation differences		(7,824)	9,919
Other comprehensive income / (expense), net of tax		(7,824)	9,919
Total comprehensive income		1,378	14,756

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
FOR THE YEAR ENDED 30 JUNE 2024

	Note	For the period 1 July 2023 to 30 June 2024 $'000	For the period 1 April 2022 to 30 June 2023 $'000
Profit attributable to:			
Equity holders of the Holding Company		17,097	11,681
Non-controlling interests		(7,895)	(6,844)
		9,202	4,837
Total comprehensive income attributable to:			
Equity holders of the Holding Company		8,643	22,247
Non-controlling interests		(7,265)	(7,491)
		1,378	14,756
-			
Earnings per share			
- Basic and diluted earnings per share (cents per share)	13	3.57	2.44

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 YEAR ENDED 30 JUNE 2024

	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 income								
Profit for the period	-	-	-	-	11,681	11,681	(6,844)	4,837
Other comprehensive income	-	10,566	-	-	-	10,566	(647)	9,919
Total comprehensive income	-	10,566	-	-	11,681	22,247	(7,491)	14,756
Contributions and distributions to owners								
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 34)	-	-	-	-	-	-	207,957	207,957
Application of the anticipated acquisition method to the put option (Note 32(e)	-	-	-	-	-	-	(56,508)	(56,508)
Acquisition of non-controlling interests in Digitec ICT Limited, Etech ICT Pte Limited and Etech ICT Pty Limited (Note 32(b))	-	-	(6,936)	-	-	(6,936)	(42,545)	(49,481)
Acquisition of non-controlling interests in Digitec Communications Limited (Note 32(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 32(e)	-	-	-	(8,555)	-	(8,555)	-	(8,555)
Total changes in ownership interests	-	-	(6,936)	(26,440)	-	(33,376)	121,216	87,840
Total contributions and distributions to owners	-	-	(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 CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2024

	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 July 2023	220,570	6,512	(2,417)	(32,767)	254,328	446,226	232,164	678,390
Total comprehensive income								
Profit for the year	-	-	-	-	17,097	17,097	(7,895)	9,202
Other comprehensive expense	-	(8,454)	-	-	-	(8,454)	630	(7,824)
Total comprehensive income / (expense)	-	(8,454)	-	-	17,097	8,643	(7,265)	1,378
Contributions and distributions to owners								
Dividends (Note 27)	-	-	-	-	(14,358)	(14,358)	(28,407)	(42,765)
Investment transfers (Note 32(g))	-	-	27	-	-	27	25	52
Total contributions and distributions to owners	-	-	27	-	(14,358)	(14,331)	(28,382)	(42,713)
Balance as at 30 June 2024	**220,570**	**(1,942)**	**(2,390)**	**(32,767)**	**257,067**	**440,538**	**196,517**	**637,055**

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 2024

	Note	30 June 2024 $'000	30 June 2023 $'000
Assets			
Non-current assets			
Deferred tax assets	12(b)	111,648	68,490
Property, plant and equipment	14	1,060,265	974,563
Intangible assets	15	180,165	183,535
Right of use assets and lease receivables	16(a)	160,441	134,717
Trade and other receivables and contract assets	20	3,651	3,025
Equity investment securities		2,715	2,835
Total non-current assets		1,518,885	1,367,165
Current assets			
Inventories	18	88,058	68,204
Debt investment securities	19	11,831	7,783
Trade and other receivables and contract assets	20	223,939	174,836
M-PAiSA trust account - restricted cash	21	89,571	74,960
Cash and cash equivalents	21	99,433	201,300
Total current assets		512,832	527,083
Total assets		**2,031,717**	**1,894,248**
Shareholders' equity and liabilities			
Shareholders' equity			
Share capital	22	220,570	220,570
Foreign currency translation reserve	23	(1,942)	6,512
Merger reserve	32(b)	(2,390)	(2,417)
Other equity reserve	32(c)(d)(e)	(32,767)	(32,767)
Retained earnings		257,067	254,328
Equity attributable to the owners of the Holding Company		440,538	446,226
Equity attributable to non-controlling interests	17	196,517	232,164
Total shareholders' equity		637,055	678,390
Liabilities			
Non-current liabilities			
Deferred tax liabilities	12(b)	21,963	12,861
Lease liabilities	16(b)	96,931	68,163
Borrowings	24	587,322	580,106
Provisions	25	725	466
Deferred income - Federal grant	28	42,364	978
Trade and other payables	26	6,770	5,133
Total non - current liabilities		756,075	667,707

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 FINANCIAL POSITION [CONT'D]
AS AT 30 JUNE 2024

	Note	30 June 2024 $'000	30 June 2023 $'000
Current liabilities			
E-value in circulation	3.24	89,571	74,960
Current tax liability	12(c)	20,712	21,343
Lease liabilities	16(b)	12,772	15,849
Borrowings	24	104,883	70,139
Provisions	25	7,466	7,283
Trade and other payables	26	332,611	290,754
Deferred income - Federal grant	28	6,435	2,758
Put liability	32(e)	64,137	65,065
Total current liabilities		638,587	548,151
Total liabilities		1,394,662	1,215,858
Total shareholders' equity and liabilities		**2,031,717**	**1,894,248**

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 YEAR ENDED 30 JUNE 2024

	For the period 1 July 2023 to 30 June 2024 $'000	For the period 1 April 2022 to 30 June 2023 $'000
Cash flows from operating activities		
Receipts from customers and others	983,011	947,736
Payments to suppliers and employees	(744,131)	(746,644)
Cash generated from operating activities	238,880	201,092
Interest received	779	3,820
Interest paid	(54,330)	(41,808)
Income taxes paid	(35,727)	(29,942)
Net cash from operating activities	149,602	133,162
Cash flows from investing activities		
Acquisition of property, plant and equipment	(245,551)	(375,564)
Acquisition of intangible assets	(1,144)	(13,877)
Dividends received	156	395
Proceeds from sale of property, plant and equipment	2,383	4,332
Acquisition of non-controlling interest	-	(1,592)
Redemption of/(payment for) debt investment securities	(5,254)	13,764
Net cash used in investing activities	(249,410)	(372,542)
Cash flows from financing activities		
Dividends paid to equity holders of the Holding Company	(24,766)	(36,460)
Dividends paid to non-controlling interests	(8,324)	(16,611)
Repayment of borrowings	(77,848)	(47,071)
Proceeds from borrowings	92,588	334,708
Proceeds from share issue	-	110,646
Payment of lease liabilities	(14,130)	(12,915)
Net cash from/(used in) financing activities	(32,480)	332,297
Net change in cash and cash equivalents	(132,288)	92,917
Cash and cash equivalents at the beginning of the financial period	200,651	112,080
Effect of movements in exchange rates on cash held	(2,233)	(4,346)
Cash and cash equivalents at the end of the financial period (Note 21)	66,130	200,651

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 year ended 30 June 2024 comprise the Holding Company and its subsidiaries (together referred to as "the Group", individually referred to as "group entities").

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 year 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, Datec New Zealand 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. In March 2024, the operations of this entity has been transferred to Datec (Fiji) Pte Limited.
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 year.

NOTE 2. BASIS OF PREPARATION

a) 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.

b) 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.

c) Standards issued but not yet effective

New standards, interpretations and amendments effective during the year

The following amendments are effective for the period beginning 1 January 2023:

- *Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2);*
- *Definition of Accounting Estimates (Amendments to IAS 8); and*
- *Deferred Tax Related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12).*

(i) Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)

In February 2021, the IASB issued amendments to IAS 1 and IFRS Practice Statement 2. The amendments aim to make accounting policy disclosures more informative by replacing the requirement to disclose 'significant accounting policies' with 'material accounting policy information'. The amendments also provide guidance under what circumstance, the accounting policy information is likely to be considered material and therefore requiring disclosure.

These amendments have no effect on the measurement or presentation of any items in the financial statements of the Group but affect the disclosure of accounting policies of the Group.

