OOREDOO MALDIVES PLC
(INCORPORATED IN THE REPUBLIC OF MALDIVES)
CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31ST DECEMBER 2024

Ooredoo Maldives PLC
Consolidated and separate financial statements
for the year ended 31 December 2024
(All amounts are expressed in Maldivian Rufiyaa unless otherwise stated)

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CHARTERED ACCOUNTANTS

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Independent Auditors' Report
To the Shareholders of Ooredoo Maldives PLC
Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated and separate financial statements of Ooredoo Maldives PLC ("the Group"), which comprise the consolidated and separate statement of financial position as at 31st December 2024, the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying consolidated and separate financial statements give a true and fair view of the consolidated and separate financial position of the Group as at 31st December 2024, and of its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the consolidated and separate financial statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code") together with ethical requirements that are relevant to our audit of the consolidated and separate financial statements in Maldives 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 judgment, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue recognition – Existence of revenue

Refer note 4.13 "Revenue recognition" for accounting policies and note 6 on disclosures related to Revenue from operations in the standalone/ consolidated financial statements.

Risk Description	Our Responses
Revenue recognition is one of the most complex area of accounting especially with the added complexity of the vast array of rapidly changing offers, complexity of billing systems, complexity of products and services and due to high volume of low value transactions captured by the billing systems	- Obtaining an understanding of and assessing the design, implementation and operating effectiveness of management's key internal controls. - Assisting by our IT specialists including, among others, those over the input of terms and pricing of different services accuracy of the data captured by different systems and interface between the systems.

Revenue recognition – Existence of revenue (Continued)

The majority of the Group's revenue is generated through the billing systems Determining when and how much revenue is recognized from customer contracts has a significant impact especially on multiple arrangements and customer offers

We identified revenue recognition as a key audit matter because of how much revenue is recognised from customers depend on the individual customer contract Therefore, there is a potential risk that revenue is subject to overstate to meet the expectation of the management

- Performing detailed analysis of the timing of revenue recognition through substantive audit procedures. These audit procedures were performed based on our industry knowledge which include, among others, testing on a sample basis of the;
  - ➢ Adjustments which are outside of the normal billing process,
  - ➢ Revenue recognition on the bundled services offered,
  - ➢ Deferred revenue and cost on installation which is considered as a part of the overall performance obligation of the respective services.
- Evaluating the appropriateness of the allocation of the transaction price, including variable consideration to performance obligations and obtaining an understanding and the operating effectiveness of related controls.
- Assessing the appropriateness of the Group's accounting policies and adequacy of the disclosures for compliance with the revenue recognition requirement of the International Financial Reporting Standards

Other Matter

The financial statements of the Group as at and for the year ended 31st December 2023 were audited by another auditor who expressed an unmodified opinion on those statements on 06th February 2024.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the consolidated and separate financial statements and our auditors' report thereon. The Annual Report is expected to be made available to us after the date of this auditors' report.

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

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with the International Financial Reporting Standards ("IFRSs"), and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

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Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements (Continued)

In preparing the consolidated and separate financial statements, management is 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 management either intends to liquidate the Company and the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's and Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated and Separate Financial Statements

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

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

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

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

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

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

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

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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Auditors' Responsibilities for the Audit of the Consolidated and Separate Financial Statements (Continued)

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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.

Ali Muaaz
Audit License No: ICAM-IL-FQ1
For and on behalf of KPMG Maldives

06th February 2025

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STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31st December	Notes	Group 2024 MVR "000"	Group 2023 MVR "000"	Company 2024 MVR "000"	Company 2023 MVR "000"
Revenue	6	2,202,863	2,096,800	2,199,440	2,092,147
Other income	7	6,300	6,926	8,785	9,509
Network, interconnect and other operating expenses	8	(844,823)	(769,539)	(842,865)	(767,539)
Employee salaries and associated cost	9	(251,913)	(231,995)	(251,913)	(231,995)
Depreciation and amortization		(250,440)	(232,139)	(249,646)	(231,346)
Finance costs	10	(100,024)	(101,010)	(100,024)	(101,010)
Finance income	10	48,174	46,722	48,174	47,465
Impairment losses/(reversal) on financial assets		42	(7,767)	42	(7,858)
Other losses - net	11	(935)	(3,175)	(740)	(3,022)
Profit before tax		**809,244**	**804,823**	**811,253**	**806,351**
Income tax expense	12	(125,060)	(120,251)	(125,060)	(120,251)
Profit (total comprehensive income) for the year		**684,184**	**684,572**	**686,193**	**686,100**
Total comprehensive income attributable to:					
Shareholders of the parent		684,824	685,106	686,193	686,100
Non-controlling interest	25	(640)	(534)	-	-
Total comprehensive income for the year		**684,184**	**684,572**	**686,193**	**686,100**
Basic and diluted earnings per share (MVR)	13	**4.63**	**4.64**	**4.64**	**4.64**

Figures in brackets indicate deductions.

The consolidated and separate financial statements are to be read in conjunction with the related notes, which form an integral part of the consolidated and separate financial statements of the Company set out on pages 10-55. The report of the independent auditors is given on pages 1 to 4.

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STATEMENT OF FINANCIAL POSITION

As at	Notes	Group 31/12/2024 MVR "000"	Group 31/12/2023 MVR "000"	Company 31/12/2024 MVR "000"	Company 31/12/2023 MVR "000"
ASSETS					
Non-current assets					
Property, plant and equipment	14	1,884,956	1,693,479	1,879,803	1,687,525
Intangible assets	15	74,751	50,971	74,751	50,971
Long-term prepayments	19.2	108,647	100,799	107,391	99,429
Right of use assets	16	154,935	193,458	154,935	193,458
Investment in subsidiary	17	-	-	20,045	20,045
Financial assets at amortised cost	21	176,925	176,203	176,925	176,203
Deferred tax assets (net)	12.4	24,304	26,525	24,304	26,525
Total non-current assets		2,424,518	2,241,435	2,438,154	2,254,156
Current assets					
Inventories	18	16,358	35,266	16,358	35,266
Trade and other receivables	19	453,264	321,739	452,183	320,737
Amount due from a related party	20	-	-	4,884	-
Financial assets at amortised cost	21	364,516	843,537	364,516	843,537
Bank balances and cash	22	1,633,902	1,304,945	1,555,319	1,229,696
Total current assets		2,468,040	2,505,487	2,393,260	2,429,236
Total assets		4,892,558	4,746,922	4,831,415	4,683,392
EQUITY AND LIABILITIES					
EQUITY					
Share capital	23	1,478,004	1,478,004	1,478,004	1,478,004
Reserve on translation of share capital	24	144,180	144,180	144,180	144,180
Accumulated surplus		264,163	62,647	269,124	66,239
Total equity attributable to equity holders of the parent		1,886,347	1,684,831	1,891,308	1,688,423
Non-controlling interest	25	8,193	8,833	-	-
Total equity		1,894,540	1,693,664	1,891,308	1,688,423
LIABILITIES					
Non-current liabilities					
Loans and borrowings	26	311,815	354,228	311,815	354,228
Provisions	27	18,427	15,851	18,427	15,851
Lease liabilities	28	139,919	176,454	139,919	176,454
Amounts due to related parties	29.1	148,220	148,220	148,220	148,220
Total non-current liabilities		618,381	694,753	618,381	694,753
Current liabilities					
Loans and borrowings	26	178,428	285,033	178,428	285,033
Lease liabilities	28	26,687	30,535	26,687	30,535
Amounts due to related parties	29.2	430,743	422,808	409,605	401,670
Trade and other payables	30	1,672,081	1,531,726	1,634,714	1,493,982
Current tax liabilities	31	71,698	88,403	72,290	88,996
Total current liabilities		2,379,637	2,358,505	2,321,724	2,300,216
Total liabilities		2,998,018	3,053,258	2,940,105	2,994,969
Total equity and liabilities		4,892,558	4,746,922	4,831,415	4,683,392

* Refer to note 40 for details regarding changes to comparative information.

The consolidated and separate financial statements are to be read in conjunction with the related notes, which form an integral part of the consolidated and separate financial statements of the Company set out on pages 10-55. The report of the independent auditors is given on pages 1 to 4.

Name of the Director **Signature**

George Bowring Challenor/ Chairman, Audit & Risk Management Committee

Khalid Hassan M A Al-Hamadi/ Managing Director & Chief Executive Officer

Suresh Kalpathi Chidambaram/ Chief Financial Officer

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STATEMENT OF CHANGES IN EQUITY

	Attributable to the owners of the company					
	Share capital	Reserve on translation of share capital	Accumulated (deficit) / surplus	Total	Non-controlling interest	Total equity
Group	MVR "000"	MVR "000"	MVR "000"	MVR "000"	MVR "000"	MVR "000"
As at 01 January 2023	1,478,004	144,180	(173, 46)	1,449,038	9,367	1,458,405
Comprehensive income for the year						
Profit for the year	-	-	685, 06	685,106	(534)	684,572
Total comprehensive income for the year	-	-	685, 06	685,106	(534)	684,572
Transactions with the owners of the group						
Dividend declared (Note 23.4)	-	-	(449,313)	(449,313)	-	(449,313)
Total transactions with the owners of the group	-	-	(449,313)	(449,313)	-	(449,313)
As at 31 December 2023	1,478,004	144,180	62,647	1,684,831	8,833	1,693,664
As at 01 January 2024	1,478,004	144,180	62,647	1,684,831	8,833	1,693,664
Comprehensive income for the year						
Profit for the year	-	-	684,824	684,824	(640)	684,184
Total comprehensive income for the year	-	-	684,824	684,824	(640)	684,184
Transactions with the owners of the group						
Dividend declared (Note 23.4)	-	-	(483,307)	(483,307)	-	(483,307)
Total transactions with the owners of the group	-	-	(483,307)	(483,307)	-	(483,307)
As at 31 December 2024	1,478,004	144,180	264, 63	1,886,347	8,193	1,894,540

Figures in brackets indicate deductions.

The consolidated and separate financial statements are to be read in conjunction with the related notes, which form an integral part of the consolidated and separate financial statements of the Company set out on pages 10-55. The report of the independent auditors is given on pages 1 to 4.

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STATEMENT OF CHANGES IN EQUITY

	Attributable to the owners of the company			
	Share capital	**Reserve on translation of share capital**	**Accumulated (deficit) / surplus**	**Total**
Company	**MVR "000"**	**MVR "000"**	**MVR "000"**	**MVR "000"**
As at 01 January 2023	1,478,004	144,180	(170,549)	1,451,635
Comprehensive income for the year				
Profit for the year	-	-	686,100	686,100
Total comprehensive income for the year	-	-	686,100	686,100
Transactions with the owners of the Company				
Dividend declared (Note 23.4)	-	-	(449,313)	(449,313)
Total transactions with the owners of the Company	-	-	(449,313)	(449,313)
As at 31 December 2023	1,478,004	144,180	66,239	1,688,423
As at 01 January 2024	1,478,004	144,180	66,239	1,688,423
Comprehensive income for the year				
Profit for the year	-	-	686,193	686,193
Total comprehensive income for the year	-	-	686,193	686,193
Transactions with the owners of the Company				
Dividend declared (Note 23.4)	-	-	(483,307)	(483,307)
Total transactions with the owners of the Company	-	-	(483,307)	(483,307)
As at 31 December 2024	1,478,004	144,180	269,124	1,891,308

Figures in brackets indicate deductions.

The consolidated and separate financial statements are to be read in conjunction with the related notes, which form an integral part of the consolidated and separate financial statements of the Company set out on pages 10-55. The report of the independent auditors is given on pages 1 to 4.