(ii) Definition of Accounting Estimates (Amendments to IAS 8)

The amendments to IAS 8, which added the definition of accounting estimates, clarify that the effects of a change in an input or measurement technique are changes in accounting estimates, unless resulting from the correction of prior period errors. These amendments clarify how entities make the distinction between changes in accounting estimate, changes in accounting policy and prior period errors.

These amendments had no effect on the financial statements of the Group.

(iii) Deferred Tax Related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)

In May 2021, the IASB issued amendments to IAS 12, which clarify whether the initial recognition exemption applies to certain transactions that result in both an asset and a liability being recognised simultaneously (e.g. a lease in the scope of IFRS 16). The amendments introduce an additional criterion for the initial recognition exemption, whereby the exemption does not apply to the initial recognition of an asset or liability which at the time of the transaction, gives rise to equal taxable and deductible temporary differences.

These amendments had no effect on the annual consolidated financial statements of the Group.

NOTE 2. BASIS OF PREPARATION

c) Standards issued but not yet effective (Cont'd)

New standards, interpretations and amendments not yet effective

There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the Group has decided not to adopt early.

The following amendments are effective for the period beginning 1 January 2024:
- Liability in a Sale and Leaseback *(Amendment* to IFRS 16 Leases);
- Classification of Liabilities as Current or Non-current (Amendments to IAS 1 Presentation of Financial Statements);
- Non-current Liabilities with Covenants (Amendments to IAS 1 Presentation of Financial Statements*)*; and
- Supplier Finance Arrangements (Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures).

The following amendments are effective for the period beginning 1 January 2025:
- Lack of Exchangeability (Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates)

The following new standards are effective for the period beginning 1 January 2026 for Fiji:
- IFRS S1 - General requirements for disclosure of sustainability-related financial information. This standard includes the core framework for the disclosure of material information about sustainability-related risks and opportunities across a Group's value chain.
- IFRS S2 - Climate-related disclosures. This standard sets out requirements for entities to disclose information about climate-related risks and opportunities.

The Group is currently assessing the impact of these new accounting standards and amendments. The Group does not expect any other standards issued by the IASB, but not yet effective, to have a material impact.

d) 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.

NOTE 2. BASIS OF PREPARATION (CONT'D)

d) Basis of consolidation (Cont'd)

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. 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 MATERIAL 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.

NOTE 3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

3.1 Revenue recognition (Cont'd)

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).
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).

NOTE 3. SUMMARY OF MATERIAL 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 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).

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.

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

3.4 Property, plant and equipment (Cont'd)

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	
o Exchange plant and telecommunications infrastructure	5% - 33%
o Subscriber equipment	5% - 33%
o Trunk network plant	5% - 10%
o Plant and machinery	10% - 25%
o 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.

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.

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

3.5 Leases (Cont'd)

As a lessee (cont'd)

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.

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 2050.

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

3.5 Leases (Cont'd)

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.

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.

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

3.6 Intangible assets and goodwill (Cont'd)

i. Recognition and measurement (cont'd)

b) Other intangible assets (cont'd)

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.

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.

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

3.7 Foreign currency (Cont'd)

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 off 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 off 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.

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.

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

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 MATERIAL ACCOUNTING POLICIES (CONT'D)

3.11 Value Added Tax (VAT) / Goods Service Tax

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

(a) where the amount of VAT / GST 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 / GST.

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

The VAT / GST 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.

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 Group measures term deposits at amortised cost.

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

3.14 Financial instruments (Cont'd)

ii) Classification and subsequent measurement (cont'd)

Financial assets (cont'd)

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 MATERIAL 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 MATERIAL 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 MATERIAL 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 MATERIAL 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 MATERIAL 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 MATERIAL 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 MATERIAL 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, United States of America (non-operating), Papua New Guinea, Singapore and Australia.

The segment reporting has been disclosed under note 33.

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

3.22 Expenditure recognition

Expenses are recognised in the profit or loss on the basis of a direct association between the cost incurred and the earning of specific items of income. All expenditure incurred in the running of the business and in maintaining the property, plant and equipment in a state of operational service has been charged to the statement of profit or loss.

For the purpose of presentation of the statement of profit or loss and other comprehensive income, the "function of expenses" method has been adopted, on the basis that it fairly presents the elements of the Group's performance.

3.23 Contract Assets / Liabilities

The contract assets primarily relate to the Group's rights to consideration for goods supplied / services rendered but not billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional.

The contract liabilities primarily relates to unfulfilled performance obligations under a contract for services with customers.

Revenue under mobile contracts is recognised when customers source the hardware from the Group.

3.24 M-Paisa Trust Account and Evalue in circulation

The M-Paisa Trust Account is established to hold funds deposited by M-Paisa users, ensuring that user funds are segregated from the operational funds of the Group.

E-value represents the electronic money held by users, agents, and merchants within the M-Paisa system. It is the digital equivalent of cash, used for mobile money transactions.

3.25 Comparative figures

Current period financial statements are prepared for the twelve-month period from 1July 2023 to 30 June 2024.

Prior period results were for fifteen-month period ended 30 June 2023. Accordingly, comparative figures represent results for fifteen months and therefore, may not be directly comparable.

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year to facilitate comparison and achieve consistency in disclosures.

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 2024 F$'000	30 June 2023 F$'000
USD	277,203	149,787

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	
	30 June 2024	30 June 2023
USD	0.448	0.442

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
30 June 2023		
USD	(14,979)	14,979
30 June 2024		
USD	(27,720)	27,720

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, Vodafone Fiji Pte Limited and Digitec Communication Limited have significant interest-bearing borrowings from Fiji National Provident Fund. Vodafone Fiji Pte Limited's borrowings are at fixed interest rate over the remaining 2 - 15 years' term of the loan. Digitec Communication Limited's loan is at a fixed interest rate too and the term of the loan is 6 years. 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 and Bluesky Samoa Limited, have significant interest-bearing borrowings from ANZ Bank (Samoa) Limited at variable interest rates.

Furthermore, in the prior financial year, the subsidiary company, Digitec Communications Limited consolidated its borrowings and entered into a syndicated loan facility with BSP and Kina Securities Limited. These facilities are 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 2024 $'000	30 June 2023 $'000
Bank overdraft	33,303	649
Borrowings	451,466	497,175
	484,769	497,824

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 2023.

	Profit or loss before tax $'000
30 June 2024	
Variable rate instruments	4,847
30 June 2023	
Variable rate instruments	4,978

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 2024 $'000	30 June 2023 $'000
Fiji	85,223	67,420
Samoa	13,076	17,479
Papua New Guinea	22,427	16,935
Vanuatu	6,499	6,478
American Samoa	6,307	6,218
Singapore	615	5,000
Cook Islands	3,239	3,222
Kiribati	2,110	1,514
Australia	12	107
	139,508	124,373

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 2024 and 30 June 2023.

	Weighted average loss rate	Gross Carrying amount $'000	Loss allowance $'000	Net carrying amount $'000	Credit Impaired
30 June 2024					
Current (not past due)	1.3%	60,355	784	59,571	No
1- 30 days past due	4.8%	19,337	928	18,409	No
31 - 60 days past due	11.5%	10,442	1,201	9,241	No
61 - 90 days past due	40.4%	15,241	6,157	9,084	No
More than 90 days past due	43.2%	20,616	8,906	11,710	Yes
		125,991	17,976	108,015	
Debtors specifically assessed		13,517	8,852	4,665	Yes
		139,508	26,828	112,680	
30 June 2023					
Current (not past due)	1.86%	53,160	987	52,173	No
1- 30 days past due	5.84%	17,035	995	16,040	No
31 - 60 days past due	11.64%	7,294	849	6,445	No
61 - 90 days past due	17.48%	3,765	658	3,107	No
More than 90 days past due	69.32%	24,445	16,946	7,499	Yes
		105,699	20,435	85,264	
Debtors specifically assessed		18,674	9,291	9,383	Yes
		124,373	29,726	94,647	

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 $99,433,000 at 30 June 2024 (30 June 2023: $201,300,000). 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 2024 (30 June 2023: $nil).