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STATEMENT OF CASH FLOWS

		Group		Company	
For the year ended 31 December		**2024**	**2023**	**2024**	**2023**
	Notes	**MVR "000"**	**MVR "000"**	**MVR "000"**	**MVR "000"**
Cash flows from operating activities					
Profit before tax		809,244	804,823	811,253	806,351
Adjustments for:					
Depreciation on property, plant and equipment	14	191,813	182,518	190,899	181,725
Disposal loss / (gain) of property, plant and equipment		(385)	3,155	(385)	3,155
Amortization of intangible assets	15	18,924	12,803	18,924	12,803
Amortization of long-term prepayments	19.2	8,114	7,035	8,000	6,921
Depreciation of right to use assets	16	39,822	36,819	39,822	36,819
Provision made / (reversed) during the year	18.1	3,504	(322)	3,504	(322)
Lease derecognition gain	16	(6,300)	-	(6,300)	-
Provision for expected credit losses on trade receivables	19.3	3,251	7,037	3,252	7,037
Reversal for expected credit losses on investments	21.1	(2,975)	(644)	(2,975)	(570)
Provision / (reversal) for expected credit losses on bank balances	22.1	(973)	1,371	(973)	1,397
Interest income	10	(48,174)	(46,722)	(48,174)	(47,465)
Interest expense	10	100,024	101,010	100,024	101,010
Operating profit before working capital changes		1,115,888	1,108,883	1,116,871	1,108,861
Working capital changes					
Change in inventories		15,404	448	15,404	451
Change in contract assets		9,070	(19,132)	9,070	(19,132)
Change in trade and other receivables		(143,847)	30,493	(143,540)	30,489
Change in amount due from related party		-	-	(4,884)	68,699
Change in amounts due to related parties		7,935	85,509	7,935	92,197
Change in trade and other payables		133,882	44,679	134,028	44,551
Cash generated from operating activities		1,138,334	1,250,880	1,134,886	1,326,116
Interest paid	10	(100,024)	(101,010)	(100,024)	(101,010)
Interest received	10	48,174	46,722	48,174	47,465
Tax paid	31	(139,545)	(72,804)	(139,545)	(75,197)
Net cash from operating activities		946,938	1,123,788	943,490	1,197,374
Cash flows from investing activities					
Purchase and construction of property, plant and equipment	14	(383,290)	(497,387)	(383,176)	(497,387)
Acquisition of intangible assets	15	(42,704)	(24,250)	(42,704)	(24,250)
Additions to long-term prepayments	19.2	(16,191)	(16,191)	(16,191)	(16,191)
Net movement in financial assets at amortised cost	21	481,274	(732,887)	481,274	(791,497)
Consideration received from disposal of assets		385	405	385	405
Net cash generated / (used) in investing activities		39,474	(1,270,310)	39,588	(1,328,920)
Cash flows from financing activities					
Dividend paid during the period		(475,542)	(329,059)	(475,542)	(329,059)
Principal element of lease repayments		(33,868)	(42,331)	(33,868)	(42,331)
Net movement in loans and borrowings	26	(149,018)	13,594	(149,018)	13,594
Net cash used in financing activities		(658,428)	(357,796)	(658,428)	(357,796)
Net increase / (decrease) in cash and cash equivalents		327,984	(504,318)	324,650	(489,342)
Cash and cash equivalents at beginning of the year		1,306,511	1,810,829	1,231,231	1,720,574
Cash and cash equivalents at end of the year	22	1,634,495	1,306,511	1,555,881	1,231,232

Figures in brackets indicate deductions.

The consolidated and separate financial statements are to be read in conjunction with the related notes, which form an integral part of the consolidated and separate financial statements of the Company set out on pages 10-55. The report of the independent auditors is given on pages 1 to 4.

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1 Reporting entity

Ooredoo Maldives PLC (the "Company") is a company incorporated and domiciled in the Republic of Maldives as a private limited liability Company since 07 December 2004 under the name of "Wataniya Telecom Maldives Private Limited". The Company's name was changed to Ooredoo Maldives Private Limited and Ooredoo Maldives PLC, respectively with effect from 22 December 2013 and 06 October 2016 and presently governed under the Companies Act No. 07 of 2003, with its registered office at Ooredoo Maldives Headquarters, Bageechaa Hingun, 23000, Hulhumale', Republic of Maldives.

The main business activity of the Company is to engage in the provision of mobile telephone, mobile telecommunication services and provide internet services in Republic of Maldives under a license from Communication Authority of Maldives.

The consolidated and separate financial statements of the Group for the year ended 31st December 2024 comprise of Company and its subsidiary WARF telecom International Private Limited (together referred to as the "Group").

The Company is the immediate holding Company of WARF Telecom International Private Limited, which is engaged in facilitating the bulk sale of international telecommuncations and to construct and operate all telecommunications apparatus and or facilities that are required to provide international telecommunications bandwidth in and out of the Republic of Maldives. As at the reporting date, the Company holds 65% equity interest of WARF Telecom International private Limited. Its registered office is at 2nd Floor, HDC Building, Hulhumale' Male', P.O.Box 2196, Republic of Maldives.

The Company's ultimate parent undertaking and controlling party is Ooredoo QPSC, a company incorporated and domiciled in Qatar.

The Company with its only subsidiary WARF Telecom International private Limited, has reviewed its exposure to current account and inflationary pressures due to the sharp rise in global commodity prices and other emerging business risks, and it was found that there was a temporary slowdown effect on the Group's revenue. However it has sufficient working capital to sustain its operations. The Group also has comfortable liquidity buffers and does not foresee any breach in financial covenants set out in loan agreements.

2 Basis of preparation

(a) Statement of compliance

The financial statements of the Company and the Group have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations issued by the IFRS Interpretations Committee (IFRS IC) applicable to companies reporting under IFRS. The financial statements comply with IFRS as issued by the International Accounting Standards Board (IASB).

(b) Historical cost convention

The consolidated and separate financial statements have been prepared on the historical cost basis. All the assets and financial assets are measured at historical cost and amortised cost basis and no assets are measured at fair value.

(c) Basis of measurement

These consolidated and separate financial statements are presented in Maldivian Rufiyaa, which is the Group's functional currency. All financial information presented in Maldivian Rufiyaa has been rounded to the nearest thousand Maldivian Rufiyaa.

(d) Use of estimates and judgements

The preparation of the consolidated financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

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2 Basis of preparation (continued)

(d) Use of estimates and judgements (continued)

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

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated and separate financial statements are addressed in the respective notes as below.

- **Impairement of financial assets**

  The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Company and the Group use judgement in making the assumptions and selecting the inputs to the impairment calculation, based on the Company's and Group's past history and existing market conditions, as well as forward looking estimates at the end of each reporting period.

- **Estimation in relation to lease accounting**

  In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

  The lease term is reassessed if an option is actually exercised (or not exercised) or the Company and the Group become obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.

- **Estimated useful lives of PPE and intangible assets**

  The Company and the Group review annually the estimated useful lives of PPE and intangible assets based on factors such as business plan and strategies, expected level of usage and future technological developments. Future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned. A reduction in the estimated useful lives of PPE and intangible assets would increase the recorded depreciation and amortization charge and decrease the carrying value in accordance with the accounting policy stated in note 4.2 and 4.3.

- **Recognition of deferred tax assets**

  Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which temporary differences can be utilised. This involves judgment regarding future financial performance of a particular entity in which the deferred tax asset has been recognised in accordance with the accounting policy stated in note 4.17.

- **Asset retirement obligations ('ARO')**

  ARO applies when there is a legal or constructive obligation associated with the retirement of tangible long-lived assets, and the liability can be reliably estimated. The assumptions used in determining the ARO include the discount rate and expected future cost of escalation as disclosed in note 27 to the financial statements.

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2 Basis of preparation (continued)

- **Contingent liabilities**

  Contingent liabilities are potential liabilities that arise from past events whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Provisions for liabilities are recorded when a loss is considered probable and can be reasonably estimated. The determination of whether or not a provision should be recorded for any potential liabilities or litigation is based on management's judgment.

- **Impairment of inventories**

  Inventories are held at the lower of cost and net realisable value. When inventories become old or obsolete, an estimate is made of their net realisable value. For individually significant amounts this estimation is performed on an individual basis. Amounts which are not individually significant, but which are old or obsolete, are assessed collectively and a provision applied according to the inventory type and the degree of ageing or obsolescence, based on historical selling prices.

3 Changes in material accounting policies

New and amended accounting standards adopted by the Group

The Group has applied the following standards and amendments for the first time for their annual reporting periods commencing 1 January 2024. Most of the amendments listed below did not have any significant impact on amounts recognised in prior periods and are not expected to significantly affect current or future period. The Company did not have to change its accounting policies or make retrospective adjustments as a result of adopting these standards:

(i) Non-current Liabilities with Covenants – Amendments in IAS 1
(ii) Classification of Liabilities as Current or Non-current – Amendments in IAS 1
(iii) Lease Liability in a Sale and Leaseback - Amendments to IFRS 16
(iv) Supplier Finance Arrangements – Amendment to IAS 7 and IFRS 7

4 Material accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these consolidated and separate financial statements and have been applied consistently by the Group.

(a) Going concern

The directors have, at the time of approving the consolidated financial statements, a reasonable expectation that the Group have adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the consolidated financial statements.

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4 Material accounting policies (continued)

(b) Basis of consolidation

(i) Subsidiary

Subsidiary is an entity controlled by the Group. The Group controls an entity when it is exposed to, or has right 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 subsidiary is included in the consolidated financial statements from the date that control commences until the date that control ceases.

(ii) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealized income and expenses arising from intragroup transactions, are eliminated in preparing the consolidated financial statements.

(iii) Non-controlling interest

Non-controlling interests represent the portion of profit or loss and net assets not held by the Group and are presented separately in the consolidated statement of comprehensive income and within equity in the consolidated statement of financial position, separately from parent shareholders' equity.

(c) Transactions in foreign currency

Transactions in foreign currencies are translated to the functional currency at the exchange rate ruling at the date of transaction. Monetary assets and liabilities denominated in foreign currencies other than the functional currency are translated to the functional currency at the exchange rate ruling at the reporting date. Foreign exchange differences arising on translation are recognized in the profit or loss.

All foreign exchange gains and losses are presented in the statement of profit or loss on a net basis within other gains/(losses).

Non-monetary assets and liabilities, which are measured at historical cost, denominated in foreign currencies are translated to the functional currency at the exchange rates ruling at the dates of transactions. Non-monetary assets and liabilities, which are stated at fair value, denominated in foreign currencies are translated to the functional currency at the exchange rates ruling at the dates the values were determined.

4.1 Financial instruments

(i) Recognition and initial measurements

Trade receivables issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Group/ Company 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.

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4.1 Financial instruments (continued)

(ii) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at: amortized cost; FVOCI – debt investment; FVOCI – equity investment; or FVTPL.

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 amortized 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.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. 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.

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4.1 Financial instruments (continued)

(ii) Classification and subsequent measurement (continued)

- 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.

Transfers of financial assets to third parties in transactions that do not qualify for de-recognition 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 compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par-amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets – Subsequent measurement and gains and losses

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.
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 de-recognition is recognised in profit or loss.

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4.1 Financial instruments (continued)

Financial assets – Subsequent measurement and gains and losses (continued)

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 de-recognition, gains and losses accumulated in OCI are reclassified to 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.

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 FVTPL 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 the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on de-recognition is also recognised in profit or loss.

(iii) De-recognition

Financial assets

The Group de-recognizes 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 recognized 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 derecognized.

Financial liabilities

The Group derecognizes a financial liability when its contractual obligations are discharged, cancelled or expire. The Group also derecognizes 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 recognized at fair value.

On de-recognition 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 recognized in profit or loss.

(iv) 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 realize the asset and settle the liability simultaneously.

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4.1 Financial instruments (continued)

(v) Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity.

(vi) Earnings per share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the parent by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which comprise convertible notes and share options granted to employees, if any.

Where the effect of the assumed conversion of the convertible notes and the exercise of all outstanding options have anti-dilutive effect, basic and diluted EPS are stated at the same amount.

4.2 Property, plant and equipment

(i) Recognition and measurement

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

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self constructed assets includes the cost of materials and direct labor, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located and capitalized borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment. Subsequent CWIP is capitalised only when the economic benefits associated with the expenditure flow to the Group.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized net within other income in profit or loss.

(ii) Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in profit or loss as incurred.

(iii) Impairment

The Company reviews its property, plant, and equipment at each financial year-end to identify any indications of material impairment. If such indications exist, the recoverable amount of the asset is estimated. An impairment loss is recognized if the recoverable amount is less than the carrying value.

(iv) Capital work in progress

Capital work in progress as at the year-end represents the costs incurred or accrued for the projects which are not commissioned for commercial operation as at the year end.

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4.2 Property, plant and equipment (continued)

(v) Depreciation

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is recognized in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. Leased assets are depreciated over the shorter of the lease term and their useful lives. The estimated useful lives for the current and comparative periods are as follows:

Leasehold improvement	5 years
Network equipment	8 to 25 years
Network infrastructure equipment	14 years
Office and computer equipment	3 to 5 years
Furnituture and fixtures	5 years
Tool and equipment	3 to 14 years
Vessel and motor vehicles	5 years

Depreciation is provided from the month in which the property, plant and equipment is available for use. Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

4.3 Intangible assets

(i) Recognition and measurement

Intangible assets that are acquired by the Group, which have finite useful lives, are measured at cost less accumulated amortization and accumulated impairment losses if any.

(ii) Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognized in profit or loss as incurred.

(iii) Capital work in progress

Capital work in progress as at the year-end represents the costs incurred or accrued for the projects which are not commissioned for commercial operation as at the year end.

(iv) Amortization

Amortization is recognized in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, from the date that they are available for use, since this most closely reflects the expected patterns of consumption of the future economic benefits embodied in the assets.

Amortization methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

IT Software	3 to 8 years

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4.4 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. This policy is applied to contracts entered on or after 1st January 2019.

(i) 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 recognizes 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 re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, and 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 amortized 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, 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.

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4.4 Leases (continued)

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 recognize right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. Short term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT-equipment, small items of office furniture etc. underlying asset value of which is less than USD 5,000.

4.5 Inventoies

Inventories are measured at the lower of cost and net realizable value. The cost of inventories is based on the weighted average principle, and includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their existing location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

4.6 Trade and other receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within a year and therefore are all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, where they are recognised at fair value. They are subsequently measured at amortised cost using the effective interest method, less loss allowance. Other receivables generally arise from transactions outside the usual operating activities of the Group and the Company.

4.7 Trade and other payables

These amounts represent liabilities for goods and services provided to the Company and the Group prior to the end of the financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortised cost using the effective interest method.