Debt investment securities

The Group held debt investment securities of $11,831,000 at 30 June 2024(30 June 2023: $7,783,000). 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 2024 (30 June 2023: $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.

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.

NOTE 4. FINANCIAL RISK MANAGEMENT (CONT'D)

4.1 Financial risk factors (cont'd)

c) Liquidity risk (cont'd)

	Contractual Undiscounted Cashflows					
	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 2024						
Trade and other payables	-	332,611	5,870	-	900	339,381
Put liability (see note 32(e))	-	64,137	-	-	-	64,137
Lease liabilities	-	20,782	20,782	42,380	82,937	166,881
Borrowings	33,303	102,010	68,970	143,381	524,595	872,259
	33,303	519,540	95,622	185,761	608,432	1,442,658
30 June 2023						
Trade and other payables	-	290,754	5,133	-	-	295,887
Put liability (see note 32(e))	-	65,065	-	-	-	65,065
Lease liabilities	-	16,884	18,863	23,526	74,376	133,649
Borrowings	649	70,573	83,507	162,047	406,575	723,351
	649	443,276	107,503	185,573	480,951	1,217,952
Financial assets						
30 June 2024						
Debt investment securities	-	11,831	-	-	-	11,831
Trade and other receivables	-	223,939	3,651	-	-	227,590
Cash and cash equivalents	99,433	-	-	-	-	99,433
	99,433	235,770	3,651	-	-	338,854
30 June 2023						
Debt investment securities	-	7,783	-	-	-	7,783
Trade and other receivables	-	174,836	3,025	-	-	177,861
Cash and cash equivalents	201,300	-	-	-	-	201,300
	201,300	182,619	3,025	-	-	386,944

NOTE 4. FINANCIAL RISK MANAGEMENT (CONT'D)

4.1 Financial risk factors (cont'd)

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.

4.2 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.

The gearing ratios at 30 June 2024 and 30 June 2023 were as follows:

	30 June 2024 $'000	30 June 2023 $'000
Total borrowings	692,205	650,245
Less: Cash and cash equivalents	(99,433)	(201,300)
Net debt	592,772	448,945
Total equity	637,055	678,390
Total capital (Total equity plus Net debt)	1,229,827	1,127,335
Gearing ratio (Net debt / Total capital x 100)	48%	40%
Debt to equity ratio % (Net debt / Total equity)	93%	66%

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 2024 that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year is included in the following notes:

- Note 15(a) – Impairment test of goodwill: key assumptions underlying recoverable amounts.
- 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 12 – Recognition of deferred tax assets on carry forward tax losses.
- Note 3.8 – Impairment of non-financial assets.
- Note 3.13 – Impairment of inventories.
- Note 3.4 and 3.5 – Depreciation / amortization of property, plant and equipment and leases.

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 year during which the change has occurred.

	For the period 1 July 2023 to 30 June 2024 $'000	For the period 1 April 2022 to 30 June 2023 $'000
NOTE 6. REVENUE		
A. Revenue streams		
Revenue from ordinary activities are as follows:		
Revenue from contracts with customers	931,635	954,256
Other revenue		
- Equipment and lease circuit rental	4,319	6,136
Total revenue	935,954	960,392

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 July 2023 to 30 June 2024 $'000	For the period 1 April 2022 to 30 June 2023 $'000
Major products/service lines		
Call revenue	190,218	128,662
Computer hardware, software and technical support services revenue	70,007	78,728
Data network and internet revenue	472,546	575,353
Directory revenue	506	1,566
Equipment and ancillaries revenue	130,832	131,323
Other sales and services	67,526	38,624
Total revenue	931,635	954,256

C. Contract balances

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

	30 June 2024 $'000	30 June 2023 $'000
Receivables, included in 'trade and other receivables and contract assets'	135,295	121,726
Contract assets, included in 'trade and other receivables and contract assets'	7,445	5,464
Contract liabilities, included in 'trade and other payables'	30,612	38,748

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 $38,748,000 included in contract liabilities at 30 June 2023 has been recognised as revenue for the year ended 30 June 2024 (30 June 2023: $27,111,000).

No information is provided about remaining performance obligations at 30 June 2024 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 July 2023 to 30 June 2024 $'000	For the period 1 April 2022 to 30 June 2023 $'000
NOTE 7. DIRECT COSTS		
Airtime and PSTN charges	103,275	79,421
Computer hardware, software and technical support services	63,064	89,711
Directory production costs	40	198
Equipment and ancillary costs	108,426	101,513
Satellite/Bandwidth charges	85,759	115,150
Stock obsolescence	478	4,855
Total direct costs	361,042	390,848

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

Amortisation of deferred grant	2,761	-
Gain on sale of property, plant and equipment	1,199	-
Insurance proceeds	-	820
Universal service fund	2,189	2,639
Other miscellaneous income	9,406	9,367
Total other income	15,555	12,826

NOTE 9. PERSONNEL COSTS

Wages and salaries, including leave pay and other benefits	89,554	95,544
Superannuation contributions	6,092	5,709
Other personnel costs	14,897	16,183
Total personnel costs	110,543	117,436

NOTE 10. NET FINANCE COSTS

Interest income under the effective interest method on:		
- Debt investment securities	1,044	494
Total interest income arising from financial assets measured at amortised cost	1,044	494
Net realised foreign exchange gain	2,161	1,797
Net unrealised foreign exchange gain	8,471	16,966
Finance income - other	10,632	18,763
Total finance income	11,676	19,257
Financial liabilities measured at amortised cost - interest expense on:		
- Lease liabilities	(7,776)	(4,753)
- Borrowings, including bank overdraft	(34,905)	(26,445)
- Advance from related parties	(11,751)	(10,610)
Net unrealised foreign exchange loss	(12,376)	(11,270)
Total finance costs	(66,808)	(53,078)
Net finance costs recognised in profit or loss	(55,132)	(33,821)

NOTE 11. OTHER EXPENSES

	For the period 1 July 2023 to 30 June 2024 $'000	For the period 1 April 2022 to 30 June 2023 $'000
Auditor's remuneration:		
• Audit fees - group auditor	887	964
- other auditors	196	118
• Other services - group auditor / other auditors	144	266
Consultancy and contractors fees	1,376	2,138
Directors' remuneration - fees and allowances	1,245	1,264
Electricity	36,380	28,486
Insurance	14,872	14,449
Legal and professional fees	1,862	3,511
Licence and support service fees	27,404	33,010
Computer software support charges	24,178	19,505
Rent and rates	52,134	57,799
Repairs and maintenance	15,566	10,758
Travelling and transportation	8,339	10,952
Loss on sale of property, plant and equipment	-	598
Personnel costs (note 9)	110,543	117,436
Depreciation of property, plant and equipment (note 14)	145,753	141,967
Depreciation of right of use assets (note 16)	18,267	15,484
Amortisation of intangible assets (note 15)	10,983	12,491
Other miscellaneous expenses	38,880	47,676
Total other expenses	509,009	518,872

NOTE 12. INCOME TAX

a) Income tax benefit

Profit / (loss) before income tax	3,160	(2,949)
Prima facie income tax on profit / (loss)	(5,136)	(11,823)
Impact of change in tax rates	956	1,930
Tax effect of:		
• Non-deductible expenses	3,949	843
• Tax concessions and incentives	(5,427)	(587)
Deferred tax benefit on tax losses derecognised	367	1,455
Under / (over) provision in prior year	(751)	396
Income tax benefit	(6,042)	(7,786)
Income tax benefit comprises of:		
Current tax expense	37,467	42,526
Deferred tax benefit	(42,758)	(52,638)
Impact of change in tax rates	-	1,930
(Over) / under provision in prior year	(751)	396
Income tax benefit	(6,042)	(7,786)