4.8 Cash and cash equivalent

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with financial institutions and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

4.9 Impairment

4.9.1 Non-derivative financial assets

Financial instruments and contract assets

The Group recognizes loss allowances for ECLs on:

- financial assets measured at amortized cost;
- debt investments measured at FVOCI; and
- contract assets.

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4.9 Impairment (continued)

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

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances 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 and contract assets are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, 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 that includes 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 realizing security (if any is held); or
- the financial asset is more than 90 days past due.

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 amortized cost and debt securities at FVOCI 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 debtor will enter bankruptcy or other financial reorganization; or
- the disappearance of an active market for a security because of financial difficulties.

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4.9 Impairment (continued)

Presentation of allowance for ECL in the statement of financial position

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

For debt securities at FVOCI, the loss allowance is charged to profit or loss and is recognized in OCI.

4.9.2 Write-off

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

4.9.3 Non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than biological assets, investment property, 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 recognized if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognized 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 amortization, if no impairment loss had been recognized.

4.10 Borrowing cost

Borrowing costs are recognized as an expense in the period in which they are incurred, except to the extent where borrowing costs that are directly attributable to the construction of an asset that takes a substantial period of time to get ready for its intended use or sale, are capitalized as part of that asset.

4.11 Employee benefits

(a) Short term employee benefits

Short-term employee benefit obligations of the Group are measured on an undiscounted basis and are expensed as the related service is provided.

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4.11 Employee benefits (continued)

(a) Short term employee benefits (continued)

A liability is recognized for the amount expected to be paid under short-term cash bonus if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(b) Defined contribution plans - employees' retirement pension scheme

A defined contribution plan is a post-employment contribution plan under which an entity pays fixed contributions into a separate entity and has no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in profit or loss in the periods during which related services are rendered by employees. Employees are eligible for Employees' Retirement Pension Scheme Contributions in accordance with the respective statutes and regulations. The Company contributes 7% of gross emoluments of employees to the Employees' Retirement Pension Scheme.

4.12 Provisions

A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

If the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of discount is recognized as finance cost.

A provision is made for the best estimate of the present value of the unavoidable future cost of dismantling and removing the items of property, plant and equipment and restoring the sites on which they are located.

4.13 Revenue recognition

The Company and the Group determine the transaction price they expect to be entitled to receive in exchange for fulfilling the promised obligations to the customer. This determination is based on the committed contractual amounts, net of sales taxes and discounts. When assessing the transaction price, the Company and the Group consider variable and non-cash considerations, such as rebates or discounts, as well as amounts payable to the customer, such as refunds. These considerations are included to the extent that it is highly probable a significant reversal of revenue will not occur.

The transaction price is allocated among the identified obligations based on their relative standalone selling prices. The standalone selling price of each obligation in the contract is determined by considering the prices the Company and the Group would achieve by selling the same goods or services to a similar customer on a standalone basis. If the Company and the Group do not sell equivalent goods or services in similar circumstances on a standalone basis, the standalone price is estimated. In such cases, the Group maximizes the use of observable external inputs, such as standalone prices for similar goods or services sold by third parties, or applies a cost-plus-reasonable-margin approach.

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4.13 Revenue recognition (continued)

Revenue is recognized when the respective obligations in the contract are delivered to the customer and payment is deemed probable.

The revenue is recognized as follows:

(i) Mobile revenue

Revenue from the provision of telecommunication services—such as call time, messaging, data services, and information provision—as well as fees for connecting users of other fixed-line and mobile networks to the Company's and the Group's network, is recognized when or as the entity performs the related service during the agreed service period. Customers are charged government taxes at applicable rates, and revenue is recognized net of such taxes.

Revenue from other network operators, both local and international, for the use of the Company's and the Group's telecommunication network to complete call connections, is recognized when the related services are performed. This recognition is based on traffic minutes or per-second rates stipulated in the relevant agreements and regulations.

If a good or service is separately identifiable within a bundled package, and the customer can benefit from it independently, the Company and the Group recognize revenue for individual services separately. Consideration is allocated between the separate services in a bundle based on their standalone selling prices. These standalone selling prices are determined using the list prices at which the Company and the Group sell network services separately. For post-paid contracts that include handsets, an evaluation is performed to determine whether a significant financing component exists. For contracts where the timing difference between customer payment and the transfer of goods or services is expected to be one year or less, the Company and the Group apply a practical expedient that permits the transaction price to remain unadjusted for significant financing components.

Revenue from the sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns, trade discounts, and volume rebates. Revenue from the sale of telecommunications equipment is recognized when persuasive evidence exists—usually in the form of an executed sales agreement—that the performance obligation related to the supply of the goods has been completed, recovery of the consideration is probable, and the return of goods can be estimated reliably. Additionally, there must be no continuing management involvement with the goods, and the amount of revenue must be measurable reliably.

If discounts are probable and their amounts can be measured reliably, they are recognized as a reduction of revenue as sales are recognized. The total consideration for arrangements involving multiple revenue-generating activities (typically the sale of telecommunications equipment and ongoing services) is allocated to the separable components based on the estimated fair value of each component.

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4.13 Revenue recognition (continued)

(ii) Fixed, broadband and enterprise

Each subscription to a fixed broadband service contract is considered a series of distinct services that are substantially the same and follow the same pattern of transfer to the customer. The provision of set-top boxes, routers, and connection fees for the exclusive use of the Group's services does not represent distinct services or goods. These are combined with the subscription service into a single performance obligation satisfied over time. Revenue is recognized over the period during which the service is performed, starting from the activation date of the subscription and as the service is provided.

Revenue from enterprise solutions is recognized over time by measuring progress toward the complete satisfaction of the performance obligation as of the reporting date. This is assessed using the input method, which is based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs.

For services rendered, such as income from capacity rights, revenue is recognized with reference to the time duration of the service provided.

Payment terms

The Company has a refund policy for faulty devices if the issue is reported within seven days of purchase. However, the Company does not provide a warranty for devices, as it sells handsets with the manufacturer's warranty. Credit terms of 21 days are offered to individual customers, while corporate customers are provided with a credit term of 60 days.

(iii) Others

Other revenue includes income from value-added services and miscellaneous sources

4.14 Operating expenses

Operating expenses are the expenses that are incurred in the natural course of business. These expenses generally consist of the selling and administration expenses. These expenses are revenue in nature since these are incurred in the day-to-day operations of the business and do not incur on the non-current assets.

The nature of the operating expenses is revenue. Therefore, these expenses are not capitalized. Unlike capital expenses that are incurred to support the operations of the business or in the extension of operations, these expenses are supporting in nature and are incurred to carry out the small operations.

4.15 Other gains / (losses)

Other gains / (losses) represents income / (loss) generated by the Group that arises from activities outside of the provision for communication services and equipment sales. Key components of other gains / (losses) are recognised as follows:

Foreign exchange gain and losses

Foreign currency gains and losses on financial assets and financial liabilities are reported on a net basis as either finance income or finance cost depending on whether foreign currency movements are in a net gain or net loss position.

Foreign exchange gains and losses that relate to borrowings are presented in the statement of profit or loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit or loss on a net basis within other gains/(losses).

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4.15 Other gains / (losses) (continued)

Gain / loss on disposal of assets

Any gain or loss on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in consolidated statement of profit or loss.

4.16 Finance income and finance costs

The Group's finance income and finance costs include:

- interest income;
- interest expense;

Interest income or expense is recognized using the effective interest method. Dividend income is recognized in profit or loss on the date on which the Group's right to receive payment is established.

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 amortized 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 amortized 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 amortized cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

4.17 Taxes

Taxes comprise current and deferred tax. Current tax and deferred tax are recognized in profit or loss.

Current tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax

Deferred tax is recognized 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 measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the tax rate enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

4.18 Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. Management has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the Chief Financial Officer.

4.18 Measurement of fair values (continued)

Management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the Management assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of the Standards, including the level in the fair value hierarchy in which the valuations should be classified.

Significant valuation issues are reported to the Group's audit committee.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorized 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 categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

5 Accounting standards issued but not yet effective.

A number of new standards for annual periods beginning after 01 January 2024 and earlier application is permitted; however, the Group has not early adopted the new or amended standards in preparing these financial statements.

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

(A) Presentation and Disclosure in Financial Statements - IFRS 18.
(B) Other accounting standards:
(i) Classification and Measurement of Financial Instruments - amendments to IFRS 9 and IFRS 7
(ii) Lack of Exchangeability amendments to IAS 21
(iii) Annual Improvements to IFRS Accounting Standard – Volume 11
(iv) IFRS 19 Subsidiaries without Public Accountability Disclosures

6 Revenue

The Group's operation and main revenue streams are those described below (note 6.1). The Group's revenue is derived from Mobile, Fixed, Broadband, Enterprise and Others.

6.1 Disaggregation of revenue

Major services lines	**Group**		**Company**	
	2024	**2023**	**2024**	**2023**
	MVR "000"	**MVR "000"**	**MVR "000"**	**MVR "000"**
Mobile revenue	1,681,200	1,615,519	1,677,777	1,615,519
Fixed, broadband and enterprise	520,507	480,455	520,507	475,802
Others	1,156	826	1,156	826
	2,202,863	2,096,800	2,199,440	2,092,147

Timing of revenue recognition	**Group**		**Company**	
	2024	**2023**	**2024**	**2023**
	MVR "000"	**MVR "000"**	**MVR "000"**	**MVR "000"**
At a point in time	18,030	18,965	18,030	18,965
Over time	2,184,833	2,077,835	2,181,410	2,073,182
	2,202,863	2,096,800	2,199,440	2,092,147

Contract assets arriving from the revenue from enterprise solution and device sales as at 31 December 2024 is MVR 14.6 Mn (2023: MVR 23.7 Mn).

7 Other income	**Group**		**Company**	
	2024	**2023**	**2024**	**2023**
	MVR "000"	**MVR "000"**	**MVR "000"**	**MVR "000"**
Management fees	-	-	2,485	2,583
Gain on de-recognition of ROU assets	6,300	6,926	6,300	6,926
	6,300	6,926	8,785	9,509

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8 Network, interconnect and other operating expenses

	Group		Company	
	2024 MVR "000"	2023 MVR "000"	2024 MVR "000"	2023 MVR "000"
Direct cost of services	327,593	315,248	327,593	315,248
Management fees	96,000	90,999	96,000	90,999
Marketing expenses	37,973	40,270	37,973	40,270
Repair and maintenance costs	97,872	86,339	97,872	86,339
Operating lease rent	598	2,608	42	2,053
Professional fees	6,000	6,610	5,705	6,331
Other operating costs	278,787	227,465	277,680	226,299
	844,823	769,539	842,865	767,539

Other operating costs of the company and group mainly include license fee/concession costs, network electricity costs, leased internet circuit costs and collection costs.

9 Employee salaries and associated cost

	Group		Company	
	2024 MVR "000"	2023 MVR "000"	2024 MVR "000"	2023 MVR "000"
Salaries and wages	146,615	136,157	146,615	136,157
Pension fund contribution	5,654	5,517	5,654	5,517
Allowances	43,151	39,116	43,151	39,116
Bonus	39,639	38,714	39,639	38,714
Other staff costs	16,854	12,491	16,854	12,491
	251,913	231,995	251,913	231,995

10 Net finance costs

	Group		Company	
	2024 MVR "000"	2023 MVR "000"	2024 MVR "000"	2023 MVR "000"
Finance income				
Interest income	48,174	46,722	48,174	47,465
Finance costs				
Interest expenses	(54,985)	(64,781)	(54,985)	(64,781)
Interest cost on lease liability (note 28)	(29,923)	(25,125)	(29,923)	(25,125)
Bank charges	(14,054)	(10,502)	(14,054)	(10,502)
Unwinding of discount of asset retirement obligation (Note 27.1)	(1,062)	(602)	(1,062)	(602)
	(100,024)	(101,010)	(100,024)	(101,010)
Net finance costs	(51,850)	(54,288)	(51,850)	(53,545)

11 Other losses - net

	Group		Company	
	2024 MVR "000"	2023 MVR "000"	2024 MVR "000"	2023 MVR "000"
Foreign exchange (loss) / gain on others	(1,125)	133	(1,125)	133
Other miscellaneous expenses	(195)	(153)	-	-
Gain / (loss) on disposal of assets	385	(3,155)	385	(3,155)
	(935)	(3,175)	(740)	(3,022)

12 Income tax

	Group		Company	
	2024 MVR "000"	2023 MVR "000"	2024 MVR "000"	2023 MVR "000"
Current tax expense	122,839	119,145	122,839	119,145
Reversal of deferred tax asset (note 12.2)	2,384	2,066	2,384	2,066
Reversal of deferred tax liability (note 12.3)	(163)	(960)	(163)	(960)
	125,060	120,251	125,060	120,251

12 Income tax (continued)

12.1 Numerical reconciliation of income tax expense to prima facie tax payable

	Group		Company	
	2024	2023	2024	2023
	MVR "000"	MVR "000"	MVR "000"	MVR "000"
Accounting profit before tax	809,244	804,823	811,253	806,350
Tax calculated at the rate of 15%	121,387	120,723	121,688	120,953
Add: tax on non-deductible expenses	51,876	47,903	51,575	47,674
Less: tax on deductible expenses	(50,424)	(49,482)	(50,424)	(49,482)
Income tax expense	122,839	119,144	122,839	119,145

In accordance with the provisions of the Income Tax Act No. 25 of 2019, relevant regulations and subsequent amendments thereto, the Company is liable for income tax on its taxable profits at the rate of 15%. The effective tax rate for the year ended 31st December 2024 is 15.18% (31st December 2023: 14.80%)

The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including tax regulations, guidelines and prior experience.