NOTE 12. INCOME TAX (CONT'D)

b) Deferred tax assets / deferred tax liabilities

	30 June 2024 $'000	30 June 2023 $'000
Allowance for expected credit loss	8,389	7,553
Employee entitlements	1,593	1,457
Allowance for stock obsolescence	1,527	1,357
Difference in carrying value of right of use assets and lease liabilities for accounting and income tax purpose	3,208	2,553
Carried forward tax losses	93,077	66,176
Others	1,189	2,224
Unrealised foreign exchange loss	2,688	(10)
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	(21,986)	(24,505)
Unrealised foreign exchange gain	-	(1,176)
	89,685	55,629

This is represented by:

	30 June 2024 $'000	30 June 2023 $'000
Deferred tax asset	111,648	68,490
Deferred tax liability	(21,963)	(12,861)
	89,685	55,629

c) Current tax liability

	30 June 2024 $'000	30 June 2023 $'000
Balance at beginning of period	21,343	9,672
Current tax liability	37,467	42,526
Income tax paid	(35,715)	(30,289)
Tax deducted at source - Resident Interest Withholding Tax	(12)	(258)
Effect of movements in exchange rates	(896)	468
Others	462	-
Under provision in prior year	(1,937)	(776)
Balance at end of period	20,712	21,343

d) Unrecognised deferred tax assets by Holding Company

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 2024 $'000	30 June 2023 $'000
Employee entitlements	20	51
Unrealised exchange loss	738	2,687
Property, plant and equipment	1	5
	759	2,743

NOTE 13. EARNINGS PER SHARE

	30 June 2024 $'000	30 June 2023 $'000
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 2024 $'000	30 June 2023 $'000
Profit attributable to equity holders of the Holding Company	17,097	11,681
Weighted average number of ordinary shares	478,590	478,590
Basic and diluted earnings per share (cents per share)	**3.57**	**2.44**

NOTE 14. PROPERTY, PLANT AND EQUIPMENT

	Leasehold land and buildings $'000	Telecommu-nications 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 30 June 2024								
Opening net book amount	40,694	627,277	18,692	9,939	10,839	11,156	255,966	974,563
Additions	1,288	1,337	483	915	1,672	(470)	279,174	284,399
Effect of movements in exchange rates	2,798	(23,161)	8	2,169	(1,181)	(2,207)	(22,606)	(44,180)
Disposals	(28)	(305)	(25)	(233)	(11)	-	(2,024)	(2,626)
Transfers	258	353,970	3,017	5,554	4,687	2,208	(375,832)	(6,138)
Depreciation	(4,017)	(126,641)	(7,560)	(2,967)	(4,568)	-	-	(145,753)
Closing net book amount	40,993	832,477	14,615	15,377	11,438	10,687	134,678	1,060,265
At 30 June 2024								
Cost	102,300	2,122,036	101,652	96,113	35,442	10,776	134,678	2,602,997
Accumulated depreciation and impairment allowance	(61,307)	(1,289,559)	(87,037)	(80,736)	(24,004)	(89)	-	(1,542,732)
Net book amount	40,993	832,477	14,615	15,377	11,438	10,687	134,678	1,060,265

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

	Leasehold land and buildings $'000	Telecommun -ications 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 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

a) Borrowing costs directly attributable to the acquisition and construction of qualifying assets amounting to $4.11m (PGK 7.1m) (2023: $1.2m (PGK1.9m)) 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.

NOTE 15. INTANGIBLE ASSETS	30 June 2024 $'000	30 June 2023 $'000
Goodwill (a)	135,698	134,064
Computer software (b)	18,974	15,765
Spectrum licences (c)	14,315	17,017
Brand (d)	7,827	7,827
Customer relationship and contracts (e)	3,351	8,862
Total intangible assets, net	180,165	183,535

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)	23,531	21,897
	146,698	145,064
Accumulated impairment:		
Opening balance	11,000	11,000
Impairment loss	-	-
Closing balance	11,000	11,000
Net book amount	135,698	134,064

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 $45,561,000 (2023: $27,890,000). The key assumptions used in the estimation of value in use were as follows:

	30 June 2024	30 June 2023
Discount rate	10.8%	11.1%
Terminal value growth rate	2.0%	2.0%
Budgeted EBITDA growth rate (average of next five years)	9.0%	7.0%

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 $121,574,000 (2023: $77,436,000). The key assumptions used in the estimation of value in use were as follows:

	30 June 2024	30 June 2023
Discount rate	11.5%	16.7%
Terminal value growth rate	2%	2.0%
Budgeted EBITDA growth rate (average of next five years)	8%	10.0%

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.

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 $122,055,000 (2023: $67,520,000).

The key assumptions used in the estimation of value in use were as follows:

	30 June 2024	30 June 2023
Discount rate	11.4 %	8.6%
Terminal value growth rate	2.0%	2.0%
Budgeted EBITDA growth rate (average of next five years)	6.0%	4.0%

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.

NOTE 15. INTANGIBLE ASSETS (CONT'D)

a) Goodwill (Cont'd)

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 $107,219,000 (2023: $57,343,000).

The key assumptions used in the estimation of value in use were as follows:

	30 June 2024	30 June 2023
Discount rate	11.1%	15.3%
Terminal value growth rate	2.0%	2.0%
Budgeted EBITDA growth rate (average of next five years)	10.0%	10.0%

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.

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 $116,882,000 (2023: $89,621,000). The key assumptions used in the estimation of value in use were as follows:

	30 June 2024	30 June 2023
Discount rate	11.2%	11.6%
Terminal value growth rate	2.0%	2.0%

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 $1,151,292,000 (2023: $671,009,000). The key assumptions used in the estimation of value in use were as follows:

	30 June 2024	30 June 2023
Discount rate	10.8%	11.1%
Terminal value growth rate	2.0%	2.0%
Budgeted EBITDA growth rate (average of next five years)	3.0%	3.0%

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 $23,531,000 (2023: $21,897,000) 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 2024	30 June 2023
Discount rate	15.4%	15.2%
Terminal value growth rate	2.0%	2.0%

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 $492,485,000 (2023: $290,643,000).

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 2024 $'000	30 June 2023 $'000
b) Computer software		
Gross carrying amount:		
Balance at beginning of period	57,931	46,093
Additions	1,144	-
Transfer from PPE	16,068	-
Transfer from work in progress	1,050	12,238
Disposal	(540)	-
Effect of movement in exchange rates	(829)	(400)
Balance at end of period	74,824	57,931
Accumulated amortisation:		
Balance at beginning of period	42,166	40,128
Amortisation	2,984	2,254
Transfer from PPE	10,980	-
Effect of movement in exchange rates	(280)	(216)
Balance at end of period	55,850	42,166
Net book amount	18,974	15,765
c) Spectrum licences		
Gross carrying amount:		
Balance at beginning of period	29,110	27,423
Additions	-	1,844
Effect of movements in exchange rates	157	(157)
Balance at end of period	29,267	29,110
Accumulated amortisation:		
Balance at beginning of period	12,093	8,808
Effect of movements in exchange rates	342	(404)
Amortisation	2,517	3,689
Balance at end of period	14,952	12,093
Net book amount	14,315	17,017

NOTE 15. INTANGIBLE ASSETS (CONT'D)

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.