12.2 Deferred tax assets

	Group		Company	
	2024	2023	2024	2023
	MVR "000"	MVR "000"	MVR "000"	MVR "000"
As at 1 January	27,978	30,044	27,978	30,044
Reversal during the year	(2,384)	(2,066)	(2,384)	(2,066)
As at 31 December	25,594	27,978	25,594	27,978

The recognized deferred tax assets are attributable to the following;

As at 31 December 2024

	Group		Company	
	31/12/2024		31/12/2024	
	Temporary difference MVR "000"	Tax effect MVR "000"	Temporary difference MVR "000"	Tax effect MVR "000"
Asset retirement obligation	18,427	2,764	18,427	2,764
Property, plant and equipment	30,526	4,579	30,526	4,579
Provision for doubtful debt	70,351	10,553	70,351	10,553
Bonus provision	50,545	7,582	50,545	7,582
Other provision	771	116	771	116
	170,620	25,594	170,620	25,594

As at 31 December 2023

	Group		Company	
	31/12/2023		31/12/2023	
	Temporary difference MVR "000"	Tax effect MVR "000"	Temporary difference MVR "000"	Tax effect MVR "000"
Asset retirement obligation	15,851	2,378	15,851	2,378
Property, plant and equipment	56,518	8,478	56,518	8,478
Provision for doubtful debt	66,807	10,021	66,807	10,021
Bonus provision	47,341	7,101	47,341	7,101
	186,517	27,978	186,517	27,978

12.3 Deferred tax liabilities

	Group		Company	
	2024	2023	2024	2023
	MVR "000"	MVR "000"	MVR "000"	MVR "000"
As at 1 January	1,453	2,413	1,453	2,413
Reversed during the year	(163)	(960)	(163)	(960)
As at 31 December	1,290	1,453	1,290	1,453

12 Income tax (continued)

12.3 Deferred tax liabilities (continued)

The recognized deferred tax liabilities are attributable to the following;

As at 31 December 2024	Group		Company	
	31/12/2024		31/12/2024	
	Temporary difference MVR "000"	Tax effect MVR "000"	Temporary difference MVR "000"	Tax effect MVR "000"
Intangible assets	8,598	1,290	8,598	1,290
	8,598	1,290	8,598	1,290

As at 31 December 2023	Group		Company	
	31-12-23		31-12-23	
	Temporary difference MVR "000"	Tax effect MVR "000"	Temporary difference MVR "000"	Tax effect MVR "000"
Intangible assets	9,684	1,453	9,684	1,453
	9,684	1,453	9,684	1,453

12.4 Net deferred tax assets/ (liabilities)	Group		Company	
	2024 MVR "000"	2023 MVR "000"	2024 MVR "000"	2023 MVR "000"
Deferred tax assets	25,594	27,978	25,594	27,978
Deferred tax liabilities	(1,290)	(1,453)	(1,290)	(1,453)
	24,304	26,525	24,304	26,525

13 Basic and diluted earnings per share

The calculation of basic and diluted earnings per share is based on profit for the year attributable to the ordinary shareholders and weighted average number of ordinary shares outstanding during the year and calculated as follows;

	Group		Company	
	2024	2023	2024	2023
Profit for the year attributable to shareholders (MVR. "000")	684,824	685,106	686,193	686,100
Weighted average number of ordinary shares in issue ("000")	147,800	147,800	147,800	147,800
Basic and diluted earnings per shares (MVR)	4.63	4.64	4.64	4.64

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14 Property plant and equipment

14.1 Group

	Building	Leasehold Improvements	Network Equipments	Network Infrastructure Equipment	Office and Computer Equipments	Furniture and Fixtures	Tool and Equipments	Vessel and Motor Vehicles	Capital Work In Progress	Total 2024	Total 2023
	MVR "000"	MVR "000"	MVR "000"	MVR "000"	MVR "000"	MVR "000"	MVR "000"	MVR "000"	MVR "000"	MVR "000"	MVR "000"
Cost											
As at 1st January 2024	254,170	39,684	1,602,602	657,010	21,971	11,984	145,330	15,262	516,649	3,264,661	2,881,323
Additions during the year	-	-	-	-	-	-	-	-	403,140	403,140	488,887
Transferred from capital work in progress	41,678	107,945	310,136	18,795	3,677	1,345	38,158	2,065	(523,799)	-	-
Transferred from intangible assets	-	-	-	-	-	-	-	-	-	-	8,500
Transferred to intangible assets	-	-	-	-	-	-	-	-	(19,850)	(19,850)	-
Disposals during the year	-	-	-	-	-	(23)	-	-	-	(23)	(114,049)
As at 31st December 2024	295,848	147,629	1,912,738	675,805	25,648	13,306	183,488	17,327	376,140	3,647,928	3,264,661
Accumulated depreciation											
As at 1st January 2024	6,815	3,181	879,070	541,194	13,145	4,462	116,095	7,220	-	1,571,182	1,499,154
Charge for the year	11,556	1,268	138,778	19,246	5,114	2,238	11,250	2,363	-	191,813	182,518
Disposals during the year	-	-	-	-	-	(23)	-	-	-	(23)	(110,489)
As at 31st December 2024	18,371	4,449	1,017,848	560,440	18,259	6,677	127,345	9,583	-	1,762,972	1,571,182
Net carrying amount											
As at 31st December 2024	277,477	143,180	894,890	115,365	7,389	6,629	56,143	7,744	376,140	1,884,956	
As at 31st December 2023	247,355	36,503	723,532	115,816	8,826	7,522	29,235	8,042	516,649		1,693,479

14.2 The capital work in progress mainly includes the amount incurred in respect of New Site Deployment & Enhancements (MVR 210.51 Mn), ESS Transformation (MVR 45.49 Mn), FBB Expansion (MVR 31.25 Mn), Subsea Cable (MVR 25.35 Mn) and Other Projects (MVR 63.43 Mn) respectively, as at 31st December 2024.

14.3 The leasehold improvements includes the amount incurred in respect of leasehold lands (MVR 138.68 Mn) as at 31st December 2024. (2023 MVR 33.44)

14.4 Property, plant and equipment are not pledged as security for liabilities and no restrictions on title.

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14 Property plant and equipment

14.5 Company

	Building	Leasehold Improvements	Network Equipments	Network Infrastructure Equipment	Office and Computer Equipments	Furniture and Fixtures	Tool and Equipments	Vessel and Motor Vehicles	Capital Work In Progress	Total 2024	Total 2023
	MVR "000"	MVR "000"	MVR "000"	MVR "000"	MVR "000"	MVR "000"	MVR "000"	MVR "000"	MVR "000"	MVR "000"	MVR "000"
Cost											
As at 1st January 2024	254,170	39,685	1,585,096	657,009	21,970	11,982	139,840	15,262	516,648	3,241,665	2,858,327
Additions during the year	-	-	-	-	-	-	-	-	403,026	403,026	488,887
Asset retirement obligation	-	-	-	-	-	-	-	-	-	-	-
Transferred from capital work in progress	41,678	107,945	310,136	18,795	3,677	1,345	38,158	2,065	(523,799)	-	-
Transferred from intangible assets	-	-	-	-	-	-	-	-	-	-	8,500
Changes to the asset retirement obligation	-	-	-	-	-	-	-	-	-	-	-
Transferred to intangible assets	-	-	-	-	-	-	-	-	(19,850)	(19,850)	-
Disposals during the year	-	-	-	-	-	(23)	-	-	-	(23)	(114,049)
As at 31st December 2024	295,848	147,630	1,895,232	675,804	25,647	13,304	177,998	17,327	376,025	3,624,818	3,241,665
Accumulated depreciation											
As at 1st January 2024	6,814	3,180	867,517	541,193	13,146	4,462	110,606	7,222	-	1,554,140	1,482,906
Charge for the year	11,556	1,268	137,985	19,125	5,114	2,238	11,250	2,363	-	190,899	181,725
Disposals during the year	-	-	-	-	-	(23)	-	-	-	(23)	(110,489)
As at 31st December 2024	18,370	4,448	1,005,502	560,318	18,260	6,677	121,856	9,585	-	1,745,015	1,554,140
Net carrying amount											
As at 31st December 2024	277,478	143,182	889,730	115,486	7,387	6,627	56,142	7,742	376,025	1,879,803	
As at 31st December 2023	247,356	36,505	717,579	115,816	8,824	7,520	29,234	8,040	516,648		1,687,525

14.6 The capital work in progress mainly includes the amount incurred in respect of New Site Deployment & Enhancements (MVR 210.51 Mn), BSS Transformation (MVR 45.49 Mn), FBB Expansion (MVR 31.25 Mn), Subsea Cable (MVR 25.35 Mn) and Other Projects (MVR 63.43 Mn) respectively, as at 31st December 2024.

14.7 The leasehold improvements includes the amount incurred in respect of leasehold lands (MVR 138.68 Mn) as at 31st December 2024. (2023 MVR 33.44)

14.8 Property, plant and equipment are not pledged as security for liabilities and no restrictions on title.

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15 Intangible Assets

15.1 Group

	IT software	Capital work in progress	Total 2024	Total 2023
	MVR "000"	MVR "000"	MVR "000"	MVR "000"
Cost				
As at 1st January	214,847	21,446	236,293	231,938
Additions during the year	-	22,854	22,854	24,250
Transferred from capital work in progress	30,729	(30,729)	-	-
Transferred to property, plant and equipment	-	-	-	(8,500)
Transferred from property, plant and equipment	-	19,850	19,850	-
Disposals during the year	-	-	-	(11,395)
As at 31st December	245,576	33,421	278,997	236,293
Accumulated Amortization				
As at 1st January	185,322	-	185,322	183,914
Amortization for the year	18,924	-	18,924	12,803
Disposals during the year	-	-	-	(11,395)
As at 31st December	204,246	-	204,246	185,322
Net carrying amount				
As at 31st December 2024	41,330	33,421	74,751	
As at 31st December 2023	29,524	21,446		50,971

15.2 The purchase and upgrade cost of IT software has been recognized as an intangible assets and amortized over a period of 3 to 8 years.

15.3 The capital work in progress mainly includes amounts incurred in respect of Capacity upgrades (MVR 23.36 Mn), eSIM Wearables (MVR 4.37 Mn), and other Implimentation Projects (MVR 5.69 Mn) respectively, as at 31st December 2024.

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15 Intangible Assets (Continued)

15.4 Company

	IT software MVR "000"	Capital work in progress MVR "000"	Total 2024 MVR "000"	Total 2023 MVR "000"
Cost				
As at 1st January	214,847	21,446	236,293	231,938
Additions during the year	-	22,854	22,854	24,250
Transferred from capital work in progress	30,729	(30,729)	-	-
Transferred to property, plant and equipment	-	-	-	(8,500)
Transferred from property, plant and equipment	-	19,850	19,850	-
Disposals during the year	-	-	-	(11,395)
As at 31st December	245,576	33,421	278,997	236,293
Accumulated amortization				
As at 1st January	185,322	-	185,322	183,914
Charge for the year	18,924	-	18,924	12,803
Disposals during the year	-	-	-	(11,395)
As at 31st December	204,246	-	204,246	185,322
Net carrying amount				
As at 31st December 2024	41,330	33,421	74,751	
As at 31st December 2023	29,524	21,446		50,971

15.5 The purchase and upgrade cost of IT software has been recognized as an intangible assets and amortized over a period of 3 to 8 years.

15.6 The capital work in progress mainly includes amounts incurred in respect of Capacity upgrades (MVR 23.36 Mn), eSIM Wearables (MVR 4.37 Mn), and other Implimentation Projects (MVR 5.69 Mn) respectively, as at 31st December 2024.

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16 Right of use assets

	Group		Company	
	31-12-24 MVR "000"	31-12-23 MVR "000"	31-12-24 MVR "000"	31-12-23 MVR "000"
Cost				
Opening balance	355,403	338,615	355,403	338,615
Lease modification	1,744	13,665	1,744	13,665
Increase due to additions	28,412	24,259	28,412	24,259
Decrease due to derecognition	(43,461)	(21,136)	(43,461)	(21,136)
Closing balance	342,098	355,403	342,098	355,403

	Group		Company	
	31-12-24 MVR "000"	31-12-23 MVR "000"	31-12-24 MVR "000"	31-12-23 MVR "000"
Accumulated depreciation				
Opening balance	161,945	140,155	161,945	140,155
Charge for the year	39,822	36,819	39,822	36,819
Derecognition	(14,604)	(15,029)	(14,604)	(15,029)
Closing balance	187,163	161,945	187,163	161,945
Net carrying value	154,935	193,458	154,935	193,458

Right of use assets will be amortized over the lease period.