	30 June 2024 $'000	30 June 2023 $'000
d) Brand		
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

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)).

e) Customer relationship and contracts

	30 June 2024 $'000	30 June 2023 $'000
Gross carrying amount:		
Balance at beginning of period	35,849	35,585
Effect of movements in exchange rates	1	264
Balance at end of period	35,850	35,849
Accumulated amortisation:		
Balance at beginning of period	26,987	19,320
Amortisation	5,482	6,548
Effect of movements in exchange rates	30	1,119
Balance at end of period	32,499	26,987
Net book amount	3,351	8,862

NOTE 16. LEASES	30 June 2024 $'000	30 June 2023 $'000

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:

Balance at beginning of period	70,017	67,268
Additions	29,300	12,206
Effect of movement in exchange rates	(2,257)	1,703
Remeasurement	4,133	569
Disposals	(276)	-
Depreciation charge for the period`	(11,235)	(11,729)
Balance at end of period	89,682	70,017

ii) IRU Network Capacity

Balance at beginning of period	64,700	27,601
Additions	-	39,518
Effect of movements in exchange rates	(262)	1,336
Depreciation charge for the period	(7,032)	(3,755)
Balance at end of period (a)	57,406	64,700
iii) Finance lease receivable (b)	13,353	-
Total right of use assets	160,441	134,717

(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.

(b) Finance lease receivable is in respect to sub lease of FNPF land to Oneweb Network Access Holdings Limited.

B. Lease liabilities

Lease liabilities included in the statement of financial position

Current		
IRU network capacity	197	5,158
Property leases	12,575	10,691
Total current lease liabilities	12,772	15,849
Non-current		
IRU network capacity	6,388	4,190
Property leases	90,543	63,973
Total non-current lease liabilities	96,931	68,163
Total lease liabilities	109,703	84,012

NOTE 16. LEASES (CONT'D)	30 June 2024 $'000	30 June 2023 $'000
Amounts recognised in profit or loss		
Interest on lease liabilities	7,776	4,753
Expenses relating to short-term leases and variable lease payments	38,219	41,579
	45,995	46,332
Amounts recognised in the statement of cash flows		
Cash outflow for leases, net	14,130	12,915
Maturity analysis - contractual undiscounted cash flows		
Less than one year	20,782	16,884
One to five years	63,162	42,389
More than five years	82,937	74,376
Total undiscounted lease liabilities	166,881	133,649

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 2024	Vodafone Group $'000	Bluesky Group $'000	ATH Global Group $'000	Intra-group eliminations $'000	Total $'000
NCI Percentage*	49.0%	*	54.1%		
Non-current assets	340,067	221,760	666,659		
Current assets	263,607	81,264	98,459		
Non- current liabilities	(110,741)	(97,386)	(382,513)		
Current liabilities	(326,834)	(48,932)	(334,118)		
Net assets	166,099	156,706	48,487		
Net assets attributable to NCI	81,389	62,364	26,256	26,508	196,517
Revenue	480,385	123,396	171,799		
Profit / (loss)	50,574	9,695	(92,228)		
OCI	880	6,792	(14,204)		
Total comprehensive income	51,454	16,487	(106,432)		
Profit / (loss) allocated to NCI	24,781	5,862	(38,538)		(7,895)
OCI allocated to NCI	431	6,363	(6,164)		630
Cash flows from operating activities	119,221	57,610	(93,163)		
Cash flows from investment activities	(64,599)	(34,414)	(102,379)		
Cash flows from financing activities (dividends to NCI: $8,324,000)	(68,161)	(23,370)	93,490		
Net increase in cash and cash equivalents	(13,539)	(174)	(102,052)		

NOTE 17. NON-CONTROLLING INTEREST (CONT'D)

30 June 2023	Vodafone Fiji Pte Limited $'000	Bluesky Group $'000	ATHIV 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: $16,611,000)	(42,645)	6,912	224,718		
Net increase in cash and cash equivalents	19,206	(10,138)	66,632		

* Refer note 32 for percentage ownership in the Bluesky Group.

NOTE 18. INVENTORIES

	30 June 2024 $'000	30 June 2023 $'000
Merchandise and consumables	93,555	73,652
Less: allowance for stock obsolescence	(9,613)	(9,135)
	83,942	64,517
Goods in transit	4,116	3,687
Total inventories, net	88,058	68,204

In 2024, inventories of $108,427,000 (for the period 1 April 2022 to 30 June 2023: $101,513,000) were recognised as an expense during the period and included in "direct costs".

NOTE 19. DEBT INVESTMENT SECURITIES

Current		
Term deposits	11,831	7,783
Total debt investment securities	11,831	7,783

(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 0.10% to 4.95% per annum (2023: 0.05% 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 2024 $'000	30 June 2023 $'000
Non-current		
Advance to Amalgamated Telecom Nominees Limited (Note 31(h))	2,482	2,482
Refundable deposits and others	1,169	543
Total non-current trade and other receivables and contract assets	3,651	3,025
Current		
Trade receivables	132,063	118,909
Contract assets	7,445	5,464
Less: allowance for expected credit losses	(26,828)	(29,726)
Trade receivables and contract assets, net	112,680	94,647
Receivable from related parties (Note 31(g))	732	472
Federal grant (b)	17,988	-
GST / VAT receivable	50,168	42,631
Other receivables and advances	18,291	10,124
Prepayments	24,080	26,962
Total current trade and other receivables and contract assets	223,939	174,836

(a) The carrying amount of trade and other receivables and contract assets are considered to be a reasonable approximation of fair value.

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. The Group applies the IFRS 9 simplified approach to measuring expected credit losses using a lifetime expected credit loss provision for trade receivables and contract assets. To measure expected credit losses on a collective basis, trade receivables and contract assets are grouped based on similar credit risk and aging. The contract assets have similar risk characteristics to the trade receivables for similar types of contracts. The expected loss rates are based on the Group's historical credit losses experienced over the three year period prior to the period end. The historical loss rates are then adjusted for current and forward-looking information on macroeconomic factors affecting the Group's customers. The Group has identified the gross domestic product (GDP), unemployment rate and inflation rate as the key macroeconomic factors in the countries where the Group operates.

(b) Over the course of the year, the subsidiary company, AST Telecom LLC has incurred costs for 2 projects, the RIP & Replacement Project (RIP) and the upgrade to a 5G network (5G), both of which are financed by the US Federal Government. The sanctioned funding for the RIP project stands at US$19.75 million, with US$12.35 million already received as at 30 June 2024, and for the 5G project, the allocation is US$3.35 million as of June 30, 2024, with US$2.68 million received. The figures disclosed above represent the outstanding balance to be received from the US Federal Government.

(c) Movements in the allowance for expected credit loss of trade and other receivables and contract assets, including contract assets, are as follows:

Balance at beginning of period	29,726	25,472
Net re-measurement of loss allowance	2,732	2,848
Effect of movement in exchange rates	(1,809)	1,406
Bad debts written off against provision	(3,821)	-
Balance at end of period	26,828	29,726

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. The lifetime expected loss provision for trade receivables and contract assets, include the provision matrix.

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 2024 $'000	30 June 2023 $'000
M-PAiSA trust account - restricted cash (see note 4.1(c))	89,571	74,960
Cash on hand and at bank	99,433	201,300
Bank overdraft	(33,303)	(649)
Cash and cash equivalents in the consolidated statement of financial position	155,701	275,611
Less: Restricted cash	(89,571)	(74,960)
Cash and cash equivalents in the consolidated statement of cash flows	66,130	200,651

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 32 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 $151,525,000 were available to the Group as at 30 June 2024 (30 June: $45,439,000) of which $33,303,000 (30 June 2023: $649,000) was utilised. See also note 24.

NOTE 22. SHARE CAPITAL

Issued and Paid Up Capital

Balance as at 30 June 2024: 478,590,099 (30 June 2023: 478,590,099) ordinary shares	220,570	220,570

All issued shares are fully paid. Shares have no par value.