16.1 Analysis of right of use asset

Net carrying value				
Mobile telecommunication tower sites	121,282	152,440	121,282	152,440
Buildings	33,653	41,018	33,653	41,018
	154,935	193,458	154,935	193,458

16.2 Amounts recognized in profit or loss

	31-12-24	
31 December 2024- Leases under IFRS 16	Group MVR "000"	Company MVR "000"
Interest on lease liabilities (note 28)	29,923	29,923
Expenses relating to short-term leases	210	210
Depreciation of right of use assets	39,822	39,822

Depreciation of right of use assets comprise of MVR 26.22 Mn on Mobile telecommunication tower sites and MVR 13.60 Mn on Buildings.

	31-12-23	
31 December 2023- Leases under IFRS 16	Group MVR "000"	Company MVR "000"
Interest on lease liabilities (note 28)	25,125	25,125
Expenses relating to short-term leases	1,991	1,436
Depreciation of right of use assets	36,819	36,819

Depreciation of right of use assets comprise of MVR 27.98 Mn on Mobile telecommunication tower sites and MVR 8.84 Mn on Buildings.

16.3 Lease modification

During the year the Company and certain lessors agree to revise the rental payments and terms of lease without changing the underlying leases assets. Changes in consideration and terms of these lease contracts are accounted for on 1 January 2024 being the effective date of the modification. The Company remeasured the lease liabilities considering the modified lease payments discounted at the revised incremental rate determined on 1 January 2024. The difference between original lease liability and revised lease liability is adjusted against right of use assets.

16.4 Lease de-recognition

During the year the Company and certain lessors agreed to terminate certain lease agreements. The company measured gains/losses on termination of the leases. Gain or loss on de-recognition is disclosed under note 7.

16.5 Maturity analysis of non-current lease liabilities is as follows:

	31/12/2024		31/12/2023	
	Group MVR "000"	Company MVR "000"	Group MVR "000"	Company MVR "000"
Later than 1 year and not later than 2 years	22,216	22,216	24,184	32,134
Later than 2 year and not later than 5 years	67,373	67,373	66,806	67,885
Later than 5 years	50,330	50,330	85,464	76,435
	139,919	139,919	176,454	176,454

The Company does not face a significant liquidity risk with regard to its lease liabilities.

17 Investment in subsidiary

	Company	
	31/12/2024 MVR "000"	31/12/2023 MVR "000"
WARF Telecom International Private Limited	20,045	20,045
Less: Impairment provision of investment (Note 17.1)	-	-
	20,045	20,045

17.1 Provision for impairment of the investment in subsidiary

	31-12-24 MVR "000"	31-12-23 MVR "000"
As at 1 January	166,843	166,843
Charge of provision for impairment loss during the year	-	-
As at 31 December	166,843	166,843

The subsidiary had accumulated losses amounting to MVR 7.4 Mn as at 31 December 2024.

17.2 Shareholding of investment in subsidiary

	No. of Shares		Shareholding	
	31-12-24 MVR "000"	31-12-23 MVR "000"	31-12-24 MVR "000"	31-12-23 MVR "000"
WARF Telecom International Private Limited (Incorporated in the Republic of Maldives)	20,046,000	20,046,000	65%	65%

18 Inventories

	Group		Company	
	31-12-24 MVR "000"	31-12-23 MVR "000"	31-12-24 MVR "000"	31-12-23 MVR "000"
Merchandise	32,576	47,980	32,576	47,980
Write down of inventories to net realisable value (Note 18.1)	(16,218)	(12,714)	(16,218)	(12,714)
	16,358	35,266	16,358	35,266

18.1 Write down of inventories to net realisable value

As at 1 January	12,714	13,036	12,714	13,036
Provision made/(reversed) during the year	3,504	(322)	3,504	(322)
As at 31 December	16,218	12,714	16,218	12,714

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19 Trade and other receivables	Group		Company	
	31-12-24 MVR "000"	31-12-23 MVR "000"	31-12-24 MVR "000"	31-12-23 MVR "000"
Trade and billing receivables	171,808	183,313	171,808	183,313
Advances and prepayments	41,728	22,136	41,729	22,135
Contract assets (Note 19.1)	14,627	23,697	14,627	23,697
Prepayments (Note 19.2)	7,264	7,035	7,149	6,921
Other receivables	287,215	151,684	286,248	150,797
	522,642	387,865	521,561	386,863
Less: Loss allowance for expected credit loss of trade and other receivables (Note 19.3)	(69,378)	(66,126)	(69,378)	(66,126)
	453,264	321,739	452,183	320,737

19.1 Contract assets	Group		Company	
	31-12-24 MVR "000"	31-12-23 MVR "000"	31-12-24 MVR "000"	31-12-23 MVR "000"
Contract assets	14,627	23,697	14,627	23,697
	14,627	23,697	14,627	23,697
Less: Loss allowance for expected credit loss of contract assets (Note 19.3)	(1,540)	(3,703)	(1,540)	(3,703)
	13,087	19,994	13,087	19,994

(i) Contract assets recognized are in relation to mobile hand set and devices and enterprise solution projects sold on installments.

19.2 Prepayments	Group		Company	
	31-12-24 MVR "000"	31-12-23 MVR "000"	31-12-24 MVR "000"	31-12-23 MVR "000"
Opening balance	107,834	98,678	106,349	97,079
Addition during the year	16,191	16,191	16,191	16,191
Amortisation of prepayments	(8,114)	(7,035)	(8,000)	(6,921)
Closing balance	115,911	107,834	114,540	106,349
Long-term prepayments	108,647	100,799	107,391	99,429
Short-term prepayments	7,264	7,035	7,149	6,921

(ii) Prepayments include lumpsum amount paid for capacity right in advance, which is charged to expenses in a straight line method over the capacity right period (15 years).

(iii) Other receivables of the company and group mainly include roaming commitment. Advances and prepayments mainly include recoverable from MIRA and advances paid to suppliers.

19.3 Loss allowance for expected credit loss of trade and other receivables (excluding contract assets)

	Group		Company	
	31-12-24 MVR "000"	31-12-23 MVR "000"	31-12-24 MVR "000"	31-12-23 MVR "000"
As at 1 January	62,424	58,056	62,423	58,056
Loss allowance made during the year	5,414	4,367	5,415	4,367
As at 31 December (Note 32 (i))	67,838	62,424	67,838	62,423

Loss allowance for expected credit loss of contract assets

	Group		Company	
	31-12-24 MVR "000"	31-12-23 MVR "000"	31-12-24 MVR "000"	31-12-23 MVR "000"
As at 1 January	3,703	1,033	3,703	1,033
Provision / (reversal) made during the year	(2,163)	2,670	(2,163)	2,670
As at 31 December (Note 32 (i))	1,540	3,703	1,540	3,703

Total loss allowance for trade and other receivables including contract assets

	Group		Company	
	31-12-24 MVR "000"	31-12-23 MVR "000"	31-12-24 MVR "000"	31-12-23 MVR "000"
As at 1 January	66,127	59,089	66,126	59,089
Provision / (reversal) made during the year	3,251	7,037	3,252	7,037
As at 31 December	69,378	66,126	69,378	66,126

20 Amount due from a related party

	Group		Company	
	31-12-24	31-12-23	31-12-24	31-12-23
	MVR "000"	MVR "000"	MVR "000"	MVR "000"
WARF Telecom International	-	-	4,884	-
	-	-	4,884	-

21 Financial assets at amortised cost

	Group		Company	
	31-12-24	31-12-23	31-12-24	31-12-23
	MVR "000"	MVR "000"	MVR "000"	MVR "000"
Investments in fixed deposits more than one year	176,925	176,203	176,925	176,203
Investments in fixed deposits less than one year	364,927	846,923	364,927	846,923
	541,852	1,023,126	541,852	1,023,126
Loss allowance for expected credit losses of investments (Note 21.1)	(411)	(3,386)	(411)	(3,386)
	541,441	1,019,740	541,441	1,019,740

21.1 Loss allowance for expected credit losses of financial assets at amortised cost

	Group		Company	
	31-12-24	31-12-23	31-12-24	31-12-23
	MVR "000"	MVR "000"	MVR "000"	MVR "000"
As at 1 January	3,386	4,030	3,386	3,956
Loss allowance made during the year	(2,975)	(644)	(2,975)	(570)
As at 31 December	411	3,386	411	3,386
Investments in fixed deposits less than one year (net)	364,516	843,537	364,516	843,537
Investments in fixed deposits more than one year (net)	176,925	176,203	176,925	176,203

(i) Investments in fixed deposits are classified as amortized cost. The Interest rate of the deposits are ranging from 2.00% to 5.50% per annum and maturity periods are ranging from above one month to two years. Deposits amounting MVR 241.71 Mn as at 31st December 2024 (31st December 2023: MVR 375.39 Mn) are denominated in USD.

(ii) Ooredoo Maldives PLC has pledged fixed deposits amounting MVR 837.60 Mn as at 31st December 2024 (31st December 2023: MVR 715.83Mn) as collateral against loans (restricted cash).

22 Bank balances and cash

	Group		Company	
	31-12-24	31-12-23	31-12-24	31-12-23
	MVR "000"	MVR "000"	MVR "000"	MVR "000"
Cash in hand	2,572	1,837	2,572	1,837
Balances with banks	1,631,923	1,304,674	1,553,309	1,229,394
	1,634,495	1,306,511	1,555,881	1,231,231
Loss allowances for expected credit losses of bank balances (Note 22.1)	(593)	(1,566)	(562)	(1,535)
	1,633,902	1,304,945	1,555,319	1,229,696

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22 Bank balances and cash (Continued)

22.1 Loss allowances for expected credit losses of bank balances

	Group		Company	
	31-12-24	31-12-23	31-12-24	31-12-23
	MVR "000"	MVR "000"	MVR "000"	MVR "000"
Opening balance	1,566	195	1,535	138
Loss allowance (reversed) /charged during the year	(973)	1,371	(973)	1,397
As at 31 December	593	1,566	562	1,535

The company has invested fixed deposits (less than 3 months) amounting to MVR 1,309 Mn as at 31 December 2024. (MVR 885 Mn as at 31 December 2023).

23 Share capital

23.1 Authorized

Authorized share capital comprises of 155,202,000 (2023: 155,202,000) ordinary shares. All shares are at par value of MVR. 10/- (2023 : MVR 10/-) each.

23.2 Issued share capital

Issued and paid up share capital comprises of 147,800,401 (2024: 147,800,401) ordinary shares. All shares are at par value of MVR 10/- (2023: MVR 10/-).

23.3 Fully paid share capital

	Group		Company	
	31-12-24	31-12-23	31-12-24	31-12-23
	MVR "000"	MVR "000"	MVR "000"	MVR "000"
As at 1 January	1,478,004	1,478,004	1,478,004	1,478,004
As at 31 December	1,478,004	1,478,004	1,478,004	1,478,004

23.4 Dividend

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at the shareholders' meetings of the Company.

Dividend paid and proposed	Group	
	31-12-24	31-12-23
	MVR"000"	MVR"000"
Declared accrued and paid during the year final dividend for 2023, MVR 3.27 per share (for 2022, MVR 3.04 per share)	483,307	449,313

24 Reserve on translation of share capital

Consequent to the decision taken by the Board of Directors of the Group/ Company, the functional currency of the Group/ Company was changed from United States Dollar (US$) to Maldivian Rufiyaa (MVR) with effect from 1st January 2014. The exchange difference arose from the translation of issued share capital as at 1st January 2014 was recognized in this reserve. This is an un-distributable reserve.

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25 Non-controlling interest

	Group	
	31-12-24 MVR "000"	31-12-23 MVR "000"
As at 1st January	8,833	9,367
+ (Loss) / profit allocated to non-controlling interest	(640)	(534)
As at 31st December	8,193	8,833

The following table summarizes the information relating to WARF Telecom International Private Limited which is the subsidiary of the Company that has material non-controlling interest (NCI), before any intra group eliminations.