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

Non-current		
Term loan - Fiji National Provident Fund (a)(i)	20,343	34,031
Term loan - Fiji National Provident Fund (a)(ii)	39,471	51,251
Term loan - Fiji National Provident Fund (a)(iii)	122,549	45,249
Term loan - ANZ Bank (Vanuatu) Limited (b)	-	1,913
Term loan - ANZ Banking Group Limited - Fiji (c)	108,311	113,478
Term loan - ANZ Bank (Samoa) Limited (f)	9,510	19,244
Term loan - Westpac Banking Corporation (h)	157	55
Term loan - Bank of South Pacific (h)(a)	21,459	30,523
Term loan - Bank of South Pacific - Samoa (h)(b)	13,035	10,610
Term loan - Bank of South Pacific (c)	4,499	-
Term loan - Bank of South Pacific and Kina bank (i)	215,192	231,298
Term loan - Home Finance Company Limited (j)	32,796	42,454
Total non-current borrowings	587,322	580,106

NOTE 24. BORROWINGS (CONT'D)	30 June 2024 $'000	30 June 2023 $'000
Current		
Term loan – Fiji National Provident Fund (a)(i)	13,681	13,141
Term loan – Fiji National Provident Fund (a)(ii)	11,392	8,749
Term loan – ANZ Bank (Vanuatu) Limited (b)	1,349	2,697
Term loan – ANZ Banking Group Limited - Fiji (c)	10,390	10,723
Term loan - ANZ Bank (Samoa) Limited (f)	651	5,937
Term loan – Vanuatu National Provident Fund (f)	15,898	15,851
Lease facility – Westpac Banking Corporation (g)	76	40
Term loan - Bank of South Pacific (c)	1,744	-
Term loan - Bank of South Pacific (h)(a)	6,830	6,391
Term loan – Bank of South Pacific - Samoa (h)(b)	3,311	1,338
Term loan – Bank of South Pacific – Cook Island (h)(c)	-	1,078
Term loan – Home Finance Company Limited (j)	3,306	3,545
Term loan – Bank of South Pacific and Kina bank (i)	2,952	-
Bank overdraft - ANZ Banking Group Limited – Fiji	7,026	-
Bank overdraft - Bank of South Pacific - PNG (i)	17,710	-
Bank overdraft - Bank of South Pacific - Samoa (i)(d)	285	649
Bank overdraft - Westpac Banking Corporation (g)	8,282	-
Total current borrowings	104,883	70,139
Total borrowings	692,205	650,245

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 2024 and 30 June 2023. Other than the bank overdraft facility, the other facility available to the Group is term loans and lease facilities, which have been fully drawn down.

(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% (2023: 4%) 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 4.30% (2023: 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 Communications Limited entered into a loan agreement with FNPF for USD 20m (FJD 44.64 million) and in the current year for an additional USD 35m (FJD 77.90 million). The loan is at a fixed interest rate of 7.25% (2023: 6%) per annum. Total term of the loan is 6 years.

(b) 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% (2023:5.25%) 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)

(c) 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. In addition, the Holding Company has a bank overdraft facility of $10 million.

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

During the year, the term loan amounting to FJD 6m was refinanced from ANZ to Bank of the South Pacific.

The loan is payable at monthly repayments of FJD 161,279 based on notional term of 7 years and at variable interest rate of 3.50% per annum.

The term loans are secured by the Second Registered General Security Interest Agreement to be given by the company over all the rights, property and undertakings; of whatever kind and wherever situated. Whether present or after acquired. It includes the company's capital (called or uncalled and paid or unpaid).

Borrowing for acquisition of Amper SA interest in certain subsidiaries of Bluesky Group

The term loans amounting to USD 46 million (FJD 107 million) (2023: USD 49 million (FJD 113 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 yearly repayments of USD 7.29 million (2023: monthly repayments USD 621,682) based on notional terms of between 13 – 15 years and at variable interest rate, which was 8.51% (2023: 8.83%) per annum at balance date.

Borrowing for assisting the refinance of debt initially granted to AST LLC

The term loans amounting to USD 5 million (FJD 11 million) at period-end was obtained for the purpose of funding the refinancing of debt initially granted for AST LLC. The loans are payable at yearly repayments of USD 1,231,000 based on notional terms of 5 years.

(d) Bank overdraft - Bred Bank (Vanuatu) Limited

The subsidiary company, Telecom Vanuatu Limited, has a revolving bank overdraft facility of VUV 270 million (FJD 5.4 million) (2023: VUV 270 million (FJD 5.3 million)) at an interest rate of 6.75% (2023: 6.75%) per annum.

A corporate guarantee has been provided by the Holding Company for the bank overdraft.

(e) Term loan and Bank overdraft - ANZ Bank (Samoa) Limited

The subsidiary company, AST Telecom LLC, obtained a loan of USD 7 million in the prior financial period at an interest rate of 7%. The loan was fully paid off during the year.

NOTE 24. BORROWINGS (CONT'D)

(f) 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% (2023: 6%) per annum at balance date. The conversion feature has expired as of 30 June 2024. A corporate guarantee has been provided by the Holding Company for the loan.

(g) Bank overdraft and Finance lease - Westpac Banking Corporation

The subsidiary company, Vodafone Fiji Pte Limited, has a bank overdraft facility of $20 million (2023: $20 million) at a variable interest rate, which was 4.35% (2023: 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% (2023: 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% (2023: 4.35%) per annum.

(h) Term loan - Bank of South Pacific

(a) In prior financial year, the subsidiary company, Digitec ICT Limited entered into a loan agreement with Bank of South Pacific for $37.4m. The loan is at an interest rate of 7% (2023: 7%) per annum. Total term of the loan is 5 years.

Unlimited corporate guarantee and indemnity has been provided by the subsidiary company for the loan.

Limited guarantee indemnity limited to PGK58,855,437 has also been given by its parent entity, Vodafone Fiji Pte Limited.

(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% (2023: 6%) 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.

(c) The subsidiary company, Teleraro Limited, had a term loan with BSP Bank (Cook Island) at a variable interest rate, which was 6.80% (2023: 6.80%) per annum. The loan was fully paid off during the year. 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.

(d) The subsidiary company, Bluesky Samoa Limited, has a bank overdraft facility of WST 1 million (FJD 831k) (2023: WST 1 million (FJD 831k)) at an interest rate of 7% (2023: 7%) per annum and term loan at a variable interest rate, which was 5.6% (2023: 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.
(ii) First registered General Security Interest Agreement over all its current and future assets, including its undertakings and paid and unpaid capital.
(iii) Negative Pledge Between company and bank.

NOTE 24. BORROWINGS (CONT'D)

(i) Term loan - Bank of South Pacific and Kina Securities Limited and FNPF

In prior 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 subsidiary company further consolidated its borrowings during the year with additional borrowings of USD 35m under this facility. The syndicate loan facility consists of term facility (PGK 223mm), USD term facility (USD 55m), working capital facility (PGK 137m) and overdraft facility (PGK 30m). 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.

(j) Term loan - Home Finance Company Limited (HFC)

During the prior financial year, the subsidiary company, FINTEL, obtained a loan for a term of 11 years at 3.25% (2023: 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 389,067 commences thereafter.

On 3 July 2023, the Company made a lump sum payment of $10,000,000 in relation to borrowings with Home Finance company Limited.

The loan is secured by first registered general security agreement over all assets and undertakings (including uncalled and unpaid premiums) of the subsidiary company.

(k) 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.

(l) Reconciliation of movement of liabilities to cash flows from financing activities

	Other borrowings ($'000)	Lease liabilities ($'000)	Total ($'000)
Balance at 1 July 2023	649,595	84,012	733,607
Changes from financing cash flows			
Proceeds from borrowings	92,588	-	92,588
Repayment of borrowings	(72,848)	-	(72,848)
Payment of lease liabilities	-	(14,130)	(14,130)
Total changes from financing cash flows	**19,740**	**(14,130)**	**5,610**
The effect of changes in foreign exchange rates	**(10,462)**	**(2,864)**	**(13,326)**
Other changes - liability related			
New leases	-	44,474	44,474
Disposal	-	(5,899)	(5,899)
Re-measurement and modification	-	4,133	4,133
Interest expense	46,560	7,776	54,336
Interest paid	(46,531)	(7,799)	(54,330)
Total liability related other changes	**29**	**42,685**	**42,714**
Balance at 30 June 2024	**658,902**	**109,703**	**768,605**

NOTE 24. BORROWINGS (CONT'D)

(l) Reconciliation of movement of liabilities to cash flows from financing activities (Cont'd)

	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 25. PROVISIONS

	30 June 2024 $'000	30 June 2023 $'000
Non-current		
Retirement benefits	725	466
Current		
Employee entitlements	7,466	7,256
Directory production costs	-	27
	7,466	7,283

NOTE 26. TRADE AND OTHER PAYABLES

	30 June 2024 $'000	30 June 2023 $'000
Non-current		
Subscriber deposits	5,870	5,133
Rent deposit	900	-
Total non-current trade and other payables	6,770	5,133
Current		
Trade payables and accruals (a)	256,010	213,269
Owing to related parties (Note 31(g))	60	-
Advance for relocation of telecommunication cables	982	1,153
Dividend payable	39,091	31,872
	296,143	246,294
Security deposits	5,856	5,712
Contract liabilities	30,612	38,748
Total current trade and other payables	332,611	290,754
Total trade and other payables	339,381	295,887

(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 2024 $'000	30 June 2023 $'000
Ordinary shares		
Dividend ($0.03 per share (2023: $0.05))	14,538	21,537
Total dividends	14,538	21,537

During the period dividends declared by group entities and payable to non-controlling interests was $28,407,000 (2023: 25,457,000).

NOTE 28. DEFERRED INCOME

	30 June 2024 $'000	30 June 2023 $'000
Federal Grant		
Opening balance	3,736	-
Grants received during the year	29,808	3,736
Other additions	17,988	-
Effect of exchange movements	28	-
Amortisation of deferred income for the year	(2,761)	-
At 30 June	48,799	3,736
Current	6,435	2,758
Non-Current	42,364	978
	48,799	3,736

NOTE 29. CONTINGENT LIABILITIES

Following is a summary of estimated contingent liabilities:

	30 June 2024 $'000	30 June 2023 $'000
Bank and performance guarantees	6,175	4,508

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.

NOTE 29. CONTINGENT LIABILITIES (CONT'D)

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, Digitec Communication Limited, 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.

vi) The Holding Company has given a guarantee to ZTE Corporation for the vendor finance obtained by its subsidiary company, Vodafone Papua New Guinea, to the amount of USD27,325,000 plus interest and other expenses relating to the facility.

	30 June 2024 $'000	30 June 2023 $'000
NOTE 30. COMMITMENTS		
a) Capital commitments		
Capital expenditure commitments as at balance date are as follows:		
Intangible assets	-	2,556
Property, plant and equipment	212,022	202,244

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.

b) Operating expense commitment

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 year ended 30 June 2024 in respect to the above.

c) Sponsorship agreement with Fiji Rugby Union

In 2023 financial year, 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 30. COMMITMENTS (CONT'D)

d) Sponsorship agreement with Fiji National Rugby League Limited

In 2023 financial year, 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 financial year ended 30 June 2024 was $2,426,000 (for the period 1 April 2022 to 31 June 2023: $1,934,000). 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 2024 $'000	30 June 2023 $'000
Less than one year	1,573	2,217
Between one and five years	-	131
	1,573	2,348

NOTE 31. 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:

Mr Attar Singh - Chairman
Mr Dakshesh Patel
Mr Joweli Taoi
Mr Viliame Vodonaivalu
Mrs Tanya Waqanika
Mr Peter Chan
Mr Vilash Chand

Directors' remuneration is disclosed under Note 11.

NOTE 31. RELATED PARTIES

c) Government related entity

The Government of Fiji has significant influence over the Group through its shareholding of 15.25% 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 July 2023 to 30 June 2024 $'000	For the period 1 April 2022 to 30 June 2023 $'000
Interest income (Amalgamated Telecom Nominees Limited)	29	37
Sale of hardware, software and services (FNPF)	1,270	1,235
Advertising income (FNPF)	-	19

e) Purchases of goods and services

Interest expenses and fees (FNPF)	11,751	9,636
Operating lease (FNPF)	2,159	2,120

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	21,532	19,436

g) Period-end balances arising from sales/purchases of goods and services

	30 June 2024 $'000	30 June 2023 $'000
Receivable from related parties (Note 20):		
- Ultimate parent entity	732	472
Payable to related parties (Note 26):		
- Ultimate parent entity	60	-

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)	207,436	152,421

Refer Note 24 for terms underlying the borrowings from ultimate parent entity.

NOTE 31. RELATED PARTIES (CONT'D)

j) Guarantees

Refer Note 29(b) for provision of guarantees to related parties.

k) Commitments

Refer Note 29(b) for provision of letter of support to related parties.

NOTE 32. 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 2024	Equity holding 30 June 2023
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%
Datec New Zealand Limited	New Zealand	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	45.9%	46.9%
Digitec Communications Limited	PNG	45.9%	46.9%
Digitec ICT Limited	PNG	51%	51%
Etech ICT Pty Limited	Australia	51%	51%
Etech ICT Pte Limited	Singapore	51%	51%
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%	98.0%
Bluesky Samoa Limited	Samoa	73.5%	73.5%
Bluesky Pacific Holdings Limited	Samoa	90.7%	90.7%
Bluesky Holding New Zealand Limited	New Zealand	90.7%	90.7%
Bluesky Cook Islands Investment Limited	Cook Islands	90.7%	90.7%
Teleraro Management Limited	Cook Islands	90.7%	90.7%
Teleraro Limited	Cook Islands	81.7%	81.7%
TCNZ Cook Islands Limited	Cook Islands	81.7%	81.7%
Telecom Cook Islands Limited	Cook Islands	49.0%	49.0%

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.

NOTE 32. SUBSIDIARY COMPANIES (CONT'D)

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.

During the prior 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) In prior financial period, the Holding Company acquired 92 shares (0.8% minority shareholding) in Bluesky SamoaTel Investments Limited, which increased Group 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. In current year, the Holding Company acquired 7,228 shares in Bluesky SamoaTel Investments Limited (72.28% shareholding) from AST Telecom, LLC (subsidiary company). As a result of this, direct ownership interest of Holding Company in Bluesky SamoaTel Investments Limited has increased to 98%.

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). In current year, further 5,000,000 additional shares were issued to Fijian Holding Investment Limited. This resulted in a decrease in the Groups ownership interest from 46.9% to 45.85%. 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.

During the current reporting period, there has not been a significant change in the carrying amount of the put liability (except for the effect of its translation as at year end). The underlying factors influencing the put liability has not significantly varied, hence the insignificant movement in the carrying amount has not been brought to account.

NOTE 32. SUBSIDIARY COMPANIES (CONT'D)

f) In August 2022, at the time of issue of additional shares in ATH International Venture Pte Limited (see note 32(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.

g) During the year, the assets, and operations of the Fiji Directories Pte Limited (FDL) were merged to Datec (Fiji) Pte Limited (subsidiary of Vodafone Pte Limited). The decision to merge the operation of FDL was made as part of the ATH's strategic review of its investment portfolio.