	31-12-24 MVR"000"	31-12-23 MVR"000"
Non-controlling interest %	35%	35%
Non-current assets	6,411	7,318
Current assets	79,661	76,246
Current liabilities	(62,642)	(58,177)
Net assets	23,430	25,387
Net assets attributable to NCI	8,201	8,885
Non-controlling interest		
Non-controlling interest %	35%	35%
Revenue	3,423	4,654
Loss after tax	(1,957)	(1,526)
Total comprehensive loss	(1,957)	(1,526)
Loss allocated to non-controlling interest	(640)	(534)
Net cash generated from / (used in) operating activities	3,335	(73,274)
Net cash generated from investing activities	-	56,905
Net increase / (decrease) in cash and cash equivalents	3,335	(16,369)

26 Loans and borrowings

	Group		Company	
	31-12-24 MVR"000"	31-12-23 MVR"000"	31-12-24 MVR"000"	31-12-23 MVR"000"
As at 1 January	639,261	625,667	639,261	625,667
Borrowings during the year	200,460	323,820	200,460	323,820
Repayments during the year	(349,478)	(310,226)	(349,478)	(310,226)
As at 31 December	490,243	639,261	490,243	639,261

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26 Loans and borrowings (continued)

	Group		Company	
	31-12-24 MVR"000"	31-12-23 MVR"000"	31-12-24 MVR"000"	31-12-23 MVR"000"
26.1 Sources of finance				
Term loan i (Note 26.4)	-	124,193	-	124,193
Term loan ii (Note 26.5)	-	64,250	-	64,250
Term loan iii (Note 26.6)	-	8,372	-	8,372
Term loan iv (Note 26.7)	-	11,182	-	11,182
Term loan v (Note 26.8)	79,765	109,582	79,765	109,582
Term loan vi (Note 26.9)	8,397	16,069	8,397	16,069
Term loan vii (Note 26.10)	19,410	34,561	19,410	34,561
Term loan viii (Note 26.11)	119,933	154,200	119,933	154,200
Term loan ix (Note 26.12)	89,396	116,852	89,396	116,852
Term loan x (Note 26.13)	59,583	-	59,583	-
Term loan xi (Note 26.14)	39,354	-	39,354	-
Term loan xii (Note 26.15)	74,405	-	74,405	-
	490,243	639,261	490,243	639,261
26.2 Non - current liabilities	311,815	354,228	311,815	354,228
Repayment of non-current liabilities schedule is as follows:				
More than one year, less than two years	166,895	263,917	166,895	263,917
More than two years	144,920	90,311	144,920	90,311
	311,815	354,228	311,815	354,228
26.3 Current liabilities	178,428	285,033	178,428	285,033

26.4 Term loan i

The Company entered into a loan agreement dated 13th January 2020, and obtained a term loan facility amounting to US$ 29,100,000/- on 18th March 2020 for the purpose of restructuring the loan facility. The loan is repayable within 54 equal monthly instalments of USD 538,888.88/- each (1 US$ = MVR 15.42). The loan is unsecured. The loan has been fully prepaid on 17th July 2024.

26.5 Term loan ii

The Company entered into an import line facility agreement dated 17th September 2020, amounting to US$ 10,000,000/- which was obtained on 15th February 2021 for the purpose of financing the capital expenditure. The facility is unsecured.

The loan has been fully prepaid on 16th October 2024.

26.6 Term loan iii

The Company obtained the term loan facility by entering into a loan agreement dated 7th April 2021, amounting to US$ 3,000,000/- which was obtained on 27th May 2021, for the purpose of financing the capital expenditure. The loan is repayable within 30 equal monthly instalments of US$ 110,404 each with grace period of 6 months from the date of drawdown (1 US$ = MVR 15.42). The facility is secured by a USD deposit and MVR deposit equivalent to 115% of outstanding loan amount at the period end. The loan has been fully repaid on 27th May 2024.

26.7 Term loan iv

The Company entered into a term loan facility with the loan agreement dated 14th December 2021, amounting to US$ 2,000,000/- which was obtained on 29th December 2021. The purpose of the loan being company foreign currency requirement. The loan is repayable within 36 equal monthly instalments of USD 63,136/- each (1 US$ = MVR 15.42). The facility is secured by MVR deposit equivalent to 130% of outstanding loan amount. The loan has been fully settled on 25th December 2024.

26.8 Term loan v

The Company entered into a term loan agreement dated 10th April 2022, amounting to US$ 10,000,000/-, which was obtained on 21st April 2022, for the purpose of company foreign currency requirement. The loan is repayable within 60 equal monthly instalments of USD 203,362/- each (1 US$ = MVR 15.42). The facility is secured by MVR deposit equivalent to 125% of outstanding loan amount.

26 Loans and borrowings (continued)

26.9 Term loan vi

The Company entered into a term loan agreement dated 6th December 2022, amounting to US$ 1,500,000/-, which was obtained on 28th December 2022, for the purpose of financing company's foreign currency requirement. The loan is repayable within 36 equal monthly instalments of USD 47,351/- each (1 US$ = MVR 15.42). The facility is secured by MVR deposit equivalent to 125% of outstanding loan amount.

26.10 Term loan vii

The Company entered into a term loan agreement dated 5th February 2023, amounting to US$ 3,000,000/-, which was obtained on 20th February 2023, for the purpose of financing company's foreign currency requirement. The loan is repayable within 36 equal monthly instalments of USD 94,828/- each (1 US$ = MVR 15.42). The facility is secured by a USD deposit and MVR deposit equivalent to 115% of outstanding loan amount at the period end.

26.11 Term loan viii

The Company entered into a term loan agreement dated 16th February 2023, amounting to US$ 10,000,000/-, which was obtained on 04th April 2023, for the purpose of financing company's foreign currency requirement. The loan is repayable after a grace period of 6 months from the date of drawdown, in 18 equal quarterly instalments of USD 555,555.56/- each (1 US$ = MVR 15.42) starting from 28th January 2024. The facility is secured by MVR deposit equivalent to 120% of outstanding loan amount at the period end.

26.12 Term loan ix

The Company entered into a term loan agreement dated 21st August 2023, amounting to US$ 8,000,000/-, which was obtained on 12th September 2023, for the purpose of financing company's foreign currency requirement. The loan is repayable within 48 equal monthly instalments of USD 198,613.03/- each (1 US$ = MVR 15.42). The facility is secured by a USD deposit and MVR deposit equivalent to 115% of outstanding loan amount at the period end.

26.13 Term loan x

The Company entered into a term loan agreement dated 24th March 2024, amounting to US$ 5,000,000/-, which was obtained on 1st April 2024, for the purpose of company foreign currency requirement. The loan is repayable within 36 equal monthly instalments of USD 156,647/- each (1 US$ = MVR 15.42). The facility is secured by MVR deposit equivalent to 125% of outstanding loan amount.

26.14 Term loan xi

The Company entered into a term loan agreement dated 5th June 2024, amounting to US$ 3,000,000/-, which was obtained on 24th June 2024, for the purpose of company foreign currency requirement. The loan is repayable within 36 equal monthly instalments of USD 94,703/- each (1 US$ = MVR 15.42). The facility is secured by MVR deposit equivalent to 125% of outstanding loan amount.

26.15 Term loan xii

The Company entered into a term loan agreement dated 20 August 2024, amounting to US$ 5,000,000/-, which was obtained on 20 October 2024, for the purpose of financing company's foreign currency requirement. The loan is repayable within 48 equal monthly instalments of USD 124,124/- each (1 US$ = MVR 15.42). The facility is secured by a USD deposit and MVR deposit equivalent to 115% of outstanding loan amount at the period end.

26.16 Analysis of the Group/Company's borrowings

(i) The exposure of the Group/Company's borrowings is as follows:

	As at 31-12-24 MVR"000"	As at 31-12-23 MVR"000"
At fixed rates	310,727	296,618

27 Provisions

	Group		Company	
	31-12-24 MVR"000"	31-12-23 MVR"000"	31-12-24 MVR"000"	31-12-23 MVR"000"
Network and asset retirement obligation (Note 27.1)	18,427	15,851	18,427	15,851
	18,427	15,851	18,427	15,851

27.1 Network and asset retirement obligation

	Group		Company	
	31-12-24 MVR"000"	31-12-23 MVR"000"	31-12-24 MVR"000"	31-12-23 MVR"000"
As at 1 January	15,851	14,885	15,851	14,885
Increase due to additions	1,514	364	1,514	364
Unwinding of discount (Note 10)	1,062	602	1,062	602
As at 31 December	18,427	15,851	18,427	15,851

The provisions of network and asset retirement obligations represent the provisions made for the best estimate of the present value of the unavoidable future cost of dismantling and removing the items of property, plant and equipment and restoring the sites on which they are located. The following key assumptions have been used to calculate the network and asset retirement obligation.

Lease period	14 Years	14 Years	14 Years	14 Years
Discount rate	12.00%	10.50%	12.00%	10.50%
Expected future cost of escalation	1.06%	1.20%	1.06%	1.20%

Sensitivity analysis

An increase/decrease of 1% of the discount rate and the expected future cost of escalation would have increased or (decreased) the profit or loss by following amounts. This analysis assumes that the other variables remain constant.

	2024 Effect to profit or loss		2023 Effect to profit or loss	
	Increase MVR	Decrease MVR	Increase MVR	Decrease MVR
Discount rate	(17,542)	17,542	(491)	491
Expected future cost of escalation	38,618	(38,618)	4,156	(4,156)

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28 Lease liabilities

	Group		Company	
	31-12-24 MVR"000"	31-12-23 MVR"000"	31-12-24 MVR"000"	31-12-23 MVR"000"
Opening balance	206,989	227,415	206,989	227,415
Additions during the year	26,898	21,271	26,898	21,271
Derecognition	(35,157)	(13,033)	(35,157)	(13,033)
Lease modification	1,744	13,665	1,744	13,665
Interest expense for the year	29,923	25,125	29,923	25,125
Repayment during the year	(63,791)	(67,456)	(63,791)	(67,456)
Closing balance	166,606	206,989	166,606	206,989
Non - current liabilities	139,919	176,454	139,919	176,454
Current liabilities	26,687	30,535	26,687	30,535

The total cash outflow for leases in 2024 was MVR 63.8 Mn (2023 : MVR 67.46 Mn) for the Company and the Group.

28.1 Analysis of lease liabilities

	Group		Company	
	31-12-24 MVR"000"	31-12-23 MVR"000"	31-12-24 MVR"000"	31-12-23 MVR"000"
Mobile telecommunication tower sites	137,352	166,184	137,352	166,184
Buildings	29,254	40,805	29,254	40,805
	166,606	206,989	166,606	206,989

Leases as lessee (IFRS 16)

The Group takes on lease land and buildings and network assets. The leases typically run for a period of 1 to 35 years, with an option to renew the lease after the non-cancellable period.

Extension options

Some property lease contain extension options exercisable by the Group upto one year before the end of the non-cancellable contract period. The extension options held are exercisable only by the Group and not by the lessors. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options. The Group reassesses whether it is reasonably certain to exercise the options and if the Group is reasonably certain not to terminate.

28.2 Amounts relating to leases recognised in profit or loss:

The following are the amounts relating to leases recognised in profit or loss:

	Group		Company	
Depreciation charge of right of use assets	Year ended 31-12-24 MVR"000"	Year ended 31-12-23 MVR"000"	Year ended 31-12-24 MVR"000"	Year ended 31-12-23 MVR"000"
Mobile telecommunication tower sites	26,224	27,980	26,224	27,980
Buildings	13,598	8,839	13,598	8,839
	39,822	36,819	39,822	36,819
Interest charge on lease liabilities				
Mobile telecommunication tower sites	21,689	20,106	21,689	20,106
Buildings	8,234	5,019	8,234	5,019
	29,923	25,125	29,923	25,125
Total amount recognised in profit or loss	69,745	61,944	69,745	61,944

29 Amounts due to related parties

29.1 Amounts due to related parties (non-current)

	Group		Company	
	31-12-24 MVR"000"	31-12-23 MVR"000"	31-12-24 MVR"000"	31-12-23 MVR"000"
Ooredoo Kuwait	148,220	148,220	148,220	148,220
	148,220	148,220	148,220	148,220

29.2 Amounts due to related parties (current)

	Group		Company	
	31-12-24 MVR"000"	31-12-23 MVR"000"	31-12-24 MVR"000"	31-12-23 MVR"000"
Wataniya International Fz-LLC	260,757	261,018	260,757	261,018
Ooredoo Group LLC	36,087	25,243	36,087	25,243
Ooredoo IP LLC	112,761	115,409	112,761	115,409
Reliance Communications Limited	21,138	21,138	-	-
	430,743	422,808	409,605	401,670

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30 Trade and other payables

	Group		Company	
	31-12-24 MVR"000"	31-12-23 MVR"000"	31-12-24 MVR"000"	31-12-23 MVR"000"
Trade payables	141,036	49,765	141,283	49,694
Accruals and provisions	491,950	517,783	489,772	515,187
Dividend payable	817,323	809,557	782,794	775,029
Deferred revenue (Note 30.2)	100,890	72,284	100,890	72,284
Other payables	120,882	82,337	119,975	81,788
	1,672,081	1,531,726	1,634,714	1,493,982

30.1 Other payables of the company and group mainly include deposits received from customers, pension payable and LC payable.

30.2 Deferred revenue

	Group		Company	
	31-12-24 MVR"000"	31-12-23 MVR"000"	31-12-24 MVR"000"	31-12-23 MVR"000"
Deferred revenue	100,890	72,284	100,890	72,284

Deferred revenue includes amounts from Mobile Business, Enterprise and Others.

31 Income tax payable

	Group		Company	
	31-12-24 MVR"000"	31-12-23 MVR"000"	31-12-24 MVR"000"	31-12-23 MVR"000"
As at 1 January	88,403	42,062	88,996	45,048
Tax expense for the year (Note 12)	122,839	119,145	122,839	119,145
Payments made during the year	(139,545)	(72,804)	(139,545)	(75,197)
As at 31 December	71,698	88,403	72,290	88,996

Income tax receivable has been included in other receivables in the Note 19.

32 Financial instruments and risk management

Financial risk management

Overview

The Group/ Company have exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This note presents information about the Group's/ Company's exposure to each of the above risks, the Group's/ Company's objectives, policies and processes for measuring and managing risk, and the Group's/ Company's management of capital. Further, quantitative disclosures are included throughout these group's/ Company's financial statements.

Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Group's/ the Company's risk management framework.

(i) Credit risk

Credit risk is the risk of financial loss to the Group/ the Company if a customer fails to meet its contractual obligations, and arises principally from the Group's receivables from customers.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	Group Carrying amount		Company Carrying amount	
	31-12-24 MVR"000"	31-12-23 MVR"000"	31-12-24 MVR"000"	31-12-23 MVR"000"
Trade and other receivables (note 19)	365,120	237,307	365,040	237,306
Amount due from related parties (note 20)	-	-	4,884	4,884
Balances with banks (note 22)	1,633,902	1,304,945	1,555,319	1,229,696
Investments in fixed deposits - financial assets at amortised cost (note 21)	541,441	1,028,943	541,441	1,028,943
	2,540,463	2,571,195	2,466,684	2,500,829

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32 Financial instruments and risk management (continued)

(i) Credit risk (continued)

Measurement of expected credit loss (ECL)

Trade and other receivables

The Group's/ Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. There is no concentration of credit risk geographically.

The Group applies the IFRS 9 simplified apprach to measuring expected credit losses which uses a lifetime expected allowance for trade and other eceivables. To measure the expected credit losses, trade and other receivables have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

The expected loss rate are based on the payment profiles of sales over a period of 60 months and 48 months before 31 December 2024 or 1 January 2024 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the abiility of the customers to settle the receivables. The group has identified the GDP rate of the countries in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

The management has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's/ Company's standard payment and delivery terms and conditions are offered. The Group/ Company establishes a provision for impairment that represents its estimate of expected credit losses in respect of trade and other receivables. The provision for impairment represents the specific loss component that relates to individually significant exposures.

Impairment losses

	31/12/2024			31/12/2023		
Group	**Gross MVR"000"**	**Loss rate %**	**Impairment MVR"000"**	**Gross MVR"000"**	**Loss rate %**	**Impairment MVR"000"**
The aging of trade and other receivables (excluding contract assets) at the reporting date was:						
Not past due	288,130	0.00%	-	148,441	-	-
Past due 0-30 days	61,811	44.88%	27,743	87,357	10.63%	9,288
Past due 31-120 days	33,360	27.86%	9,293	12,704	15.01%	1,907
Past due 121-180 days	8,330	43.24%	3,602	5,741	100.00%	5,741
Past due more than 181 days	67,679	40.19%	27,200	45,487	100.00%	45,487
	459,310		67,838	299,730		62,423

Impairment losses

	31/12/2024			31/12/2023		
Company	**Gross MVR"000"**	**Loss rate %**	**Impairment MVR"000"**	**Gross MVR"000"**	**Loss rate %**	**Impairment MVR"000"**
The aging of trade and other receivables (excluding contract assets) at the reporting date was:						
Not past due	288,130	0.00%	-	148,441	-	-
Past due 0-30 days	61,811	44.88%	27,743	87,357	10.63%	9,288
Past due 31-120 days	33,360	27.86%	9,293	12,704	15.01%	1,907
Past due 121-180 days	8,330	43.24%	3,602	5,741	100.00%	5,741
Past due more than 181 days	67,679	40.19%	27,200	45,487	100.00%	45,487
	459,310		67,838	299,730		62,423

Impairment losses

	31/12/2024			31/12/2023		
Group	**Gross MVR"000"**	**Loss rate %**	**Impairment MVR"000"**	**Gross MVR"000"**	**Loss rate %**	**Impairment MVR"000"**
The aging of contract assets at the reporting date was:						
Not past due	14,627	10.53%	1,540	23,697	15.63%	3,703
Past due 0-30 days	-	-	-	-	-	-
Past due 31-120 days	-	-	-	-	-	-
Past due 121-180 days	-	-	-	-	-	-
Past due more than 181 days	-	-	-	-	-	-
	14,627		1,540	23,697		3,703

32 Financial instruments and risk management (continued)

(i) Credit risk (continued)

Impairment losses

	31/12/2024			31/12/2023		
Company	**Gross MVR"000"**	**Loss rate %**	**Impairment MVR"000"**	**Gross MVR"000"**	**Loss rate %**	**Impairment MVR"000"**
The aging of contract assets at the reporting date was:						
Not past due	14,627	10.53%	1,540	23,697	15.63%	3,703
Past due 0-30 days	-	-	-	-	-	-
Past due 31-120 days	-	-	-	-	-	-
Past due 121-180 days	-	-	-	-	-	-
Past due more than 181 days	-	-	-	-	-	-
	14,627		1,540	23,697		3,703

The movement in impairment provision in trade and other receivables and contract assets are disclosed in note 19.3

Forward looking information incorporated in ECL models

The assessment of SICR and the calculation of ECL both incorporate forward-looking information. Ooredoo Maldives PLC has performed historical analysis and identified the key economic variables; Gross domestic product (GDP) of Maldives impacting credit risk and expected credit losses for the trade receivables. For roaming and interconnect receivables, GDP of the respective countries have been considered.

Forecasts of the economic variables (the "base economic scenario") are obtained by Ooredoo Maldives PLC from the forecast available in the IMF website "2025 Projected Real GDP for Maldives".

Credit quality of financial assets

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information abound counterparty default rates:

	Group		Company	
Trade receivables	**31-12-24 MVR"000"**	**31-12-23 MVR"000"**	**31-12-24 MVR"000"**	**31-12-23 MVR"000"**
Not past due	302,757	172,138	302,757	172,138

Economic variable assumptions

Forecasted GDP growth rates

The forecasted GDP growth rates considered to determine the weightage along with weightage for each case are as follows :

	2024	2025
GDP	5.00%	4.70%

Cases	Weightages
Best case	25%
Base case	50%
Worst case	25%

As with any economic forecasts, the projections and likelihoods of occurrence are subject to a high degree of inherent uncertainty and therefore the actual outcomes may be significantly different to those projected. The Company considers these forecasts to represent its best estimate of the possible outcomes.

Other forward-looking considerations not otherwise incorporated, such as the impact of any regulatory or legislative, have also been considered, but are not deemed to have a material impact and therefore no adjustment has been made to the ECL for such factors. This is reviewed and monitored for appropriateness on an annual basis.

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32 Financial instruments and risk management (continued)

(i) Credit risk (continued)

Set out below are the changes to the ECL as at 31st December 2024 that would result from reasonably possible changes in the parameter from the actual assumption used in the Company's economic variable assumption.

		GDP	
	-1%	No change	+1%
	MVR"000"	MVR"000"	MVR"000"
Loss allowance as at 31st December 2024	70,636	69,378	68,600
Loss allowance as at 31st December 2023	67,393	66,126	64,860

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a member to engage in a repayment plan with the Company, and failure to make contractual payments.

Amount due from related parties

The Company assesses the credit quality of its receivables from related parties, taking into account their financial position, past experience and other factors. The Company is dealing with related parties and has not experienced historical credit losses during the past years.

Investments in fixed deposits and balances with banks

The deposits and bank balances have been measured at amortised cost using effective interest methodology. The total amount has been subject to impairment based on the credit ratings obtained from Moodys or Fitch and VIS Credit Rating Company Ltd.

There are some deposits pledged against loans where the Company's exposure will be the net amount after setting off the loan against the deposit. Therefore, the amount subjected to impairment will be the net amount between the company's deposit and the loan.

The Group/ Company believes that the unimpaired amounts outstanding are still collectible, based on historic payment behaviour. Based on historic default rates, the group believes that, apart from the above, no provision for impairment is necessary.

The movement in provision for impairment in respect of trade and other receivables is given in (Note 19.3), balances with banks (Note 22.1), amounts due from related parties (Note 20.1) and investments in fixed deposits (Note 21.1) to consolidated and separate financial statements.

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32 Financial instruments and risk management (continued)

(ii) Liquidity risk

Liquidity risk is the risk that the Group/ the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's/ the Company's approach in managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, without incurring unacceptable losses or risking damage to the Group's/ the Company's reputation.

The followings are the contractual maturities of financial liabilities as at the year end.

31 December 2024

Group	Carrying amount MVR"000"	Contractual cashflow MVR"000"	0-12 Months MVR"000"	1-2 Years MVR"000"	2-5 Years MVR"000"	>5 Years MVR"000"
Financial liabilities (non- derivative)						
Trade and other payables (Note 30)	1,553,843	1,567,204	1,567,204	-	-	-
Loans and borrowings (Note 26)	490,243	722,310	326,511	300,711	95,088	-
Amounts due to related parties (Note 29.2)	578,963	578,963	430,743	-	148,220	-
Lease liabilities (Note 28)	166,606	197,088	41,723	71,209	51,234	32,922
	2,789,655	3,065,565	2,366,181	371,920	294,542	32,922

31 December 2023 Group	Carrying amount MVR"000"	Contractual cashflow MVR"000"	0-12 Months MVR"000"	1-2 Years MVR"000"	2-5 Years MVR"000"	>5 Years MVR"000"
Financial liabilities (non- derivative)						
Trade and other payables (Note 30)	1,445,065	1,455,455	1,455,455	-	-	-
Loans and borrowings (Note 26)	639,261	722,310	326,511	300,711	95,088	-
Amounts due to related parties (Note 29.2)	571,028	571,028	422,808	-	148,220	-
Lease liabilities (Note 28)	206,989	285,977	49,799	71,209	84,109	79,960
	2,862,343	3,034,770	2,254,573	371,920	327,417	79,960

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

31 December 2024 Company	Carrying amount MVR"000"	Contractual cashflow MVR"000"	0-12 Months MVR"000"	1-2 Years MVR"000"	2-5 Years MVR"000"	>5 Years MVR"000"
Financial liabilities (non - derivative)						
Trade and other payables (Note 30)	1,516,476	1,529,837	1,529,837	-	-	-
Loans and borrowings (Note 26)	166,606	722,310	326,511	300,711	95,088	-
Amounts due to related parties (Note 29.2)	557,825	557,825	409,605	-	148,220	-
Lease liabilities (Note 28)	166,606	285,977	49,799	72,109	84,109	79,960
	2,407,513	3,095,949	2,315,752	372,820	327,417	79,960

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32 Financial instruments and risk management (continued)

(ii) Liquidity risk (Continued)

31 December 2023 Company	Carrying amount MVR"000"	Contractual cashflow MVR"000"	0-12 Months MVR"000"	1-2 Years MVR"000"	2-5 Years MVR"000"	>5 Years MVR"000"
Financial liabilities (non - derivative)						
Trade and other payables (Note 30)	1,407,321	1,417,711	1,417,711	-	-	-
Loans and borrowings (Note 26)	206,989	722,310	326,511	300,711	95,088	-
Amounts due to related parties (Note 29.2)	549,890	549,890	401,670	-	148,220	-
Lease liabilities (Note 28)	206,989	285,977	49,799	72,109	84,109	79,960
	2,371,189	2,975,888	2,195,691	372,820	327,417	79,960

The above maturity profile of the financial liabilities represent their undiscounted cashflows.

(iii) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Group's/ the Company's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

(a) Interest rate risk

Profile

At the reporting date, the interest rate profile of the Group's/ the Company's interest-bearing financial instruments was:

	Group Carrying amount		Company Carrying amount	
	31-12-24 MVR"000"	31-12-23 MVR"000"	31-12-24 MVR"000"	31-12-23 MVR"000"
Variable rate instruments				
Term loan i (Note 26.4)	-	124,193	-	124,193
Term loan ii (Note 26.5)	-	64,250	-	64,250
Term loan viii (Note 26.11)	119,933	-	119,933	-
Term loan ix (Note 26.12)	-	154,200	-	154,200
Term loan ix (Note 26.13)	59,583	-	59,583	-
	179,516	342,643	179,516	342,643

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the reporting date would have decreased / (increased) the post-tax profit of the Group and Company by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for 2022.

	Impact on post-tax profit			
	Group		Company	
	31-12-24 MVR"000"	31-12-23 MVR"000"	31-12-24 MVR"000"	31-12-23 MVR"000"
100 Basis points increase in interest rate	(1,795)	(3,426)	(1,795)	(3,426)
100 Basis points decrease in interest rate	1,795	3,426	1,795	3,426

Other than the impact on post-tax profit, there is no impact over the other components of equity.