NOTE 33. 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 2024						
External revenues	99,363	695,031	102,707	38,853	-	935,954
Inter-segment revenue	25,701	36,788	8,611	55,279	(126,379)	-
Other income	3,389	4,936	1,528	5,702	-	15,555
Segment revenue & other income	128,453	736,755	112,846	99,834	(126,379)	951,509
Segment profit (loss) before tax	27,248	(38,038)	56,146	3,503	(45,699)	3,160
Interest income	1,045	1,890	504	2,149	6,088	11,676
Interest expense	1,232	50,256	2,430	15,492	(2,602)	66,808
Depreciation and amortisation	21,364	136,812	3,163	8,370	5,294	175,003
Other material non-cash items:						
Impairment losses on trade receivables and contract assets	242	1,933	132	425	-	2,732
Impairment losses on non-financial assets	-	-	-	2,531	(2,531)	-
Segment assets	248,924	1,526,485	84,291	917,827	(745,810)	2,031,717
Capital expenditure	18,896	254,027	2,255	9,221	-	284,399
Segment liabilities	82,468	1,077,236	42,705	454,228	(261,975)	1,394,662

NOTE 33. SEGMENT REPORTING (CONT'D)

B. Information about reportable segments (cont'd)

a) Operating Segments (cont'd)

	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	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	243,025	(205,778)	1,215,858

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 2024				
External revenues	485,573	450,381	-	935,954
Inter-segment revenue	106,572	19,807	(126,379)	-
Other income	4,024	11,531	-	15,555
Segment revenue & other income	596,169	481,719	(126,379)	951,509
Segment profit (loss) before tax	137,663	(88,804)	(45,699)	3,160
Interest income	3,447	2,141	6,088	11,676
Interest expense	23,136	46,274	(2,602)	66,808
Depreciation and amortisation	79,025	90,684	5,294	175,003
Other material non-cash items:				
Impairment losses on trade receivables and contract assets	2,457	275	-	2,732
Impairment losses on non-financial assets	2,531	-	(2,531)	-
Segment assets	1,523,643	1,253,884	(745,810)	2,031,717
Capital expenditure	84,854	199,545	-	284,399
Segment liabilities	697,373	959,264	(261,975)	1,394,662

NOTE 33. SEGMENT REPORTING (CONT'D)

B. Information about reportable segments (Cont'd)

b) Geographical segments (cont'd)

	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	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	762,543	(205,778)	1,215,858

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 2024 $'000	30 June 2023 $'000
Non-current assets		
Fiji	461,249	429,410
All foreign countries		
Papua New Guinea	598,658	511,345
American Samoa	70,406	69,717
Samoa	67,270	65,849
Vanuatu	56,375	52,060
Cook Islands	25,436	26,074
Kiribati	25,418	18,923
Others	1,561	148
Elimination	98,149	122,314
	1,404,522	1,295,840

Non-current assets exclude financial investments and deferred tax assets.

NOTE 34. 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.

NOTE 34. CONTINGENT CONSIDERATION PAYABLE (CONT'D)

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.

In August 2022, at the time of issue of additional shares in ATH International Venture Pte Limited (see note 32(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 35. EVENTS SUBSEQUENT TO BALANCE DATE

There has not arisen in the interval between the end of the financial year 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 36. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the board of directors and authorised for issue on 19 September 2024.

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
ITAUKEI TRUST FUND BOARD	6,584,144
AMALGAMATED TELECOM NOMINEES LIMITED	4,700,193
RETIREMENT FUND BOARD (TONGA)	4,000,000
UNIT TRUST OF FIJI (TRUSTEE COMPANY) LTD	3,494,804
UNIT TRUST OF SAMOA (TRUST)	3,464,355
FHL TRUSTEES LIMITED ATF FIJIAN HOLDINGS UNIT TRUST	3,448,936
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

2. Distribution of shareholding under Section 51.2 (vi):

No. of Shareholders	Shareholding	Total Percentage Holding
314	0 - 500	0.02%
879	501 -5,000 shares	0.35%
110	5001 -10,000 shares	0.18%
40	10,001 -20,000 shares	0.13%
16	20,001 -30,000 shares	0.09%
5	30,001 -40,000 shares	0.04%
10	40,001 -50,000 shares	0.10%
15	50,001 -100,000 shares	0.26%
5	100,001 -1,000,000 shares	0.22%
12	over 1,000,000 shares	98.61%
1,406		**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 Pte Limited	Vodafone Fiji Pte Limited & Subsidiary Companies	FINTEL	Fiji Directories Pte Limited	ATH Kiribati Limited	Telecom Vanuatu Limited	Bluesky Group	ATHIV Group
Sales revenue	96,256	480,386	15,441	570	31,967	74,636	123,396	171,799
Other Operating revenue (excluding dividends)	1,720	20,893	2,952	(45)	134	920	6,099	1,143
	97,976	501,279	18,393	525	32,101	75,556	129,495	172,942
Depreciation and amortisation	16,163	61,818	3,763	153	3,893	11,924	21,675	50,356
Impairment loss on trade and other receivable	739	957	52	788	127	564	(2,073)	1,578
Cost of Sales	14,083	210,902	2,953	40	14,563	26,153	47,594	81,554
Other expenses	43,025	127,692	6,837	460	7,855	27,561	47,299	128,621
Finance cost/(income) net	(252)	8,002	1,249	10	39	1,338	2,239	41,027
Income tax expense/(benefit)	5,821	21,480	(270)	369	1,961	-	3,066	(37,966)
Share of Profit from Associates	-	18,872		-	-	-	-	-
	79,579	449,723	14,584	1,820	28,438	67,540	119,800	265,170
Net profit after income tax (excluding dividends)	18,397	51,556	3,809	(1,295)	3,663	8,016	9,695	(92,228)
Operating assets	176,199	600,315	84,264	627	35,007	82,035	303,023	765,119
Operating liabilities	47,351	434,217	61,462	-	14,753	42,585	146,317	716,631
Shareholders' equity	128,848	166,098	22,802	627	20,254	39,450	156,706	48,488

South Pacific Stock Exchange - Listing Requirements (Cont'd)

4. Group Consolidated Ten Years Financial Performance under section 51.2 (xiv) (xv):

	For the 12 months ended 30 June 2024 ($'000)	For the 15 months ended 30 June 2023 ($'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)
Operating Revenue	935,954	960,392	640,654	579,765	675,947	523,679	460,416	394,702	356,211	310,668
EBIT	58,292	30,872	75,382	59,638	102,973	119,485	118,803	108,411	90,878	85,272
EBITDA	215,028	200,815	191,189	169,913	214,720	189,335	173,384	153,611	134,468	129,903
Net Earnings	9,202	4,837	55,854	41,374	43,354	75,024	58,065	54,222	56,725	49,812
Earnings per share	3.57 cents	2.44 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
Return on equity	1.44%	0.71%	8.97%	7.53%	9.30%	16.33%	20.56%	22.3%	26.5%	25.7%
Total Assets	2,031,717	1,894,248	1,469,887	1,281,171	1,206,430	1,133,284	682,586	635,313	466,882	417,105
Return on assets	2.3%	2.0%	3.8%	3.4%	3.8%	6.4%	11.5%	19.2%	23.0%	22.7%
Current Ratio	0.80 times	0.96 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
Net Debt	592,772	448,945	233,412	206,239	280,150	258,018	99,723	118,233	12,139	22,394
Gearing	48%	40%	27%	27%	38%	36%	23%	29%	5.0%	9.0%
Interest cover	3.2 times	3.8 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
Net cash flow from operating activities	149,602	133,162	139,297	161,371	148,024	140,350	129,828	132,590	105,006	116,340
Capital expenditure	284,399	355,693	159,832	181,069	155,043	184,093	84,306	43,412	71,932	60,810
Dividend per share	$0.030	$0.045	$0.020	$0.000	$0.000	$0.025	$0.045	$0.06	$0.08	$0.07
Net Tangible Asset per share	0.54	0.55	0.86	0.50	0.33	0.26	$0.60	$0.50	$0.44	$0.41
Market price per share	$2.20	$1.97	$1.79	$1.82	$2.58	$3.28	$2.28	$1.32	$1.20	$1.01
Maximum market price per share	$2.20	$2.18	$1.84	$2.43	$3.34	$3.28	$2.30	$1.32	$1.25	$1.01
Minimum market price per share	$1.83	$1.80	$1.60	$1.80	$2.58	$2.28	$1.32	$1.08	$1.00	$0.81
Price Earnings ratio	61.58 times	80.71 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
Dividend Yield	1.36%	2.28%	1.12%	0.00%	0.00%	0.76%	1.9%	4.5%	6.7%	6.9%

ATH Group of Companies

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ATH Group of Companies

2024 ANNUAL REPORT

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