(b) Exposure to currency risk

The aggregate net foreign exchange gains/losses recognised in profit or loss were:

	Group		Company	
	31-12-24 MVR "000"	31-12-23 MVR "000"	31-12-24 MVR "000"	31-12-23 MVR "000"
Net foreign exchange loss included in other gains / (losses)	(1,125)	133	(1,125)	133
Total net foreign exchange gains / (losses) recognised in profit before income tax for the year	(1,125)	133	(1,125)	133

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32 Financial instruments and risk management (continued)

(iii) Market risk (continued)

(b) Exposure to currency risk (continued)

The Group's exposure to foreign currency risk is as follows based on the year end outstanding balance (expressed in MVR):

	31-12-24		31-12-23	
Group	**US$ "000"**	**Euro "000"**	**US$ "000"**	**Euro "000"**
Cash and cash equivalents (Note 22)	232,140	677	203,424	548
Trade and other receivables (Note 19)	85,843	1,003	85,843	2,479
Trade and other payables (Note 30)	(32,153)	-	(38,650)	-
Loans and borrowings (Note 26)	(490,243)	-	(639,261)	-
Gross statement of financial position exposure	(204,413)	1,680	(388,644)	3,027

	31-12-24		31-12-23	
Company	**US$ "000"**	**Euro "000"**	**US$ "000"**	**Euro "000"**
Cash and cash equivalents (Note 22)	232,140	677	200,839	548
Trade and other receivables (Note 19)	85,843	1,003	85,068	2,479
Trade and other payables (Note 30)	(32,153)	-	(38,650)	-
Loans and borrowings (Note 26)	(469,741)	-	(639,261)	-
Gross statement of financial position exposure	(183,911)	1,680	(392,004)	3,027

The following significant exchange rates were applied during the year:

	Average rate		Average rate	
	31-12-24	**31-12-23**	**31-12-24**	**31-12-23**
1 MVR : US$	0.065	0.065	0.065	0.065
1 MVR : Euro	0.060	0.059	0.060	0.059

In respect of the monetary assets and liabilities denominated in US Dollar, the Company has a limited currency risk exposure on such balances since the Maldivian Rufiyaa is pegged to the US Dollar within a band to fluctuate within ± 20% of the mid-point of exchange rate.

Sensitivity analysis

A reasonably possible strengthening (weakening) of the euro, US dollar against all the other currencies at 31 December would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. The analysis assumes that all other variables, in particular interest rates, remian constant and ignores any impact of forecast sales and purchases.

Group		**Change in USD rate**	**Effect on profit before tax MVR"000"**	**Effect on pre-tax on equity MVR"000"**
	2024	-5%	10,221	10,221
		+5%	(10,221)	(10,221)
	2023	-5%	19,432	19,432
		+5%	(19,432)	(19,432)

Company		**Change in USD rate**	**Effect on profit before tax MVR"000"**	**Effect on pre-tax on equity MVR"000"**
	2024	-5%	9,196	9,196
		+5%	(9,196)	(9,196)
	2023	-5%	19,600	19,600
		+5%	(19,600)	(19,600)

(iv) Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their level in the fair value hierarchy.

Group

As at 31st December 2024	Carrying amount		
	Financial assets at amortized cost	**Financial liabilities at amortized cost**	**Total**
	MVR"000"	**MVR"000"**	**MVR"000"**
Financial assets not measured at fair value			
Trade and other receivables (Note 19)	459,310	-	459,310
Investments in fixed deposits at amortised cost (Note 21)	541,441	-	541,441
Cash and cash equivalents (Note 22)	1,633,902	-	1,633,902
	2,634,653	-	2,634,653
Financial liabilities not measured at fair value			
Loans and borrowings (Note 26)	-	490,243	490,243
Amounts due to related parties (Note 29.1)	-	578,963	578,963
Trade and other payables (Note 30)	-	1,553,843	1,553,843
Lease liabilities (Note 28)	-	166,606	166,606
	-	2,789,655	2,789,655

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32 Financial instruments and risk management (continued)

(iv) Accounting classifications and fair values (continued)

Group

As at 31st December 2023	Carrying amount		
	Financial assets at amortized cost	Financial liabilities at amortized cost	Total
	MVR"000"	MVR"000"	MVR"000"
Financial assets not measured at fair value			
Trade and other receivables (Note 19)	299,730	-	299,730
Investments in fixed deposits at amortised cost (Note 21)	1,028,943	-	1,028,943
Cash and cash equivalents (Note 22)	1,304,945	-	1,304,945
	2,633,618	-	2,633,618
Financial liabilities not measured at fair value			
Loans and borrowings (Note 26)	-	639,261	639,261
Amounts due to related parties (Note 29.1)	-	571,028	571,028
Trade and other payables (Note 30)	-	1,445,065	1,445,065
Lease liabilities (Note 28)	-	206,989	206,989
	-	2,862,343	2,862,343

The Group has not disclosed the fair values for financial instruments when their carrying amounts are a reasonable approximation of fair value.

Company

As at 31st December 2024	Carrying amount		
	Financial assets at amortized cost	Financial liabilities at amortized cost	Total
	MVR"000"	MVR"000"	MVR"000"
Financial assets not measured at fair value			
Trade and other receivables (Note 19)	459,310	-	459,310
Amounts due from related parties (Note 20)	541,441	-	541,441
Investments in fixed deposits at amortised cost (Note 21)	1,555,319	-	1,555,319
Cash and cash equivalents (Note 22)	2,556,070	-	2,556,070
Financial liabilities not measured at fair value			
Loans and borrowings (Note 26)	-	490,243	490,243
Amounts due to related parties (Note 29.1)	-	557,825	557,825
Trade and other payables (Note 30)	-	1,516,476	1,516,476
Lease liabilities (Note 28)	-	166,606	166,606
	-	2,731,150	2,731,150

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32 Financial instruments and risk management (continued)

(iv) Accounting classifications and fair values (continued)

Company

As at 31 December 2023	Carrying amount		
	Financial assets at amortized cost	Financial liabilities at amortized cost	Total
	MVR"000"	MVR"000"	MVR"000"
Financial assets not measured at fair value			
Trade and other receivables (Note 19)	299,730	-	299,730
Investments in fixed deposits at amortised cost (Note 21)	1,028,943	-	1,028,943
Cash and cash equivalents (Note 22)	1,229,696	-	1,229,696
	2,558,369	-	2,558,369
Financial liabilities not measured at fair value			
Loans and borrowings (Note 26)	-	639,261	639,261
Amounts due to related parties (Note 29.1)	-	549,890	549,890
Trade and other payables (Note 30)	-	1,407,321	1,407,321
Lease liabilities (Note 28)	-	206,989	206,989
	-	2,803,461	2,803,461

The Company has not disclosed the fair values for financial instruments when their carrying amounts are a reasonable approximation of fair value.

(v) Capital 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 return 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 or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. Net debt is calculated as total borrowings (including borrowings and lease liabilities as shown in the consolidated statement of financial position) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the consolidated statement of financial position.

	Group		Company	
	31-12-24 MVR"000"	31-12-23 MVR"000"	31-12-24 MVR"000"	31-12-23 MVR"000"
Net debt				
Borrowings	490,243	639,261	490,243	639,261
Lease liabilities	166,606	206,989	166,606	206,989
Cash and cash equivalents	(1,633,902)	(1,304,945)	(1,555,319)	(1,229,696)
Financial assets at amortised cost (investments in fixed	(541,441)	(1,028,943)	(541,441)	(1,028,943)
Net debt	(1,518,494)	(1,487,638)	(1,439,911)	(1,412,389)
Total equity	1,894,540	1,693,664	1,891,308	1,688,423
Gearing	26%	33%	26%	33%

During 2024, the group's strategy, which was unchanged from 2023, was to maintain sufficient cash and bank balances to cover borrowing balances.

Loan covenants

Under the terms of the major borrowing facilities, the group is required to comply with the following financial covenants:

- Total Net Debt to EBITDA should be less than 4.5 and
- EBITDA to Net Interest Payable should be greater than 2.75

The group has complied with these covenants throughout the reporting period. As at 31 December 2024, the ratio of net debt to EBITDA was less than 1 (as at 31 December 2023: less than 1) and the ratio of EBITDA to net interest payable was 22.87 (11.67 as at 31 December 2023).

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33 Events after the reporting date

Techfin Maldives Pvt Ltd, a 100% subsidiary of Ooredoo Maldives Plc. 100% shares of Techfin Maldives Pvt Ltd was transferred to OFTI (Ooredoo Financial Technology International LLC) on 1st January 2025, a company registered in Qatar

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34 Contingent liabilities

34.1 The Maldives Inland Revenue Authority (MIRA) issued a notice of assessment on June 28, 2018, instructing the Company to pay an additional business profit tax of MVR 16,775,603 and accrued interest of MVR 12,699,989 for the years 2013, 2014, and 2015, based on the business profit tax audits. The Company paid the additional tax and interest and filed an objection on September 9, 2018, which was rejected by MIRA. The Company then filed an appeal to the Tax Appeal Tribunal of Maldives on March 21, 2019, and the decision was in favor of Ooredoo Maldives, resulting in a refund of the amount paid.

MIRA then appealed the case to the High Court, which overturned the decision of the Tax Appeal Tribunal and created a liability for the company of MVR 29,878,285. The case has been appealed to the Supreme Court by Ooredoo Maldives and the company is hopeful to obtain a favourable decision from the Supreme Court.

34.2 Bank guarantees and letter of credits as at 31 December 2024 are MVR 8,176,364.58 and MVR 13,361,417.36 respectively (as at 31 December 2023: MVR 6,290,762.86 and MVR 50,911,304.07 respectively).

34.3 There are no other contingent liabilities outstanding as at the reporting date, which require disclosure in the consolidated and separate financial statement other than above.

35 Commitments

35.1 Capital commitments

The Group has entered into contract to purchase / construct property, plant and equipment and intangible assets of MVR. 425,881,548/- as at 31st December 2024 (31st December 2023 : MVR. 278,933,018/-).

36 Related party transactions

(a) Wataniya International FZ-LLC holding owns 90.5% of the total number of shares in issue of the Company. The remaining 9.5% of the shares are widely held. The ultimate parent of the Company is Ooredoo Q.P.S.C., a Company incorporated and domiciled in Qatar.

All related party transactions were entered into in the normal course of business and at prices agreed at negotiated terms. The names of these related parties, nature of these transactions and their total value have been set out in accordance with the provisions of IAS 24: "Related Party Disclosure".

The Group provides telecommunication services as part of its ordinary operations. These telecommunication services are carried out on commercial terms that are negotiated and agreed upon between the parties.

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36 Related party transactions (continued)

(b) Details of transactions carried out with related parties in the ordinary course of business are set out below:

Name of the related party	Relationship	Nature of the transaction	Amount		Balance outstanding due from/ (to)	
			31-12-24 MVR"000"	31-12-23 MVR"000"	31-12-24 MVR"000"	31-12-23 MVR"000"
Ooredoo Group LLC	Affiliate company	Recharge of expenses incurred on behalf of Ooredoo Maldives PLC	(13,945)	(12,927)	(36,087)	(25,243)
		Recharge of expenses incurred on behalf of Ooredoo Group LLC	3,101	878	-	-
Ooredoo IP LLC	Affiliate company	Brand license fee	(33,039)	(31,423)	(112,761)	(115,409)
Ooredoo Kuwait	Intermediate parent	Re-charge of expenses incurred on behalf of Ooredoo Maldives PLC	-	-	(148,220)	(148,220)
Wataniya International Fz-LLC	Immediate parent Company	Management fee	(62,961)	(59,576)	(260,757)	(261,018)
WARF Telecom International Private Limited	Subsidiary	Management fee	2,631	2,631	4,884	-
		Recharge of expenses on behalf of WARF	2,253	3,440		
		Recharge of expenses on behalf of Ooredoo Maldives PLC	-	(1,759)		
Reliance Communications Limited	Affiliate company	Repayment due to capital reduction	-	-	(21,138)	(21,138)

All transactions with related parties are conducted on an arm's length basis. The terms and conditions of these transactions are neither more favorable than those available to unrelated third parties nor those that could reasonably be expected to be available under similar circumstances.

37 Transactions with key management personnel

The Board of Directors of the Company are the members of the key management personnel. The Company has paid MVR 1,824,000/- as Directors' emoluments during the year ended 31 December 2024 (for the year ended 31 December 2023: MVR 1,794,000/-).

38 Operating segments

The Group's operations are solely providing telecommunication services in the Maldives. The operations of the Group looked at as a single operating segment.

The Chief Operating Decision Maker (CODM) of the Group is the Chief Executive Officer (CEO) and the Managing Director of the Group/ the Company. The CEO and Managing Director considers the performance of the Group/ the Company as a whole considering the total operations of the Group/ the Company as one segment in assessing the performance of the Group/ the Company and making decisions about the resource allocation within the Organization.

39 Director's responsibility

The Board of Director's of the Company is responsible for the preparation and presentation of these consolidated and separate financial statements.

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40 Comparative information

The comparative figures have been reclassified in order to conform with the presentation for the current period. Such reclassifications have been made by the Group to improve the quality of information presented and did not have any impact on the previously reported equity and profits.

Statement of financial position reclassification (Group)

	Previous presentation (in MVR '000)	Reclassification (in MVR '000)	Current presentation (in MVR '000)
For the period ended ended 31 Dec 2023			
Financial assets at amortised cost - Current (Note 21)	856,126	(9,203)	846,923
Other receivables (Note 19)	142,481	9,203	151,684
Accruals and provisions (Note 30)	461,176	56,607	517,783
Other payables (Note 30)	138,944	(56,607)	82,337
	1,598,727	-	1,598,727

Statement of financial position reclassification (Company)

	Previous presentation (in MVR '000)	Reclassification (in MVR '000)	Current presentation (in MVR '000)
For the period ended ended 31 Dec 2023			
Financial assets at amortised cost - Current (Note 21)	856,126	(9,203)	846,923
Other receivables (Note 19)	141,594	9,203	150,797
Accruals and provisions (Note 30)	458,662	56,525	515,187
Other payables (Note 30)	138,313	(56,525)	81,788
	1,594,695	-	1,594,695

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